Yucaipa Valley Water District

12770 Second Street, Yucaipa, California 92399 Phone: (909) 797-5117

Notice and Agenda of a Regular Meeting of the Board of Directors

Wednesday, June 20, 2012 at 6:00 p.m.

I. CALL TO ORDER - Pledge of Allegiance

II. ROLL CALL

III. PUBLIC COMMENTS - At this time, members of the public may address the Board of Directors on matters within its jurisdiction. To provide comments on specific agenda items, please complete a speaker's request form and provide the completed form to the Board Secretary prior to the board meeting.

IV. CONSENT CALENDAR - All matters listed under the Consent Calendar are considered by the Board of Directors to be routine and will be enacted in one motion. There will be no discussion of these items prior to the time the board considers the motion unless members of the board, the administrative staff, or the public request specific items to be discussed and/or removed from the Consent Calendar. The General Manager recommends approval of the following:

- A. Minutes of Meetings
  - 1. Regular Board Meeting - June 6, 2012
  - 2. Board Workshop - June 20, 2012
- B. Payment of Bills
  - 1. Approve/Ratify Invoices of Board Awarded Contracts
  - 2. Ratify General Expenses for May 2012

V. BOARD REPORTS

- A. Reports by Board Members

VI. STAFF REPORT

VII. DISCUSSION ITEMS

- A. Unaudited Financial Report for the Period Ending on May 31, 2012 [Director Memorandum No. 12-051 - Page 20 of 145]

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

Any person with a disability who requires accommodation in order to participate in this meeting should telephone Chelsie Fogus at (909) 797-5118 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 board meeting packet are available for public inspection during normal business hours at the District office located at 12770 Second Street, Yucaipa. Meeting material may also be available on the District's website at www.yvwd.dst.ca.us

B. Identification and Declaration of Bad Debts for Calendar Year 2010 [Director Memorandum No. 12-052 - Page 48 of 145]

RECOMMENDED ACTION: That the Board authorizes the District staff to declare bad debts for calendar year 2010 in the amount of $40,057.17.

C. Operating Budget and Capital Improvement Plan for Fiscal Year 2013 [Director Memorandum No. 12-053 - Page 49 of 145]

RECOMMENDED ACTION: That the Board adopts the Fiscal Year 2013 Operating Budget and Capital Improvement Plan.

D. Purchase of Insurance Coverage for Fiscal Year 2013 [Director Memorandum No. 12-054 - Page 60 of 145]

RECOMMENDED ACTION: That the Board authorizes the District staff to execute the necessary documents to secure insurance coverage from Alteris Insurance Services for a sum not to exceed $203.130.

E. Regional Water Allocation Agreement for Water Imported by the San Gorgonio Pass Water Agency [Director Memorandum No. 12-055 - Page 112 of 145]

RECOMMENDED ACTION: That the Board authorizes the Board President to execute the Regional Water Allocation Agreement.

F. Authorization to Execute Documents for the Formation of Community Facilities District No. 2012-1 (Singleton Heights) as a Substitute for Community Facilities District No. 2006-1 [Director Memorandum No. 12-056 - Page 127 of 145]

RECOMMENDED ACTION: That the Board authorizes the Board President to execute the Consent to Assignment of the Joint Community Facilities Agreement and the Fee Deposit and Refund Agreement.

VIII. DIRECTORS 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

B. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: IBEW Local Union 1436 - YVWD Employees Association

C. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Supervisor Bargaining Unit

D. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Exempt Employee Bargaining Unit

X. ANNOUNCEMENTS

A. May 22, 2012 at 4:00 p.m. - Board Workshop

B. June 6, 2012 at 5:45 p.m. - Yucaipa Valley Water District Financing Corporation

C. June 6, 2012 at 6:00 p.m. - Regular Board Meeting

D. June 12, 2012 at 4:00 p.m. - Board Workshop

E. June 20, 2012 at 6:00 p.m. - Regular Board Meeting

F. June 26, 2012 at 4:00 p.m. - Board Workshop

XI. ADJOURNMENT

CONSENT CALENDAR

MINUTES OF A REGULAR BOARD MEETING

June 6, 2012

Directors Present:
- Jay Bogh, President
- Bruce Granlund, Vice President
- Ian Cuthbertson, Director
- Lonni Granlund, Director
- Hank Wochholz, Director

Staff Present:
- Joseph Zoba, General Manager
- Jack Nelson, Assistant Manager
- Jennifer Ares, Resource Sustainability Manager
- Bob Hines, Engineering Technician
- Matt Harward, Deputy Manager of Water Resources

Directors Absent:
- None

Consulting Staff Present:
- David Wysocki, Legal Counsel

Registered Guests and Others Present:
- John Jeter, San Gorgonio Pass Water Agency
- Ray Morris, San Gorgonio Pass Water Agency
- Donna Harward, Customer

CALL TO ORDER

The regular meeting of the Board of Directors of the Yucaipa Valley Water District was called to order by Director Jay Bogh at 6:00 p.m. on Wednesday, June 6, 2012 at the Administrative Office Building, 12770 Second Street, Yucaipa, California.

FLAG SALUTE

Director Jay Bogh led the pledge of allegiance.

ROLL CALL

The roll was called and Director Jay Bogh, Director Ian Cuthbertson, Director Bruce Granlund, Director Lonni Granlund and Director Hank Wochholz were present.

PUBLIC COMMENTS

Director Jay Bogh welcomed the audience member. There were no public comments.

CONSENT CALENDAR

Director Bruce Granlund moved to approve the consent calendar and Director Hank Wochholz seconded the motion.

A. Minutes of Meetings
   1. Regular Board Meeting - May 16, 2012
   2. Board Workshop - May 22, 2012
   3. Board Workshop - June 4, 2012

The consent calendar was approved by a 5 - 0 vote.

BOARD REPORTS

Director Bruce Granlund reported on the Association of the San

Bernardino County Special Districts meeting held on May 21, 2012. The meeting involved a vendor fair and a program by Brad Mitzelfelt.

General Manager Joseph Zoba did not provide a staff report at this meeting.

STAFF REPORT

DISCUSSION ITEMS:

Following a staff presentation by General Manager Joseph Zoba, Director Hank Wochholz moved and Director Lonni Granlund seconded a motion to approve Amendment No. 2 to Task Order No. 24 for a sum not to exceed $149,600. The motion was approved by a 5 - 0 vote.

DM 12-044

AMENDMENT NO. 2 TO TASK ORDER NO. 24 WITH RMC WATER & ENVIRONMENT FOR PROJECT MANAGEMENT SERVICES

Following a staff presentation by General Manager Joseph Zoba and questions from the board members, Director Ian Cuthbertson moved and Director Lonni Granlund seconded a motion to approve Amendment No. 4 to Task Order No. 13 for a sum not to exceed $10,000. The motion was approved by a 5 - 0 vote.

DM 12-045

AMENDMENT NO. 4 TO TASK ORDER NO. 13 WITH SEPARATION PROCESSES, INC. FR ELECTRICAL IMPROVEMENTS AT THE WOCHHOLZ REGIONAL WATER RECYCLING FACILITY

Following a staff presentation by General Manager Joseph Zoba, Director Ian Cuthbertson moved and Director Lonni Granlund seconded a motion to approve the development agreement for Tract No. 15160 and Tract No. 18830. The motion was approved by a 5 - 0 vote.

DM 12-046

DEVELOPMENT AGREEMENT FOR TRACT NO. 15160 AND TRACT NO. 18830 LOCATED ON CARTER STREET AND RAMONA STREET, YUCAIPA

General Manager Joseph Zoba recommended that the development agreement for a commercial project at 15th Street and Yucaipa Boulevard be continued to a future meeting.

DM 12-047

DEVELOPMENT AGREEMENT FOR A COMMERCIAL PROJECT AT 15TH STREET AND YUCAIPA BOULEVARD

Following a staff presentation by General Manager Joseph Zoba and questions from the board members, Director Ian Cuthbertson moved and Director Hank Wochholz seconded a motion to approve Task Order No. 10 for a sum not to exceed $220,400. The motion was approved by a 5 - 0 vote.

DM 12-048

TASK ORDER NO. 10 TO KRIEGER & STEWART FOR CONSTRUCTION MANAGEMENT SERVICES

RELATED TO THE RECYCLED WATER 12.1 BOOSTER STATION

Following a staff presentation by General Manager Joseph Zoba and questions from the board members, Director Hank Wochholz moved and Director Ian Cuthbertson seconded a motion to approve Task Order No. 11 for a sum not to exceed $153,900. The motion was approved by a 5 - 0 vote.

DM 12-049
TASK ORDER NO. 11 TO KRIEGER & STEWART FOR CONSTRUCTION MANAGEMENT SERVICES RELATED TO THE CROW STREET PIPELINE PROJECT

Following a staff presentation by General Manager Joseph Zoba and comments of gratitude by the board members, Director Lonni Granlund moved and Director Bruce Granlund seconded a motion to approve Resolution No. 08-2012 and Resolution No. 09-2012. The motion was approved by a 5 - 0 vote.

DM 12-050
RECOGNITION OF MATT HARWARD AND BOB HINES ON THE OCCASION OF THEIR RETIREMENT WITH YUCAIPA VALLEY WATER DISTRICT

There were not comments from the board members.

DIRECTOR COMMENTS

There was no closed session conference with legal counsel.

CLOSED SESSION

Director Jay Bogh directed attention to the announcements located on the board meeting agenda.

ANNOUNCEMENTS

There being no further business, the meeting was adjourned at 6:50 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary (Seal)

MINUTES OF A BOARD WORKSHOP

June 12, 2012 at 4:00 P.M.

Directors Present:
- Jay Bogh, President
- Bruce Granlund, Vice President
- Ian Cuthbertson, Director
- Lonni Granlund, Director
- Hank Wochholz, Director

Staff Present:
- Joseph Zoba, General Manager
- Jack Nelson, Assistant Manager
- John Hull, Public Works Manager
- Vicky Elisalda, Controller
- Brent Anton, Engineering Manager
- Jennifer Ares, Resource Sustainability Manager
- Bob Wall, Operations Manager
- Kevin King, Operations Manager

Directors Absent:
- None

Consulting Staff Present:
- David Wysocki, Legal Counsel

Registered Guests and Others Present:
- Mary Ann Melleby, San Gorgonio Pass Water Agency
- Barbara Voigt, San Gorgonio Pass Water Agency
- Richard Siegmund, Customer

I. Call to Order - 4:00 p.m.

II. Public Comments - General Manager Joseph Zoba recognized the members of the Board of Directors, District staff and members of the public in attendance. There were no public comments.

III. Staff Report

- General Manager Joseph Zoba provided a brief overview of the new Planet Bids software for vendor solicitations and selection. The new web links will be released in the near future.

IV. Presentations

A. Overview of the Water Recycling Act of 2012 - Assembly Bill No. 2398 (Hueso) [Workshop Memorandum No. 12-115] - General Manager Joseph Zoba provided a brief overview of the proposed Assembly Bill No. 2398 and the benefits the bill would provide to facilitate the recycled water goals of the District.

V. Operational Issues

A. Overview of a Water Mainline Break on Colorado Street, Yucaipa [Workshop Memorandum No. 12-116] - Public Works Manager John Hull provided a detailed overview of the mainline break and repairs associated with a water mainline break on June 1, 2012.

VI. Development Issues

A. Development Agreement for a Proposed Commercial Project Located on 15th Street and Yucaipa Boulevard [Workshop Memorandum No. 12-117] - General Manager Joseph Zoba provided a brief update on the proposed development agreement with Sovereign Properties for a proposed commercial development located at 15th Street and Yucaipa Boulevard.

B. Formation of Community Facilities District No. 2012-1 (Singleton Heights) to Replace the Non-Formed Community Facilities District No. 2006-1 (Calimesa Springs) [Workshop Memorandum No. 12-118] - General Manager Joseph Zoba provided a brief overview of the proposed formation of Community Facilities District No. 2012-1 associated with the MasterCraft development.

VII. Capital Improvement Projects

A. Status Report on the Construction of the Yucaipa Valley Regional Brineline [Workshop Memorandum No. 12-119] - Engineering Manager Brent Anton provided a detailed status report on the construction of the Yucaipa Valley Regional Brineline Project.

B. Status Report on the Construction of the R-10 Recycled Water Reservoir and Booster Complex [Workshop Memorandum No. 12-120] - Engineering Manager Brent Anton provided a detailed overview of the R-10 Reservoir Project.

C. Status Report on the Construction of the Crow Street Pipeline Facilities [Workshop Memorandum No. 12-121] - Engineering Manager Brent Anton provided an overview of the Crow Street Pipeline Project. This project is expected to begin in Spring/Summer 2012.

D. Status Report on the Construction of the Recycled Water Booster Facility at the Reservoir R-12.1 Complex [Workshop Memorandum No. 12-122] - Engineering Manager Brent Anton provided an overview of the Recycled Water Booster Facility.

E. Status Report on the Construction of the Wochholz Improved Salinity Effluent (WISE) Project [Workshop Memorandum No. 12-123] - Operations Manager Kevin King provided an overview of the WISE project.

VIII. Administrative Issues

A. Unaudited Financial Report for the Period Ending May 31, 2012 [Workshop Memorandum No. 12-124] - Controller Vicky Elisalda provided an overview of the unaudited financial report.

B. Operating Budget and Capital Improvement Program for Fiscal Year 2013 [Workshop Memorandum No. 12-125] - General Manager Joseph Zoba provided an overview of the proposed capital improvement budget for Fiscal Year 2013.

C. Declaration and Identification of Bad Debts [Workshop Memorandum No. 12-126] - Controller Vicky Elisalda provided an overview of the bad debts for calendar year 2010.

D. Property Insurance Options for Fiscal Year 2013 [Workshop Memorandum No. 12-127] - Assistant Manager Jack Nelson and Oscar Pineiro discussed the options for the renewal of general liability insurance.

E. Regional Water Allocation Agreement for Water Imported by the San Gorgonio Pass Water Agency [Workshop Memorandum No. 12-128] - General Manager Joseph Zoba provided information regarding the proposed Regional Water Allocation Agreement.

IX. Director Comments - There were no comments from the board members.

X. 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

B. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: IBEW Local Union 14356 - YVWD Employees Association

C. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Supervisor Bargaining Unit

D. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Confidential Employee Bargaining Unit

E. Conference with Labor Negotiator (Government Code 54957.6)
District Negotiator: Joseph Zoba, General Manager
Employee Organization: Exempt Employee Bargaining Unit

There was no closed session conducted at this meeting.

XI. Adjournment - The meeting was adjourned at 4:55 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

(SEAL)

Board Awarded Contracts
Consent Calendar Regular Meeting -June 20, 2012

District Awarded Contracts	Director Memorandum	Job or GL No.	Job Cost Breakdown	Awarded Contract Amount	Prior Payments to Date	Pending Invoice Amount	Total Contract Payments	Remaining Contract Amount	Percent Remaining	Encumbered Funds - Remaining Contract Amount: General Operating Expenses	Water Division Funds	Sewer Division Funds	Non-Potable Division Funds	Other Funds
Aklufi & Wysocki - FY 2012 Legal Services	- -	*-5-06-54107	- -	- -	$67,699	$8,223	$75,921							
DDB Engineering														
Prep of the Discharge Permit Appl for WRWRF	10-070	03-5-06-54109		$44,300	$30,849	$0	$30,849	$13,451	30%	$13,451				
Delta Partners $90,000 per year - Legislative Consult (exp 12/13) W/S	09-007	*-5-06-54109	- -	$90,000	$30,000	$7,500	$37,500	$52,500	58%	$52,500				
Doty Bros. Equipment Co.	12-033	04-xxxx		$1,889,000	$28,500	$26,648	$28,500	$1,860,500	98%				$1,860,500	
Dudek & Associates														
Recycle Water Phase II - Non-Potable & Brineline Project - Design	07-080	65-178	$415,040	$2,219,831	$2,163,045	$0	$2,163,045	$56,786	3%				$56,786	
TO#1, Amendment #1 (EPA)	07-123		$34,920											
TO#1, Amendment #2	08-038		$79,920											
TO#1, Amendment #3	08-088		$1,267,407											
TO#1, Amendment #4	08-089		$37,539											
TO#1, Amendment #5	09-070		$34,865											
TO#1, Amendment #6	09-079		$50,900											
TO#1, Amendment #7	10-005		$57,848											
TO#1, Amendment #8	10-007		$8,840											
TO#1, Amendment #9	10-008		$4,950											
TO#1, Amendment #10	10-037		$35,800											
TO#1, Amendment #11	10-038	03-7387	$49,760											
TO#1, Amendment #12	10-084		$24,278											
TO#1, Amendment #13	11-032		$46,764											
TO#1, Amendment #16	11-083		$71,000											
TO#1, Amendment #14														
Design of Crow Street Infrastructure	11-073	04-5181		$70,008	$69,997	$0	$69,997	$11	0%				$11	
TO#2, Environmental requirements for SCRAM project	10-064	88-5399		$3,750	$3,720	$0	$3,720	$30	1%	$30				
TO#3 (was TO#1, Amend 15)	11-082	03-7388	$36,010	$55,785	$55,293	$0	$55,293	$492	1%			$492		
TO#3, Amendment #1	12-010	03-7388	$19,775											
Biological Monitoring During Brineline Construction														
TO#4	11-096	03-7388		$96,864	$21,962	$1,635	$23,597	$73,267	76%			$73,267		
Biological Monitoring During Brineline Construction														
Environmental Services for the BCV Non-Potable Water Ext.	11-018	04-9435		$53,454	$50,107	$0	$50,107	$3,347	6%				$3,347	
Review & Update local pretreatment limits	09-105	03-5-06-54109		$30,700	$24,438	$0	$24,438	$6,263	20%	$6,263				
Ham Radio Outlet, Inc./Bear Communications														
Emergency Radio Communication Equipment	11-074	0*-5-06-51120		$19,500	$11,078	$0	$11,078	$8,422	43%	$8,422				
Krieger & Stewart														
TO#5, Design R-13.4 and H-2 Reservoirs for JP Ranch	05-083	65-180	$47,400	$79,000	$50,471	$0	$50,471	$28,529	36%					$28,529
60% R-13.4 and 40% H-2	05-083	65-179	$31,600											
TO#6, Design of the Recycled Water R-10.3 and Booster Facility	11-036	04-9945	$233,500	$691,200	$329,212	$48,241	$377,453	$313,747	45%				$313,747	
TO#9, Const Mgmt Svcs related to R-10.3 and Booster Facility	12-011		$457,700											
TO#7, Design of a 24" Recycled Water Pipeline	11-091	04-9435		$220,800	$175,085	$10,624	$185,708	$35,092	16%				$35,092	
TO#8, Design of the Recycled Water 12.1 Booster Pump Station	11-102	04-11107	$178,000	$398,400	$184,773	$4,122	$188,894	$209,506	53%				$209,506	
TO#10, Const Mgmt Svcs for Recycled Water 12.1 Booster Station	12-048		$220,400											
Construction Mgmt Svcs for Non-Potable/Outfall	10-022	04-7386	$979,100	$2,371,720	$211,473	$0	$211,473	$507,340	21%			$507,340		
Construction Mgmt Svcs for Brineline		03-7387			$1,491,102	$0	$1,491,102							
Phase 3 Plan Review		03-7388			$103,101	$58,704	$161,805							
TO #2	11-067		$174,620											

Board Awarded Contracts
Consent Calendar Regular Meeting -June 20, 2012

District Awarded Contracts	Director Memorandum	Job or GL No.	Job Cost Breakdown	Awarded Contract Amount	Prior Payments to Date	Pending Invoice Amount	Total Contract Payments	Remaining Contract Amount	Percent Remaining	Encumbered Funds - Remaining Contract Amount: General Operating Expenses	Water Division Funds	Sewer Division Funds	Non-Potable Division Funds	Other Funds
TO#3	11-081		$1,218,000											
TO#11, Const Mgmt Svcs for Crow Street Pipeline	12-049	04-5181		$153,900	$153,900	$0	$153,900	$153,900	100%				$153,900	
One Stop Landscape Supply - FY 2012 Sludge Hauling & Reuse	- -	03-5-02-57031	- -	- -	$251,273	$27,230	$278,503							
Pascal & Ludwig Constructors	12-024	03-11718		$5,003,170	$74,000	$112,604	$186,604	$4,816,567	96%			$4,816,567		
Construction of WISE Project at WWTP														
Platinum Advisors														
FY 2012 Lobbyist N-T-E per month	09-008	02-5-06-54109	- -	- -	$55,000	$5,000	$60,000							
FY 2012 Quarterly Filing & Misc. Expenses		02-5-06-54109	- -	- -	$375	$0	$375							
W.A. Rasic Construction														
Construction of Brineline Phase 3	11-080	03-7388		$9,350,000	$6,839,189	$718,328	$7,557,518	$1,792,482	19%			$1,792,482		
CO #1 - Administrative	12-027			$0										
RMC Water & Environment														
TO#10 SRF Assistance	05-125	03-506-54109	$102,120	$102,120	$88,660	$0	$88,660	$13,460	13%	$13,460				
TO#24, Project Mgmt Serv related to Recycled Water & Brineline	10-031		$90,000											
TO#24, Amendment #1	11-110		$89,960											
TO#24, Amendment #2	12-044		$149,600											
Brineline Phase 1 & 2/Phase 3		03-7387/03-7388		$194,800	$118,651	$3,570	$122,221	$72,579	37%			$72,579		
Non-Potable/Outfall		04-7386		$134,760	$67,996	$3,020	$71,016	$63,744	47%				$63,744	
RSH Construction														
Construction of the R-10.3 Recycled Water Storage & Booster Complex	12-002	04-9945		$4,177,087	$784,690	$420,260	$1,204,950	$2,972,137	71%				$2,972,137	
CO #1 - Administrative	12-028			$0										
Separation Processes, Inc.														
TO#11, Study of Low Pressure Rev Osmosis Membranes at WRWRF	09-018	88-3971 (exp)	$150,852	$150,852	$148,526	$0	$148,526	$2,326	2%	$2,326				
TO#12, Design Services for Salinity Concentrate Reductions	09-085	88-5399(exp)		$144,940	$124,567	$0	$124,567	$20,373	14%	$20,373				
TO#13, Prelim Eng Analysis of Wochholz Improved Salinity Effluent	09-086	88-5396 (exp)	$32,500	$389,003	$378,800	$0	$378,800	$10,203	3%	$10,203				
TO#13, Amendment #1 CAD Design for WISE project	10-050		$78,132											
TO#13, Amendment #2 CAD Design for WISE project	11-046		$50,000											
TO#13, Amendment #3 CAD Design for WISE project	11-090		$218,371											
TO#14, Amendement #4 Elec Impr for WISE project	12-045		$10,000											
TO#14, Const Mgmt Services for WISE project	12-015	03-11718		$309,383	$36,743	$26,103	$62,846	$246,537	80%			$246,537		
Wildermuth Environmental Inc.														
Monitoring & documenting the District's max benefit commitments	10-060	65-1138		$10,634	$8,159	$0	$8,159	$2,475	23%	$2,475				
GRAND TOTALS				**$28,454,961**	**$14,232,434**	**$1,481,810**	**$15,714,244**	**$13,336,064**	- -	**$129,502**	**$0**	**$7,509,264**	**$5,668,769**	**$28,529**
										$129,502		**$13,178,033**		**$28,529**

Approval of General Expenses May 2012 (Check Register Attached)

Check Register - May 2012

Check Date	Check Number	Name	Check Amount
05/04/2012	15045	PAYROLL CHECK	2,137.91
05/04/2012	15046	PAYROLL CHECK	411.72
05/04/2012	15047	CA-PERS 457 Deferred Comp	13,284.33
05/04/2012	15048	CA-Franchise Tax Board	116.03
05/04/2012	15049	Public Employees' Retirement S	26,921.56
05/04/2012	15050	Hong Nelson	125.00
05/04/2012	15051	Katherine Kostelecky	500.00
05/04/2012	15052	United Student Aid Funds, Inc.	174.05
05/04/2012	15053	IBEW Local 1436	325.00
05/04/2012	15054	Franchise Tax Board	150.00
05/04/2012	15055	American Water Works Assoc.	309.50
05/04/2012	15056	Boot Barn #4	160.80
05/04/2012	15057	Rodd Greene	402.41
05/04/2012	15058	UnitedHealthcare of California	45,098.57
05/04/2012	15059	Standard Insurance Company	1,889.44
05/04/2012	15060	Western Dental Services, Inc.	212.25
05/04/2012	15061	Anthem Blue Cross L and H	344.30
05/04/2012	15062	Standard Insurance Company	2,799.53
05/04/2012	15063	Standard Insurance Vision Plan	471.48
05/04/2012	15064	MetLife Small Business Center	439.52
05/07/2012	15065	Atkinson, Andelson, Loya, Ruud	2,175.00
05/07/2012	15066	Robert Austin	1,431.24
05/07/2012	15067	CA-OCP HEALTH SERVICES	150.00
05/07/2012	15068	Ameripride Uniform Services	400.60
05/07/2012	15069	Central Communications	231.87
05/07/2012	15070	Crider Public Relations, Inc.	467.50
05/07/2012	15071	Crown Ace Hardware - Yucaipa	745.76
05/07/2012	15072	Dinosaur Tire Inc.	12.08
05/07/2012	15073	Environmental Systems Research	1,792.66
05/07/2012	15074	Fedex	26.77
05/07/2012	15075	Fox Occupational Medical Cente	50.00
05/07/2012	15076	House Of Quality, Parts Plus	1,049.99
05/07/2012	15077	InfoSend, Inc.	4,485.54
05/07/2012	15078	Konica Minolta Business Soluti	956.68
05/07/2012	15079	SCCI, Inc.	800.00
05/07/2012	15080	South Coast A.Q.M.D.	341.64
05/07/2012	15081	Sims Welding & Supply Co., Inc	119.18
05/07/2012	15082	The Gas Company	444.80
05/07/2012	15083	Underground Service Alert Of S	172.50
05/07/2012	15084	George F. Siddle	108.00
05/07/2012	15085	Verizon	1,082.01
05/07/2012	15086	Yucaipa Disposal, Inc.	1,262.31
05/07/2012	15087	Brenntag Pacific, Inc	6,496.36
05/07/2012	15088	Brithinee Electric	4,345.18
05/07/2012	15089	Burgeson's Heating & Air Cond.	343.00
05/07/2012	15090	Case Dealer Holding Co., LLC	50.23
05/07/2012	15091	Cemex Inc. USA	4,509.32
05/07/2012	15092	Center Electric	3,133.08
05/07/2012	15093	Cortech Engineering	6,089.03
05/07/2012	15094	Donegan Tree Service	1,600.00
05/07/2012	15095	Grainger	219.62
05/07/2012	15096	Alan L. Grubel Automotive Inc.	173.79
05/07/2012	15097	Hach Company	918.63
05/07/2012	15098	Harbor Freight Tools	602.77
05/07/2012	15099	Industrial Fabricators	840.00

Check Register - May 2012

Check Date	Check Number	Name	Check Amount
05/07/2012	15100	Innerline Engineering	3,625.00
05/07/2012	15101	James John Brothers	13,879.50
05/07/2012	15102	Johnson Machinery Co.	1,134.56
05/07/2012	15103	JR Freeman Co. Inc.	181.00
05/07/2012	15104	Lowe's Companies, Inc.	277.59
05/07/2012	15105	Main's Lock Supply Inc.	55.95
05/07/2012	15106	McMaster-Carr Supply Co.	74.78
05/07/2012	15107	Merit Oil Company	2,069.73
05/07/2012	15108	Microflex Corp #774353	997.87
05/07/2012	15109	Nagem, Inc.	3,913.00
05/07/2012	15110	NCL Of Wisconsin Inc	562.83
05/07/2012	15111	Joseph G. Pollard Co., Inc.	764.75
05/07/2012	15112	Pro-Pipe & Supply, Inc.	117.41
05/07/2012	15113	Heritage Holdings	104.52
05/07/2012	15114	Q Versa, LLC	8,596.11
05/07/2012	15115	R & R Anderson Trucking	2,246.03
05/07/2012	15116	Red Alert Special Couriers	962.85
05/07/2012	15117	Rosemount Analytical, Inc.	689.55
05/07/2012	15118	Siemens Industry, Inc.	242.66
05/07/2012	15119	Sims Welding & Supply Co., Inc	32.10
05/07/2012	15120	Total-Western, Inc.	550.00
05/14/2012	15121	Aklufi & Wysocki	6,337.50
05/14/2012	15122	California Bank & Trust	56,553.50
05/14/2012	15123	Citizens Business Bank	3,700.00
05/14/2012	15124	Delta Partners, LLC	7,500.00
05/14/2012	15125	Doty Bros. Equipment Co.	28,500.00
05/14/2012	15126	Dudek & Associates, Inc	28,990.00
05/14/2012	15127	Krieger & Stewart	237,325.87
05/14/2012	15128	One Stop Landscape Supply Inc	24,492.50
05/14/2012	15129	Pascal & Ludwig Constructors I	70,300.00
05/14/2012	15130	Platinum Advisors, LLC	5,000.00
05/14/2012	15131	RMC Water and Environment	20,767.50
05/14/2012	15132	Canyon Springs Enterprises	299,794.00
05/14/2012	15133	Separation Processes, Inc.	10,608.71
05/14/2012	15134	Soboba Band of Luiseno Indians	11,885.25
05/14/2012	15135	W.A. Rasic Construction Co., I	508,981.49
05/14/2012	15136	State Water Resources Control	260.00
05/14/2012	15137	Mike Kostelecky	130.00
05/14/2012	15138	Richard Younce	50.00
05/14/2012	15139	Ralph C. Casas	56.00
05/14/2012	15140	Ameripride Uniform Services	479.90
05/14/2012	15141	AT&T Mobility	1,764.42
05/14/2012	15142	Corelogic, Inc.	300.00
05/14/2012	15143	Coverall North America, Inc.	1,021.00
05/14/2012	15144	First American Data Tree, LLC	79.10
05/14/2012	15145	Fedex	73.28
05/14/2012	15146	Incode Division-Tyler Technolo	17,860.52
05/14/2012	15147	NetComp Technologies,Inc.	2,160.00
05/14/2012	15148	Robert Allen Roberts	1,900.00
05/14/2012	15149	SB CNTY-Fire Protection Distri	2,742.00
05/14/2012	15150	San Gorgonio Pass Water Agency	460.41
05/14/2012	15151	Southern CA Emergency Medicine	75.00
05/14/2012	15152	Association of San Bernardino	34.00
05/14/2012	15153	The Counseling Team Internatio	720.00
05/14/2012	15154	The Gas Company	14.79

Check Register - May 2012

Check Date	Check Number	Name	Check Amount
05/14/2012	15155	Armorcast Products Company	589.31
05/14/2012	15156	Edward S Babcock & Sons, Inc.	1,230.00
05/14/2012	15157	Brenntag Pacific, Inc	9,487.74
05/14/2012	15158	Cortech Engineering	9,246.71
05/14/2012	15159	David Sunden	379.75
05/14/2012	15160	Grainger	185.88
05/14/2012	15161	Industrial Fabricators	70.00
05/14/2012	15162	Inland Water Works Supply Co.	3,175.61
05/14/2012	15163	James John Brothers	6,960.00
05/14/2012	15164	JR Freeman Co. Inc.	95.62
05/14/2012	15165	VOID CHECK	0.00
05/14/2012	15166	Merit Oil Company	6,685.10
05/14/2012	15167	Optics Planet, Inc.	139.99
05/14/2012	15168	P & R Paper Supply Co., Inc.	89.94
05/14/2012	15169	Pro-Pipe & Supply, Inc.	136.46
05/14/2012	15170	Red Alert Special Couriers	42.93
05/14/2012	15171	Rosemount Analytical, Inc.	369.66
05/14/2012	15172	Siemens Industry, Inc.	865.95
05/14/2012	15173	Smart & Final Stores, LLC	411.83
05/14/2012	15174	Test America Laboratories, Inc	3,907.00
05/14/2012	15175	Tri County Pump Company	1,724.00
05/14/2012	15176	Matich Corp	2,029.38
05/18/2012	15177	PAYROLL CHECK	2,100.07
05/18/2012	15178	CA-PERS Supplemental Income 45	11,180.95
05/18/2012	15179	WALL, MICHELL&MATT	84.67
05/18/2012	15180	ROSENTHAL, RODNEY	84.17
05/18/2012	15181	PREFERED GROUP PROPE	31.39
05/18/2012	15182	COLDWELL BANKER	64.02
05/18/2012	15183	SMITH, JANNETTE	50.43
05/18/2012	15184	CONTINENTAL CORPORAT	111.95
05/18/2012	15185	BEAZER HOMES	45.24
05/18/2012	15186	COLLIER, KEITH AND C	77.99
05/18/2012	15187	PREFERRED GROUP PROP	57.23
05/18/2012	15188	PENNINGTON, PAM	39.43
05/18/2012	15189	NEWSOM, STEVE	90.87
05/18/2012	15190	SIAS, RALPH & MICHEL	39.43
05/18/2012	15191	LITTON LOAN SERVICIN	194.99
05/18/2012	15192	FAY, SAVOEUN	39.43
05/18/2012	15193	CA-Franchise Tax Board	116.03
05/18/2012	15194	Public Employees' Retirement S	26,823.56
05/18/2012	15195	Hong Nelson	125.00
05/18/2012	15196	Katherine Kostelecky	500.00
05/18/2012	15197	United Student Aid Funds, Inc.	174.05
05/18/2012	15198	Franchise Tax Board	150.00
05/21/2012	15199	Atkinson, Andelson, Loya, Ruud	1,825.70
05/21/2012	15200	CA-OCP HEALTH SERVICES	90.00
05/21/2012	15201	Ameripride Uniform Services	414.67
05/21/2012	15202	Fedex	23.90
05/21/2012	15203	Incode Division-Tyler Technolo	350.00
05/21/2012	15204	InfoSend, Inc.	1,849.11
05/21/2012	15205	NetComp Technologies,Inc.	360.00
05/21/2012	15206	RFI	315.00
05/21/2012	15207	San Bdno. Valley Muni. Water D	19,710.00
05/21/2012	15208	South Coast A.Q.M.D.	683.28
05/21/2012	15209	Separation Processes, Inc.	5,266.57

Check Register - May 2012

Check Date	Check Number	Name	Check Amount
05/21/2012	15210	Advance Refrigeration & Ice Sy	176.00
05/21/2012	15211	BofA Credit Card	645.52
05/21/2012	15212	Brenntag Pacific, Inc	14,991.71
05/21/2012	15213	CHJ Consultants	17,395.00
05/21/2012	15214	Clinical Laboratory of San Ber	1,693.00
05/21/2012	15215	Frost Company	3,460.00
05/21/2012	15216	G&G Environmental Compliance,I	4,822.16
05/21/2012	15217	Grainger	1,354.73
05/21/2012	15218	Graybar Electric Co., Inc.	48.56
05/21/2012	15219	Hub Construction Specialties I	371.90
05/21/2012	15220	Inland Water Works Supply Co.	1,325.66
05/21/2012	15221	Innerline Engineering	2,900.00
05/21/2012	15222	JR Freeman Co. Inc.	85.93
05/21/2012	15223	Matich Corp	2,078.64
05/21/2012	15224	Merit Oil Company	2,525.43
05/21/2012	15225	Microflex Corp #774353	997.87
05/21/2012	15226	Pangahamo Materials, Inc.	1,200.00
05/21/2012	15227	Red Alert Special Couriers	1,288.79
05/21/2012	15228	Safeguard Business Systems Inc	755.15
05/21/2012	15229	Sterling Water Technologies LL	8,930.00
05/21/2012	15230	VOID CHECK	0.00
05/21/2012	15231	Test America Laboratories, Inc	2,239.00
05/21/2012	15232	Sunstate Equipment Co., LLC	1,849.00
05/29/2012	15233	American Family Life Assurance	2,733.33
05/29/2012	15234	Boot Barn #4	333.59
05/29/2012	15235	YVWD-Petty Cash	204.19
05/29/2012	15236	Gregory N. Godwin	150.00
05/29/2012	15237	SeaBright Insurance Company	11,784.00
05/29/2012	15238	ADS, LLC	2,634.00
05/29/2012	15239	Ameripride Uniform Services	423.50
05/29/2012	15240	City of Riverside	640.00
05/29/2012	15241	Kelly Services, Inc.	62.26
05/29/2012	15242	NetComp Technologies,Inc.	6,849.97
05/29/2012	15243	San Bdno. Valley Muni. Water D	10,290.00
05/29/2012	15244	SCE Rosemead	123,518.45
05/29/2012	15245	Verizon	1,956.92
05/29/2012	15246	Wumbus Corporation	1,088.63
05/29/2012	15247	Walter L. Ferar	975.09
05/29/2012	15248	All American Sewer Tools	623.97
05/29/2012	15249	Atlas Copco Compressors, LLC	6,869.56
05/29/2012	15250	Auto Care Clinic	478.49
05/29/2012	15251	BofA Credit Card	55.36
05/29/2012	15252	Brenntag Pacific, Inc	8,725.21
05/29/2012	15253	Burgeson's Heating & Air Cond.	1,275.11
05/29/2012	15254	Calolympic Glove & Safety Co.,	41.36
05/29/2012	15255	Cemex Inc. USA	1,907.31
05/29/2012	15256	Victor James Valenti	4,035.90
05/29/2012	15257	Dinosaur Tire Inc.	352.25
05/29/2012	15258	David Sunden	940.07
05/29/2012	15259	Grainger	1,920.62
05/29/2012	15260	Ham Radio Outlet, Inc.	63.56
05/29/2012	15261	Industrial Fabricators	140.00
05/29/2012	15262	Inland Water Works Supply Co.	1,189.15
05/29/2012	15263	James John Brothers	30,844.00
05/29/2012	15264	JR Freeman Co. Inc.	821.42

Check Register - May 2012

Check Date	Check Number	Name	Check Amount
05/29/2012	15265	MBC Applied Environmental Scie	1,200.00
05/29/2012	15266	McCrometer, Inc.	1,091.90
05/29/2012	15267	Merit Oil Company	2,365.95
05/29/2012	15268	Nagem, Inc.	235.78
05/29/2012	15269	Oily's Automotive Service & Re	15.39
05/29/2012	15270	Polydyne Inc.	2,602.16
05/29/2012	15271	Pro-Pipe & Supply, Inc.	94.93
05/29/2012	15272	R & R Anderson Trucking	1,726.42
05/29/2012	15273	Siemens Industry, Inc.	900.58
05/29/2012	15274	Sterling Water Technologies LL	8,930.00
05/29/2012	15275	Troy Alarm, Inc.	120.00
05/29/2012	15276	HILLCREST CONTRACTIN	1,394.20
05/29/2012	15277	HCI INC.	1,375.44
		May 2012 Check Register Total	**1,973,901.13**

BOARD REPORTS

STAFF REPORT

DISCUSSION ITEMS

Yucaipa Valley Water District

Director Memorandum 12-051

Date: June 20, 2012

Prepared By: Vicky Elisalda, Controller
Peggy Little, Administrative Supervisor

Subject: Unaudited Financial Report for the Period Ending on May 31, 2012

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	$754,957.83	$6,233,265.66	$6,988,223.49
Sewer Division	($5,178,904.52)	$6,983,874.04	$1,804,969.52
Recycled Water Division	($3,253,358.35)	$707,394.80	($2,545,963.55)
Total	**($7,677,305.04)**	**$13,924,534.50**	**$6,247,229.46**

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 May 2012. The District processed 233 checks during the month of April for a total sum of $1,973,901.13. 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 May 2012 the District received a sum total of $1,592,750.77 in revenues from the following categories:

- A total of $1,429,153.04 was received from 14,457 customers for utility bill payments. This is the total amount of utility bill payments received from water, sewer and recycled services.
- A total of $2,362.75 was received for construction meter deposits, customer deposits and internet fee payments.
- A total of $149,841.33 was received from miscellaneous water related activities (other than utility bill charges).
- A total of $11,393.65 was received from miscellaneous sewer related activities (other than utility bill charges).
- A total of $0.00 was received from miscellaneous recycled related activities (other than utility bill charges).
- The District received ARRA draw #22 in the amount of $302,215 on May 24th.

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 May 31, 2012 (87% of Budget Cycle)

Division	Budget Amount	Current Month	Year-To-Date	Percentage
Water	12,503,170	933,994	10,367,024	82.9
Sewer	10,908,600	866,809	9,564,801	87.7
Recycled Water	265,250	24,793	298,105	112.4
District Revenue	**23,677,020**	**1,825,596**	**20,229,930**	**85.4**

Summary of Water Budget
As of May 31, 2012 (87% of Budget Cycle)

Department	Budget Amount	Current Month	Year-To-Date	Percentage
Water Resources	4,359,935	269,020	3,534,820	81.1
Public works	2,147,165	116,367	1,621,942	75.5
Administration	3,028,695	180,878	2,379,953	78.6
Long Term Debt	2,932,375	0	2,932,375	100.0
Asset Acquisition	35,000	0	39,222	112.1
TOTAL	**12,503,170**	**566,265**	**10,508,312**	**84.0**

Summary of Sewer Budget
As of May 31, 2012 (87% of Budget Cycle)

Department	Budget Amount	Current Month	Year-To-Date	Percentage
Treatment	3,413,225	215,771	2,850,207	83.5
Administration	3,724,350	256,613	3,378,654	90.7
Environmental Control	824,775	57,961	666,119	80.8
Long Term Debt	2,946,250	19,710	2,943,379	99.9
Asset Acquisition	0	0	58,829	0.0
TOTAL	**10,908,600**	**550,055**	**9,897,188**	**90.7**

Summary of Recycled Water Budget
As of May 31, 2012 (87% of Budget Cycle)

Department	Budget Amount	Current Month	Year-To-Date	Percentage
Administration	265,250	6,522	104,689	39.5
TOTAL	**265,250**	**6,522**	**104,689**	**39.5**
District Expenses	**23,677,020**	**1,122,842**	**20,510,189**	**86.6**

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 - May 2012

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	$	2,595,529.43
Infrastructure Reserves	02-10311	$	364,774.00
Sustainability Fund	02-10313	$	139,075.92
Rate Stabilization Fund	02-10314	$	493,209.14
Imported Water Fund - MUNI	02-10315	$	(580,738.06)
Imported Water Fund - SGPWA	02-10316	$	315,614.12
FCC - Debt Service YVRWFF Phase I	02-10401	$	44,306.51
FCC - Future YVRWFF Phase II & III	02-10403	$	121,600.98
FCC - Recycled System	02-10410	$	188,108.45
FCC - Booster Pumping Plants	02-10411	$	205,179.28
FCC - Pipeline Facilities	02-10412	$	462,712.06
FCC - Water Storage Reservoirs	02-10413	$	789,361.45
Operating Funds:		$	754,957.83
	Total Water Division	**$**	**6,988,223.49**

Sewer Division	GL#		Balance
Project Fund - Encumbered	03-10215	$	751,424.20
Depreciation Reserves	03-10310	$	3,017,318.31
Infrastructure Reserves	03-10311	$	720,775.00
Rate Stabilization Fund	03-10314	$	1,464,313.38
FCC - Debt Service WWTP Expansion & Upgrade	03-10405	$	78,338.76
FCC - Future WWTP Expansion	03-10407	$	290,357.70
FCC - Sewer Interceptors	03-10415	$	144,764.70
FCC - Lift Stations	03-10416	$	71,436.73
FCC - Effluent Disposal Facilities	03-10417	$	93,940.56
FCC - Salt Mitigation Facilities	03-10418	$	351,204.70
Operating Funds:		$	(5,178,904.52)
	Total Wastewater Division	**$**	**1,804,969.52**

Recycled Water Division	GL#		Balance
Depreciation Reserves	04-10310	$	483,286.00
Infrastructure Reserves	04-10311	$	48,510.00
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:		$	(3,253,358.35)
	Total Recycled Water Division	**$**	**(2,545,963.55)**

DISTRICT TOTAL	**$**	**6,247,229.46**

Future Obligations	Due Date		Amount
2004A Bond Payment - Water Division	02/23/2013	$	978,462.50
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 - May 2012

Check Date	Check Number	Name	Check Amount
05/04/2012	15045	PAYROLL CHECK	2,137.91
05/04/2012	15046	PAYROLL CHECK	411.72
05/04/2012	15047	CA-PERS 457 Deferred Comp	13,284.33
05/04/2012	15048	CA-Franchise Tax Board	116.03
05/04/2012	15049	Public Employees' Retirement S	26,921.56
05/04/2012	15050	Hong Nelson	125.00
05/04/2012	15051	Katherine Kostelecky	500.00
05/04/2012	15052	United Student Aid Funds, Inc.	174.05
05/04/2012	15053	IBEW Local 1436	325.00
05/04/2012	15054	Franchise Tax Board	150.00
05/04/2012	15055	American Water Works Assoc.	309.50
05/04/2012	15056	Boot Barn #4	160.80
05/04/2012	15057	Rodd Greene	402.41
05/04/2012	15058	UnitedHealthcare of California	45,098.57
05/04/2012	15059	Standard Insurance Company	1,889.44
05/04/2012	15060	Western Dental Services, Inc.	212.25
05/04/2012	15061	Anthem Blue Cross L and H	344.30
05/04/2012	15062	Standard Insurance Company	2,799.53
05/04/2012	15063	Standard Insurance Vision Plan	471.48
05/04/2012	15064	MetLife Small Business Center	439.52
05/07/2012	15065	Atkinson, Andelson, Loya, Ruud	2,175.00
05/07/2012	15066	Robert Austin	1,431.24
05/07/2012	15067	CA-OCP HEALTH SERVICES	150.00
05/07/2012	15068	Ameripride Uniform Services	400.60
05/07/2012	15069	Central Communications	231.87
05/07/2012	15070	Crider Public Relations, Inc.	467.50
05/07/2012	15071	Crown Ace Hardware - Yucaipa	745.76
05/07/2012	15072	Dinosaur Tire Inc.	12.08
05/07/2012	15073	Environmental Systems Research	1,792.66
05/07/2012	15074	Fedex	26.77
05/07/2012	15075	Fox Occupational Medical Cente	50.00
05/07/2012	15076	House Of Quality, Parts Plus	1,049.99
05/07/2012	15077	InfoSend, Inc.	4,485.54
05/07/2012	15078	Konica Minolta Business Soluti	956.68
05/07/2012	15079	SCCI, Inc.	800.00
05/07/2012	15080	South Coast A.Q.M.D.	341.64
05/07/2012	15081	Sims Welding & Supply Co., Inc	119.18
05/07/2012	15082	The Gas Company	444.80
05/07/2012	15083	Underground Service Alert Of S	172.50
05/07/2012	15084	George F. Siddle	108.00
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05/07/2012	15086	Yucaipa Disposal, Inc.	1,262.31
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05/07/2012	15093	Cortech Engineering	6,089.03
05/07/2012	15094	Donegan Tree Service	1,600.00
05/07/2012	15095	Grainger	219.62
05/07/2012	15096	Alan L. Grubel Automotive Inc.	173.79
05/07/2012	15097	Hach Company	918.63
05/07/2012	15098	Harbor Freight Tools	602.77
05/07/2012	15099	Industrial Fabricators	840.00

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Check Date	Check Number	Name	Check Amount
05/07/2012	15100	Innerline Engineering	3,625.00
05/07/2012	15101	James John Brothers	13,879.50
05/07/2012	15102	Johnson Machinery Co.	1,134.56
05/07/2012	15103	JR Freeman Co. Inc.	181.00
05/07/2012	15104	Lowe's Companies, Inc.	277.59
05/07/2012	15105	Main's Lock Supply Inc.	55.95
05/07/2012	15106	McMaster-Carr Supply Co.	74.78
05/07/2012	15107	Merit Oil Company	2,069.73
05/07/2012	15108	Microflex Corp #774353	997.87
05/07/2012	15109	Nagem, Inc.	3,913.00
05/07/2012	15110	NCL Of Wisconsin Inc	562.83
05/07/2012	15111	Joseph G. Pollard Co., Inc.	764.75
05/07/2012	15112	Pro-Pipe & Supply, Inc.	117.41
05/07/2012	15113	Heritage Holdings	104.52
05/07/2012	15114	Q Versa, LLC	8,596.11
05/07/2012	15115	R & R Anderson Trucking	2,246.03
05/07/2012	15116	Red Alert Special Couriers	962.85
05/07/2012	15117	Rosemount Analytical, Inc.	689.55
05/07/2012	15118	Siemens Industry, Inc.	242.66
05/07/2012	15119	Sims Welding & Supply Co., Inc	32.10
05/07/2012	15120	Total-Western, Inc.	550.00
05/14/2012	15121	Aklufi & Wysocki	6,337.50
05/14/2012	15122	California Bank & Trust	56,553.50
05/14/2012	15123	Citizens Business Bank	3,700.00
05/14/2012	15124	Delta Partners, LLC	7,500.00
05/14/2012	15125	Doty Bros. Equipment Co.	28,500.00
05/14/2012	15126	Dudek & Associates, Inc	28,990.00
05/14/2012	15127	Krieger & Stewart	237,325.87
05/14/2012	15128	One Stop Landscape Supply Inc	24,492.50
05/14/2012	15129	Pascal & Ludwig Constructors I	70,300.00
05/14/2012	15130	Platinum Advisors, LLC	5,000.00
05/14/2012	15131	RMC Water and Environment	20,767.50
05/14/2012	15132	Canyon Springs Enterprises	299,794.00
05/14/2012	15133	Separation Processes, Inc.	10,608.71
05/14/2012	15134	Soboba Band of Luiseno Indians	11,885.25
05/14/2012	15135	W.A. Rasic Construction Co., I	508,981.49
05/14/2012	15136	State Water Resources Control	260.00
05/14/2012	15137	Mike Kostelecky	130.00
05/14/2012	15138	Richard Younce	50.00
05/14/2012	15139	Ralph C. Casas	56.00
05/14/2012	15140	Ameripride Uniform Services	479.90
05/14/2012	15141	AT&T Mobility	1,764.42
05/14/2012	15142	Corelogic, Inc.	300.00
05/14/2012	15143	Coverall North America, Inc.	1,021.00
05/14/2012	15144	First American Data Tree, LLC	79.10
05/14/2012	15145	Fedex	73.28
05/14/2012	15146	Incode Division-Tyler Technolo	17,860.52
05/14/2012	15147	NetComp Technologies,Inc.	2,160.00
05/14/2012	15148	Robert Allen Roberts	1,900.00
05/14/2012	15149	SB CNTY-Fire Protection Distri	2,742.00
05/14/2012	15150	San Gorgonio Pass Water Agency	460.41
05/14/2012	15151	Southern CA Emergency Medicine	75.00
05/14/2012	15152	Association of San Bernardino	34.00
05/14/2012	15153	The Counseling Team Internatio	720.00
05/14/2012	15154	The Gas Company	14.79

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Check Date	Check Number	Name	Check Amount
05/14/2012	15155	Armorcast Products Company	589.31
05/14/2012	15156	Edward S Babcock & Sons, Inc.	1,230.00
05/14/2012	15157	Brenntag Pacific, Inc	9,487.74
05/14/2012	15158	Cortech Engineering	9,246.71
05/14/2012	15159	David Sunden	379.75
05/14/2012	15160	Grainger	185.88
05/14/2012	15161	Industrial Fabricators	70.00
05/14/2012	15162	Inland Water Works Supply Co.	3,175.61
05/14/2012	15163	James John Brothers	6,960.00
05/14/2012	15164	JR Freeman Co. Inc.	95.62
05/14/2012	15165	VOID CHECK	0.00
05/14/2012	15166	Merit Oil Company	6,685.10
05/14/2012	15167	Optics Planet, Inc.	139.99
05/14/2012	15168	P & R Paper Supply Co., Inc.	89.94
05/14/2012	15169	Pro-Pipe & Supply, Inc.	136.46
05/14/2012	15170	Red Alert Special Couriers	42.93
05/14/2012	15171	Rosemount Analytical, Inc.	369.66
05/14/2012	15172	Siemens Industry, Inc.	865.95
05/14/2012	15173	Smart & Final Stores, LLC	411.83
05/14/2012	15174	Test America Laboratories, Inc	3,907.00
05/14/2012	15175	Tri County Pump Company	1,724.00
05/14/2012	15176	Matich Corp	2,029.38
05/18/2012	15177	PAYROLL CHECK	2,100.07
05/18/2012	15178	CA-PERS Supplemental Income 45	11,180.95
05/18/2012	15179	WALL, MICHELL&MATT	84.67
05/18/2012	15180	ROSENTHAL, RODNEY	84.17
05/18/2012	15181	PREFERED GROUP PROPE	31.39
05/18/2012	15182	COLDWELL BANKER	64.02
05/18/2012	15183	SMITH, JANNETTE	50.43
05/18/2012	15184	CONTINENTAL CORPORAT	111.95
05/18/2012	15185	BEAZER HOMES	45.24
05/18/2012	15186	COLLIER, KEITH AND C	77.99
05/18/2012	15187	PREFERRED GROUP PROP	57.23
05/18/2012	15188	PENNINGTON, PAM	39.43
05/18/2012	15189	NEWSOM, STEVE	90.87
05/18/2012	15190	SIAS, RALPH & MICHEL	39.43
05/18/2012	15191	LITTON LOAN SERVICIN	194.99
05/18/2012	15192	FAY, SAVOEUN	39.43
05/18/2012	15193	CA-Franchise Tax Board	116.03
05/18/2012	15194	Public Employees' Retirement S	26,823.56
05/18/2012	15195	Hong Nelson	125.00
05/18/2012	15196	Katherine Kostelecky	500.00
05/18/2012	15197	United Student Aid Funds, Inc.	174.05
05/18/2012	15198	Franchise Tax Board	150.00
05/21/2012	15199	Atkinson, Andelson, Loya, Ruud	1,825.70
05/21/2012	15200	CA-OCP HEALTH SERVICES	90.00
05/21/2012	15201	Ameripride Uniform Services	414.67
05/21/2012	15202	Fedex	23.90
05/21/2012	15203	Incode Division-Tyler Technolo	350.00
05/21/2012	15204	InfoSend, Inc.	1,849.11
05/21/2012	15205	NetComp Technologies,Inc.	360.00
05/21/2012	15206	RFI	315.00
05/21/2012	15207	San Bdno. Valley Muni. Water D	19,710.00
05/21/2012	15208	South Coast A.Q.M.D.	683.28
05/21/2012	15209	Separation Processes, Inc.	5,266.57

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Check Date	Check Number	Name	Check Amount
05/21/2012	15210	Advance Refrigeration & Ice Sy	176.00
05/21/2012	15211	BofA Credit Card	645.52
05/21/2012	15212	Brenntag Pacific, Inc	14,991.71
05/21/2012	15213	CHJ Consultants	17,395.00
05/21/2012	15214	Clinical Laboratory of San Ber	1,693.00
05/21/2012	15215	Frost Company	3,460.00
05/21/2012	15216	G&G Environmental Compliance,I	4,822.16
05/21/2012	15217	Grainger	1,354.73
05/21/2012	15218	Graybar Electric Co., Inc.	48.56
05/21/2012	15219	Hub Construction Specialties I	371.90
05/21/2012	15220	Inland Water Works Supply Co.	1,325.66
05/21/2012	15221	Innerline Engineering	2,900.00
05/21/2012	15222	JR Freeman Co. Inc.	85.93
05/21/2012	15223	Matich Corp	2,078.64
05/21/2012	15224	Merit Oil Company	2,525.43
05/21/2012	15225	Microflex Corp #774353	997.87
05/21/2012	15226	Pangahamo Materials, Inc.	1,200.00
05/21/2012	15227	Red Alert Special Couriers	1,288.79
05/21/2012	15228	Safeguard Business Systems Inc	755.15
05/21/2012	15229	Sterling Water Technologies LL	8,930.00
05/21/2012	15230	VOID CHECK	0.00
05/21/2012	15231	Test America Laboratories, Inc	2,239.00
05/21/2012	15232	Sunstate Equipment Co., LLC	1,849.00
05/29/2012	15233	American Family Life Assurance	2,733.33
05/29/2012	15234	Boot Barn #4	333.59
05/29/2012	15235	YVWD-Petty Cash	204.19
05/29/2012	15236	Gregory N. Godwin	150.00
05/29/2012	15237	SeaBright Insurance Company	11,784.00
05/29/2012	15238	ADS, LLC	2,634.00
05/29/2012	15239	Ameripride Uniform Services	423.50
05/29/2012	15240	City of Riverside	640.00
05/29/2012	15241	Kelly Services, Inc.	62.26
05/29/2012	15242	NetComp Technologies,Inc.	6,849.97
05/29/2012	15243	San Bdno. Valley Muni. Water D	10,290.00
05/29/2012	15244	SCE Rosemead	123,518.45
05/29/2012	15245	Verizon	1,956.92
05/29/2012	15246	Wumbus Corporation	1,088.63
05/29/2012	15247	Walter L. Ferar	975.09
05/29/2012	15248	All American Sewer Tools	623.97
05/29/2012	15249	Atlas Copco Compressors, LLC	6,869.56
05/29/2012	15250	Auto Care Clinic	478.49
05/29/2012	15251	BofA Credit Card	55.36
05/29/2012	15252	Brenntag Pacific, Inc	8,725.21
05/29/2012	15253	Burgeson's Heating & Air Cond.	1,275.11
05/29/2012	15254	Calolympic Glove & Safety Co.,	41.36
05/29/2012	15255	Cemex Inc. USA	1,907.31
05/29/2012	15256	Victor James Valenti	4,035.90
05/29/2012	15257	Dinosaur Tire Inc.	352.25
05/29/2012	15258	David Sunden	940.07
05/29/2012	15259	Grainger	1,920.62
05/29/2012	15260	Ham Radio Outlet, Inc.	63.56
05/29/2012	15261	Industrial Fabricators	140.00
05/29/2012	15262	Inland Water Works Supply Co.	1,189.15
05/29/2012	15263	James John Brothers	30,844.00
05/29/2012	15264	JR Freeman Co. Inc.	821.42

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Check Date	Check Number	Name	Check Amount
05/29/2012	15265	MBC Applied Environmental Scie	1,200.00
05/29/2012	15266	McCrometer, Inc.	1,091.90
05/29/2012	15267	Merit Oil Company	2,365.95
05/29/2012	15268	Nagem, Inc.	235.78
05/29/2012	15269	Oily's Automotive Service & Re	15.39
05/29/2012	15270	Polydyne Inc.	2,602.16
05/29/2012	15271	Pro-Pipe & Supply, Inc.	94.93
05/29/2012	15272	R & R Anderson Trucking	1,726.42
05/29/2012	15273	Siemens Industry, Inc.	900.58
05/29/2012	15274	Sterling Water Technologies LL	8,930.00
05/29/2012	15275	Troy Alarm, Inc.	120.00
05/29/2012	15276	HILLCREST CONTRACTIN	1,394.20
05/29/2012	15277	HCI INC.	1,375.44
		May 2012 Check Register Total	**1,973,901.13**

Financial Account Information - May 2012

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
04/29/2011	bal forward	785,916.37	30,000.00	62,119.99	500,983.20	5,241,703.47	6,620,723.03
4/30	*rev retained in MM*				*(64.72)*		(64.72)
4/30	*TRF #1103 cleared short $.01*	*0.01*	*(0.01)*				0.00
	s/b $222,908.11 cleared as .10						0.00
05/01/2012	Deposit	59,362.93					59,362.93
	Credit Card-4/30	403.92					403.92
	Credit Card-5/1	1,144.92					1,144.92
	Electronic	19,083.84					19,083.84
	Website-5/1	134.32					134.32
	Website-5/1	2,021.54					2,021.54
	Website-5/2	435.83					435.83
05/02/2012	Deposit	35,722.51					35,722.51
	Credit Card-5/1	707.95					707.95
	Credit Card-5/2	3,395.50					3,395.50
	Electronic	14,862.91					14,862.91
	Website-5/2	1,376.80					1,376.80
	Website-5/3	156.60					156.60
	ETS Fees	(705.51)					(705.51)
	ETS Fees	(587.04)					(587.04)
05/03/2012	Deposit	29,312.74					29,312.74
	Acct#11-06863-01 clear error	(60.20)					(60.20)
	Credit Card-5/2	41.18					41.18
	Credit Card-5/3	1,950.67					1,950.67
	Electronic	15,363.30					15,363.30
	Website-5/3	963.40					963.40
	Website-5/4	75.00					75.00
	Website-5/4	416.97					416.97
	ACH pmts	25,846.03					25,846.03
5/4/12-PR	Federal Taxes		(36,129.57)				(36,129.57)
5/4/12-PR	State Taxes		(6,453.64)				(6,453.64)
5/4/12-PR	PR Direct Deposit		(97,570.25)				(97,570.25)
5/4/12-PR	ING 457		(7,275.21)				(7,275.21)
	Cks #15045-15064		(96,273.40)				(96,273.40)
	TRF#1104- AP & PR	**(243,702.07)**	**243,702.07**				0.00
05/04/2012	Deposit	30,199.39					30,199.39
	Credit Card-5/3	223.91					223.91
	Credit Card-5/4	1,125.73					1,125.73
	Electronic	14,272.53					14,272.53
	Website-5/4	1,762.08					1,762.08
	Website-5/5	251.43					251.43
	Website-5/5	606.72					606.72
	Website-5/6	1,082.14					1,082.14
	Website-5/7	82.80					82.80
	Website-5/7	739.66					739.66
05/07/2012	Deposit	67,473.06					67,473.06
	Credit Card-5/4	250.50					250.50
	Credit Card-5/7	2,785.08					2,785.08
	Electronic	14,528.72					14,528.72
	Website-5/7	1,359.65					1,359.65
	Website-5/8	60.62					60.62
	Website-5/8	41.29					41.29
05/08/2012	Deposit	61,904.12					61,904.12
	Credit Card-5/7	441.70					441.70
	Credit Card-5/8	698.70					698.70
	Electronic	22,398.89					22,398.89
	Website-5/8	976.22					976.22
	Website-5/9	64.02					64.02
	Website-5/9	467.60					467.60

Financial Account Information - May 2012

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
04/29/2011	bal forward	785,916.37	30,000.00	62,119.99	500,983.20	5,241,703.47	6,620,723.03
05/09/2012	Deposit	48,553.17					48,553.17
	Deposit-Riv Taxes	714.89					714.89
	Credit Card-5/8	653.94					653.94
	Credit Card-5/9	3,559.45					3,559.45
	Electronic	6,903.06					6,903.06
	Website-5/9	763.02					763.02
	Website-5/10	310.65					310.65
05/10/2012	Deposit	25,419.39					25,419.39
	Credit Card-5/9	976.58					976.58
	Credit Card-5/10	958.86					958.86
	Electronic	7,737.50					7,737.50
	Website-5/10	878.19					878.19
	Website-5/11	290.50					290.50
	ACH pmts	38,014.70					38,014.70
	Cks #15065-15120		(88,704.93)				(88,704.93)
	TRF#1105 - AP	**(88,704.93)**	**88,704.93**				0.00
05/11/2012	Deposit	33,655.26					33,655.26
	Deposit-M/C	18,325.67					18,325.67
	Deposit-M/C	10,760.80					10,760.80
	Credit Card-5/10	316.80					316.80
	Credit Card-5/11	1,093.87					1,093.87
	Electronic	9,117.89					9,117.89
	Website-5/11	1,133.48					1,133.48
	Website-5/12	30.00					30.00
	Website-5/12	422.40					422.40
	Website-5/13	675.32					675.32
	Website-5/14	66.68					66.68
	Website-5/14	200.94					200.94
05/14/2012	Deposit	47,357.79					47,357.79
	Credit Card-5/11	162.33					162.33
	Credit Card-5/14	4,744.08					4,744.08
	Electronic	9,703.34					9,703.34
	Website-5/14	1,407.09					1,407.09
	Website-5/15	85.00					85.00
	Website-5/15	260.63					260.63
05/15/2012	Deposit	51,534.64					51,534.64
	Deposit-SB Taxes	29,071.83					29,071.83
	Credit Card-5/14	258.11					258.11
	Credit Card-5/15	1,746.26					1,746.26
	Electronic	14,255.40					14,255.40
	Website-5/15	1,223.07					1,223.07
	Website-5/16	397.21					397.21
	ACH pmts	35,290.13					35,290.13
05/16/2012	Deposit	33,921.86					33,921.86
	Credit Card-5/15	681.81					681.81
	Credit Card-5/16	1,953.62					1,953.62
	Electronic	8,357.82					8,357.82
	Website-5/16	955.10					955.10
	Website-5/17	145.93					145.93
	Website-5/17	241.06					241.06
	TRF#1106-LAIF to Inv Ck			400,000.00		(400,000.00)	0.00
	TRF#1107-Inv Ck to Dep Ck	**400,000.00**		**(400,000.00)**			0.00

Financial Account Information - May 2012

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
04/29/2011	bal forward	785,916.37	30,000.00	62,119.99	500,983.20	5,241,703.47	6,620,723.03
5/18/12-PR	Federal Taxes		(35,672.50)				(35,672.50)
5/18/12-PR	State Taxes		(6,452.32)				(6,452.32)
5/18/12-PR	PR Direct Deposit		(96,834.55)				(96,834.55)
5/18/12-PR	ING 457		(6,877.62)				(6,877.62)
	Cks #15121-15198		(1,440,920.50)				(1,440,920.50)
	TRF#1108- AP & PR	**(1,586,757.49)**	**1,586,757.49**				**0.00**
05/17/2012	Deposit	18,511.09					18,511.09
	Deposit-SB Taxes	10,703.14					10,703.14
	Deposit-Riv Taxes	176.32					176.32
	Credit Card-5/16	458.09					458.09
	Credit Card-5/17	663.05					663.05
	Electronic	9,198.70					9,198.70
	Website-5/17	732.29					732.29
	Website-5/18	239.96					239.96
05/18/2012	Deposit	26,905.88					26,905.88
	Deposit-Riv Taxes	3,061.13					3,061.13
	Credit Card-5/17	101.10					101.10
	Credit Card-5/18	803.05					803.05
	Electronic	12,499.52					12,499.52
	Website-5/18	1,280.01					1,280.01
	Website-5/19	1,116.51					1,116.51
	Website-5/20	722.47					722.47
	Website-5/21	300.00					300.00
	Website-5/21	360.78					360.78
05/21/2012	Deposit	36,220.71					36,220.71
	Deposit-M/C	7,352.12					7,352.12
	Credit Card-5/18	551.48					551.48
	Credit Card-5/21	1,915.90					1,915.90
	Electronic	10,779.18					10,779.18
	Website-5/21	714.02					714.02
	Website-5/21	470.44					470.44
	Website-5/22	223.45					223.45
	Website-5/22	301.43					301.43
	ACH pmts	19,881.35					19,881.35
05/22/2012	Deposit	32,491.80					32,491.80
	Credit Card-5/21	228.85					228.85
	Credit Card-5/22	2,015.66					2,015.66
	Electronic	15,845.42					15,845.42
	Website-5/22	1,235.57					1,235.57
	Website-5/23	385.35					385.35
	Website-5/23	296.43					296.43
05/23/2012	Deposit	47,374.57					47,374.57
	Credit Card-5/22	721.05					721.05
	Credit Card-5/23	2,836.55					2,836.55
	Electronic	8,363.45					8,363.45
	Website-5/23	6,996.26					6,996.26
	Website-5/24	90.08					90.08
	Website-5/24	219.38					219.38
	Cks #15199-15232		(102,022.28)				(102,022.28)
	TRF#1109- AP	**(102,022.28)**	**102,022.28**				**0.00**
05/24/2012	Deposit	20,849.66					20,849.66
	Deposit-Riv Taxes	48,102.28					48,102.28
	Credit Card-5/23	332.07					332.07
	Credit Card-5/24	1,512.66					1,512.66
	Electronic	5,446.04					5,446.04
	Website-5/24	856.91					856.91
	Website-5/25	574.80					574.80

Financial Account Information - May 2012

DATE	DESCRIPTION	Deposit Checking	General Checking	Investment Checking	Treasuries at cost	LAIF Invest. Fund	TOTAL ACTIVITY
04/29/2011	**bal forward**	**785,916.37**	**30,000.00**	**62,119.99**	**500,983.20**	**5,241,703.47**	**6,620,723.03**
05/25/2012	Deposit	28,983.19					**28,983.19**
	Credit Card-5/24	178.37					**178.37**
	Credit Card-5/25	1,310.91					**1,310.91**
	Electronic	11,543.18					**11,543.18**
	Website-5/25	1,282.58					**1,282.58**
	Website-5/26	1,002.62					**1,002.62**
	Website-5/27	103.65					**103.65**
	Website-5/27	523.55					**523.55**
	Website-5/28	810.26					**810.26**
	Website-5/29	70.00					**70.00**
	Website-5/29	397.21					**397.21**
	ACH pmts	56,377.74					**56,377.74**
5/24	ARRA - Draw #22		302,215.00				**302,215.00**
	TRF#1110-ARRA Draw#22	**302,215.00**	(302,215.00)				**0.00**
05/29/2012	Deposit	51,301.15					**51,301.15**
	Credit Card-5/25	581.63					**581.63**
	Credit Card-5/29	2,164.50					**2,164.50**
	Electronic	12,065.94					**12,065.94**
	Website-5/29	401.93					**401.93**
	Website-5/29	492.88					**492.88**
	Website-5/30	267.16					**267.16**
	Website-5/30	376.59					**376.59**
05/30/2012	Deposit	54,894.11					**54,894.11**
	Credit Card-5/29	894.71					**894.71**
	Credit Card-5/30	2,373.95					**2,373.95**
	Electronic	17,745.30					**17,745.30**
	Website-5/30	2,277.93					**2,277.93**
	Website-5/31	553.59					**553.59**
	Cks #15233-15277		(245,980.02)				**(245,980.02)**
	TRF#1111 AP	**(245,980.02)**	**245,980.02**				**0.00**
05/31/2012	Deposit	44,593.72					**44,593.72**
	Deposit-SB Taxes	31,921.09					**31,921.09**
	Deposit-M/C	1,045.71					**1,045.71**
	Credit Card-5/30	1,386.01					**1,386.01**
	Credit Card-5/31	909.35					**909.35**
	Electronic	8,234.55					**8,234.55**
	Website-5/31	693.35					**693.35**
	Website-5/31	750.66					**750.66**
	Website-6/1	437.38					**437.38**
	May '12 NSF's	(1,016.03)					**(1,016.03)**
5/31	*retained in MM*				*64.72*		**64.72**
	TOTALS	**812,422.81**	**29,999.99**	**62,119.99**	**500,983.20**	**4,841,703.47**	**6,247,229.46**

Investment Summary - May 2012

U.S. TREASURIES

Quantity	Description	Cusip	Maturity Date	Yield	Cost of Purchase	Market Value
501,000	US Treasury Bill	912795Y96	August 23, 2012	0.028%	500,918.48	500,924.85
501,000			**Total Values**		**500,918.48**	**500,924.85**

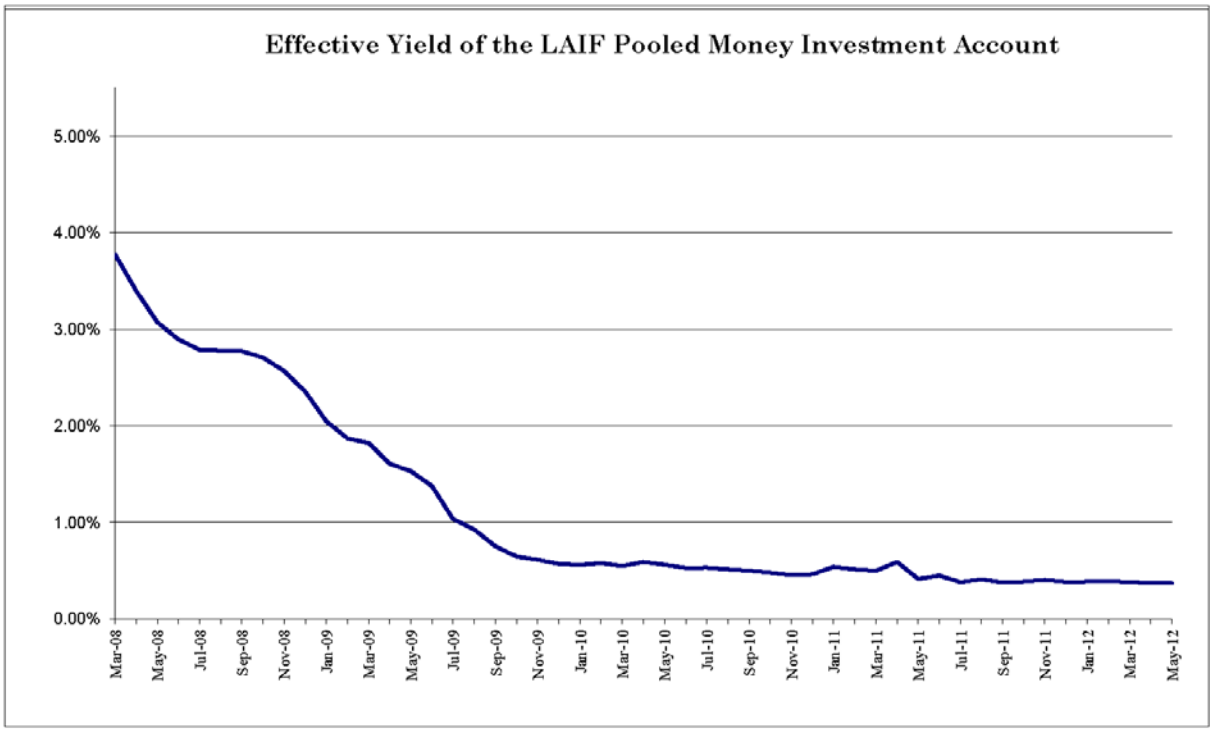
Money Market Account Activity-Beginning Balance	**64.72**
May - Dividend/Interest	0.00
Income	**0.00**
Intra-Bank Transfers to/from Investment Checking	0.00
Fund Transfers	**0.00**
Cusip Maturity	0.00
Redemptions	**0.00**
Cusip Purchase	0.00
Purchases	**0.00**
Ending Balance - Money Market	**64.72**
US Treasury Securities Investment Principal	**500,918.48**
Total Assets	**500,983.20**

Investment Summary - May 2012

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	$700,000.00	$2,622.28	$6,636,123.21
February 29, 2012	($1,400,000.00)	$0.00	$0.00	$5,236,123.21
March 31, 2012	($300,000.00)	$0.00	$0.00	$4,936,123.21
April 30, 2012	($500,000.00)	$800,000.00	$5,580.26	$5,241,703.47
May 31, 2012	($400,000.00)	$0.00	$0.00	$4,841,703.47
June 30, 2012	$0.00	$0.00	$0.00	$4,841,703.47

L.A.I.F. INCOME SUMMARY	CURRENT QUARTER	FY YEAR-TO-DATE
INCOME RECEIVED	$5,580.26	$8,798.52



Daily Deposit Allocation - May 2012

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
05/01/2012	Mail & Counter	453	59,362.93	59,362.93						59,362.93					59,362.93
	Credit Cards	16	1,548.84			1,548.84				1,548.84					1,548.84
	Electronic	272	19,083.84				19,083.84			19,083.84					19,083.84
	Website	1	134.32					132.57		132.57	1.75				134.32
	Website - 25 fees	30	2,457.37					2,413.62		2,413.62	43.75				2,457.37
05/02/2012	Mail & Counter	486	35,722.51	35,722.51						35,722.51					35,722.51
	Credit Cards	34	4,103.45			4,103.45				4,103.45					4,103.45
	Electronic	241	14,862.91				14,862.91			14,862.91					14,862.91
	Website	16	1,533.40					1,505.40		1,505.40	28.00				1,533.40
05/03/2012	Mail & Counter	364	29,312.74	29,312.74						29,312.74					29,312.74
	AP ck clear error		(60.20)	(60.20)						(60.20)					(60.20)
	Credit Cards	17	1,991.85			1,991.85				1,991.85					1,991.85
	Electronic	234	15,363.30				15,363.30			15,363.30					15,363.30
	Website - 18 fees	19	1,455.37					1,423.87		1,423.87	31.50				1,455.37
	ACH payment	347	25,846.03						25,846.03	25,846.03					25,846.03
05/04/2012	Mail & Counter	333	30,199.39	30,199.39						30,199.39					30,199.39
	Credit Cards	14	1,349.64			1,349.64				1,349.64					1,349.64
	Electronic	223	14,272.53				14,272.53			14,272.53					14,272.53
	Website -54 fees	59	4,524.83					4,430.33		4,430.33	94.50				4,524.83
05/07/2012	Mail & Counter	588	67,473.06	67,473.06						67,473.06					67,473.06
	Credit Cards	28	3,035.58			3,035.58				3,035.58					3,035.58
	Electronic	208	14,528.72				14,528.72			14,528.72					14,528.72
	Website	17	1,461.56					1,431.81		1,431.81	29.75				1,461.56
05/08/2012	Mail & Counter	324	61,904.12	61,904.12						61,904.12					61,904.12
	Credit Cards	16	1,140.40			1,140.40				1,140.40					1,140.40
	Electronic	247	22,398.89				22,398.89			22,398.89					22,398.89
	Website	15	1,507.84					1,481.59		1,481.59	26.25				1,507.84
05/09/2012	Mail & Counter	251	48,553.17	48,553.17						48,553.17					48,553.17
	Deposit-M/C	-	714.89							0.00		714.89			714.89
	Credit Cards	36	4,213.39			4,213.39				4,213.39					4,213.39
	Electronic	101	6,903.06				6,903.06			6,903.06					6,903.06
	Website	12	1,073.67					1,052.67		1,052.67	21.00				1,073.67
05/10/2012	Mail & Counter	168	25,419.39	25,419.39						25,419.39					25,419.39
	Credit Cards	13	1,935.44			1,935.44				1,935.44					1,935.44
	Electronic	101	7,737.50				7,737.50			7,737.50					7,737.50
	Website	16	1,168.69					1,140.69		1,140.69	28.00				1,168.69
	ACH payment	450	38,014.70						38,014.70	38,014.70					38,014.70
05/11/2012	Mail & Counter	187	33,655.26	32,155.26						32,155.26	1,500.00				33,655.26
	Deposit-M/C	-	18,325.67							0.00		18,311.12	14.55		18,325.67
	Deposit-M/C	-	10,760.80							0.00		25.00	10,735.80		10,760.80
	Credit Cards	6	1,410.67			1,410.67				1,410.67					1,410.67
	Electronic	130	9,117.89				9,117.89			9,117.89					9,117.89
	Website - 29 fees	30	2,528.82					2,478.07		2,478.07	50.75				2,528.82
05/14/2012	Mail & Counter	331	47,357.79	47,357.79						47,357.79					47,357.79
	Credit Cards	31	4,906.41			4,906.41				4,906.41					4,906.41
	Electronic	148	9,703.34				9,703.34			9,703.34					9,703.34
	Website	20	1,752.72					1,717.72		1,717.72	35.00				1,752.72
05/15/2012	Mail & Counter	482	51,534.64	51,534.64						51,534.64					51,534.64
	Deposit-M/C	-	29,071.83							0.00		29,071.83			29,071.83
	Credit Cards	21	2,004.37			2,004.37				2,004.37					2,004.37
	Electronic	210	14,255.40				14,255.40			14,255.40					14,255.40
	Website - 14 fees	19	1,620.28					1,595.78		1,595.78	24.50				1,620.28
	ACH payment	469	35,290.13						35,290.13	35,290.13					35,290.13
05/16/2012	Mail & Counter	316	33,921.86	33,921.86						33,921.86					33,921.86
	Credit Cards	30	2,635.43			2,635.43				2,635.43					2,635.43
	Electronic	115	8,357.82				8,357.82			8,357.82					8,357.82
	Website	19	1,342.09					1,308.84		1,308.84	33.25				1,342.09
05/17/2012	Mail & Counter	224	18,511.09	18,511.09						18,511.09					18,511.09
	Deposit-SB taxes	-	10,703.14							0.00		10,703.14			10,703.14

Daily Deposit Allocation - May 2012

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
	Deposit-Riv taxes	-	176.32							0.00		176.32			176.32
	Credit Cards	12	1,121.14			1,121.14				1,121.14					1,121.14
	Electronic	120	9,198.70				9,198.70			9,198.70					9,198.70
	Website	11	972.25					953.00		953.00	19.25				972.25
05/18/2012	Mail & Counter	226	26,905.88	26,905.88						26,905.88					26,905.88
	Deposit-Riv taxes	-	3,061.13							0.00		3,061.13			3,061.13
	Credit Cards	12	904.15			904.15				904.15					904.15
	Electronic	184	12,499.52				12,499.52			12,499.52					12,499.52
	Website	43	3,779.77					3,704.52		3,704.52	75.25				3,779.77
05/21/2012	Mail & Counter	478	36,220.71	36,220.71						36,220.71		7,352.12			36,220.71
	Deposit-M/C	-	7,352.12							0.00					7,352.12
	Credit Cards	21	2,467.38			2,467.38				2,467.38					2,467.38
	Electronic	158	10,779.18				10,779.18			10,779.18					10,779.18
	Website	10	714.02					696.52		696.52	17.50				714.02
	Website	11	995.32					976.07		976.07	19.25				995.32
	ACH payment	448	19,881.35						19,881.35	19,881.35					19,881.35
05/22/2012	Mail & Counter	378	32,491.80	32,491.80						32,491.80					32,491.80
	Credit Cards	23	2,244.51			2,244.51				2,244.51					2,244.51
	Electronic	221	15,845.42				15,845.42			15,845.42					15,845.42
	Website	18	1,917.35					1,885.85		1,885.85	31.50				1,917.35
05/23/2012	Mail & Counter	302	47,374.57	47,374.57						47,374.57					47,374.57
	Credit Cards	35	3,557.60			3,557.60				3,557.60					3,557.60
	Electronic	111	8,363.45				8,363.45			8,363.45					8,363.45
	Website	20	7,305.72					7,270.72		7,270.72	35.00				7,305.72
05/24/2012	Mail & Counter	224	20,849.66	20,849.66						20,849.66					20,849.66
	Deposit-Riv taxes	-	48,102.28							0.00		48,102.28			48,102.28
	Credit Cards	12	1,844.73			1,844.73				1,844.73					1,844.73
	Electronic	78	5,446.04				5,446.04			5,446.04					5,446.04
	Website	18	1,431.71					1,400.21		1,400.21	31.50				1,431.71
05/25/2012	Mail & Counter	213	28,983.19	28,983.19						28,983.19					28,983.19
	Credit Cards	15	1,489.28			1,489.28				1,489.28					1,489.28
	Electronic	167	11,543.18				11,543.18			11,543.18					11,543.18
	Website	43	4,189.87					4,114.62		4,114.62	75.25				4,189.87
	ACH payment	511	56,377.74						56,377.74	56,377.74					56,377.74
05/29/2012	Mail & Counter	499	51,301.15	51,301.15						51,301.15					51,301.15
	Credit Cards	29	2,746.13			2,746.13				2,746.13					2,746.13
	Electronic	179	12,065.94				12,065.94			12,065.94					12,065.94
	Website	5	401.93					393.18		393.18	8.75				401.93
	Website	12	1,136.63					1,115.63		1,115.63	21.00				1,136.63
05/30/2012	Mail & Counter	452	54,894.11	54,894.11						54,894.11					54,894.11
	Credit Cards	30	3,268.66			3,268.66				3,268.66					3,268.66
	Electronic	219	17,745.30				17,745.30			17,745.30					17,745.30
	Website	24	2,831.52					2,789.52		2,789.52	42.00				2,831.52
05/31/2012	Mail & Counter	195	44,593.72	44,593.72						44,593.72					44,593.72
	Deposit-SB Taxes	-	31,921.09							0.00		31,921.09			31,921.09
	Deposit-M/C	-	1,045.71							0.00		402.41	643.30		1,045.71
	Credit Cards	15	2,295.36			2,295.36				2,295.36					2,295.36
	Electronic	115	8,234.55				8,234.55			8,234.55					8,234.55
	Website	8	693.35					679.35		679.35	14.00				693.35
	Website	14	1,188.04					1,163.54		1,163.54	24.50				1,188.04
ARR A Drawer#2	$302,215 (5/24)									0.00					0.00
May-12	Utility Pmt Cntr-448			(32,381.72)	32,381.72					0.00					0.00
	May 12 NSF's		(1,016.03)	(1,016.03)						(1,016.03)					(1,016.03)
	TOTALS	14,457	1,592,750.77	851,584.79	32,381.72	52,214.41	268,306.48	49,255.69	175,409.95	1,429,153.04	2,362.75	149,841.33	11,393.65	0.00	1,592,750.77
	TOTAL # AR PAYMENTS			7,026	448	466	3,782	510	2,225	14,457					
	PERCENT OF TOTAL RECEIVED			48.60%	3.10%	3.22%	26.16%	3.53%	15.39%	100.00%					

FY 2012 - Water Revenue

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
02-40010	Sales - Water	6,000,000	1,799,636	1,415,643	915,153	273,384	479,820	4,883,636	81.39%
02-40011	Sales - Construction Water	31,000	5,720	4,986	1,705	420	1,644	14,475	46.69%
02-40012	Sales - Imported Water (SGPWA)	200,000	69,907	41,441	28,638	8,525	15,369	163,880	81.94%
02-40013	Sales - Imported Water (MUNI)	800,000	224,975	199,742	133,643	40,378	66,737	665,475	83.18%
02-40014	Sales Disc.-Multi Units Usage Chrg.	(130,000)	(33,055)	(30,777)	(26,711)	(7,819)	(11,619)	(109,981)	84.60%
02-40015	Water Wholesale Revenue	60,000	10,639	29,316	8,515	3,077	4,247	55,794	92.99%
02-40016	Service Establishment Fee	100	0	75	150	25	25	275	275.00%
02-41000	Service Demand Charges	2,300,000	400,045	579,064	579,874	193,307	193,583	1,945,873	84.60%
02-41001	Fire Service Standby Fees	15,000	3,311	4,405	4,485	1,455	1,573	15,229	101.53%
02-41003	Construction Service Charge	10,000	1,562	2,003	1,789	690	865	6,909	69.09%
02-41005	Sales Disc-Multi Units Service Chrg.	(92,000)	(18,622)	(26,822)	(26,822)	(8,941)	(8,941)	(90,148)	97.99%
02-41010	Unauthorized Use of Water Charge	1,500	750	0	0	0	0	750	50.00%
02-41110	Meter/Lateral installation	2,500	1,125	3,375	2,250	0	0	6,750	270.00%
02-41112	Fire Flow Measurements & Reports	1,900	450	450	75	75	150	1,200	63.16%
02-41113	Disconnect/Reconnect Fees	100,000	31,700	32,655	27,685	7,205	7,605	106,850	106.85%
02-41121	Delinquent Payment Charges	125,000	41,301	45,727	24,523	7,994	6,776	126,321	101.06%
02-41124	Bad Debt	0	0	0	0	0	0	0	
02-42123	Management & Accounting Fees	733,170	183,288	183,294	183,294	61,098	61,098	672,072	91.67%
02-43010	Interest Earned	10,000	327	1,162	1,745	3,348	0	6,582	65.82%
02-43110	Property Tax - Unsecured	100,000	0	48,194	(114)	(1,672)	(306)	46,102	46.10%
02-43120	Property Tax - Secured	2,050,000	0	423,213	353,855	812,479	96,097	1,685,644	82.23%
02-43130	Tax Collection - Prior	60,000	0	8,652	3,033	1,526	1,856	15,066	25.11%
02-43140	Other Taxes (including homeowners)	90,000	0	9,204	67,746	22,237	15,391	114,579	127.31%
02-49150	Revenue - Misc. Non-Operating	35,000	14,479	8,226	7,007	1,957	2,023	33,692	96.26%
	WATER OPERATING REVENUE	12,503,170	2,737,537	2,983,228	2,291,519	1,420,748	933,994	10,367,024	82.92%
02-82002	Grants (FEMA)	0	1,940	1,155	0	0	0	3,095	
02-89901	Facility Capacity Charges	0	0	130,087	33,114	0	0	163,201	
02-89902	Sustainability	0	0	10,453	12,978	0	0	23,431	
	TOTAL WATER REVENUE	12,503,170	2,739,477	3,124,922	2,337,611	1,420,748	933,994	10,556,751	

FY 2012 - Sewer Revenue

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
03-40016	Sales - Establish Service Fee	100	0	0	0	0	0	0	0.00%
03-41000	Sales - Sewer Charges	10,425,000	2,023,982	2,615,298	2,576,257	856,909	873,159	8,945,605	85.81%
03-41005	Sales Disc-Multi Units Service Chrg.	(200,000)	(39,379)	(51,072)	(51,017)	(16,975)	(17,006)	(175,449)	87.72%
03-41110	Meter/Lateral Installation	1,000	0	0	0	0	0	0	0.00%
03-41121	Penalty Late Charges	130,000	31,494	37,133	33,770	11,385	9,833	123,615	95.09%
03-41124	Bad Debt	0	0	0	0	0	0	0	
03-41131	Front Footage Fees	0	0	0	0	0	0	0	
03-42122	Revenue - other operating	1,000	180	360	0	180	180	900	90.00%
03-43010	Interest Earned	10,000	191	0	1,311	2,232	0	3,734	37.34%
03-43110	Property Tax - Unsecured	50,000	0	50,000	0	0	0	50,000	100.00%
03-43120	Property Tax - Secured	450,000	0	450,000	0	0	0	450,000	100.00%
03-43130	Tax Collection - Prior	15,000	0	7,500	0	0	0	7,500	50.00%
03-43140	Other Taxes (including homeowners)	1,500	0	1,500	0	0	0	1,500	100.00%
03-49150	Misc. Non-Oper Revenue	25,000	0	17,614	139,138	0	643	157,396	629.58%
	SEWER OPERATING REVENUE	10,908,600	2,016,468	3,128,334	2,699,459	853,731	866,809	9,564,801	87.68%
03-82001	Grants - EPA	0	0	0	1,524	5,516	0	7,040	
03-82003	Grants - ARRA	0	55,243	507,634	957,796	248,825	302,215	2,071,713	
03-82004	Grants - Prop 50	0	0	0	793,166	0	0	793,166	
03-89901	Facility Capacity Charges	0	0	157,839	79,058	17,264	10,556	264,717	
03-89905	Contrib Capital-Infrastructure	0	0	0	(54,835)	0	0	(54,835)	
	TOTAL SEWER REVENUE	10,908,600	2,071,711	3,793,806	4,476,168	1,125,336	1,179,580	12,646,602	

FY 2012 - Recycled Water Revenue

ACCOUNT#	Description	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
04-40010	Sales - Recycled Water	220,000	116,823	66,257	38,889	9,154	21,374	252,497	114.77%
04-40011	Sales - Construction Water	2,500	250	348	3	44	6	651	26.06%
04-41000	Sales - Service Demand Chrg.	27,500	5,632	9,233	9,350	3,085	3,104	30,404	110.56%
04-41003	Const. Water Minimum Chrg.	4,000	490	768	628	244	294	2,424	60.61%
04-41121	Penalty - Late Charge	500	42	22	52	22	15	153	30.61%
04-43010	Interest Earned	50	0	0	75	0	0	75	150.40%
04-43110	Property Tax - Unsecured	500	0	500	0	0	0	500	100.00%
04-43120	Property Tax - Secured	10,000	0	10,000	0	0	0	10,000	100.00%
04-43130	Property Tax - Prior	100	0	100	0	0	0	100	100.00%
04-43140	Other Taxes (including homeowners)	100	0	100	0	0	0	100	100.00%
04-49150	Misc. Non-Operating Revenue	0	0	1,200	0	0	0	1,200	
	RECYCLED WATER OPERATING REVENUE	265,250	123,238	88,529	48,997	12,549	24,793	298,105	112.39%
04-82001	Grants-EPA #XP989384-01	0	0	0	41,462	291,075	0	332,536	
04-89901	Facility Capacity Charges	0	0	19,521	0	0	0	19,521	
	TOTAL RECYCLED WATER REVENUE	265,250	123,238	108,049	90,459	303,623	24,793	650,162	

FY 2012 - Water Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
02-5-01-50010	Labor-Water Resources	635,700	135,462	159,449	140,150	47,201	47,175	529,438	83.28%
02-5-01-50011	Labor Credit	0	0	0	0	0	0	0	
02-5-01-50013	Benefits-Fica	48,630	11,207	12,901	11,708	3,919	3,913	43,649	89.76%
02-5-01-50014	Benefits-Life Insurance	3,420	761	762	767	256	256	2,802	81.94%
02-5-01-50016	Benefits-Health\Defrd Comp	90,175	25,822	27,591	26,928	8,553	9,513	98,406	109.13%
02-5-01-50017	Benefits-Disability Insurance	7,650	2,473	2,555	2,257	754	754	8,793	114.94%
02-5-01-50019	Benefits-Workers Compensation	33,700	3,500	9,052	(713)	1,877	2,519	16,235	48.17%
02-5-01-50021	Benefits-PERS	44,500	8,380	10,120	9,011	3,055	3,117	33,682	75.69%
02-5-01-50022	Benefits-PERS-Employer	85,885	16,216	19,531	17,391	5,896	6,016	65,049	75.74%
02-5-01-50023	Benefits-Uniforms	2,850	655	511	410	124	184	1,885	66.14%
02-5-01-50024	Benefits-Vacation & Sick Pay	20,000	1,470	1,787	2,420	858	875	7,410	37.05%
02-5-01-50025	Benefits-Boot Allowance	1,425	600	150	300	0	0	1,050	73.68%
02-5-01-51003	R&M - Structures	200,000	60,997	72,991	45,117	15,585	2,569	197,260	98.63%
02-5-01-51011	R&M - CLA Valves	15,000	0	7,563	0	176	788	8,527	56.85%
02-5-01-51140	General Supplies & Expenses	2,000	336	1,274	115	186	90	2,001	100.04%
02-5-01-51210	Utilities - Power Purchases	1,500,000	357,907	363,756	224,872	63,378	71,798	1,081,711	72.11%
02-5-01-51211	Utilities - Electricity & Fuel	4,000	860	1,118	1,058	344	330	3,710	92.75%
02-5-01-51316	Imported Water Purchases	1,000,000	312,375	242,810	105,388	56,971	65,000	782,543	78.25%
02-5-01-54019	Licenses & Permits	25,000	25,403	3,218	3,490	814	569	33,494	133.98%
02-5-01-54110	Laboratory Services	90,000	9,682	8,835	8,902	3,410	5,065	35,893	39.88%
02-5-01-57040	YVRWFF Operating Expense	550,000	182,227	159,073	130,870	60,622	48,490	581,281	105.69%
	WATER RESOURCE TOTALS	**4,359,935**	**1,156,332**	**1,105,047**	**730,441**	**273,979**	**269,020**	**3,534,820**	**81.08%**
02-5-03-50010	Labor-Public Works	945,340	180,132	221,572	179,425	60,905	58,438	700,473	74.10%
02-5-03-50011	Labor Credit	0	(4,064)	(20,045)	13,061	0	(24,862)	(35,910)	
02-5-03-50013	Benefits-Fica	72,320	14,746	18,252	14,910	4,996	4,796	57,701	79.78%
02-5-03-50014	Benefits-Life Insurance	6,160	1,264	1,269	1,157	396	397	4,483	72.78%
02-5-03-50016	Benefits-Health\Defrd Comp	162,315	44,049	49,794	43,595	12,656	15,727	165,821	102.16%
02-5-03-50017	Benefits-Disability Insurance	11,345	3,872	3,784	2,897	975	949	12,477	109.98%
02-5-03-50019	Benefits-Workers Compensation	50,100	4,215	10,437	3,544	3,366	3,231	24,792	49.49%
02-5-03-50021	Benefits-PERS	66,175	11,269	13,654	11,599	3,949	3,808	44,279	66.91%
02-5-03-50022	Benefits-PERS Employer	127,715	21,816	26,352	22,386	7,622	7,350	85,525	66.97%
02-5-03-50023	Benefits-Uniforms	20,000	1,193	1,081	1,538	380	361	4,553	22.76%
02-5-03-50024	Benefits-Vacation & Sick Pay	5,130	193	966	1,160	393	400	3,113	60.68%
02-5-03-50025	Benefits-Boot Allowance	2,565	289	1,251	571	0	0	2,112	82.34%
02-5-03-51001	R & M -Vehicles & Equipment	170,000	34,942	49,022	67,244	16,653	11,714	179,575	105.63%
02-5-03-51011	R&M - Valves	10,000	0	(3,104)	(2,553)	0	941	(4,717)	-47.17%
02-5-03-51020	R&M - Pipelines	275,000	50,081	73,098	45,303	11,261	24,961	204,704	74.44%
02-5-03-51021	R&M - Service Lines	125,000	26,838	31,933	24,884	9,581	6,228	99,465	79.57%
02-5-03-51022	R&M - Fire Hydrants	25,000	(1,837)	8,428	10,958	589	428	18,567	74.27%
02-5-03-51030	R&M - Water Meters	70,000	8,637	20,684	27,771	5,410	2,502	65,004	92.86%
02-5-03-51092	Equipment Credits	0	(1,913)	(7,087)	(122)	0	(430)	(9,552)	
02-5-03-51140	General Supplies & Expenses	3,000	51	0	0	0	0	51	1.69%
	PUBLIC WORKS TOTALS	**2,147,165**	**395,774**	**501,342**	**469,329**	**139,130**	**116,367**	**1,621,942**	**75.54%**

FY 2012 - Water Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
02-5-06-50010	Labor-Administration	745,830	133,859	163,564	140,897	47,804	47,880	534,004	71.60%
02-5-06-50011	Labor Credit	0	0	(157)	(2,106)	0	(2,192)	(4,455)	
02-5-06-50012	Director Fees	15,000	2,249	4,559	4,011	(34)	1,398	12,183	81.22%
02-5-06-50013	Benefits-Fica	57,050	10,201	11,957	12,392	4,149	4,157	42,856	75.12%
02-5-06-50014	Benefits-Life Insurance	3,640	865	863	870	290	290	3,178	87.31%
02-5-06-50016	Benefits-Health\Defrd Comp	95,870	33,853	38,482	36,458	11,624	12,760	133,178	138.91%
02-5-06-50017	Benefits-Disability Insurance	8,950	1,588	2,123	2,211	741	740	7,404	82.72%
02-5-06-50019	Benefits-Workers Compensation	39,530	1,800	3,925	(1,407)	592	593	5,503	13.92%
02-5-06-50021	Benefits-PERS	52,200	9,190	11,237	9,775	3,314	3,327	36,843	70.58%
02-5-06-50022	Benefits PERS Employer	138,550	17,787	21,688	18,866	6,397	6,422	71,159	51.36%
02-5-06-50023	Uniforms	3,030	496	462	371	114	121	1,563	51.58%
02-5-06-50024	Benefits-Vacation & Sick Pay	15,000	2,099	2,730	3,417	1,174	1,044	10,464	69.76%
02-5-06-50025	Benefits-Boots	1,515	150	296	150	0	484	1,079	71.25%
02-5-06-51003	R&M - Structures	20,000	7,472	(590)	8,436	312	56	15,686	78.43%
02-5-06-51091	Expense Credits (overhead)	0	(1,228)	(6,127)	852	0	(3,532)	(10,035)	
02-5-06-51120	Safety Equipment/Supplies	25,000	8,331	3,764	4,396	1,619	1,584	19,694	78.78%
02-5-06-51125	Petroleum Products	110,000	29,956	29,846	25,637	7,652	7,754	100,845	91.68%
02-5-06-51130	Office Supplies & Expenses	40,000	15,353	6,512	9,805	1,127	1,562	34,358	85.90%
02-5-06-51140	General Supplies & Expenses	30,000	845	6,795	7,114	3,989	172	18,916	63.05%
02-5-06-51211	Utilities - Electricity	26,000	6,869	6,703	4,647	1,486	1,566	21,271	81.81%
02-5-06-51213	Utilities - Natural Gas	5,000	115	1,000	1,078	179	0	2,371	47.42%
02-5-06-54002	Dues & Subscriptions	10,000	262	4,300	4,604	469	0	9,634	96.34%
02-5-06-54005	Computer Expenses	75,000	15,813	24,994	20,298	3,852	9,000	73,956	98.61%
02-5-06-54010	Postage	6,500	391	513	2,611	105	97	3,717	57.18%
02-5-06-54011	Printing & Publications	20,000	5,799	73	73	155	0	6,100	30.50%
02-5-06-54012	Education & Training	30,000	1,967	1,898	6,201	2,154	50	12,269	40.90%
02-5-06-54013	Utility Billing Expenses	135,000	33,408	32,353	30,895	9,369	3,492	109,516	81.12%
02-5-06-54014	Public Relations	25,000	1,233	1,212	2,536	756	0	5,737	22.95%
02-5-06-54015	Rents & Leases	3,500	999	393	664	204	0	2,260	64.56%
02-5-06-54016	Travel Related Expenses	7,500	77	84	3,075	123	0	3,359	44.78%
02-5-06-54017	Certifications & Renewals	6,000	460	1,250	1,416	2,160	370	5,656	94.27%
02-5-06-54020	Meeting Related Expenses	4,000	885	706	1,280	275	189	3,335	83.37%
02-5-06-54024	Utilities - Waste Disposal	2,500	476	476	503	181	0	1,636	65.43%
02-5-06-54025	Utilities - Telephone	35,000	7,257	7,370	7,486	1,415	2,210	25,737	73.53%
02-5-06-54104	Contractual Services	70,000	24,302	7,605	14,633	8,131	1,197	55,868	79.81%
02-5-06-54107	Legal	45,000	10,364	10,210	14,129	3,348	913	38,963	86.58%
02-5-06-54108	Audit & Accounting	16,000	14,750	1,123	0	0	0	15,873	99.20%
02-5-06-54109	Professional Fees	100,000	40,152	21,717	26,946	8,866	3,150	100,831	100.83%
02-5-06-55500	Depreciation Reserves	375,095	93,773	93,774	121,046	31,258	31,258	371,109	98.94%
	Infrastructure Replacement	397,935	99,486	99,483	99,483	33,161	33,161	364,774	91.67%
02-5-06-56001	Insurance	120,000	29,787	27,972	28,212	9,324	9,324	104,619	87.18%
02-5-06-57030	Regulatory Compliance	95,000	213	278	213	0	0	703	0.74%
02-5-06-57096	Beaumont Basin Watermaster	10,000	0	0	0	0	0	0	0.00%
02-5-06-57100	County Tax Collector Fees	7,500	371	2,520	945	2,117	283	6,236	83.15%
02-5-06-57199	Suspense	0	0	0	0	0	0	0	
	ADMINISTRATION TOTALS	3,028,695	664,074	649,933	675,116	209,951	180,878	2,379,953	78.58%

FY 2012 - Water Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
02-5-40-57001	Asset Acq. - Water Resources	0	0	0	0	0	0	0	
02-5-40-57003	Asset Acq. - Public works	0	0	0	0	0	0	0	
02-5-40-57006	Asset Acq. - Administration	35,000	23,451	15,771	0	0	0	39,222	112.06%
02-5-40-57201	Debt Srv-Series 2004A Princ.(25009)	920,000	920,000	0	0	0	0	920,000	100.00%
02-5-40-57402	Interest-Long-Term Debt Bonds	2,012,375	1,014,813	0	997,563	0	0	2,012,376	100.00%
	40 - Debt & Capital Outlay	2,967,375	1,958,263	15,771	997,563	0	0	2,971,597	100.14%
	TOTAL WATER EXPENSES	12,503,170	4,174,444	2,272,092	2,872,450	623,061	566,266	10,508,312	84.05%

FY 2012 - Sewer Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
03-5-02-50010	Labor-WW Treatment	899,200	177,500	228,823	196,005	65,294	66,454	734,075	81.64%
03-5-02-50013	Benefits-Fica	68,800	14,804	18,781	16,220	5,394	5,480	60,680	88.20%
03-5-02-50014	Benefits-Life Insurance	4,500	1,016	1,016	1,023	341	341	3,736	83.03%
03-5-02-50016	Benefits-HealthNDefrd Comp	118,650	35,675	39,705	38,328	12,325	13,395	139,427	117.51%
03-5-02-50017	Benefits-Disability Insurance	10,800	3,285	3,682	3,087	1,027	1,040	12,122	112.24%
03-5-02-50019	Benefits-Workers Compensation	47,700	3,500	6,597	2,860	3,097	2,483	18,536	38.86%
03-5-02-50021	Benefits-PERS	62,950	11,863	14,732	12,712	4,321	4,415	48,042	76.32%
03-5-02-50022	Benefits-PERS Employer	121,500	22,962	28,432	24,533	8,339	8,521	92,788	76.37%
03-5-02-50023	Benefits-Uniforms	3,750	997	921	1,289	290	267	3,764	100.38%
03-5-02-50024	Benefits-Vacation & Sick Pay	15,000	1,283	1,849	1,174	567	573	5,446	36.31%
03-5-02-50025	Benefits-Boot Allowance	1,875	254	464	740	0	0	1,458	77.73%
03-5-02-51003	R&M - Structures	200,000	23,411	41,577	187,209	18,992	10,114	281,302	140.65%
03-5-02-51010	R&M - Automation Control	85,000	5,092	18,462	21,209	5,676	7,384	57,823	68.03%
03-5-02-51106	Chemicals	600,000	131,976	130,426	103,092	39,360	38,675	443,528	73.92%
03-5-02-51111	Propane	2,500	3,053	3,144	0	0	105	6,302	252.06%
03-5-02-51115	Laboratory Supplies	30,000	6,067	4,072	7,880	1,235	686	19,940	66.47%
03-5-02-51140	General Supplies & Expenses	1,000	147	0	86	0	0	234	23.35%
03-5-02-51210	Utilities - Power Purchases	690,000	186,288	166,986	94,247	61,927	41,382	550,830	79.83%
03-5-02-54110	Laboratory Services	120,000	20,849	27,523	21,564	3,641	7,597	81,173	67.64%
03-5-02-57031	Sludge Disposal	300,000	75,017	78,061	73,703	24,493	0	251,273	83.76%
03-5-02-57033	Brine Disposal	30,000	0	10,290	20,580	0	6,860	37,730	125.77%
	TREATMENT TOTALS	3,413,225	725,036	825,543	827,539	256,319	215,771	2,850,207	83.50%

FY 2012 Sewer Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
03-5-06-50010	Labor-Administration	708,050	121,149	150,854	130,003	44,089	44,081	490,177	69.23%
03-5-06-50012	Directors Fees	15,000	2,249	4,559	4,011	(34)	1,398	12,183	81.22%
03-5-06-50013	Benefits-Fica	54,170	9,163	10,921	11,509	3,846	3,848	39,287	72.52%
03-5-06-50014	Benefits-Life Insurance	3,500	867	864	871	290	290	3,183	90.93%
03-5-06-50016	Benefits-Health\Defrd Comp	92,075	33,167	37,780	35,932	10,758	12,585	130,222	141.43%
03-5-06-50017	Benefits-Disability Insurance	8,500	1,974	2,000	2,096	701	700	7,471	87.89%
03-5-06-50019	Benefits-Workers Compensation	37,530	3,200	6,342	3,361	2,173	2,197	17,273	46.02%
03-5-06-50021	Benefits-PERS	49,570	8,464	10,347	9,013	3,054	3,061	33,940	68.47%
03-5-06-50022	Benefits PERS Employer	95,660	16,383	19,970	17,394	5,895	5,908	65,550	68.52%
03-5-06-50023	Benefits-Uniforms	2,910	281	304	324	68	82	1,059	36.40%
03-5-06-50024	Benefits-Vacation & Sick Pay	10,000	2,099	2,730	3,417	1,174	1,044	10,464	104.64%
03-5-06-50025	Benefits-Boot Allowance	1,455	0	0	0	0	0	0	0.00%
03-5-06-51120	Safety Equipment/Supplies	7,500	5,704	82	2,564	71	544	8,965	119.54%
03-5-06-51125	Petroleum Products	17,500	3,000	3,682	4,091	1,000	1,000	12,773	72.99%
03-5-06-51130	Office Supplies	5,000	1,176	200	388	525	411	2,700	54.00%
03-5-06-51140	General Supplies & Expenses	7,500	129	5,513	3,902	3,499	160	13,203	176.05%
03-5-06-54002	Dues & Subscriptions	10,000	476	4,639	4,711	469	0	10,294	102.94%
03-5-06-54003	Management & Admin Services	733,170	183,288	183,294	183,294	61,098	61,098	672,072	91.67%
03-5-06-54005	Computer Expenses	70,000	9,296	24,240	19,072	4,122	9,180	65,910	94.16%
03-5-06-54011	Printing & Publications	7,500	5,799	73	73	155	0	6,100	81.33%
03-5-06-54012	Education & Training	20,000	1,775	550	5,647	2,085	855	10,911	54.56%
03-5-06-54014	Public Relations	8,000	897	1,007	2,500	756	0	5,159	64.49%
03-5-06-54016	Travel Related Expenses	8,500	1,052	2,405	3,091	291	381	7,221	84.95%
03-5-06-54017	Certifications & Renewals	5,500	365	480	1,464	0	260	2,569	46.71%
03-5-06-54019	Licenses & Permits	42,500	4,109	39,787	1,977	114	0	45,987	108.20%
03-5-06-54020	Meeting Related Expenses	2,500	808	656	1,282	170	214	3,131	125.23%
03-5-06-54024	Utilities - Waste Disposal	12,500	2,850	2,835	2,835	945	0	9,465	75.72%
03-5-06-54025	Utilities - Telephone	16,500	4,523	4,911	4,848	1,595	953	16,829	102.00%
03-5-06-54030	Drinking Water	1,000	217	189	224	49	56	735	73.50%
03-5-06-54104	Contractual Services	30,000	13,848	3,561	8,516	1,239	422	27,586	91.95%
03-5-06-54107	Legal	45,000	10,461	12,160	13,706	2,990	913	40,230	89.40%
03-5-06-54108	Audit & Accounting	16,000	14,750	1,123	0	0	0	15,873	99.20%
03-5-06-54109	Professional Fees	300,000	115,525	212,102	64,224	6,966	2,850	401,666	133.89%
03-5-06-55500	Depreciation Reserves	327,260	81,812	81,816	81,816	27,272	27,272	299,988	91.67%
	Infrastructure Replacement	786,300	196,575	196,575	196,575	65,525	65,525	720,775	91.67%
03-5-06-56001	Insurance	115,000	28,379	27,972	28,967	9,324	9,324	103,966	90.40%
03-5-06-57030	Regulatory Compliance	50,000	21,447	42,278	13	0	0	63,738	127.48%
03-5-06-57100	County Tax Collection Fees	1,200	0	0	0	0	0	0	0.00%
	ADMINISTRATION TOTALS	3,724,350	907,255	1,098,801	853,711	262,274	256,613	3,378,654	90.72%

FY 2012 - Sewer Expenses

ACCOUNT#	DESCRIPTION	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
03-5-07-50010	Labor-Enviromental Control	213,570	42,577	52,019	42,019	11,231	10,822	158,668	74.29%
03-5-07-50011	Labor Credit	0	0	(302)	0	0	0	(302)	
03-5-07-50013	Benefits-Fica	16,340	3,364	4,105	3,289	849	817	12,423	76.03%
03-5-07-50014	Benefits-Life Insurance	1,400	254	254	256	85	85	934	66.70%
03-5-07-50016	Benefits-Health\Defrd Comp	37,020	10,118	10,827	10,374	4,452	3,827	39,598	106.96%
03-5-07-50017	Benefits-Disability Insurance	2,565	737	865	645	(481)	179	1,945	75.85%
03-5-07-50019	Benefits-Workers Compensation	11,320	2,000	4,396	1,068	792	762	9,018	79.67%
03-5-07-50021	Benefits-PERS	14,950	2,483	3,044	2,511	644	614	9,296	62.18%
03-5-07-50022	Benefits-PERS Employer	28,855	4,806	5,875	4,846	1,242	1,185	17,955	62.23%
03-5-07-50023	Benefits-Uniforms	1,170	354	337	345	83	76	1,194	102.08%
03-5-07-50024	Benefits-Vacation & Sick Pay	6,000	0	0	0	0	0	0	0.00%
03-5-07-50025	Benefits-Boot Allowance	585	300	0	0	0	0	300	51.28%
03-5-07-51003	R&M - Structures	320,000	76,469	64,254	83,780	22,141	30,048	276,692	86.47%
03-5-07-51140	General Supplies & Expenses	1,000	0	709	1,321	30	0	2,060	206.02%
03-5-07-51241	Lift Station #1	70,000	15,271	16,987	23,780	2,835	2,729	61,602	88.00%
03-5-07-51242	Lift Station #2	12,000	1,731	3,161	2,198	717	712	8,519	70.99%
03-5-07-51243	Lift Station #3	7,500	651	497	769	149	175	2,240	29.87%
03-5-07-51244	Lift Station #4	20,000	1,324	4,031	3,062	991	979	10,387	51.94%
03-5-07-51245	Lift Station #5	5,000	193	262	243	78	83	859	17.18%
03-5-07-51248	Lift Station #8	3,000	100	140	129	42	45	456	15.19%
03-5-07-54109	Professional Fees	50,000	0	26,568	13,178	7,346	4,822	51,915	103.83%
03-5-07-54110	Laboratory Services	2,500	0	0	358	0	0	358	14.32%
	ENVIRONMENTAL CONTROL TOTAL	824,775	162,731	198,029	194,172	53,227	57,961	666,119	80.76%
03-5-40-57002	Asset Acq. - Treatment		0	0	0	0	0	0	
03-5-40-57006	Asset Acq. - Administration		0	0	0	0	0	0	
03-5-40-57007	Asset Acq. - Environmental Control		0	58,829	0	0	0	58,829	
			0	0	0				
03-5-40-57009	Plant Support (03-13105 Sari Line)	19,710	0	0	0	0	19,710	19,710	100.00%
03-5-40-57202	Debt Service - Principal	1,909,500	1,907,783	0	0	0	0	1,907,783	99.91%
03-5-40-57403	Debt Service - Interest	1,017,040	1,015,886	0	0	0	0	1,015,886	99.89%
	Debt & Capital Outlay	2,946,250	2,923,669	58,829	0	0	19,710	3,002,207	101.90%
	TOTAL SEWER EXPENSES	10,908,600	4,718,691	2,181,201	1,875,421	571,819	550,055	9,897,187	90.73%

FY 2012 - Recycled Water Expenses

ACCOUNT#	Description	BUDGET	Qtr 1 Totals	Qtr 2 Totals	Qtr 3 Totals	April '12	May '12	Year to Date	Percentage YTD
04-5-06-50010	Labor-Recycled Water	76,900	0	0	0	0	0	0	0.00%
04-5-06-50012	Director Fees	2,500	0	0	0	2,500	0	2,500	100.00%
04-5-06-50013	Benefits-FICA	6,655	0	0	0	0	0	0	0.00%
04-5-06-50014	Benefits-Life Insurance	440	0	0	0	0	0	0	0.00%
04-5-06-50016	Benefits-Health & Def Comp	8,890	1,110	1,111	1,111	402	402	4,137	46.53%
04-5-06-50017	Benefits-Disability Insurance	1,085	0	0	0	0	0	0	0.00%
04-5-06-50019	Benefits-Workers Compensation	4,610	0	0	0	0	0	0	0.00%
04-5-06-50021	Benefits-PERS Employee	6,090	0	0	0	0	0	0	0.00%
04-5-06-50022	Benefits-PERS Employer	9,250	0	0	0	0	0	0	0.00%
04-5-06-50023	Benefits-Uniforms	360	0	0	0	0	0	0	0.00%
04-5-06-50024	Benefits-Vacation & Sick Pay	1,250	0	0	0	0	0	0	0.00%
04-5-06-50025	Benefits-Boots	150	0	0	0	0	0	0	0.00%
04-5-06-51003	R & M-Structures	25,000	500	7,046	0	0	0	7,546	30.18%
04-5-06-51020	R & M-Pipelines	5,000	0	0	0	0	0	0	0.00%
04-5-06-51021	R & M-Service Lines	5,000	0	0	0	0	0	0	0.00%
04-5-06-51022	R & M-Fire Hydrants	1,000	0	0	0	0	0	0	0.00%
04-5-06-51030	R & M-Meters	500	0	0	0	0	0	0	0.00%
04-5-06-51140	General Supplies & Expenses	250	0	0	0	0	0	0	0.00%
04-5-06-54002	Dues & Subscriptions	750	0	0	748	3,041	0	3,788	505.09%
04-5-06-54005	Computer Expense	1,000	1,167	1,711	0	0	620	3,498	349.78%
04-5-06-54011	Printing & Publications	250	0	0	0	0	0	0	0.00%
04-5-06-54012	Education & Training	2,500	0	2,620	240	0	350	3,210	128.39%
04-5-06-54014	Public Relations	5,000	1,101	984	1,048	156	0	3,289	65.79%
04-5-06-54016	Travel Related Expenses	1,500	0	664	343	339	0	1,346	89.72%
04-5-06-54017	Certifications & Renewals	250	0	0	0	0	0	0	0.00%
04-5-06-54019	Licenses & Permits	2,500	0	0	1,323	0	0	1,323	52.92%
04-5-06-54020	Meeting Related Expenses	500	0	309	35	0	77	422	84.38%
04-5-06-54025	Telephone	500	169	169	167	56	0	561	112.12%
04-5-06-54010	Contractural Services	1,750	0	0	1,605	0	0	1,605	91.71%
04-5-06-54107	Legal	2,000	0	0	0	0	0	0	0.00%
04-5-06-54109	Professional Fees	10,000	1,813	6,355	7,505	0	0	15,673	156.73%
04-5-06-54110	Laboratory Services	1,000	0	0	0	0	0	0	0.00%
04-5-06-55500	Depreciation	7,900	1,986	1,986	1,986	662	662	7,282	92.18%
	Infrastructure Replacement	52,920	13,230	13,230	13,230	4,410	4,410	48,510	91.67%
04-5-06-57030	Regulatory Compliance	20,000	0	0	0	0	0	0	0.00%
	TOTAL RECYCLED WATER EXPENSES	265,250	21,077	36,185	29,340	11,565	6,522	104,689	39.47%

Yucaipa Valley Water District

Director Memorandum 12-052

Date: June 20, 2012

Prepared By: Peggy Little, Administration Supervisor

Subject: Identification and Declaration of Bad Debts for Calendar Year 2010

Recommendation: That the Board authorizes the District staff to declare bad debts for calendar year 2010 in the amount of $40,057.17.

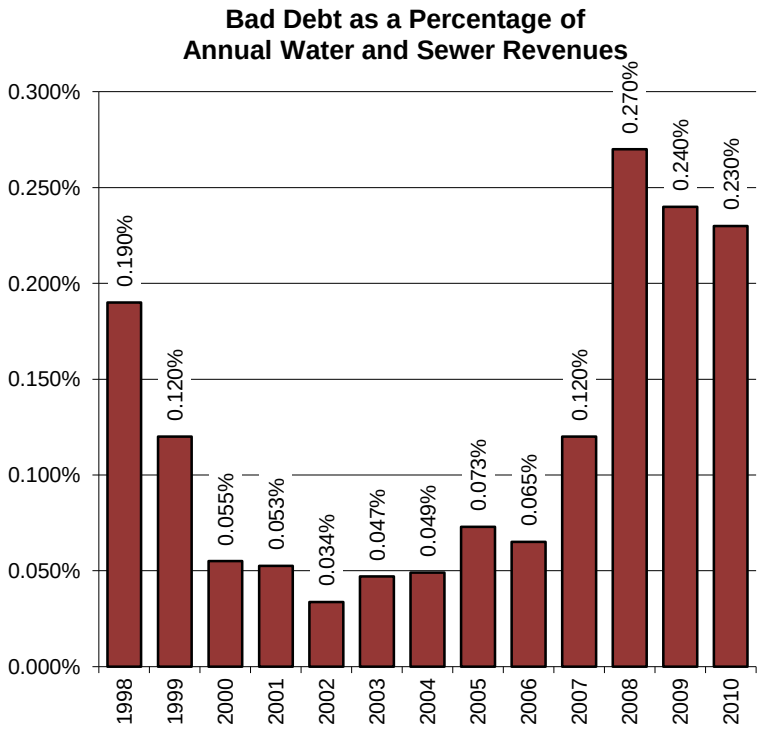
The District actively pursues delinquent accounts, and in most cases is able to collect delinquent fees through a combination of shutting off the services provided, sending accounts to a collection agency, placing a lien on the property involved, and/or pursuing the claims through legal actions such as small claims court. In some cases, the District is unable to collect the money owed the District. Included in this amount of $40,057.17 are two uncollectible miscellaneous invoices that total $6,248.80. These two uncollectible invoices were a result of an accident that broke a fire hydrant and a water service installation balance on a HUD home.

During the calendar year 2010, we continued to experience many foreclosures. The amount of foreclosures is $28,691.78 which includes $7,066.98 sewer only customers and $21,624.80 water/sewer customers. This leaves account balances of $11,365.39 that was not collected in the normal process.

As a proper accounting procedure, this bad debt must be accounted for on our financial statements; otherwise the debt remains as a liability on the District's annual audit.

District staff has compiled the list of uncollectible accounts for calendar year 2010, which amounts to $40,057.17. Of this total, 85% of the bad debts are due to home foreclosures, and this trend will hopefully start to decline for calendar year 2011.

Overall, the total amount of bad debt represents a loss of 0.23% for calendar year 2010 based on total water and sewer revenues.



Yucaipa Valley Water District

Director Memorandum 12-053

Date: June 20, 2012

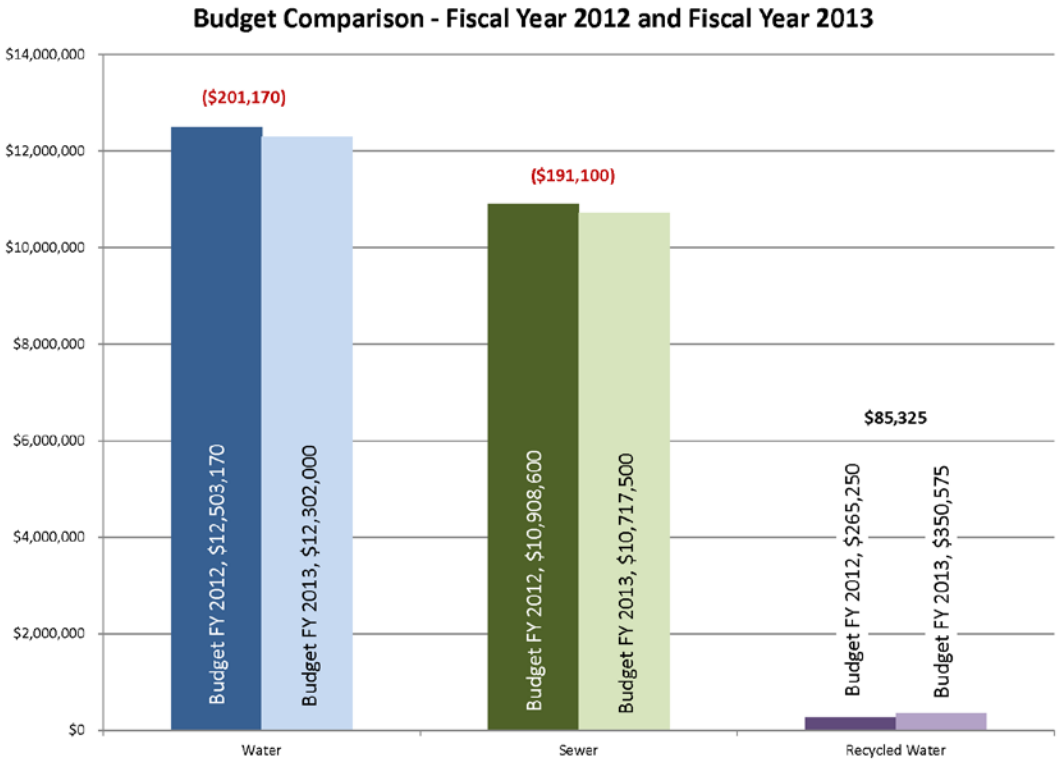
Prepared By: Joseph Zoba, General Manager

Subject: Operating Budget and Capital Improvement Plan for Fiscal Year 2013

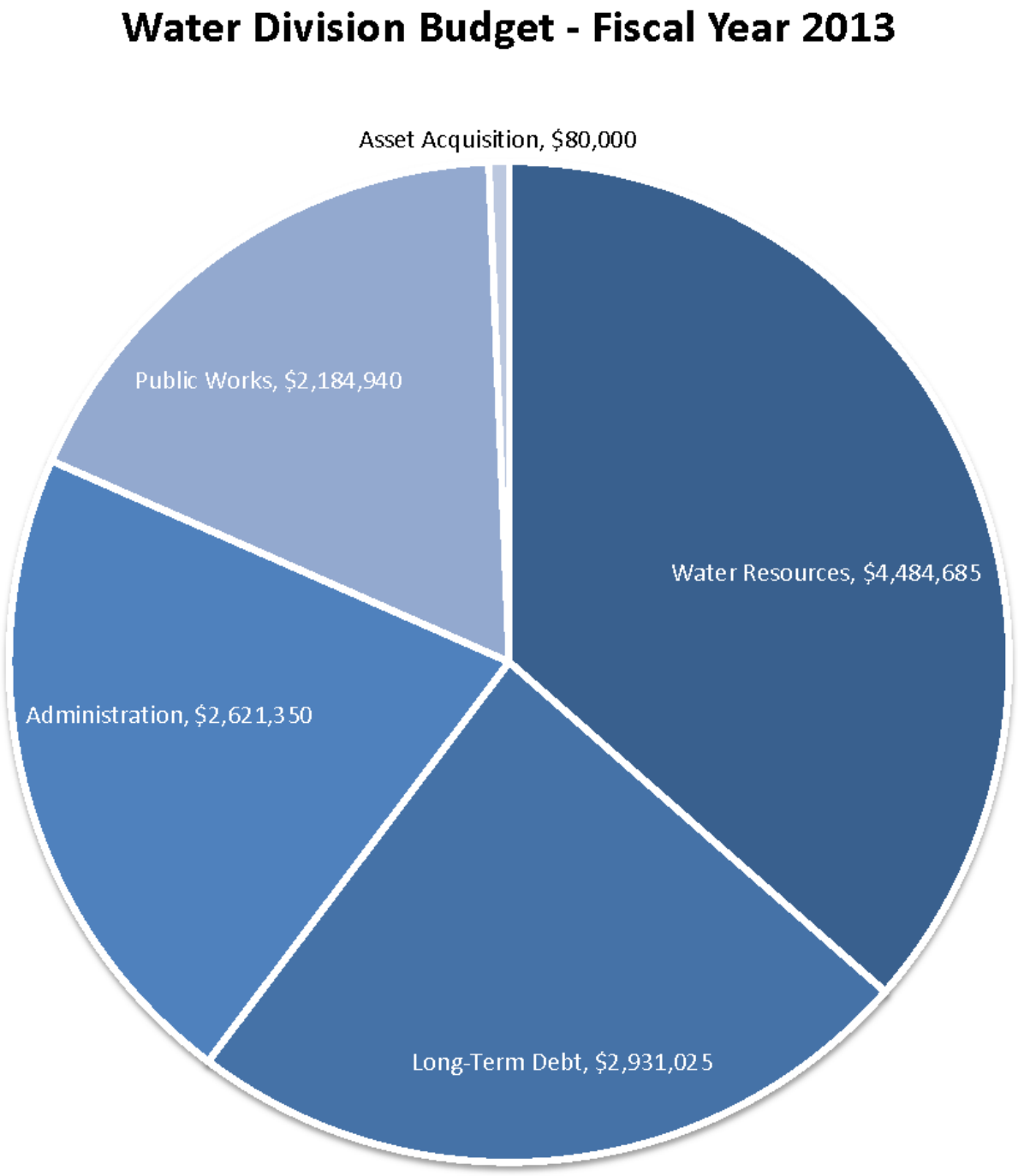
Recommendation: That the Board adopts the Fiscal Year 2013 Operating Budget and Capital Improvement Plan.

The Fiscal Year 2013 Operating and Capital Improvement Budget has been developed based on projections of a slow economy which is expected to result in little new development coupled with inflated operational costs. These economic projections require the District to focus on the essential operational duties and maintenance tasks while also completing a series of regulatory driven capital improvement projects related to salinity management.

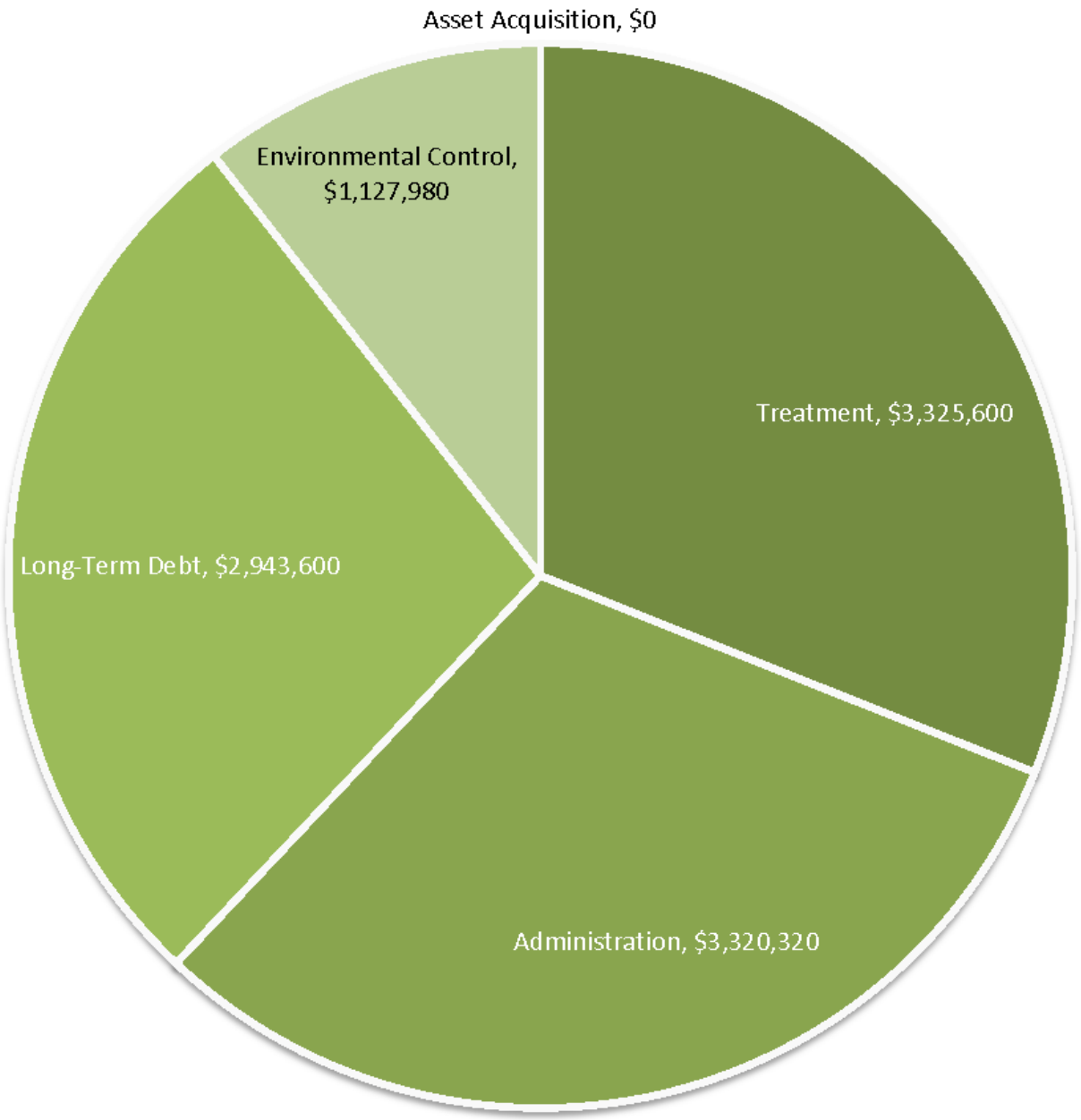
The proposed balanced budget provides for quality water, sewer and recycled water services while effectively and efficiently utilizing our available resources. The fiscally conservative approach to this budget will reduce expenses by approximately $300,000 from the prior year and allow the District to continue as a leader in our industry while acknowledging our customer's needs and the overall condition of the economy.



The District staff has prepared the operating budget for Fiscal Year 2013. Excluding capital improvement projects, the proposed balanced budget involves total operational costs of $23,370,075 for the three enterprise funds: water division, sewer division and the recycled water division.



Sewer Division Budget - Fiscal Year 2013



WATER DIVISION BUDGET

Fiscal Year 2013

	G/L Number	Adopted Budget Fiscal Year 2012	Adopted Budget Fiscal Year 2013
OPERATING REVENUE:			
Potable Water - Commodity Charge	02-40010	6,000,000	6,156,500
Construction Water - Commodity Charge	02-40011	31,000	35,000
Imported Water - San Gorgonio Pass W.A.	02-40012	200,000	200,000
Imported Water - San Bernardino Valley M.W.D.	02-40013	800,000	800,000
Potable Water - Commodity Multi-Unit Discount	02-40014	(130,000)	(130,000)
Water Wholesale Revenue	02-40015	60,000	60,000
Water Service Establishment Fee	02-40016	100	500
Potable Water - Service Demand Charge	02-41000	2,300,000	2,350,000
Fire Service Standby Fee	02-41001	15,000	18,000
Construction Water - Service Charge	02-41003	10,000	10,000
Potable Water - Service Charge Multi-Unit Discount	02-41005	(92,000)	(100,000)
Unauthorized Use of Water Charges	02-41010	1,500	1,500
Water Meter & Service Installation Charges	02-41110	2,500	25,000
Fire Flow Measurements & Reports	02-41112	1,900	2,500
Disconnection and Reconnection Charges	02-41113	100,000	125,000
Delinquent Payment Charges	02-41121	125,000	125,000
Management & Accounting Services	02-42123	733,170	147,000
Bad Debt Write-Off & Recovery	02-42124	0	(24,000)
Total Operating Revenue		10,158,170	9,802,000
NON-OPERATING REVENUE:			
Transfer - Reserve Fund to Asset Acquisition		-	-
Transfer - Dev. Impact Fees to 2004A Debt Service		-	-
Transfer - Rate Stabilization Fund to Water Division		-	-
Interest Earned	02-43010	10,000	10,000
Property Tax-Unsecured	02-43110	100,000	100,000
Property Tax-Secured	02-43120	2,050,000	2,200,000
Tax Collection-Prior	02-43130	60,000	15,000
Other Taxes	02-43140	90,000	125,000
Miscellaneous Non-Operating Revenue	02-49150	35,000	50,000
Total Non-Operating Revenue		2,345,000	2,500,000
TOTAL WATER REVENUE		**12,503,170**	**12,302,000**
OPERATING EXPENSE			
Water Resource Department		4,359,935	4,484,685
Public Works Department		2,147,165	2,184,940
Administration Department		3,028,695	2,621,350
Long-Term Debt Obligations		2,932,375	2,931,025
Asset Acquisition		35,000	80,000
Total Operating Expense		12,503,170	12,302,000
TOTAL WATER EXPENSES		**12,503,170**	**12,302,000**

WATER DIVISION BUDGET

Fiscal Year 2013

WATER RESOURCE DEPARTMENT	G/L Number	Adopted Budget Fiscal Year 2012	Adopted Budget Fiscal Year 2013
Labor	02-5-01-50010	635,700	789,300
Benefits	02-5-01-500xx	338,235	388,985
Repair & Maintenance - Structures	02-5-01-51003	200,000	200,000
Repair & Maintenance - Valves	02-5-01-51011	15,000	15,000
General Supplies & Expenses	02-5-01-51140	2,000	2,000
Power Purchases	02-5-01-51210	1,500,000	1,400,000
Electricity and Fuel	02-5-01-51211	4,000	4,400
Imported Water Purchases	02-5-01-51316	1,000,000	1,000,000
Licenses & Permits	02-5-01-54019	25,000	25,000
Laboratory Services	02-5-01-54110	90,000	60,000
Operation, Repair & Maintenance - YVRWFF	02-5-01-57040	550,000	600,000
Sub-Total Water Resource Department		**4,359,935**	**4,484,685**
PUBLIC WORKS DEPARTMENT			
Labor	02-5-03-50010	945,340	963,140
Benefits	02-5-03-500xx	523,825	540,800
Repair & Maintenance - Vehicles & Equipment	02-5-03-51001	170,000	180,000
Repair & Maintenance - Valves	02-5-03-51011	10,000	10,000
Repair & Maintenance - Pipelines	02-5-03-51010	275,000	275,000
Repair & Maintenance - Service Lines	02-5-03-51021	125,000	120,000
Repair & Maintenance - Fire Hydrants	02-5-03-51022	25,000	25,000
Repair & Maintenance - Water Meters	02-5-03-51030	70,000	70,000
General Supplies & Expenses	02-5-03-51140	3,000	1,000
Sub-Total Utility Services Department		**2,147,165**	**2,184,940**

WATER DIVISION BUDGET

Fiscal Year 2013

ADMINISTRATIVE SERVICES DEPARTMENT			
Labor	02-5-06-50010	745,830	641,470
Director Fees	02-5-06-50012	15,000	15,000
Benefits	02-5-06-500xx	415,335	382,380
Repair & Maintenance - Structures	02-5-06-51003	20,000	20,000
Safety Equipment & Supplies	02-5-06-51120	25,000	20,000
Petroleum Products	02-5-06-51125	110,000	120,000
Office Supplies	02-5-06-51130	40,000	35,000
General Supplies & Expenses	02-5-06-51140	30,000	25,000
Electricity	02-5-06-51211	26,000	28,000
Natural Gas	02-5-06-51213	5,000	3,000
Dues & Subscriptions	02-5-06-54002	10,000	10,000
Computer Expenses	02-5-06-54005	75,000	85,000
Postage	02-5-06-54010	6,500	6,000
Printing & Publications	02-5-06-54011	20,000	15,000
Education & Training	02-5-06-54012	30,000	15,000
Utility Billing Expenses	02-5-06-54013	135,000	130,000
Public Relations	02-5-06-54014	25,000	7,500
Travel Related Expenses	02-5-06-54016	7,500	5,000
Certifications & Renewals	02-5-06-54017	6,000	7,000
Meeting Related Expenses	02-5-06-54020	4,000	4,500
Waste Disposal	02-5-06-54024	2,500	2,500
Telephone	02-5-06-54025	35,000	32,500
Contractual Services	02-5-06-54104	73,500	68,000
Legal	02-5-06-54107	45,000	45,000
Audit & Accounting	02-5-06-54108	16,000	16,000
Professional Fees	02-5-06-54109	100,000	120,000
Reserve Funds	02-5-06-55500	375,095	190,000
Water Infrastructure Replacement	02-5-06-xxxxx	397,935	400,000
Insurance	02-5-06-56001	120,000	120,000
Regulatory Compliance	02-5-06-57030	95,000	15,000
Election Related Expenses	02-5-06-57090	-	10,000
Beaumont Basin Watermaster	02-5-06-57096	10,000	20,000
Tax Collection Fees	02-5-06-57100	7,500	7,500
	Sub-Total Administration Department	**3,028,695**	**2,621,350**

LONG-TERM DEBT	G/L Number	Adopted Budget Fiscal Year 2012	Adopted Budget Fiscal Year 2013
Debt Service - Series 2004A Principal	02-5-40-57201	920,000	955,000
Debt Service - Series 2004A Interest	02-5-40-57402	2,012,375	1,976,025
Rate Stabilization Fund	02-5-40-57806	-	-
	Sub-Total Long-Term Debt	**2,932,375**	**2,931,025**
ASSET ACQUISITION			
Water Department	02-5-40-57001	35,000	40,000
Utility Services Department	02-5-40-57003	-	40,000
Administration	02-5-40-57006	-	-
	Sub-Total Asset Acquisition	**35,000**	**80,000**

SEWER DIVISION BUDGET

Fiscal Year 2013

	G/L Number	Adopted Budget Fiscal Year 2012	Adopted Budget Fiscal Year 2013
OPERATING REVENUE:			
Sewer Service Establishment Fee	03-40016	100	500
Sewer Service Demand Charge	03-41000	10,425,000	10,638,500
Sewer Service Demand - Multi-User Discount	03-41005	(200,000)	(200,000)
Sewer Lateral Installation	03-41110	1,000	1,000
Septage Pumping	03-41116	-	-
Penalty Late Charges	03-41121	130,000	140,000
Revenue-Other, Operating	03-42122	1,000	1,000
Bad Debt Write-Off & Recovery	03-41124		(20,000)
Total Operating Revenue		**10,357,100**	**10,561,000**
NON-OPERATING REVENUE:			
Reserve Fund Transfer - Asset Acquisition		-	-
Reserve Fund Transfer - Operational Expenses		-	-
Rate Stabilization Fund Transfer In		-	-
Interest Earned	03-43010	10,000	10,000
Property Tax-Unsecured	03-43110	50,000	10,000
Property Tax-Secured	03-43120	450,000	100,000
Tax Collection-Prior	03-43130	15,000	10,000
Other Taxes	03-43140	1,500	1,500
Misc. Non-Operating Revenue	03-49150	25,000	25,000
Total Non-Operating Revenue		**551,500**	**156,500**
TOTAL SEWER REVENUE		**10,908,600**	**10,717,500**
OPERATING EXPENSE			
Treatment		3,413,225	3,325,600
Administration		3,724,350	3,320,320
Environmental Control		824,775	1,127,980
Debt Service		2,946,250	2,943,600
Asset Acquisition		-	-
Total Operating Expense		**10,908,600**	**10,717,500**
TOTAL SEWER EXPENSES		**10,908,600**	**10,717,500**

SEWER DIVISION BUDGET

Fiscal Year 2013

TREATMENT	G/L Number	Adopted Budget Fiscal Year 2012	Adopted Budget Fiscal Year 2013
Labor	03-5-02-50010	899,200	833,200
Benefits	03-5-02-500xx	455,525	471,400
Repair and Maintenance - Structures	03-5-02-51003	200,000	250,000
Automation Control	03-5-02-51010	85,000	75,000
Chemicals	03-5-02-51106	600,000	500,000
Propane	03-5-02-51111	2,500	5,000
Laboratory Supplies	03-5-02-51115	30,000	30,000
General Supplies & Expenses	03-5-02-51140	1,000	1,000
Utilities-Power Purchases	03-5-02-51210	690,000	700,000
Laboratory Services	03-5-02-54110	120,000	120,000
Sludge Disposal	03-5-02-57031	300,000	300,000
Brine Disposal	03-5-02-57033	30,000	40,000
Sub-total Treatment		**3,413,225**	**3,325,600**

ADMINISTRATION			
Labor	03-5-06-50010	708,050	631,600
Directors Fees	03-5-06-50012	15,000	15,000
Benefits	03-5-06-500xx	355,370	364,020
Safety Equipment	03-5-06-51120	7,500	8,500
Petroleum Products	03-5-06-51125	17,500	15,000
Office Supplies	03-5-06-51130	5,000	3,000
General Supplies & Expenses	03-5-06-51140	7,500	15,000
Dues & Subscriptions	03-5-06-54002	10,000	10,000
Management & Accounting Services	03-5-06-54003	733,170	147,000
Computer Expenses	03-5-06-54005	70,000	75,000
Printing & Publications	03-5-06-54011	7,500	10,000
Education & Training	03-5-06-54012	20,000	15,000
Public Relations	03-5-06-54014	8,000	8,000
Travel Related Expenses	03-5-06-54016	8,500	7,000
Certifications & Renewals	03-5-06-54017	5,500	5,500
Licenses & Permits	03-5-06-54019	42,500	45,000
Meeting Related Expenses	03-5-06-54020	2,500	3,500
Waste Disposal	03-5-06-54024	12,500	12,500
Telephone	03-5-06-54025	16,500	20,000
Drinking Water	03-5-06-54030	1,000	1,000
Contractual Services	03-5-06-54104	30,000	30,000
Legal	03-5-06-54107	45,000	45,000
Audit & Accounting	03-5-06-54108	16,000	16,000
Professional Fees	03-5-06-54109	300,000	400,000
Reserve Funds	03-5-06-55500	327,260	457,000
Sewer Infrastructure Replacement	03-5-06-xxxxx	786,300	800,000
Insurance	03-5-06-56001	115,000	115,000
Regulatory Compliance	03-5-06-57030	50,000	44,500
Tax Collection Fees	03-5-06-57100	1,200	1,200
Sub-Total Administration		**3,724,350**	**3,320,320**

SEWER DIVISION BUDGET

Fiscal Year 2013

ENVIRONMENTAL CONTROL	G/L Number	Adopted Budget Fiscal Year 2012	Adopted Budget Fiscal Year 2013
Labor	03-5-07-50011	213,570	420,000
Benefits	03-5-07-500xx	120,205	221,480
Repair and Maintenance - Structures	03-5-07-51003	320,000	320,000
General Supplies & Expenses	03-5-07-51140	1,000	1,000
Lift Station No. 1	03-5-07-51241	70,000	70,000
Lift Station No. 2	03-5-07-51242	12,000	10,000
Lift Station No. 3	03-5-07-51243	7,500	5,000
Lift Station No. 4	03-5-07-51244	20,000	20,000
Lift Station No. 5	03-5-07-51245	5,000	5,000
Lift Station No. 8	03-5-07-51248	3,000	3,000
Professional Fees	03-5-07-54109	50,000	50,000
Laboratory Services	03-5-07-54110	2,500	2,500
Sub-Total Environmental Control		**824,775**	**1,127,980**
LONG-TERM DEBT			
Debt Service - Principal	03-5-40-57202	1,909,500	1,953,500
Debt Service - Interest	03-5-40-57403	1,017,040	970,100
Debt Service - Rate Stabilization Fund	57006.03.06	-	-
Obligation - SARI Capacity Purchase	03-5-40-57009	19,710	20,000
Sub-Total Environmental Control		**2,946,250**	**2,943,600**
ASSET ACQUISITION			
Sewer Treatment Department	03-5-40-57002	-	-
Sewer Administration Department	03-5-40-57006	-	-
Environmental Control Department	03-5-40-57007	-	-
Sub-Total Asset Acquisition		**-**	**-**

RECYCLED WATER DIVISION

Fiscal Year 2013

	G/L Number	Adopted Budget Fiscal Year 2012	Adopted Budget Fiscal Year 2013
OPERATING REVENUE:			
Recycled Water - Commodity Charge	04-40010	220,000	290,000
Construction Recycled Water - Commodity Chrg	04-40011	2,500	2,500
Recycled Water - Service Demand Charge	04-41000	27,500	33,000
Construction Recycled Water - Service Charge	04-41003	4,000	4,000
Meter/Lateral Installation	04-41110	-	1,500
Delinquent Payment Charges	04-41121	500	250
Revenue-Other, Operating	04-41122	-	250
Total Operating Revenue		**254,500**	**331,500**
NON-OPERATING REVENUE:			
Transfer - Reserve Fund	- -	-	-
Interest Earned	04-43010	50	75
Property Tax-Unsecured	04-43110	500	1,000
Property Tax-Secured	04-43120	10,000	15,000
Tax Collection-Prior	04-43130	100	1,000
Other Taxes	04-43140	100	1,000
Misc. Non-Operating Revenue	04-49150	-	1,000
Total Non-Operating Revenue		**10,750**	**19,075**
TOTAL RECYCLED WATER REVENUE		**265,250**	**350,575**

RECYCLED WATER DIVISION

Fiscal Year 2013

OPERATING EXPENSES	G/L Number	Adopted Budget Fiscal Year 2012	Adopted Budget Fiscal Year 2013
Labor - Recycled Water	04-5-06-50010	76,900	148,162
Director Fees	04-5-06-50012	2,500	2,500
Benefits - Recycled Water	04-5-06-500xx	38,780	69,913
R&M - Structures	04-5-06-51003	25,000	7,500
R&M - Pipelines	04-5-06-51020	5,000	2,500
R&M - Service Lines	04-5-06-51021	5,000	2,500
R&M - Fire Hydrants	04-5-06-51022	1,000	2,500
R&M - Meters	04-5-06-51030	500	500
General Supplies and Expenses	04-5-06-51140	250	250
Dues & Subscriptions	04-5-06-54002	750	1,000
Computer Expense	04-5-06-54005	1,000	3,000
Printing & Publications	04-5-06-54011	250	1,500
Education & Training	04-5-06-54012	2,500	2,500
Public Relations	04-5-06-54014	5,000	2,500
Travel & Meeting Related Expenses	04-5-06-54016	1,500	1,500
Certifications & Renewals	04-5-06-54017	250	1,000
Licenses & Permits	04-5-06-54019	2,500	2,500
Meeting Related Expenses	04-5-06-54020	500	500
Telephone	04-5-06-54025	500	500
Contractual Services	04-5-06-54104	1,750	1,750
Legal	04-5-06-54107	2,000	2,000
Professional Services	04-5-06-54109	10,000	10,000
Laboratory Services	04-5-06-54110	1,000	1,000
Reserve Funds	04-5-06-55500	7,900	8,000
Recycled Water Infrastructure Replacement	04-5-06-xxxxx	52,920	50,000
County Tax Collection Fees	04-5-06-57010	-	-
Regulatory Compliance	04-5-06-57030	20,000	15,000
Environmental Compliance	04-5-06-57040	-	10,000
Total Operating Expense		**265,250**	**350,575**
TOTAL RECYCLED WATER EXPENSES		**265,250**	**350,575**

Yucaipa Valley Water District

Director Memorandum 12-054

Date: June 20, 2012

Prepared By: Jack Nelson, Assistant General Manager

Subject: Purchase of Insurance Coverage for Fiscal Year 2013

Recommendation: That the Board authorizes the District staff to execute the necessary documents to secure insurance coverage from Alteris Insurance Services for a sum not to exceed $203.130.

The Yucaipa Valley Water District's current property, liability, automobile, and equipment breakdown insurance coverage expires on June 30, 2012. The Yucaipa Valley Water District currently has insurance from the Rural Special Districts Custom Insurance Program which is administered through Glatfelter Insurance Services. This insurance package provides property and casualty coverage underwritten by American Alternative Insurance Company and equipment breakdown coverage underwritten by Hartford Steam Boiler Inspection and Insurance Company.

The District has obtained a quote of $193,367 for the property, liability and automobile coverage and $29,228 for the equipment breakdown coverage for a total annual cost for fiscal year 2013 of $222,595. This is a decrease of $1,175 from the current year insurance coverage.

A second quote was obtained from Alteris Insurance Services for the same coverage for $203,128.37, a savings of $19,466.63 from our current insurance provider.

Financial Consideration

The cost for property, liability, and automobile insurance will be equally split between the water and wastewater operating budget for Fiscal Year 2013.

GLATFELTER PUBLIC PRACTICE®
A Division of Glatfelter Insurance Group

AN INSURANCE PROPOSAL PREPARED FOR:

YUCAIPA VALLEY WATER DISTRICT

EFFECTIVE DATE: 7/1/2012

PRESENTED BY:	INLAND COUNTIES INSURANCE SERVICES INC P.O. BOX 1358 BANNING, CA 92220
DATE:	May 21, 2012
MAILING ADDRESS:	Glatfelter Public Practice P.O. Box 2726 York, PA 17405
TELEPHONE:	(888) 477-3007
FACSIMILE:	(888) 477-7005
ADMINISTERED BY:	Glatfelter Underwriting Services, Inc. a/k/a Glatfelter Insurance Services in CA, MN, NV, TN and UT and Glatfelter Brokerage Services in NY

This proposal is valid until the proposed effective date.

YUCAIPA VALLEY WATER DISTRICT

Glatfelter Public Practice, a division of Glatfelter Insurance Group, is the nation´s premier public entity program manager for the following classes: municipalities; public and private schools; and water and sewer districts. We are recognized as the industry leader in our target markets. Glatfelter Public Practice´s mission statement is simple: we strive to provide our customers with innovative and stable products, prompt and considerate claims handling, attentive and personal service, pricing equity, and carrier security. Our commitment to customer service is evidenced by our high retention ratio and portfolio growth. Glatfelter Public Practice´s services include program underwriting, policy administration, product and program management, loss control, claims administration, licensing, compliance, and actuarial services. We distribute our products through a national network of independent brokers and believe this partnership is responsible for the distinct competitive advantage we enjoy in our target market.

Glatfelter Public Practice offers a broad portfolio of coverages including:

- Property (including Equipment Breakdown)
- Inland Marine
- Crime
- General Liability
- Law Enforcement Activity Liability
- Public Officials & Management Liability (including Employment Practices Liability and Cyber Liability and Privacy Crisis Management Expense)
- Auto
- Excess Liability

Please contact your insurance representative if you are interested in modifying your proposal to include one or more of these available coverages.

Agency License OB17046

Glatfelter Insurance Group is one of the top 25 privately owned insurance brokers in the U.S., providing property, casualty, life, accident and health insurance products and financial services to individuals, businesses and organizations. In addition to Glatfelter Public Practice, Glatfelter Insurance Group manages several specialty programs which include emergency services, public and private schools, hospice and home health care agencies, and car washes. Our unique culture, operating structure, and strong market relationships enable us to offer an impressive portfolio of value added products and services designed to help our clients manage risk. With more than 500 associates and seven satellite offices, Glatfelter Insurance Group serves the insurance and risk management needs of over 25,000 clients throughout the United States and Canada.

YUCAIPA VALLEY WATER DISTRICT

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YUCAIPA VALLEY WATER DISTRICT

YOUR INSURANCE PROPOSAL

This proposal is prepared from information supplied to Glatfelter Public Practice on the application submitted by your insurance representative.

This proposal may or may not contain all terms requested on the application. Proposed coverages are provided by the Glatfelter Public Practice insurance policy forms and are subject to the terms, exclusions, conditions and limitations of those policy forms. Actual policies should be reviewed for specific details. Your insurance representative can provide specimen policies upon request.

Your exposure to loss changes over time. Keep your insurance representative informed of any changes, so your coverage can be updated. We strongly recommend frequent reviews of your operations and Glatfelter Public Practice coverage with your insurance representative.

The proposed Property and Casualty coverage is underwritten by American Alternative Insurance Corporation (A.M. Best #11574). American Alternative Insurance Corporation is rated A+ (Superior) in Financial Size Category XV by A.M. Best Company.

YUCAIPA VALLEY WATER DISTRICT

PROPERTY

This coverage contains the following four sections:

- **Coverage A. Real Property** protects you for direct physical loss or damage to your buildings and structures at a premises shown on the schedule in this proposal caused by or resulting from a covered cause of loss. Pays up to the limit shown on the schedule in this proposal in any one occurrence.
- **Coverage B. Personal Property** protects you for direct physical loss or damage to your contents at a premises shown on the schedule in this proposal caused by or resulting from a covered cause of loss. Pays up to the limit shown on the schedule in this proposal in any one occurrence.
- **Coverage C. Loss of Income** protects your loss of income if your operations are interrupted because of a covered loss to your buildings or contents. Covers the loss of income you sustain during the period of restoration. Pays up to the limit shown on the schedule in this proposal in any one occurrence.
- **Coverage D. Extra Expense** protects you from extra expense you incur if your operations are interrupted because of a covered loss to your buildings or contents, provided the extra expense is necessary to minimize your down-time and continue operations. Covers the extra expense (over and above normal operating expenses) incurred during the period of restoration. Pays up to the limit shown on the schedule in this proposal in any one occurrence.

Glatfelter Public Practice insures property against *any* cause of direct physical loss or damage unless the cause of loss is specifically excluded. Notable exclusions to coverage include, but are not limited to, war, nuclear activity, earthquake or flood, and asbestos. Please refer to the actual Property Coverage Part for a complete description of coverage, exclusions, and conditions.

Earthquake Coverage or Flood Coverage is optional for eligible locations.

A deductible applies to all property coverage.

Valuation

Glatfelter Public Practice insures property on a ***Replacement Cost (RC)*** basis unless indicated otherwise. If indicated on the Schedule of Property Limits, property coverage on designated premises may be provided on an ***Actual Cash Value (ACV)*** or ***Functional Replacement Cost (FRC)*** basis. Descriptions are:

- **Replacement Cost** pays to replace your property, without deduction for depreciation, but is subject to the limit on the policy.
- **Actual Cash Value** pays the cost to replace your property, subject to depreciation and subject to the limit on the policy.
- **Functional Replacement Cost** pays to replace your property with similar property intended to perform the same function, when replacement with identical property is impossible or unnecessary; it´s subject to the limit you select.

YUCAIPA VALLEY WATER DISTRICT

PROPERTY

Property Premises Summary

Premises	Address	City	State	Zip
1	12770 SECOND STREET	YUCAIPA	CA	92399
2	12723 SECOND STREET	YUCAIPA	CA	92399
3	35192 CEDAR AVENUE	YUCAIPA	CA	92399
4	37671 OAK GLEN RD	YUCAIPA	CA	92399
5	32100 AVENUE E	YUCAIPA	CA	92399
6	880 WEST COUNTY LINE ROAD	YUCAIPA	CA	92399
7	34200 WILWOOD CANYON	YUCAIPA	CA	92399
8	12843 EIGHTH STREET	YUCAIPA	CA	92399
9	35192 CEDAR AVENUE	YUCAIPA	CA	92399
10	33700 WILDWOOD CANYON RD	YUCAIPA	CA	92399
11	12590 SEVENTH STREET	YUCAIPA	CA	92399
12	12943 SIXTH STREET	YUCAIPA	CA	92399
13	36497 OAK GLEN RD	YUCAIPA	CA	92399
14	36927 OAK GLEN RD	YUCAIPA	CA	92399
15	11677 MARTELL AVENUE	YUCAIPA	CA	92399
16	12983 FIFTH ST.	YUCAIPA	CA	92399
17	37905 SUNSET COURT	YUCAIPA	CA	92399
18	36161 SERAPE ST	YUCAIPA	CA	92399
19	36385 WILDWOOD CYN	YUCAIPA	CA	92399
20	37290 LIMEKILN	YUCAIPA	CA	92399
21	35100 CHANDLER RD	YUCAIPA	CA	92399
22	10564 BRYANT	YUCAIPA	CA	92399
23	S. OF MARONDI DR OFF, SELROCCO	YUCAIPA	CA	92399
24	11402 BRYANT	YUCAIPA	CA	92399
25	11611 SECOND	YUCAIPA	CA	92399
26	35290 SINGLETON RD	YUCAIPA	CA	92399
27	51 BRYANT ST.	YUCAIPA	CA	92399
28	35000 OAK GLEN ROAD	YUCAIPA	CA	92399
29	11675 FIFTH STREET	YUCAIPA	CA	92399
30	S. BUTTERFLY DRIVE	YUCAIPA	CA	92399
31	39300 HIDDEN HEIGHTS DR	YUCAIPA	CA	92399
32	1/4 MILE W OF OAK GLEN RD	YUCAIPA	CA	92399
33	1/2 MILE W OF OAK GLEN RD	YUCAIPA	CA	92399
34	1 MILE W OF OAK GLEN RD	YUCAIPA	CA	92399
35	33170 CHAPMAN HEIGHTS RD	YUCAIPA	CA	92399
36	12593 6TH STREET	YUCAIPA	CA	92399
37	12737 SECOND STREET	YUCAIPA	CA	92399
38	35583 GRANDVIEW	YUCAIPA	CA	92399
39	35846 GRANDVIEW DRIVE	YUCAIPA	CA	92399
40	36445 PANORAMA DRIVE ,	YUCAIPA	CA	92399
41	35699 IVY	YUCAIPA	CA	92399
42	E. OF FIR FROM FREMONT ST	YUCAIPA	CA	92399
43	37671 OAK GLEN ROAD	YUCAIPA	CA	92399
44	W VISTA VIEW OFF OAK MESA	YUCAIPA	CA	92399
45	N JEFFERSON ST OFF IVY ST	YUCAIPA	CA	92399

YUCAIPA VALLEY WATER DISTRICT

Property Premises Summary

Premises	Address	City	State	Zip
46	CANYON DR OFF, WILDWOOD CANYON	YUCAIPA	CA	92399
47	37610 LETA DRIVE	YUCAIPA	CA	92399
48	38000 LETA DRIVE	YUCAIPA	CA	92399
49	8020 BUTTERFLY DR	YUCAIPA	CA	92399
50	S OF R-12 FROM, VISTA VIEW DR	YUCAIPA	CA	92399
51	37350 OAKSPUR ROAD	YUCAIPA	CA	92399
52	OFF OAK GLEN/N OF, ACORN WAY	YUCAIPA	CA	92399
53	OFF OAK GLEN/N, OF PISGAH PEAK	YUCAIPA	CA	92399
54	11604 SECOND ST	YUCAIPA	CA	92399
55	34725 EUCALYPTUS ST	YUCAIPA	CA	92399
56	35229 OAK GLEN RD	YUCAIPA	CA	92399
57	12564 DOUGLAS ST	YUCAIPA	CA	92399
58	35477 OAK GLEN ROAD	YUCAIPA	CA	92399
59	OFF OAK GLEN RD, & PISGAH PEAK	YUCAIPA	CA	92399
60	34163 1/2 YUCAIPA BLVD	YUCAIPA	CA	92399
61	1061 THIRD ST	YUCAIPA	CA	92399
62	32280 LIVE OAK CANYON RD	YUCAIPA	CA	92399
63	OAK GLEN RD E. OF, CASA BLANCA	YUCAIPA	CA	92399

Policy Deductible: $2,500 **Equipment Breakdown Deductible:** $10,000

Schedule of Property Coverage - Blanket Limits

The following Blanket Limit Schedule for Coverage A - Real Property and Coverage B - Personal Property applies to all items of Real Property and Personal Property except for the property listed in the Schedule of Property Coverage - Individual Limits.

Premises	Blanket Limit of Insurance	Valuation	Coinsurance	Inflation Guard
ALL	$104,124,950	Replacement Cost	N/A	0%

Schedule of Property Coverage - Individual Limits

Premises/ Item	Description/ Occupancy	Real Property				Personal Property			
		Limit	Valuation	Coins.	Inflation Guard	Limit	Valuation	Coins.	Inflation Guard
1 / 2	EDP IN OFFICE	Not Covered				Included in Blanket			
1 / 6	ENVIRONMENTAL CONTROL BUILDING	Included in Blanket				Not Covered			
6 / 1	BAR SCREEN	Included in Blanket				Not Covered			
6 / 3	GRIT REMOVAL	Included in Blanket				Not Covered			
6 / 5	PRIMARY CLARIFIERS	Included in Blanket				Not Covered			
6 / 7	PRIMARY EQUALIZATION	Included in Blanket				Not Covered			
6 / 9	ANOXIC	Included in Blanket				Not Covered			
6 / 10	ANOXIC EQUIPMENT	Included in Blanket				Not Covered			
6 / 11	SECONDARY TREATMENT	Included in Blanket				Not Covered			
6 / 14	BLOWER BUILDING	Included in Blanket				Not Covered			

YUCAIPA VALLEY WATER DISTRICT

Premises/ Item	Description/ Occupancy	Real Property				Personal Property			
		Limit	Valuation	Coins.	Inflation Guard	Limit	Valuation	Coins.	Inflation Guard
6 / 17	SECONDARY CLARIFICATION		Included in Blanket				Not Covered		
6 / 19	MICROFILTRATION - UV		Included in Blanket				Not Covered		
6 / 22	RECLAIMED WATER RESERVOIR		Included in Blanket				Not Covered		
6 / 23	RECLAIMED WATER PUMP STATION		Included in Blanket				Not Covered		
6 / 24	DAF		Included in Blanket				Not Covered		
6 / 25	DIGESTION BUILDING		Included in Blanket				Not Covered		
6 / 27	SOLIDS HANDLING BUILDING		Included in Blanket				Not Covered		
6 / 33	EDP EQUIPMENT		Not Covered				Included in Blanket		
35 / 1	RESERVOIR #R-11.1		Included in Blanket				Not Covered		
36 / 1	RESERVOIR #R11-2		Included in Blanket				Not Covered		
37 / 1	RESERVOIR #R12.2		Included in Blanket				Not Covered		
38 / 1	RESERVOIR #R14/BOOSTER PUMPS		Included in Blanket				Not Covered		
39 / 1	RESERVOIR #R15		Included in Blanket				Not Covered		
42 / 1	RESERVOIR #R15.1		Included in Blanket				Not Covered		
46 / 1	RESERVOIR #R15.3		Included in Blanket				Not Covered		
54 / 1	WELL SITE		Included in Blanket				Not Covered		
55 / 1	WELL HOUSE #56		Included in Blanket				Not Covered		
55 / 3	RESERVOIR R12.1		Included in Blanket				Not Covered		
55 / 4	RESERVOIR F-1		Included in Blanket				Not Covered		
56 / 1	RESERVOIR R-13-2		Included in Blanket				Not Covered		
57 / 2	RESERVOIR 13.3		Included in Blanket				Not Covered		
58 / 3	CRYSTAL CREEK-OPERATIONS BUILDING		Included in Blanket				Not Covered		
58 / 7	STRUCTURE WITH AUTO STRAINERS		Included in Blanket				Not Covered		
58 / 8	EDP EQUIPMENT		Not Covered				Included in Blanket		

Coverages C and D: Schedule of Limits

Loss of Income	Loss sustained up to:	$1,000,000	per occurrence
Extra Expense	Loss sustained up to:	$1,000,000	per occurrence

YUCAIPA VALLEY WATER DISTRICT

Property Coverage Extensions Limits

Extension	Limit of Insurance	
Accounts Receivable:	$50,000	
Fine Arts (without certified appraisal):	$25,000	(subject to $1,500 per item)
Fine Arts (with certified appraisal):	$50,000	
In Transit or Temporarily Off Premises:	$25,000	
Valuable Papers & Records:	$50,000	
Outdoor Property:	$50,000	
Trees, Shrubs, Plants and Lawns:	$10,000	
Software:	$500,000	

YUCAIPA VALLEY WATER DISTRICT

PROPERTY

Coverage Highlights

The following apply unless noted otherwise in this proposal:

Accounts Receivable

- Pays the costs you incur in restoring your accounts receivable records following a covered loss.
- Also pays amounts you are unable to collect if your accounts receivable records cannot be restored.
- Applies on-premises or away from premises.
- Pays up to $50,000 in any one occurrence; higher limits are available.

Commandeered Property

- Pays at your request for direct physical loss or damage to commandeered property caused by or resulting from any covered cause of loss.
- Coverage applies only for the time you officially use the commandeered property to manage an emergency situation and the time to return the property.
- Pays the "replacement cost" of the commandeered property and loss of use.

Debris Removal

- Covers up to 25% of the amount paid for direct physical loss to covered property if the expense is incurred as a result of a covered cause of loss.

Deductible Waiver

- If a Property claim occurs in conjunction with a claim under a Glatfelter Public Practice Auto Physical Damage or Inland Marine coverage, only one deductible, the largest, will apply to all losses.

YUCAIPA VALLEY WATER DISTRICT

Equipment Breakdown	• Extends property coverage to include the mechanical breakdown of equipment or the explosion of pressure vessels at a covered premises. Covered equipment includes such items as covered real property or personal property that generates, transmits or utilizes energy, including electronic communications and data processing equipment; or during normal usage, operates under vacuum or pressure, other than the weight of its contents. Please refer to the actual Property Coverage Part for equipment not covered. • Covers loss of income or extra expense you may suffer if utilities are interrupted as a result of an accident to covered equipment owned by a landlord or utility company. • Subject to Property limits and sub-limits as noted here: ◦ Loss of Income: Refer to the property schedule in this proposal ◦ Extra Expense: Refer to the property schedule in this proposal ◦ Expediting Expenses: $100,000 ◦ Hazardous Substances: $100,000 ◦ Spoilage: $100,000 ◦ Data Restoration: $500,000
Fine Arts	• Pays the fair market value to restore fine arts to its pre-loss condition or replace the item with an identical object. • Pays up to $25,000 in any one occurrence (subject to $1,500 per item) without a certified appraisal. • Pays up to $50,000 in any one occurrence with a certified appraisal.
Fire Department Charges	• Will pay the fire department charges as a result of direct physical loss to your building and contents due to a covered cause of loss. • No deductible. • Pays up to $5,000 in any one occurrence.
Fire Extinguishing Recharge Costs	• Will pay the cost to recharge fire extinguishing equipment at your premises regardless of whether the discharge was accidental or was the result of a covered cause of loss. • No deductible.

YUCAIPA VALLEY WATER DISTRICT

Limited Fungus. Wet Rot, Dry Rot and Bacteria	• Protects against loss by fungus, wet rot, dry rot or bacteria arising out of occurrences of windstorm, hail, explosion, civil commotion, vehicles, aircraft, smoke, vandalism, sprinkler leakage, sinkhole collapse, volcanic action, falling objects, the weight of ice / snow / sleet, or water damage (and flood if optional flood coverage is purchased). • Pays up to $25,000 total for all occurrences. Will not pay more than $25,000 even if it continues to be present or active, or recurs, in a later policy period.
Newly Acquired Property	• Covers newly acquired buildings, buildings under construction, construction materials and supplies and contents at newly acquired locations. • Up to 90 days or the end of the policy period. • Limits are $1,000,000 for buildings and $500,000 for contents.
Ordinance Coverage	• Applies to buildings on a replacement cost basis when damaged by a covered loss. • Coverage applies to any undamaged portion of your building caused by any law or ordinance that: ◦ Requires demolition of parts of your building not damaged ◦ Regulates the construction or repair of buildings or establishes zoning or land use requirements, and ◦ Is in force at the time of loss • Includes the cost to demolish and clear the site of the undamaged part of the property and the increased cost to repair, rebuild or construct the affected building. • The total paid for the undamaged portion is included within the building limit and does not increase that limit. The most we will pay for the cost to demolish the undamaged part of the property or the increased cost to repair or rebuild shall not exceed 100% of the amount paid.
Outdoor Property	• Covers fixed or permanent: items such as exterior signs, antennas, fences, benches, playground equipment, hydrants, dumpsters, electric utility power transmission and distribution lines, poles and related equipment owned by the insured not at scheduled premises, if you have building coverage with Glatfelter Public Practice. • Pays up to $50,000 in any one occurrence; higher limits are available.

YUCAIPA VALLEY WATER DISTRICT

Personal Effects	• Will pay the replacement cost for direct physical loss to property on your premises that belongs to you, your officers, managers, elected or appointed officials, employees, or volunteer workers. • Pays up to $5,000 in any one occurrence.
Pollution Remediation Expenses	• Applies on-premises only. • You have up to 180 days after the date of loss to notify us. • Pays up to $25,000 in any policy period resulting from a covered cause of loss. • Pays up to $100,000 in any policy period resulting from a specified cause of loss. • No coverage for fungus, wet rot, dry rot, virus, bacteria or asbestos.
Real or Personal Property in Transit or Off Premises	• Pays up to $25,000 in any one occurrence; higher limits are available.
Software	• Coverage for the cost of restoring, researching, replacing, or reproducing electronic data or the media on which it is stored and any resulting loss of income and extra expense. • Covered causes of loss include computer virus. • Applies on-premises or away from premises. • Pay up to $500,000 in any one occurrence; higher limits are available.
Trees, Shrubs, Plants & Lawns	• Covers against loss by fire, lightning, explosion, civil commotion, aircraft, vehicles and vandalism up to $10,000 any one occurrence subject to a $1,000 maximum for any single tree, plant or shrub.
Valuable Papers & Records	• Coverage for the cost of restoring, researching, replacing, or reproducing your documents following a covered loss. • Applies on-premises or away from premises. • Pays up to $50,000 in any one occurrence; higher limits are available.

YUCAIPA VALLEY WATER DISTRICT

INLAND MARINE

This coverage contains the following three sections:

- **Coverage A. Blanket Tools and Equipment** protects you for direct physical loss or damage caused by or resulting from any covered cause of loss to your tools and equipment.

  Tools and equipment means any portable equipment or tool, together with attached devices, accessories and trailers that are used in your operations. This covers tools or equipment, such as hand tools, power tools, mechanics tools, saws, maintenance or diagnostic equipment, generators, air compressors, materials handling equipment, outdoor portable seating, food service trailers not licensed for road use. It also includes mobile equipment such as bulldozers, backhoes, excavators and graders.

  Note: If an item is scheduled under Coverage B. Scheduled Equipment, there is no coverage for such item under Coverage A Blanket Tools and Equipment or Coverage C Blanket Emergency Services Equipment.

  A deductible applies to Blanket Tools and Equipment coverage.

- **Coverage B. Scheduled Equipment** protects for direct physical loss or damage caused by or resulting from any covered cause of loss to equipment owned by you that is specifically listed.

  A deductible applies to each Scheduled Equipment item. The amount of the deductible(s) is indicated in the Coverage B - Scheduled Equipment section below.

- **Coverage C. Blanket Emergency Services Equipment** protects for direct physical loss or damage caused by or resulting from any covered cause of loss to Blanket Emergency Services Equipment owned by you.

  Emergency Services equipment means items such as portable law enforcement, firefighting, ambulance, rescue, and communications equipment, including trailers whose primary purpose is to transport covered Emergency Services equipment. It also includes firearms, radar speed timing units, training videos, manuals, and mannequins.

  A deductible applies to Blanket Emergency Services Equipment coverage.

YUCAIPA VALLEY WATER DISTRICT

INLAND MARINE

	Limit	Deductible
Coverage A - Blanket Tools and Equipment:	$156,128 *	$500
Coverage B - Scheduled Equipment:	see schedule below	see schedule below
Coverage C - Blanket Emergency Services Equipment:	Not Covered	

* subject to a per item limit of $10,000

Coverage B - Scheduled Equipment

Description	Serial Number	Limit	Deductible	Valuation
1989 CAT BACKHOE LOADER	7BC03220	$60,000	$2,500	ACV
1989 DRESSER LOADER 515B	4668	$60,000	$2,500	ACV
1990 CAST RRACTOR/BACKHOE LDR	580KIII JJG0024124	$60,000	$2,500	ACV
1999 CAT BACKHOE 426CIT	1YR01721	$77,155	$2,500	ACV
BRODERSON HYDRO HAMMER MH42B	10920	$40,000	$2,500	ACV
FORKLIFT DP25D CATERPILLER	M0164/RV25837/A00034	$20,935	$2,500	ACV
1991 CASE FORKLIFT	JJG0069808	$27,479	$2,500	ACV
1992 CATERPILLAR D4H TRACTOR	08PB02540	$55,690	$2,500	ACV
1987 JD 21-C LANDSCAPE LOADER	T0210CC740992	$22,407	$2,500	ACV
1995 SHORING EQUIPMENT		$13,658	$2,500	ACV
2000 SHORING EQUIPMENT		$11,136	$2,500	ACV
2001 OLYMPIAN PORTABLE GENERAT	0604U742948G/1152151	$27,614	$2,500	ACV
2003 GENIE 4WD BOOM Z-45/25	Z4525-21543	$40,169	$2,500	ACV
2003 SKID MOUNT BOOSTER 150HP	F03301	$17,800	$2,500	ACV
1998 GORMAN RUPP PUMP ON WHEEL	T6A3-F4L-A-HT1162896	$32,246	$2,500	ACV
2007 JD BACKHOE LOADER 310SJ	T0310SJ146999	$68,991	$2,500	ACV
2007 BOOSTER PUMP JD	PE6068T673044	$32,742	$2,500	ACV
2004 RCH FORKLIFT 6000LB	016004968	$23,109	$2,500	ACV
2008 METER READING SYSTEM	X4	$17,700	$2,500	ACV
2011 PORTABLE BOOSTER ON TRLR	66617679	$22,637	$2,500	ACV

Rented or Borrowed Equipment Extension Limit: $100,000

Watercraft Extension Limit: $25,000

YUCAIPA VALLEY WATER DISTRICT

INLAND MARINE

Coverage Highlights

The following apply unless noted otherwise in this proposal:

Debris Removal	• Pays the expense you incur in removing debris of covered tools and equipment, emergency services equipment, or scheduled equipment after direct physical loss or damage caused by or resulting from any covered cause of loss. • Pays up to $15,000 in any one occurrence.
Tools and Equipment Owned by Your Employees	• Pays the replacement cost of tools and equipment used in the course of your operation belonging to your employees or volunteers. • No deductible applies. • Pays up to $5,000 in any one occurrence (if no other coverage is available to the owner of the tools and equipment).
Emergency Services and Law Enforcement Personal Effects	• Extends Blanket Emergency Services Equipment to pay the cost to replace personal effects belonging to emergency service or law enforcement employees or volunteers while away from your premises and en route to, performing, or returning from an emergency service or law enforcement duty. • Pays up to the actual replacement cost, on a primary basis, for the lost or damaged personal effects in any one occurrence. • No deductible applies under this extension.
Rented or Borrowed Equipment	• Coverage A and C: Extended to pay for Tools and Equipment and Emergency Services Equipment not owned by you, but that are temporarily in your possession; pays up to $10,000 in any one occurrence. • Coverage B Scheduled Equipment: Extended to pay the replacement cost of Scheduled Equipment not owned by you, but that are temporarily in your possession; the most paid in any one occurrence is the lesser of the actual cash value of the damaged equipment or $100,000; higher limits are available. • $1,000 deductible applies.

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Newly Acquired Scheduled Equipment	• Covers newly acquired Scheduled Equipment or similar to that listed in the respective schedules, for a period of 30 days from date of acquisition. • $1,000 deductible applies. • Pays replacement cost not to exceed purchase price.
Deductible Waiver	• If an Inland Marine claim involving Coverage A and/or Coverage C occurs in conjunction with a claim under a Glatfelter Public Practice Auto Physical Damage or Property coverage, only one deductible, the largest, will apply to all losses.

YUCAIPA VALLEY WATER DISTRICT

CRIME

Coverage provides reimbursement for the loss of your money or other property on a loss sustained basis resulting from dishonest acts of your employees or volunteers. For governmental entities, Glatfelter Public Practice insures these employee theft exposures on the Government Crime form on a Per Employee or Per Loss basis. A Faithful Performance of Duty coverage extension is included if statutorily required. On the Commercial Crime form for non-governmental entities, Glatfelter Public Practice insures Employee Theft on a Per Loss basis. Other Crime coverages include Forgery or Alteration, Money & Securities, Computer Fraud, Funds Transfer Fraud and Money Orders and Counterfeit Paper Currency.

Coverage does not apply to any public officials or employees whose positions require separate bonds such as a tax collector or treasurer. Those obligations are typically addressed by a surety bond and Glatfelter Public Practice coverage cannot be used to fulfill those requirements.

Government Crime

Insuring Agreement	Limit of Insurance	Deductible Amount
Employee Theft *includes Faithful Performance*	$250,000 per Loss	$250 per Loss
Forgery or Alteration	$250,000 per Occurrence	$250 per Occurrence
Inside the Premises - Theft of Money & Securities	$250,000 per Occurrence	$250 per Occurrence
Inside the Premises - Robbery/Safe Burglary	$5,000 per Occurrence	$250 per Occurrence
Outside the Premises	$250,000 per Occurrence	$250 per Occurrence
Computer Fraud	$100,000 per Occurrence	$250 per Occurrence
Funds Transfer Fraud	$100,000 per Occurrence	$250 per Occurrence
Money Orders	$100,000 per Occurrence	$250 per Occurrence

YUCAIPA VALLEY WATER DISTRICT

GENERAL LIABILITY

This coverage contains the following three sections:

- **Coverage A. Bodily Injury and Property Damage Liability** protects you when claims are made against you because of injury to others or damage to their property, unless caused by an auto.
- **Coverage B. Personal and Advertising Injury Liability** protects you when claims are made against you because of injury to others arising from offenses such as slander or violation of a person's privacy.
- **Coverage C. Medical Expense** pays medical expenses for bodily injury caused by an accident on your premises or because of your operation. These expenses are payable even if the injury occurred through no fault of your own.

Coverages	Limit
Each Occurrence:	$1,000,000
Damage to Premises Rented to You:	$1,000,000
Medical Expense:	$10,000
Personal and Advertising Injury:	$1,000,000
General Aggregate:	$3,000,000
Products - Completed Operations Aggregate:	$3,000,000
Deductible:	$0

Water or Wastewater Professional Activity Liability

- Covers you for liability for acts, errors or omissions from your activities treating potable water or the collection and treatment of wastewater.

YUCAIPA VALLEY WATER DISTRICT

GENERAL LIABILITY

Coverage Highlights

The following apply unless noted otherwise in this proposal:

Defense Costs	• Payable in addition to the Limits of Insurance.
Contractual Liability	• Covers you for the liability you agreed to assume of another party, either orally or in writing, but not for the sole negligence of the other party. • The claim must be otherwise covered (not excluded).
Damage to Property of Persons Receiving Services	• Covers you for liability for a personal property loss suffered by a member of the public receiving services from you, provided the loss is caused by theft, physical damage or disappearance. • Subject to a $100 deductible each occurrence. • Coverage is limited to firefighting, emergency medical services or rescue squad units.
"Good Samaritan" Liability	• Covers volunteer members and employees for liability arising from actions on their own to render services at the scene of an emergency requiring immediate action. • Applies to professional health care or any other services. • To qualify as a "Good Samaritan", the individual must act independently of your organization or any other organization.
Fire Damage Legal Liability	• Covers you for liability for fire damage to buildings your organization may rent or otherwise occupy with the permission of the owner.

YUCAIPA VALLEY WATER DISTRICT

Pollution Liability

- Covers you for bodily injury or property damage arising out of a pollution incident resulting from any of the following:
  - heat, smoke or fumes from a hostile fire
  - escape of fuels or lubricants from mobile equipment
  - escape or back-up of sewage or wastewater if property damage occurs away from land you own or lease
  - application of pesticides or herbicides
  - potable water which you supply to others
  - chemicals you use in your water or wastewater treatment
  - natural gas or propane gas used in your treatment process

All pollution incidents must be accidental, unintended and stopped as soon as possible.

Watercraft Liability

- Covers you for bodily injury or property damage arising from your use of the following:
  - non-owned boats (unless carrying persons or property for a charge)
  - owned boats that are not powered by motors
  - owned boats that are powered by motors of not more than 100 horsepower, and jet skis and wave runners regardless of horsepower

Failure to Supply Water

- Coverage is included for failure to supply water and is not subject to the ISO sudden and accidental restriction.

Public Use of Property

- No coverage is provided for claims arising out of the principles of eminent domain, including condemnation, adverse possession, and dedication by adverse use, or inverse condemnation.

YUCAIPA VALLEY WATER DISTRICT

PUBLIC OFFICIALS AND MANAGEMENT LIABILITY

This coverage contains the following two sections:

- **Coverage A. Liability for Monetary Damages** protects you when claims are made against you for monetary damages arising out of a wrongful act, employment practices offense or employee benefits administration offense from your operations. Coverage does not apply to bodily injury, property damage or personal and advertising injury, except when resulting from a covered employment practices offense.
- **Coverage B. Defense Expense for Injunctive Relief** reimburses reasonable defense expenses you incur to defend an injunctive relief action arising out of a wrongful act, employment practices offense or employee benefit administration offense from your operations.

Policy Type: Occurrence

Coverages	Limit	
Coverage A: *Coverage A includes Employee Benefits Liability*	$1,000,000	Each Wrongful Act or Offense
Coverage B:	$5,000	Each Action for Injunctive Relief
Aggregate Limit:	$3,000,000	Coverage A and B Combined
Deductible:	$0	

YUCAIPA VALLEY WATER DISTRICT

PUBLIC OFFICIALS AND MANAGEMENT LIABILITY

Coverage Highlights

The following apply unless noted otherwise in this proposal:

Defense Expense	• The cost to defend you against covered claims is the responsibility of the company and will not erode your liability limits.
Wrongful Acts	• Coverage applies to any actual or alleged error, act, omission, neglect, misfeasance, nonfeasance, or breach of duty, including violation of any civil rights law, that results unexpectedly and unintentionally to others.
Employment Practices	• Coverage applies to any actual or alleged improper employment related practice, policy, act or omission involving an actual, prospective, or former employee or volunteer. • Includes violations of civil rights, wrongful termination, failure to hire and harassment.
Employee Benefits Administration	• Coverage applies to acts, errors or omissions in counseling, interpreting, handling records, or effecting enrollments in your employee benefit plans.
Public Use of Property	• No coverage is provided for claims arising out of the principles of eminent domain, including condemnation, adverse possession, dedication by adverse use, or inverse condemnation.

YUCAIPA VALLEY WATER DISTRICT

CYBER LIABILITY AND PRIVACY CRISIS MANAGEMENT EXPENSE

- **Cyber Liability** protects you when claims are made against you for monetary damages arising out of an electronic information security event.
- **Privacy Crisis Management Expense** reimburses for expenses you incur as a result of a privacy crisis management event first occurring during the policy period. This first party coverage is intended to provide professional expertise in the identification and mitigation of a privacy breach while satisfying all Federal and State statutory requirements.

Cyber Liability		
Cyber Liability Each Event Limit:	$1,000,000	Each Electronic Information Security Event
Cyber Liability Retroactive Date:	7/1/2012	
Privacy Crisis Management Expense		
Privacy Crisis Management Expense Each Event Limit:	$50,000	Each Privacy Event
Privacy Crisis Management Expense Aggregate Limit:	$50,000	Aggregate
Privacy Crisis Management Expense Retroactive Date:	7/1/2012	
Deductible for Privacy Crisis Management Expense:	$0	Each Privacy Event

YUCAIPA VALLEY WATER DISTRICT

Privacy Crisis Management Expense Coverage

- Pays on behalf applicable reasonable and necessary fees because of a privacy event which includes:
  - To conduct a computer forensic analysis to determine the cause and extent of the privacy event;
  - Provide a crisis management review and advice by an approved independent crisis management or legal firm;
  - Notification to affected parties for printing, advertising, mailing of materials or other costs;
  - Travel expenses by directors and employees to mitigate damages;
  - Call center services for credit monitoring as well as identity theft education and assistance for affected individuals.
- Privacy crisis management expenses shall not include:
  - Compensation, fees, benefits or overhead of any insured or "employee" of any insured;
  - Costs or expenses that would have been incurred in the absence of the "privacy event";
  - Costs or expenses associated with upgrading, maintaining, improving, repairing or remediating any "computer system", procedures, services or property as a result of a "privacy event".

Privacy Event

- What is a Privacy Event?
  - Unauthorized disclosure by you of personally identifiable or confidential corporate information or your failure to protect personally identifiable or confidential corporate information from misappropriation;
  - Failure to disclose or warn of an actual or potential disclosure or misappropriation of personally identifiable or confidential corporate information;
  - Violation of any federal or state privacy statute pertaining to the disclosure or misappropriation of personally identifiable or confidential corporate information.

Coverage Territory

For cyber liability and privacy crisis management expense coverage, the coverage territory means worldwide, but the event and suit must take place in the U.S., Puerto Rico or Canada.

YUCAIPA VALLEY WATER DISTRICT

CYBER LIABILITY AND PRIVACY CRISIS MANAGEMENT EXPENSE

Coverage Highlights

Cyber Liability

- Coverage applies to each electronic information security event which includes:
  - Transmission of malware from your computer system to a third party;
  - The inability of an authorized user to access your web site or your computer system because of a denial of service attack;
  - A personal identity event or corporate privacy event caused by information that is obtained or released directly from your computer system.

As used in this definition, a denial of service attack means an intentional attack on a web site or a computer network that prevents or slows down access to the web site or computer network.

Personal Identity Event or Corporate Privacy Event

- What is a personal identity event or corporate privacy event?
  - Unauthorized disclosure of or failure to protect identifiable or confidential corporate information from misappropriation;
  - The failure to disclose or warn of an actual or potential disclosure of misappropriation of personally identifiable or confidential corporate information;
  - Violation of any federal or state privacy statute pertaining to the disclosure or misappropriation of personally identifiable or confidential corporate information.

YUCAIPA VALLEY WATER DISTRICT

AUTO

Coverage	Symbol	Limit
Combined Single Limit for Bodily Injury & Property Damage (each accident):	1	$1,000,000
"No Fault" or Statutory Personal Injury Protection (each person):		
Auto Medical Payments:	7	$5,000
Uninsured Motorists:	2	$1,000,000
Underinsured Motorists:	2	$1,000,000
Physical Damage Comprehensive:	2,8	see schedule below
Physical Damage Collision:	2,8	see schedule below

Schedule of Vehicles

Vehicle No.	Year/Make/Model	VIN	ACV	Agreed Value	Comp. Ded.	Coll. Ded.
0001	1998 CHEVROLET BLAZER	1GNDT13W5WK244827	X		$500	$500
0002	1999 FORD EXPEDITION	1FMPU18L6XLC33022	X		$500	$500
0003	1998 FORD F250	1FTPF27L3WKC14146	X		$500	$500
0004	1998 FORD F250	1FTPF27L7WKC14148	X		$500	$500
0005	2003 CHEVROLET K2500	1GCHK24U33E293664	X		$500	$500
0006	2003 FORD F250	1FTNF20P93ED09857	X		$500	$500
0007	2003 FORD F250	1FTNF20P03ED09858	X		$500	$500
0008	1977 JEEP AMERICAN	DJ5D5800295	X		$500	$500
0009	1989 CHEVROLET 3/4 TON	1GCGC24K1KE232366	X		$500	$500
0010	1991 MITSUBISHI 1/2 TON	JA7FL24W9NP006063	X		$500	$500
0011	1990 TOYOTA 1 TON	JT5VN94TXL0011779	X		$500	$500
0012	1997 CHEVROLET 3/4 TON	1GCGC24R4VE223341	X		$500	$500
0013	1988 FORD F150	1FTEF15N7JPA23296	X		$500	$500
0014	2003 FORD F250	1FTNF20P23ED09859	X		$500	$500
0015	1990 CHEVROLET 1 TON	1GBJC34K8LE225898	X		$500	$500
0016	2000 FORD 250	1FTNX21S2YED34607	X		$500	$500
0017	1998 FORD F250	1FTPF27L5WKC14147	X		$500	$500
0018	1988 CHEVROLET C70 2TON	1GBM7D1F9JV114224	X		$500	$500
0019	1996 CHEVROLET 3/4 TON	1GCGC24R8TE108240	X		$500	$500
0020	1991 CHEVROLET C3500	1GBJC34K9ME138738	X		$500	$500
0021	1988 ISUZU 1/4 TON	JAACL11L4J7235844	X		$500	$500
0022	1989 CHEVROLET 2500	1GCFC24HXKZ193978	X		$500	$500
0023	1989 CHEVROLET 2500	1GCPC24H2LZ194929	X		$500	$500
0024	2000 FORD F250	1FTNX21L5YEC85539	X		$500	$500
0025	2002 AQUATECH B10	1HTWXAXT73J065702	X		$500	$500
0026	1991 CHEVROLET DUMP TRUCK	1GBM7H1J0MJ106049	X		$500	$500
0027	1990 FORD TRUCK	1FDWK74A7MVA04597	X		$500	$500
0028	1989 CHEVROLET 2 TON DUMP	1GBL7D1G8KV100398	X		$500	$500
0029	2001 MIGHT TRLR W/GEN	4AG4U18281C033728	X		$500	$500
0030	1988 FORD 2 TON DUMP	1FDNK74P0JVA02184	X		$500	$500
0031	1986 FORD VACTOR	1FDYR80U1GVA04626	X		$500	$500

YUCAIPA VALLEY WATER DISTRICT

Vehicle No.	Year/Make/Model	VIN	ACV	Agreed Value	Comp. Ded.	Coll. Ded.
0032	1988 FORD F8000	1FDXK84A0JVA44851	X		$500	$500
0033	1989 FORD WATER TRUCK	1FDXK84A9KVA48981	X		$500	$500
0034	2000 FORD F450	1FDXF47F5YEA88973	X		$500	$500
0035	2001 AQUATECH SEWER MACH	1HTGGAXT32H509023	X		$500	$500
0036	2001 MIGHT TRLR W/GEN	4AG4U182X1C033729	X		$500	$500
0037	2001 MIGHT TRLR W/GEN	4AGEU162710C033730	X		$500	$500
0038	2001 MIGHT TRLR W/GEN	4AGEU18281C033913	X		$500	$500
0039	2002 CHRYSLER GEM	5ASAG47432F022585	X		$500	$500
0040	2002 CHRYSLER GEM	5ASAK274X2F025759	X		$500	$500
0041	2002 CHRYSLER GEM	5ASAK27402F029965	X		$500	$500
0042	2002 CHRYSLER GEM	5ASAJ27402F023540	X		$500	$500
0043	2007 FORD EDGE	2FMDK36C77BB10465	X		$500	$500
0044	2008 FORD RANGER	1FTYR14D98PA01517	X		$500	$500
0045	2008 FORD RANGER	1FTYR14D08PA01518	X		$500	$500
0046	2008 FORD RANGER	1FTYR14D28PA01519	X		$500	$500
0047	2008 FORD RANGER	1FTYR14D98PA01520	X		$500	$500
0048	2008 FORD RANGER	1FTYR14D08PA01521	X		$500	$500
0049	2008 FORD RANGER	1FTYR14D28PA01522	X		$500	$500
0050	2008 FORD RANGER	1FTYR14D48PA01523	X		$500	$500
0051	2008 FORD RANGER	1FTYR14D68PA01524	X		$500	$500
0052	2008 FORD RANGER	1FTYR14D88PA01525	X		$500	$500
0053	2008 FORD RANGER	1FTYR14DX8PA01526	X		$500	$500
0054	1972 JEEP UTILITY	DJ5C311290	X		$500	$500
0055	1980 MUD PUMP #2 TRAILER	813811DR1018804T	X		$500	$500
0056	2001 HONDA TRAILER	GC04-4104376	X		$500	$500
0057	1999 INTERSTATE TRAILER	1JKTDL405XA001892	X		$500	$500
0058	1990 ZIEMAN TRAILER	LZCE29V24LZP15870	X		$500	$500
0059	1989 CAT GEN TRLR	1M9E122G9K1250436	X		$500	$500
0060	2007 CARSON 18FT TRLR	4HXRC18288C132332	X		$500	$500
0061	1975 AMC JEEP	DJ5D6104717	X		$500	$500
0062	2010 DODGE DUMP TRUCK	3D6WD6EL0AG126595	X		$500	$500
0063	2011 DODGE DUMP TRUCK	3D6WU7ELXBG501383	X		$500	$500
0064	2011 FORD F450	1FDUF4GT6BEC42669	X		$500	$500
	HIRED CAR PHYS DAMAGE		X		$100	$500

YUCAIPA VALLEY WATER DISTRICT

AUTO

Coverage Highlights

The following apply unless noted otherwise in this proposal:

Liability on "Any Auto" basis	• Covers your liability for owned, hired or non-owned autos
Temporary Substitute Vehicle Liability	• Coverage is provided when a replacement vehicle is loaned to you while a covered vehicle is temporarily out of service. • Coverage is on a primary basis.
Uninsured Motorist/Underinsured Motorist	• Covers bodily injury and/or property damage sustained by an eligible party caused by a negligent uninsured/underinsured motorist per state laws.
Hired Car Physical Damage	• Coverage for hired, borrowed or commandeered vehicles on an actual cash value basis. • Coverage is primary.
Deductible Waiver	• If an Auto Physical Damage claim occurs in conjunction with a claim under a Glatfelter Public Practice Inland Marine or Property coverage, only one deductible, the largest, will apply to all losses.

YUCAIPA VALLEY WATER DISTRICT

EXCESS LIABILITY

Excess Liability coverage protects you with the following:

- Excess limits above the limits of your scheduled underlying Auto Liability, General Liability, Law Enforcement Activity Liability, and Public Officials and Management Liability coverage parts.
- Excess coverage will apply when scheduled underlying policies have been exhausted.

Policy Type: Follow Form Excess

	Limit of Insurance
Each Occurrence:	$5,000,000
General Aggregate:	$5,000,000

Coverage Highlights

The following apply unless noted otherwise in this proposal:

Public Officials and Management Liability	• Follows form with underlying occurrence or claims-made coverage.
Employer´s Liability	• Included in excess limits if scheduled as underlying coverage.
Defense Costs	• Payable in addition to the Limits of Insurance.
Public Use of Property	• No coverage is provided for claims arising out of the principles of eminent domain, including condemnation, adverse possession, dedication by adverse use, or inverse condemnation.
Failure to Supply Water	• Coverage for failure to supply water is provided, but only if the failure to supply results from sudden and accidental injury to tangible property owned or used by any insured to procure, produce, or process water.

YUCAIPA VALLEY WATER DISTRICT

PREMIUM SUMMARY

Coverage	Premium
Property	$63,583
Inland Marine	$4,826
Crime	$1,140
General Liability	$35,936
Law Enforcement Activity Liability	Not Requested
Public Officials and Management Liability	$14,301
Cyber Liability and Privacy Crisis Management Expense	Included
Auto	$39,082
Excess Liability	$34,499
Total Annual Premium (excludes state-imposed taxes, surcharges and fees)	$193,367

YUCAIPA VALLEY WATER DISTRICT

PROPOSAL NOTES

Property

Note: Losses caused by Earthquake are excluded for all items at all premises.

Note: Coverage for equipment breakdown is excluded.

Inland Marine

Note: Items appearing on the application's equipment schedule which are under $10,000 in value have been added to the Blanket Tools and Equipment limit.

Auto

Note: The Medical Payments limit of $5,000 applies to the following vehicles: All Covered Autos

Excess Liability

Note: Coverage is quoted excess of Auto Liability and General Liability and Public Officials and Management Liability.

The Hartford Steam Boiler Inspection and Insurance Company
Equipment Insurance Quotation
****For Immediate Delivery****

May 30, 2012
Quotation ID: FBP-0346638-00(28)

Susan Kroll
Glatfelter Insurance Services
Phone: 888-477-3007
Email:
Fax: (888) 477-7005

Think Ahead

More Coverage for More Equipment

Named Insured/Applicant:
Yucaipa Valley Water District

Coverage and Limit Summary:

Coverage Effective Date:	July 1, 2012
Quotation Expiration Date:	July 1, 2012
Equipment Breakdown Limit:	$100,000,000
Business Income Limit:	$1,000,000
Additional Limits, Deductibles, Other Conditions:	See Attached

Premium and Commission Summary:

Annual Premium:	$29,228.00
Taxes and Surcharges:	$0.00
Total Premium including Taxes and Surcharges:	$29,228.00

This Insurance Quotation is subject to the terms and conditions contained herein. It is subject to adjustment or rescission should any information on file change. An order of acceptance must be received by HSB prior to the expiration date of this quote for the insurance to be effective.

Thank you for the opportunity to provide you with a quote for this account. We appreciate your business.

Sincerely,
Kurt Rupe

Production Underwriter
(925) 602-4504
Kurtis_Rupe@hsb.com

The Hartford Steam Boiler Inspection and Insurance Company (HSB) has been the industry market leader for Equipment Breakdown Coverage for over 140 years. We employ the largest inspection force of its kind in the world. Our advanced engineering knowledge gives our customers an edge in understanding and managing risk. A.M. Best Company has awarded HSB an A++ (Superior) rating. Visit us at www.hsb.com.

Think Ahead

The Hartford Steam Boiler Inspection and Insurance Company

Equipment Insurance Quotation

Coverage Effective Date: July 1, 2012

Quotation Expiration Date: July 1, 2012
Quotation ID: FBP-0346638-00(28)

Named Insured/Applicant: Yucaipa Valley Water District
Location(s): Per Statement of Values submitted on May 30, 2012
Total of 60 locations

Coverage Applies to: All Locations

Coverage	Limits
Equipment Breakdown Limit:	$100,000,000
Property Damage:	Included
Business Income:	$1,000,000
Extra Expense:	$1,000,000
Service Interruption:	$1,000,000
Contingent Business Income:	Excluded
Off Premises Property Damage:	$25,000
Perishable Goods:	$25,000
Data Restoration:	$100,000
Demolition:	$100,000
Ordinance or Law:	$100,000
Expediting Expenses:	$100,000
Hazardous Substances:	$100,000
Newly Acquired Locations:	$1,000,000
Green:	$25,000

Deductibles

Direct Coverages	$10,000
Except ICE/Generator units	$40.00 Per KW, $15,000 Minimum
Indirect Coverages	24 Hours
Except ICE/Generator units	14 Days

Other Condition(s)/Coverage Extension(s)

Newly Acquired Locations: 90 Days
'Covered equipment' does not include any rotating biological contactor.
Extended Period of Restoration: 5 Days
Interruption of Service Waiting Period: 24 Hours
"Covered property" does not include plastic media used in trickle filters or other sewage processing equipment.

Premium

Annual Premium:	$29,228.00
Annual Premium (with surcharges/taxes):	$29,228.00
Total Surcharge/Tax:	$0.00
Total Surcharge/Tax Breakdown:	

HSB Quotation Ed. 03/2011 Page 2 of 5

Think Ahead

The Hartford Steam Boiler Inspection and Insurance Company

Equipment Insurance Quotation

Your quoted policy premium includes the following premium charge for losses resulting from certified acts of terrorism as defined in the **Terrorism Risk Insurance Act, as amended: $0.**

Under the Terrorism Risk Insurance Act, as amended, we must offer you coverage for losses arising from certified acts of terrorism as defined in Section 102(1)(A)(iv) of the Act. Your quoted policy does not contain terrorism exclusion. The actual coverage provided by your quoted policy for acts of terrorism, as is true for all coverages, is subject to the terms, conditions, exclusions, limits, and other provisions of your quoted policy, any endorsements, and applicable rules of law.

Any coverage being offered for losses arising from certified acts of terrorism is partially reinsured by the United States Government, Department of the Treasury under a formula established by federal law by which the United States will pay 85 percent of covered terrorism losses exceeding a statutorily established deductible paid by us. However, if aggregate insured losses attributable to certified acts of terrorism exceed $100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds $100 billion.

For your convenience, the above quote proposal summarizes all applicable coverages and limits. This quotation is for Hartford Steam Boiler's HSB Freestyle Policy. If you have questions or need any information about the equipment exposures please contact us at 1-800-HSB-1866 (1-800-472-1866).

This quotation is based upon information on file with the company as of the date prepared. It is subject to adjustment or rescission should any information on file change. There is no insurance in effect as a result of the issuance of this document. Our offer to insure the captioned account will be considered null and void and is rescinded on the date indicated as the Quotation Expiration Date unless an order of acceptance is received by the company prior to such date.

Think Ahead

The Hartford Steam Boiler Inspection and Insurance Company

Equipment Insurance Coverage Descriptions – Equipment Breakdown

Equipment Breakdown insurance covers the costly physical and financial damage that can result from an accidental equipment breakdown. Hartford Steam Boiler's Equipment Breakdown insurance is among the broadest in the industry. Not only do we offer a broad range of coverages, we insure many types of equipment that many other companies exclude.

Coverage Highlights:

- Property Damage – cost to repair or replace damaged equipment
- Off Premises Property Damage – coverage for portable equipment taken off-site
- Business Income – business income lost due to an interruption caused by breakdown
- Extra Expense - costs to maintain normal operations (e.g. equipment rental)
- Expediting Expenses – costs of temporary repairs or to speed restoration of operations
- Perishable Goods - lost value of spoiled products caused by a breakdown
- Data Restoration – cost to restore data that is lost or damaged due to a breakdown
- See coverage form for more details

Coverage Benefits:

- Fills the equipment insurance gaps that exist in standard property forms
- Covers a broad range of types of equipment, including computers and new technologies
- Includes jurisdictional inspections of boilers and pressure vessels where required by law or code
- Hartford Steam Boiler's claim service can help insureds get back into business fast

Green Coverage Highlights:

- Expands coverage over and above Environmental, Safety and Efficiency Improvements or any other applicable coverage.
- Includes Business Income and Extra Expense, if coverage is provided. **This coverage is included within and subject to your Green limit.**
- HSB Green coverage includes additional costs incurred to:
  - Repair or Replace "covered property" using equipment, materials and service firms recommended by programs such as, ENERGY STAR®, LEED®, Green Globes™, or any national or internationally recognized environmental standards program, whichever is less;
  - Recycle, if practicable;
  - Flush out space with outside air and provide new filtration media.
- HSB Green provides coverage to buildings that are "covered property" and certified as Green prior to an "accident" and includes costs to:
  - Prevent a lapse in certification;
  - Reinstate or replace the certification with equivalent certification;
  - Hire an engineer authorized by a "recognized environmental standards programs" to oversee repair and replacement;
  - Hire a Professional Engineer to commission and/or re-commission, damaged mechanical, electrical or electronic building systems.

The Hartford Steam Boiler Inspection and Insurance Company

Think Ahead

HSB provides broad equipment coverage, jurisdictional inspection services and a knowledgeable and responsive claim service. With HSB, your customer gets much more than an insurance company.

Behind every HSB policy is an organization still driven today by our founding principle - loss prevention. We're built to deliver on that commitment with:

- More inspection experience and technical equipment data than any other company - we not only know where the risks are today; we can see and anticipate new risks.
- Knowledgeable underwriters equipped to help you tailor coverages to the unique needs of your client.
- A highly skilled inspection staff and proactive process to identify locations with jurisdictional requirements and meet inspection deadlines - we don't wait for customers to call.
- Responsive claim specialists and a national network of repair and replacement resources - we don't just pay claims, we help insureds minimize lost time, productivity and business when a breakdown happens.

Jurisdictional Inspection Services

HSB provides jurisdictional inspection service for boilers and pressure vessels as an integral element of our Equipment Breakdown policies where required by law or code. Our service is designed to help policyholders comply with state and municipal jurisdictional inspection requirements. HSB's inspection service offers these advantages:

- HSB takes a proactive approach to identify insureds that require a boiler or pressure vessel inspection and complete those inspections within state or city standards.
- With hundreds of inspectors across the country, we're close to customers and can service their inspection needs in a timely manner.
- HSB's customers can call our Inspection Hot Line toll-free at 1-800-333-4677 (1-800-333-INSP), or complete our on-line Inspection Request Form.
- HSB offers free loss prevention information on equipment maintenance and operation.

Claim Services

- HSB's claim service focuses on helping insureds restore equipment and business operations faster.
- We have a national network of independent repair firms and parts suppliers to help locate replacements or parts and to expedite repair service and restoration of business operations.
- HSB claim adjusters' technical knowledge helps them speed business recovery; in fact many of our adjusters are degreed engineers and skilled technicians.
- HSB adjusts 100 percent of all Equipment Breakdown claims; we do not outsource adjustment to third parties.

Rated A++ (Superior) by A.M. Best Company, HSB is one of a small number of insurers with exemplary financial ratings over time. HSB has been rated A or better by A.M. Best for 75 consecutive years. You can rest assured that your customer is protected by a company with a strong financial foundation.

HSB has earned a reputation as the standard bearer in equipment loss prevention and coverage. When it comes to the equipment they depend on every day, your customer can depend on HSB.

Again, we appreciate your business. We look forward to learning how we can assist you further on this account.

plus WATER INSURANCE PROGRAM

INSURANCE PROPOSAL
YUCAIPA VALLEY WATER DISTRICT

EFFECTIVE DATE
07/01/2012

PRESENTED BY:
OSCAR PINEIRO
INLAND COUNTIES INSURANCE SERVICES INC.
D/B/A ROBERGE & FRIES

PROGRAM MANAGER

Alteris

www.alterisus.com
Alteris Insurance Services, Inc.
Agency License No. 3537131

PREMIUM SUMMARY

NOTE: This proposal is prepared from information supplied to us on the application submitted by your insurance broker. It may or may not contain all terms requested on the application. Proposed coverages are provided by the Alteris WaterPlus policy forms and are subject to the terms, exclusions, conditions and limitations of those policy forms. Actual policies should be reviewed for specific details. Specimen policies are available from your insurance broker.

PAGE	COVERAGE SECTION	PREMIUM
3-7	**SECTION 1. PROPERTY** (Property, Equipment Breakdown & Mobile Equipment)	$ INCLUDED
8	**SECTION 2. COMMERCIAL CRIME**	$ INCLUDED
9-10	**SECTION 3. COMMERCIAL GENERAL LIABILITY**	$ INCLUDED
11	**SECTION 4. BUSINESS AUTO**	$ INCLUDED
12	**SECTION 5. PUBLIC OFFICIALS & MANAGEMENT LIABILITY** (Wrongful Acts, Employment Practices & Employee Benefit Plans)	$ INCLUDED
13	**SECTION 6. COMMERCIAL EXCESS LIABILITY**	$ INCLUDED

TOTAL ANNUAL PREMIUM (excludes state-imposed taxes, surcharges, and fees)	$	202,000
TERRORISM PREMIUM	$	INCLUDED
FULLY EARNED POLICY FEE	$	100.00
STATE-IMPOSED TAXES, SURCHARGES, AND FEES	$	0.00
TOTAL AMOUNT DUE* *Payment is due upon binding. Flexible payment options are available upon request.	$	202,100

INSURED: HIGH VALLEYS WATER DISTRICT
EFFECTIVE DATE: 7/1/2012
DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

SECTION 1. PROPERTY*

☒ YES ☐ NO *THIS SECTION IS INCLUDED IF MARKED WITH A "YES".

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Special Causes of Loss
- Proprietary
- Integrated

LIMITS:

Blanket Property: (Real Property & Business Personal Property)	**$ 102,971,583**
Blanket Coverage Extension: A separate blanket limit that applies to the following coverages: Business Income, Extended Business Income, Commandeered Property, Civil Authority, Extra Expense, Tenant Leasehold Interest, Electronic Data, Preservation of Property.	**$ 2,000,000**
Equipment Breakdown:	**$ INCLUDED**
Flood:	**$ EXCLUDED**
Mobile Equipment:	**$ 987,596**

DEDUCTIBLES:

$2,500	Property
$2,500	Mobile Equipment
$10,000	Equipment Breakdown (aboveground & less than 50 feet belowground)
$10,000	Equipment Breakdown (greater than 50 feet belowground)
$N/A	Flood
$N/A	Wind/Hail* (per structure)
N/A %	Wind/Hail* (per structure)

*the greater of the deductibles will be applied

POLICY HIGHLIGHTS:

- Blanket Policy Limits
- Blanket Coverage Extension Limits
- No Coinsurance Penalty
- Equipment Breakdown
- Broad Definition of Covered Property
- Proprietary Coverage Extensions

VALUATION:

- Replacement Cost: Real Property & Business Personal Property
- Actual Cash Value: Mobile Equipment
- Actual Loss Sustained: Loss of Income & Expenses
- Market Price: Fine Arts

SPECIAL COVERAGES:

- **New Locations Or Newly Constructed Property:**
  Pays up to $1,000,000 for your new real property while being built on or off described premises as well as real property you acquire, lease or operate at locations other than the described premises; and business personal property located at new premises.

- **Utility Services – Direct Damage, Business Income & Expense:**
  Pays up to $250,000 for covered property damaged by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss and does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Separate limits apply to Direct Damage and Business Income/Expense Expense.

- **Pollution Remediation Expenses:**
  Pays up to $100,000 or $250,000 for remediation expenses resulting from a Covered Causes of Loss or Specified Cause of Loss occurring during the policy period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Specified Cause of Loss means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow; ice or sleet; water damage; and equipment breakdown.

- **SCADA Upgrades:**
  Pays up to $100,000 to upgrade your scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.

- **Contract Penalties:**
  Pays up to $100,000 for contract penalties you are required to pay due to your failure to deliver your product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.

- **Contamination:**
  Pays up to $100,000 for loss or damage to covered property because of contamination as a result of a Covered Cause of Loss. Contamination means direct damage to real property and business personal property caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and / or wastewater treatment process.

- **Property In Transit:**
  Pays up to $100,000 for direct physical loss or damage to covered property while in transit more than 1000 feet from the described premises. Shipments by mail must be registered for covered to apply. Electronic data processing property and fine arts are excluded.

- **Unintentional Errors:**
  Pays up to $100,000 for any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations.

KEY DEFINITIONS

Real Property:
The buildings, items or structures described in the Declarations that you own or that you have leased or rented from others in which you have an insurable interest. This includes:

- Aboveground piping;
- Aboveground and belowground penstock;
- Additions under construction;
- Alterations and repairs to the buildings or structures;
- Buildings;
- Business personal property owned by you that is used to maintain or service the real property or structure or its premises, including fire-extinguishing equipment; outdoor furniture, floor coverings and appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- Completed additions;
- Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
- Fixtures, including outdoor fixtures;
- Glass which is part of a building or structure;
- Light standards;
- Materials, equipment, supplies and temporary structures you own or for which you are responsible, on the premises or in the open (including property inside vehicles) within 1000 feet of the premises, used for making additions, alterations or repairs to buildings or structures at the premises;
- Paved surfaces such as sidewalks, patios or parking lots;
- Permanently installed machinery and equipment;
- Permanent storage tanks;
- Solar panels;
- Submersible pumps, pump motors and engines;
- Underground piping located on or within 1000 feet of premises described in the Declarations;
- Underground vaults and machinery.

Business Personal Property:
The property you own that is used in your business including:

- Furniture and fixtures;
- Machinery and equipment;
- Computer equipment;
- Communication equipment;
- Labor materials or services furnished or arranged by you on personal property of others;
- Stock;
- Your use interest as tenant in improvements and betterments.
- Leased personal property for which you have a contractual responsibility to insure.

Pollution Conditions:
The discharge, dispersal, release, seepage, migration, or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

KEY DEFINITIONS *(continued)*

- **Remediation Expenses:**
  Expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by: (1) Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof enacted to address pollution conditions; and (2) a legally executed state voluntary program governing the cleanup of "pollution conditions.

- **Outdoor Property:**
  Fixed or permanent structures that are outside covered real property including but not limited to:
  - Historical markers or flagpoles;
  - Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment;
  - Exterior signs not located at a premises;
  - Fences or retaining walls;
  - Storage sheds, garages, pavilions or other similar buildings or structures not located at a premises;
  - Dumpsters, concrete trash containers, or permanent recycling bins;
  - Hydrants; or
  - Electric utility power transmission and distribution lines and related equipment owned by the insured.

- **Equipment Breakdown:**
  Direct damage to mechanical, electrical or pressure systems as follows:
  - Mechanical breakdown including rupture or bursting caused by centrifugal force;
  - Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
  - Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;
  - Loss or damage to steam boilers, steam pipes, steam engines or steam turbines; or
  - Loss or damage to hot water boilers or other water heating equipment;
  - If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses for such drying out.
  - None of the following are covered objects as respects to equipment breakdown:
    a. Insulating or refractory material;
    b. Buried vessel or piping;
    c. Sewer piping, piping forming a part of a fire protection system or water piping other than:
       (1) Feed water piping between any boiler and its feed pump or injector;
       (2) Boiler condensate return piping; or
       (3) Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes;
    d. Structure, foundation, cabinet or compartment containing the object;
    e. Power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube or well-casing;
    f. Conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment; and
    g. Felt, wire, screen, die, extrusion, late, swing hammer, grinding disc, cutting blade, cable chain, belt, rope, clutch late, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.

PROPERTY SUBLIMITS:

Coverage	Limit					
Accounts Receivable	☒	$500,000	☐	$1,000,000	☐	$2,000,000
Valuable Papers and Records	☒	$500,000	☐	$1,000,000	☐	$2,000,000
Contamination	☒	$100,000	☐	$250,000		
Tools and Equipment Owned by Your Employees	☒	$5,000	☐	$10,000	☐	$25,000
Personal Effects and Property of Others	☒	$5,000	☐	$10,000	☐	$25,000
Outdoor Property (unscheduled)	☒	$25,000	☐	$50,000	☐	$100,000
New Locations or Newly Constructed Property	$1,000,000					
Business Personal Property at New Locations	$1,000,000					
Utility Services - Direct Damage	$250,000					
Utility Services – Business Income and Extra Expense	$250,000					
Dependent Business Premises	$250,000					
Property at Other Locations	$250,000					
Pollution Remediation Expense (specified cause of loss)	$250,000					
Pollution Remediation Expense (covered cause of loss)	$100,000					
Contract Penalties	$100,000					
SCADA Upgrades	$100,000					
Property in Transit	$100,000					
Backup/Overflow of Water from Sewer, Drain, Sump	$100,000					
Fine Arts	$25,000					
Limited Coverage for "Fungus", Wet Rot or Dry Rot	$25,000					
Mobile Equipment (owned & nonowned)	$25,000					
Trees, Shrubs & Plants (maximum $1,000 any one item)	$25,000					
Indoor and Outdoor Signs (unscheduled)	$25,000					
Arson Reward	$10,000					
Fire Department Service Charge	$5,000					
Non-Owned Detached Trailers	$5,000					
Cost of Inventory or Adjustment	$5,000					
Patterns, Dies, Molds, Forms	$2,500					
Fire Protection Devices	$1,000					
Debris Removal	25% of scheduled limit					
Ordinance or Law Provision	25% of scheduled limit					

NOTES:
Premium is calculated from attached property schedule. Please review attached property schedule for coverage and limit adequacy.

1. MOBILE EQUIPMENT IS BASED ON THE APPLICATION SCHEDULE. UNSCHEDULED EQUIPMENT IS SUBJECT TO MAXIMUM $10,000 ANY ONE ITEM LIMIT.

2. MOBILE EQUIPMENT INCLUDES $100,000 LIMIT FOR BORROWED, RENTED AND LEASED EQUIPMENT.

INSURED: HIGH VALLEYS WATER DISTRICT
EFFECTIVE DATE: 7/1/2012
DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal

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SECTION 2. COMMERCIAL CRIME*

☒ YES ☐ NO *THIS SECTION IS INCLUDED IF MARKED WITH A "YES".

CARRIER:
- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:
- Proprietary
- Integrated

RATING BASIS:
- On file with underwriter
- Non auditable

LIMITS:

COVERAGE GROUP SELECTED	EMPLOYEE THEFT	FORGERY OR ALTERATION	INSIDE THE PREMISES Theft of Money and Securities	INSIDE THE PREMISES Robbery or Safe Burglary or Other Property	OUTSIDE THE PREMISES	COMPUTER FRAUD	FUNDS TRANSFER FRAUD	MONEY ORDERS & COUNTERFEIT PAPER CURRENCY
☐	$100,000	$100,000	$100,000	$5,000	$100,000	$100,000	$10,000	$100,000
☒	$250,000	$250,000	$250,000	$5,000	$250,000	$100,000	$25,000	$100,000
☐	$500,000	$250,000	$250,000	$5,000	$250,000	$100,000	$50,000	$100,000
☐	$1,000,000	$250,000	$250,000	$5,000	$250,000	$100,000	$100,000	$100,000
☐	$2,000,000	$250,000	$250,000	$5,000	$250,000	$100,000	$100,000	$100,000

DEDUCTIBLE:
$1,000 each claim

DESIGNATED EMPLOYEE BENEFIT PLAN(S):

POLICY HIGHLIGHTS:
- Separate Limits Apply to Each Coverage
- Coverage Extended to Directors and Authorized Volunteers
- Faithful Performance

NOTES:

SECTION 3. COMMERCIAL GENERAL LIABILITY*

☒ YES ☐ NO *THIS SECTION IS INCLUDED IF MARKED WITH A "YES".

CARRIER:
- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:
- Occurrence
- Proprietary

RATING BASIS:
- On file with underwriter
- Non auditable

LIMITS:

Per Occurrence	$1,000,000
General Aggregate	$3,000,000
Products & Completed Operations Aggregate	$3,000,000
Personal & Advertising Injury Aggregate	$1,000,000
Damage to Premises Rented to You	$1,000,000
Medical Payments	$5,000

DEDUCTIBLE:
- ☒ None
- ☐ $1,000 per occurrence excluding expenses
- ☐ $2,500 per occurrence excluding expenses
- ☐ $5,000 per occurrence including expenses
- ☐ $10,000 per occurrence including expenses
- ☐ $ per occurrence including expenses

POLICY HIGHLIGHTS:
- Duty to Defend
- Broad Definition of Insured
- Fellow Employee
- Per Location Aggregate
- Blanket Additional Insured Endorsement

OPTIONAL COVERAGES:
- ☐ Hired & Non Owned Automobile Liability
- ☐ Employee Benefits Liability
- ☐ Dam, Levee & Dike Structural Failure
- ☐ Stop Gap: (Ohio & Washington applicants only)

INSURED: HIGH VALLEYS WATER DISTRICT
EFFECTIVE DATE: 7/1/2012
DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

Page 9 of 13

SPECIAL COVERAGES:

- **Water & Wastewater Testing Errors & Omissions:**
  Coverage is provided for damages arising out of an act, error or omission which arises from your water or wastewater testing.

- **Failure To Supply:**
  Coverage is provided for bodily injury or property damage arising out of the failure of any insured to adequately supply water.

- **Waterborne Asbestos:**
  Coverage is provided for bodily injury or property damage from waterborne asbestos arising out of potable water which is provided by you to others.

- **Contractual Liability - Railroads:**
  Coverage is provided for any contract or agreement that indemnifies a railroad for bodily injury or property damage arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.

- **Pollution:**
  Coverage is provided for bodily injury or property damage which occurs or takes place as a result of your operations and arises out of the following:
  - Potable water which you supply to others;
  - Chemicals you use in your water or wastewater treatment process;
  - Natural gas or propane gas you use in your water or wastewater treatment process;
  - Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you;
  - Your application of pesticide or herbicide chemicals if such application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government;
  - Smoke drift from controlled or prescribed burning that has been authorized and permitted by an appropriate regulatory agency.
  - Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts
  - Escape or back-up of sewage or waste water from any sewage treatment facility or fixed conduit or piping that you own, operate, lease, control or for which you have the right of way, but only if property damage occurs away from land you own or lease.
  - Sudden and accidental events that are neither expected nor intended by an Insured. However, no coverage is provided under this exception for petroleum underground storage tanks.

NOTES:
1. HIRED AND NONOWNED AUTO LIABILITY IS COVERED UNDER THE BUSINESS AUTO SECTION.
2. EMPLOYEE BENEFITS LIABILITY IS COVERED UNDER THE PUBLIC OFFICIALS AND MANAGEMENT LIABILITY SECTION.

SECTION 4. BUSINESS AUTO*

☒ YES ☐ NO *THIS SECTION IS INCLUDED IF MARKED WITH A "YES".

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- ISO Business Auto

PORTFOLIO:

	Coverage	Symbol	Limit
☒	Combined Single Limit for Bodily Injury & Property Damage (each accident)	Symbol 1	$1,000,000
☒	Hired Auto Liability	Symbol 8	$1,000,000
☒	Non-Owned Auto Liability	Symbol 9	$1,000,000
☐	"No-Fault" or Statutory Personal Injury Protection (each person)	Symbol 2	$5,000
☒	Medical Payments	Symbol 2	$5,000
☒	Uninsured / Underinsured Motorists	Symbol 2	$1,000,000
☒	Hired Physical Damage	Symbol 8	$50,000
☒	Owned Physical Damage – Comprehensive	Symbol 2	ACV
☒	Owned Physical Damage – Collision	Symbol 2	ACV

DEDUCTIBLE:

Liability:	None					
Comprehensive:	☐ $250	☒ $500	☐ $1,000	☐ $2,500	Other: $	
Collision:	☐ $250	☒ $500	☐ $1,000	☐ $2,500	Other: $	

NOTES:

- Fleet automatic - policy is not subject to additional and return premium from mid-term vehicle changes.
- Premium is calculated from attached automobile schedule.
- Please review attached automobile schedule for coverage and fleet adequacy.

SECTION 5. PUBLIC OFFICIALS & MANAGEMENT LIABILITY*

☒ YES ☐ NO *THIS SECTION IS INCLUDED IF MARKED WITH A "YES".

CARRIER:
- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:
- ☒ Occurrence
- ☐ Claims Made

DEFENSE COSTS:
- ☐ Inside the limits of liability
- ☒ Outside the limits of liability

LIMITS:

☒	Wrongful Acts	$1,000,000 per act
☒	Employment Practices (including third party discrimination)	$1,000,000 per offense
☒	Employee Benefit Plans	$1,000,000 per act
☒	Injunctive Relief	$ 5,000 per act
		$3,000,000 aggregate limit

SPECIAL COVERAGES:
- ☒ Inverse Condemnation

RATING BASIS
- On file with underwriter
- Non auditable

DEDUCTIBLE
$1,000 each claim including expenses

RETROACTIVE DATE:
N/A

POLICY HIGHLIGHTS:
- Duty To Defend
- Broad Definition of Named Insured including Past and Future Employees
- Outside Directorship
- Punitive Damages are Covered Where Insurable by Law
- No Intentional Acts, Assault & Battery or Bodily Injury Exclusions

NOTES:

INSURED: HIGH VALLEYS WATER DISTRICT
EFFECTIVE DATE: 7/1/2012
DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

Page 12 of 13

SECTION 6. COMMERCIAL EXCESS LIABILITY*

☒ YES ☐ NO *THIS SECTION IS INCLUDED IF MARKED WITH A "YES".

CARRIER:
- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:
- Proprietary
- Following Form

LIMITS:

☐	$1,000,000 / $1,000,000	☐	$6,000,000 / $6,000,000
☐	$2,000,000 / $2,000,000	☑	$7,000,000 / $7,000,000
☐	$3,000,000 / $3,000,000	☐	$8,000,000 / $8,000,000
☐	$4,000,000 / $4,000,000	☐	$9,000,000 / $9,000,000
☒	$5,000,000 / $5,000,000	☐	$10,000,000 / $10,000,000

+2500 −

RATING BASIS:
- On file with underwriter
- Non auditable

SCHEDULED UNDERLYING POLICIES:

☒	Commercial General Liability
☒	Hired and Non-Owned Auto Liability
☒	Owned Auto Liability
☒	Public Officials & Management Liability
☒	Wrongful Acts
☒	Employment Practices
☒	Employee Benefit Plans
☒	Employers' Liability: (minimum underlying limit requirement of $500,000 / $500,000 / $500,000)
☐	Other:

NOTABLE EXCLUSION:
- Workers' Compensation

NOTES:
Employers' Liability subject to Allied World security requirements.

INSURED: HIGH VALLEYS WATER DISTRICT
EFFECTIVE DATE: 7/1/2012
DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

Page 13 of 13

OPTIONAL COVERAGE: PRIVACY 101*

☒ YES ☐ NO *THIS SECTION IS INCLUDED IF MARKED WITH A "YES".

CARRIER:

- Allied World National Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating
- **Issued on Surplus Lines / Nonadmitted Paper**

FORM:

- Proprietary claims made policy. Defense inside the limits. A policy aggregate applies to all coverages. Coverage A an B have separate aggregate limits applicable to their respective coverage parts. Coverage C and D share an aggregate limit for their respective coverage parts.

LIMITS:

Privacy & Network Security Coverage:
Protects against any actual or alleged act, error, misstatement, misleading statement, omission, neglect or breach of duty committed by an Insured or Third Party Contractor, which results in a breach of the Insured's Network Security, the consequences of which are: 1. unauthorized access to, use of or tampering with a third party's Network; 2. the inability of an authorized third party to gain access to the Insured's services; 3. denial or disruption of Internet service to an authorized third party; 4. Identity Theft or credit/debit card fraud; 5. the transmission of Malicious Code; or 6. the unauthorized release of a third party's confidential and proprietary business.

☐ $ 100,000
☒ $ 250,000
☐ $ 500,000
☐ $1,000,000

Notification & Credit Monitoring Costs Coverage:
Provides reimbursement to the Named Insured for the costs incurred by the Named Insured for notification to, and for credit monitoring of, any persons residing in the United States, including Employees, arising from a Privacy Wrongful Act, which takes place during the Policy Period.

☐ $ 100,000
☒ $ 250,000
☐ $ 500,000
☐ $1,000,000

Data Forensic Coverage: ☒ 2.50%
Covers the reasonable and necessary costs incurred by the Named Insured to retain a qualified forensics firm to investigate, examine and analyze the Named Insured's Network, to find the cause, source and extent of a Data Breach.

Crisis Management Coverage: ☒ 2.50%
Means the following amounts when incurred during, or within ninety (90) days prior to, a Material Event: 1. amounts for which the Named Insured becomes legally liable for those services performed by a public relations firm, crisis management firm or law firm selected by the Named Insured and approved in advance in writing by the Insurer, to minimize potential harm to the Named Insured arising from a Material Event, including, without limitation, maintaining and restoring public confidence in the Named Insured, and providing advice to the Named Insured or any of its directors, officers, partners or Employees; and 2. amounts for which the Named Insured becomes legally liable for the reasonable and necessary printing, advertising, mailing of materials, or travel by directors, officers, partners, Employees or the firm rendering services as referenced above. Crisis Management Expenses shall not include compensation, fees, benefits, overhead, or the charges or expenses of any Insured or any Third Party Contractor.

RETENTION:

$ 5,000 each claim including loss adjustment expenses

TOTAL AMOUNT DUE:

$	996.00	annual premium
$	32.37	surplus lines taxes & stamping fee
$	**1,028.37**	

100% premium, taxes, and stamping fees due upon binding

NOTES:

Proposal is subject to signed D-1 from insured and completion of SLA-2 from broker.

INSURED: YUCAIPA VALLEY WATER DISTRICT
EFFECTIVE DATE: 7/1/2012
DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

Page 1 of 1

Yucaipa Valley Water District

Director Memorandum 12-055

Date: June 20, 2012

Prepared By: Joseph Zoba, General Manager

Subject: Regional Water Allocation Agreement for Water Imported by the San Gorgonio Pass Water Agency

Recommendation: That the Board authorizes the Board President to execute the Regional Water Allocation Agreement.

On November 3, 2010, a presentation was provided to the board members of the San Gorgonio Pass Water Agency regarding an allocation concept that would provide rules and a structure for the use of imported water by retail water agencies. While the allocation concept seemed to be well received by the board members at the time, the written policy (attached) has not been scheduled for further consideration or action by the San Gorgonio Pass Water Agency.

Over the past several months, the *Regional Water Allocation Agreement for Water Imported by the San Gorgonio Pass Water Agency* has been presented to the elected representatives from each of the water retailers in the region. As a result of the numerous discussions, each water retailer has been requested to take the agreement to their respective board/council for consideration.

This particular topic has been thoroughly reviewed and discussed by the Yucaipa Valley Water District at a number of board workshops.

This agenda item has been prepared to provide an opportunity for the board members to formally consider the proposed agreement.

Draft Document - March 20, 2012

REGIONAL WATER ALLOCATION AGREEMENT FOR WATER IMPORTED BY THE SAN GORGONIO PASS WATER AGENCY

This Agreement, by and between, the San Gorgonio Pass Water Agency, a State Water Contractor (hereinafter referred to as "SGPWA"); the City of Banning, a California municipal corporation; Banning Heights Mutual Water Company, a California mutual water company; Beaumont Cherry Valley Water District, a California irrigation district; Cabazon Water District, a California water district; High Valley Water District, a California water district; South Mesa Mutual Water Company, a California mutual water company; and Yucaipa Valley Water District, a California county water district; each individually referred to or collectively referred to in this Agreement as "Party" or "Parties".

The term Water Retailers refers to the following Parties to this Agreement: City of Banning; Banning Heights Mutual Water Company; Beaumont Cherry Valley Water District; Cabazon Water District; High Valley Water District; South Mesa Mutual Water Company; and Yucaipa Valley Water District.

RECITALS

A. California's water law and policy, Article X, Section 2 of the California Constitution requires that all uses of the State's water be both reasonable and beneficial. Specifically, this section of the Constitution states in part, "It is hereby declared that because of the conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use of unreasonable method of use of water be prevented, and that the conservation of such waters is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare.

B. On November 16, 1962 the State of California, acting by and through the Department of Water Resources, and the San Gorgonio Pass Water Agency entered into a Water Supply Contract pursuant to the provisions of the California Water Resources Development Bond Act and the State Central Valley Project Act and other applicable laws.

C. The Water Supply Contract between the Department of Water Resources and the San Gorgonio Pass Water Agency has been amended eighteen times, with the latest amendment dated December 26, 2007. The Water Supply Contract provides a Maximum Annual Table "A" Allocation of 17,300 acre feet per year of imported water from the State Water Project to the San Gorgonio Pass Water Agency.

D. The San Gorgonio Pass Water Agency Law codified as Chapter 101 of the California Water Code specifically provides for the San Gorgonio Pass Water Agency to "...sell water under the control of the agency to cities, and to other public corporations and public agencies within the agency...for use within said agency without any preference...".

E. The Urban Water Management Planning Act (California Water Code Section 10610 et. seq.) requires California's urban water suppliers to ensure adequate water supplies are

available to meet existing and future water demands. Every urban water supplier that either provides over 3,000 acre-feet of water annually or serves more than 3,000 or more connections is required to assess the reliability of its water sources over a 20-year planning horizon considering normal, dry, and multiple dry years. Therefore, the implementation of reliable and prudent long-term water resource management plans require Water Retailers within the service area of the San Gorgonio Pass Water Agency, regardless of size or number of customers, to be able to anticipate a given quantity of imported water to meet the water demands within the service area of each retail water customer.

F. The Parties recognize that an Agreement allocating imported water from the San Gorgonio Pass Water Agency will: (1) provide certainty for Water Retailers thereby enabling better water resource planning in the future; (2) support the ability for each Water Retailer to establish community specific policies and goals based on uniform and consistent rules pertaining to the delivery of imported water; (3) promote improved water management since an imported water allocation will enable each Water Retailer to implement and directly benefit from specific policies related to sustainability, dual plumbing and conjunctive use; and (4) improve coordination and confidence between the Water Retailers and the San Gorgonio Pass Water Agency.

AGREEMENT

1. **Allocation of Water from the State Water Project.** The Parties acknowledge that the following provision of the San Gorgonio Pass Water Agency Law, codified as Chapter 101, Section 15.5 of the Appendix to the California Water Code, is integrated within this Agreement to ensure the allocation of imported water is consistent with the intent of the Legislature. "It is the intent of the Legislature that, in allocating water received from the State Water Project pursuant to this act, the highest priority shall be given to eliminating groundwater overdraft conditions within any agency or district receiving the water."

2. **Boundaries of the Parties.** The service area of the San Gorgonio Pass Water Agency encompasses a portion or the entire service area of each Water Retailer that is a Party to this Agreement.

   2.1. The Parties agree to utilize that portion of the sphere of influence of each Water Retailer within the boundary of the San Gorgonio Pass Water Agency as the basis of the imported water allocation methodology provided herein. The Sphere of Influence boundary is utilized since this boundary line represents the reasonable planning boundary of each Water Retailer's legal boundary and designates the Water Retailer's ultimate service area.

   2.2. The Parties acknowledge that the Local Agency Formation Commission of Riverside County will periodically review the Sphere of Influence of each Water Retailer and adjust these boundaries based on factors such as current and future land use, current and future need and capacity for service, municipal service reviews, and any relevant communities of interest. Any such change in the Sphere of Influence shall also change the baseline allocation of water as provided in Section 4.5.

2.3. The Sphere of Influence boundary area for each Water Retailer within the boundary of the San Gorgonio Pass Water Agency is as follows:

Table 1 - Boundary Summary

Water Retailer	Sphere of Influence Boundary Area (Acres)	Percentage of Area for Each Water Retailer
Banning Heights Mutual Water Company	876	1.2%
South Mesa Mutual Water Company	974	1.4%
High Valley Water District	5,287	7.4%
Cabazon Water District	7,990	11.1%
Yucaipa Valley Water District	17,388	24.2%
City of Banning	19,644	27.3%
Beaumont Cherry Valley Water District	19,693	27.4%
Morongo Band of Mission Indians	34,611	Not Applicable
Unincorporated Riverside County	34,043	Not Applicable
Unincorporated San Bernardino County	1,910	Not Applicable
SGPWA Service Area	**142,416**	**100.0%**
Total Area of Water Retailers	71,852	

Source: San Gorgonio Pass Water Agency Supplemental Water Supply Planning Study, Albert A. Webb Associates, October 2009.

3. **State Water Project Reliability.** For planning purposes, the availability of water from the State Water Project is based on a long-term average reliability. The California Department of Water Resources routinely prepares a *State Water Project Delivery Reliability Report* to describe current and future deliveries from the State Water Project.

3.1. The Water Retailers understand the annual fluctuations in the availability of water deliveries from the State Water Project and further acknowledge that these fluctuations will create variations in the actual quantity of water available to the region from the State Water Project.

3.2. The Parties agree that any increase or decrease of the reliability of the State Water Project will be reflected in the annual allocation of imported water available to each Water Retailer.

3.3. Prior to the completion of the East Branch Extension of the State Water Project, the San Gorgonio Pass Water Agency and the California Department of Water Resources agreed to a reduction in the Maximum Annual Table "A" Allocation of 17,300 acre feet. In the future, the San Gorgonio Pass Water Agency agrees not

to reduce the current Maximum Table "A" Allocation of 17,300 acre feet without prior consent from the Water Retailers.

4. **Baseline Water Resource Allocation.** The San Gorgonio Pass Water Agency maintains a contract with the California Department of Water Resources for a Maximum Table "A" Allocation of 17,300 acre feet per year from the State Water Project.

4.1. The Parties agree to use the Sphere of Influence of each Water Retailer in the service area of the San Gorgonio Pass Water Agency to calculate the Baseline Water Resource Allocation as follows:

Table 2 - Baseline Water Resource Allocation

Water Retailer	Percentage of Area for Each Water Retailer (Table 1)	Baseline Water Resource Allocation (Acre Feet)
Banning Heights Mutual Water Company	1.2%	211
South Mesa Mutual Water Company	1.4%	235
High Valley Water District	7.4%	1,273
Cabazon Water District	11.1%	1,924
Yucaipa Valley Water District	24.2%	4,187
City of Banning	27.3%	4,730
Beaumont Cherry Valley Water District	27.4%	4,742
Morongo Band of Mission Indians	Not Applicable	Not Applicable
Unincorporated Riverside County	Not Applicable	Not Applicable
Unincorporated San Bernardino County	Not Applicable	Not Applicable
Maximum SGPWA Table "A" Allocation		**17,300**

4.2. The Baseline Water Resource Allocation for each Water Retailer represents the maximum quantity of imported water from the San Gorgonio Pass Water Agency that each Water Retailer shall use for planning purposes unless augmented with additional imported water supplies as provided herein. Using the quantity of imported water allocated as the Baseline Water Resource Allocation for planning purposes will insure that the Water Retailers do not oversubscribe the Maximum Table "A" Allocation of 17,300 acre feet provided by contract to the San Gorgonio Pass Water Agency.

4.3. The purchase of any additional water supplies or rights by the San Gorgonio Pass Water Agency shall be automatically added to the existing Maximum Table "A" Allocation amount of 17,300 acre feet and distributed to the Water Retailers resulting in an increase of the Baseline Water Resource Allocation for all Water Retailers based on the Percentage of Area for Each Water Retailer. The quantity, quality and reliability of additional water supplies purchased by the San

Gorgonio Pass Water Agency shall be combined with the existing Maximum Table "A" Allocation of 17,300 acre feet in a manner that benefits or impacts all Parties equally without preference.

4.4. No portion of the Baseline Water Resource Allocation can be sold, traded, exchanged or transferred between the Parties except as provided below.

4.5. The Parties acknowledge that any adjustment of the Sphere of Influence boundary of any Water Retailer after the effective date of this Agreement will result in a recalculation of the Baseline Water Resource Allocation.

4.5.1. Any proposed administrative action by the Local Agency Formation Commission that will change the Sphere of Influence boundary of any Water Retailer shall be distributed to the Parties 60 days prior to the scheduled action by the Local Agency Formation Commission.

4.5.2. A merger or consolidation of a Party to this Agreement will result in an adjustment to the Sphere of Influence boundary that will necessitate a recalculation of the Baseline Water Resource Allocation.

4.6. The Baseline Water Resource Allocation will not be amended to provide any portion of the existing Maximum Table "A" Allocation of 17,300 acre feet from the State Water Project to any existing retail water agency, new retail water agency, or other entity not a Party to this Agreement.

4.6.1. The San Gorgonio Pass Water Agency agrees that a retail water agency, or other entity not a Party to this Agreement shall be required to purchase a sufficient quantity of physical water rights and complete pipeline improvements to the existing conveyance and delivery system(s) such that no Party to this Agreement is damaged, impacted, or subordinated with respect to additional expenses, water conveyance, water supply, water quality, or other any other matter under the authority, ability and discretion of the San Gorgonio Pass Water Agency.

4.7. Any improvement to the capital assets owned, operated or controlled by the San Gorgonio Pass Water Agency or the California Department of Water Resources that provides additional imported water resources or improves reliability will be reflected in the Baseline Water Resource Allocation and distributed to the Parties.

4.8. The San Gorgonio Pass Water Agency will only provide imported water to Water Retailers and no other entity within or outside of the boundary of the San Gorgonio Pass Water Agency.

5. **Adjusted Baseline Water Resource Allocation.** The Baseline Water Resource Allocation amount allocated to each Water Retailer can be further adjusted at any time as follows:

5.1. Purchase of Additional Sources of Supply. Each Water Retailer may elect, at the sole and absolute discretion of each entity, to purchase additional imported water

sources of supply that will be added to the Baseline Water Resource Allocation amount.

5.1.1. The purchase of additional imported water source of supply or water rights by a Water Retailer(s) shall increase the amount of imported water delivered above the Baseline Water Resource Allocation amount to the specific Water Retailer(s) purchasing the additional supply or rights. The additional source of supply will be added to the quantity of water used for planning purposes and identified as a separate quantity of imported water from the Baseline Water Resource Allocation.

5.1.2. The quantity, quality and reliability of any water purchased as an additional source of supply shall be identified independently from the Baseline Water Resource Allocation such that any degradation of water quality, reliability or other parameter shall not impact any other Party to this Agreement. The additional source of supply will be considered to be generally equivalent to the quantity and quality of imported water delivered as part of the Maximum Table "A" Allocation of 17,300 acre feet if the supply originates from the same location and conveyed using the same facilities. In this case, the quantity, quality and reliability shall be considered equal to the Baseline Water Resource Allocation.

5.1.3. A Water Retailer shall not be restricted from using funds collected by the San Gorgonio Pass Water Agency as a component of the imported water rate for the purchase of additional water supplies and rights at any time.

5.1.4. No portion of the annual amount of water delivered as the Adjusted Baseline Water Resource Allocation can be sold, traded, exchanged or transferred between the Parties except as provided below.

6. **Annual Water Resource Allocation.** The Annual Water Resource Allocation is the total amount of water available to each Water Retailer from the Baseline Water Resource Allocation and the Adjusted Baseline Water Resource Allocation each year based on the actual and independent availability of the specific source of supply.

6.1. The Parties acknowledge that the annual amount of imported water available from all sources of supply are variable based on factors such as seasonality, climatic changes, precipitation, snowpack, and drought. These changes will cause variability in the amount of water available to each Water Retailer on an annual basis.

6.2. The amount of water available from the State Water Project is adjusted throughout each water year based on notices issued by the California Department of Water Resources. Any notice issued by the California Department of Water Resources that changes the Maximum Table "A" Allocation amount shall be effective on the date of issuance of the notice from the Department of Water Resources.

6.3. Baseline Water Resource Allocation. The Annual Water Resource Allocation for water available from the Baseline Water Resource Allocation shall generally be

based upon the availability of imported water from the State Water Project as determined by the California Department of Water Resources.

6.3.1. The Baseline Water Resource Allocation for each Water Retailer shall also be adjusted throughout the water year based on notices issued by the California Department of Water Resources and shall include other water quantities provided to the San Gorgonio Pass Water Agency such as the Turn-Back Water Pool Program and the Article 21 Program. These programs will be allocated on the same percentage basis as provided in Section 4 above (Baseline Water Resource Allocation).

6.4. Adjusted Baseline Water Resource Allocation. The Annual Water Resource Allocation for imported water allocated from the Adjusted Baseline Water Resource Allocation shall be based upon the availability of each specific source of supply.

7. **Unused Annual Water Resource Allocation.** In the event a Water Retailer is unable to make use of their specific Annual Water Resource Allocation as provided herein, then the amount of unused imported water shall be reallocated proportionally to the other Water Retailers using the total amount of water allotted to each Water Retailer pursuant to the Adjusted Baseline Water Resource Allocation amount.

8. **Prohibitions to Exchange, Transfer or Sale (Secondary Market).** The Parties agree that any water made available to the San Gorgonio Pass Water Agency pursuant to this Agreement shall be used by the Water Retailer within their respective Sphere of Influence and not assigned, exchanged, transferred or sold to create or support a secondary water market, speculation, or similar activity for any public or private entity, developer, investor, agricultural interest or speculator.

9. **Excess Conveyance Capacity in State Water Project Facilities.** During times of water shortages, there will be excess pipeline conveyance capacity in the State Water Project. The Parties agree to cooperate and maximize the use and availability of excess State Water Project conveyance facilities to augment the water supplies within the service area of the San Gorgonio Pass Water Agency based on the rate schedule utilized for routine deliveries of imported water.

General Provisions

10. **General Provisions.** The following General Provisions have been incorporated herein:

10.1. Effective Date. This Agreement shall become effective and binding upon the Parties on the first day of the month following the approval of the Agreement by Water Retailers with a collective total combined land area of more than 75% of the 71,852 acres within the Sphere of Influence boundary of the Water Retailers as provided in Table 1.

10.2. Termination. This Agreement shall terminate immediately upon a vote of the Parties consisting of a collective total combined land area of more than 75% of the total acreage at the time of termination within the Sphere of Influence of all Water Retailers in the service area of the San Gorgonio Pass Water Agency.

10.2.1. The Baseline Water Resource Allocation of Water Retailers electing not to execute this Agreement shall be maintained pursuant to the methodology provided in Section 4. The Annual Water Resource Allocation for a Party electing not to execute the Agreement shall be considered unused and distributed to the Parties pursuant to Section 7.

10.3. Notices. All notices and demands which any Party is required or desires to give to the others pursuant to this Agreement shall be given in writing by certified mail, return receipt requested with appropriate postage paid, by personal delivery, by facsimile or by private overnight courier service to the business address of the other Party.

10.4. Entire Agreement. This Agreement, together with all Exhibits and documents referred to herein, constitutes the entire Agreement among the Parties with respect to the subject matter hereof, and supersede all prior understandings or agreements.

10.5. Amendments. This Agreement may be modified or amended only by agreement of those Parties that form a consensus of more than 66% of the total amount of water allotted to each Water Retailer pursuant to the Adjusted Baseline Water Resource Allocation amount.

10.6. No Assignments. This Agreement and the rights, duties and benefits given in it, may not be assigned.

10.7. Partial Invalidity. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement shall continue in full force and effect and shall in no way be impaired or invalidated, and the Parties agree to substitute for the invalid or unenforceable provision a valid and enforceable provision that most closely approximates the intent and economic effect of the invalid or unenforceable provision.

10.8. Governing Law. This Agreement shall be governed by the laws of the State of California.

10.9. Attorneys' Fees. Each Party shall bear its own attorneys' fees and expenses in the preparation and review of this Agreement. In the event that any party hereto institutes an action or proceeding for a declaration of the rights of the Parties under this Agreement, for injunctive relief, for an alleged breach or default of, or any other action arising out of, this Agreement, or the transactions contemplated herein, or in the event any party is in default of its obligations pursuant thereto, whether or not suit is filed or prosecuted to final judgment, the non-defaulting party or prevailing party shall be entitled to its actual attorneys' fees and to any court costs incurred, in addition to any other damages or relief awarded by the court.

10.10. Successors and Assigns; No Assignment. This Agreement shall inure to the benefit of and be binding on the parties to this Agreement and their respective successors and assigns.

10.11. Covenants, Conditions or Remedies. The waiver by one Party of the performance of any covenant, condition or promise, or of the time for performing any act, under this Agreement shall not invalidate this Agreement nor shall it be considered a waiver by such party of any other covenant, condition or promise, or of the time for performing any other act required, under this Agreement. The remedies set forth in this Agreement are cumulative and not exclusive to any other legal or equitable remedy available to a party. The exercise of any remedy provided in this Agreement shall not be a waiver of any consistent remedy provided by law, and the provisions of this Agreement for any remedy shall not exclude any other consistent remedies unless they are expressly excluded.

10.12. Exhibits. All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement whether or not actually attached. The following exhibits are attached to this Agreement:

- Exhibit "A" - San Gorgonio Pass Water Agency Aerial Boundary Map.
- Exhibit "B" - San Gorgonio Pass Water Agency Map of Major Water Retailers.

10.13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

10.14. Legal Advice. Each Party has received independent legal advice from its attorneys with respect to the advisability of executing this Agreement and the meaning of the provisions. The provisions of this Agreement shall be construed as to the fair meaning and not for or against any party based upon preparation of the document, or any attribution of such party as the sole source of the language in question.

Draft Document - March 20, 2012

SAN GORGONIO PASS WATER AGENCY

By: _____
President, Board of Directors

Attest:

_____
Secretary, Board of Directors

Approved as to form:

_____
Counsel, San Gorgonio Pass Water Agency

BEAUMONT CHERRY VALLEY WATER DISTRICT

By: _____
President, Board of Directors

Attest:

_____
Secretary, Board of Directors

Approved as to form:

_____
Counsel, Beaumont Cherry Valley Water District

CITY OF BANNING

By: _____
Mayor

Attest:

_____
City Clerk

Approved as to form:

_____
Counsel, City of Banning

Draft Document - March 20, 2012

YUCAIPA VALLEY WATER DISTRICT

By: _____
President, Board of Directors

Attest:

_____
Secretary, Board of Directors

Approved as to form:

_____
Counsel, Yucaipa Valley Water District

CABAZON WATER DISTRICT

By: _____
President, Board of Directors

Attest:

_____
Secretary, Board of Directors

Approved as to form:

_____
Counsel, Cabazon Water District

HIGH VALLEY WATER DISTRICT

By: _____
President, Board of Directors

Attest:

_____
Secretary, Board of Directors

Approved as to form:

_____
Counsel, High Valley Water District

Draft Document - March 20, 2012

SOUTH MESA MUTUAL WATER COMPANY

By: _____
President, Board of Directors

Attest:

_____
Secretary, Board of Directors

Approved as to form:

_____
Counsel, South Mesa Mutual Water Company

BANNING HEIGHTS MUTUAL WATER COMPANY

By: _____
President, Board of Directors

Attest:

_____
Secretary, Board of Directors

Approved as to form:

_____
Counsel, Banning Heights Mutual Water Company

Exhibit "A"

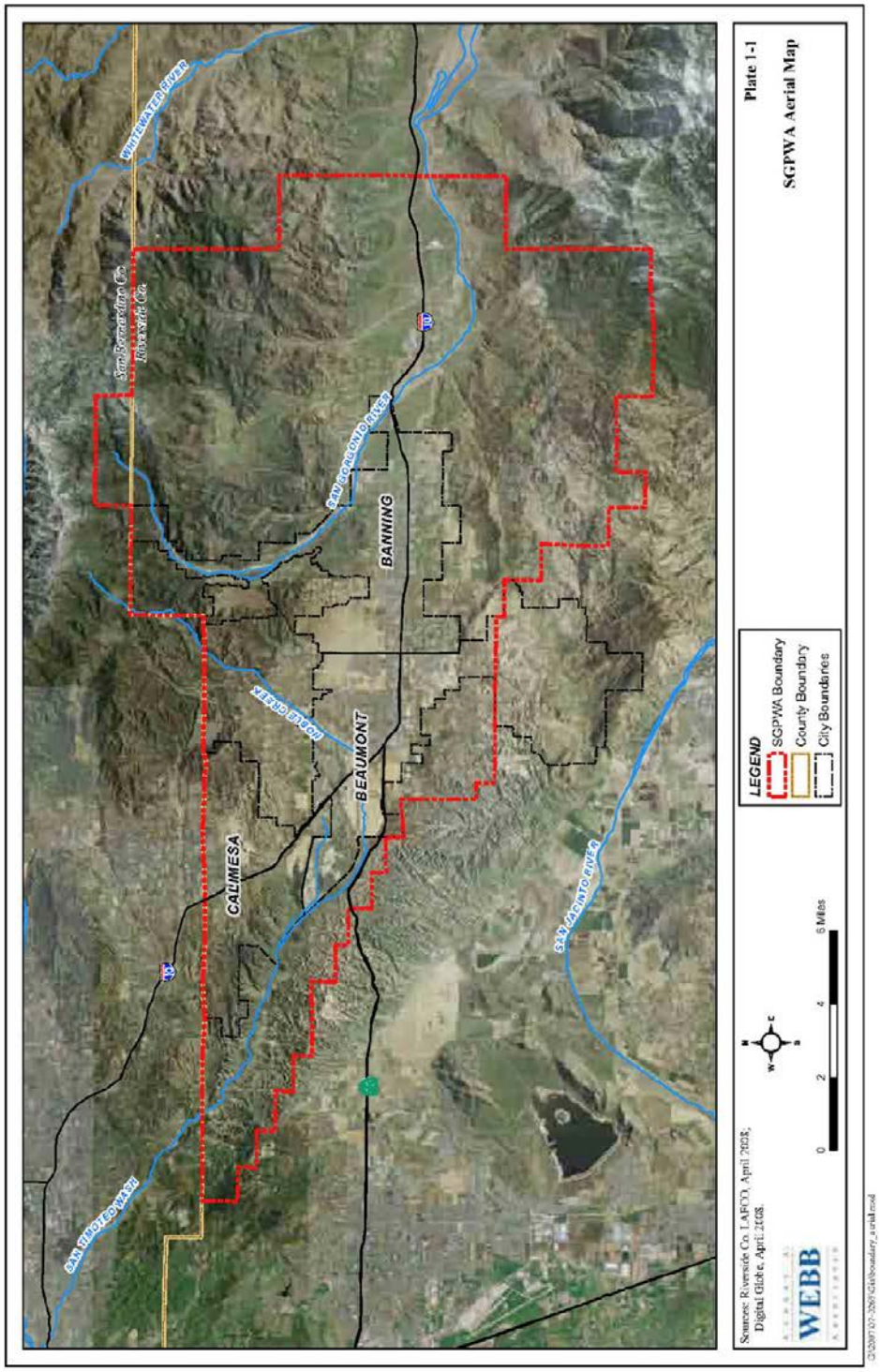
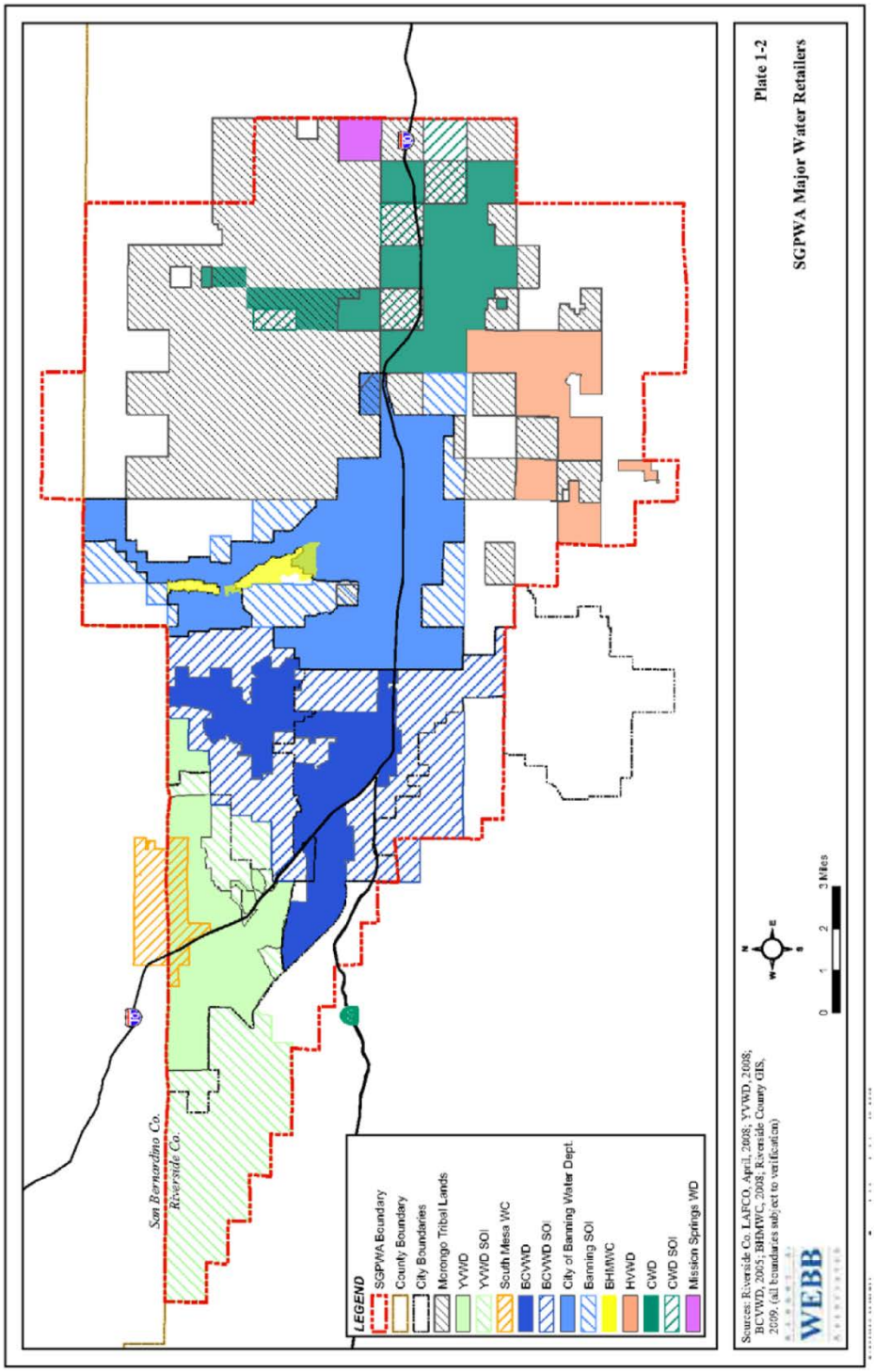

WHITEWATER RIVER
San Bernardino Co.
Riverside Co.
SAN TIMOTEO WASH
CALIMESA
BEAUMONT
BANNING
SAN GORGONIO RIVER
MYLE CREEK
SAN JACINTO RIVER
LEGEND
SGPWA Boundary
County Boundary
City Boundaries
0
2
4
6 Miles
Sources: Riverside Co. LAFCO, April 2008;
Digital Globe, April 2008.
WEBB
Plate 1-1
SGPWA Aerial Map

Exhibit "B"


Plate 1-2
SGPWA Major Water Retailers
LEGEND
SGPWA Boundary
County Boundary
City Boundaries
Morongo Tribal Lands
YVWD
YVWD SOI
South Mesa WC
BCVWD
BCVWD SOI
City of Banning Water Dept.
Banning SOI
BHMWC
HVWD
CWD
CWD SOI
Mission Springs WD
San Bernardino Co.
Riverside Co.
0 1 2 3 Miles
Sources: Riverside Co. LAFCO, April, 2008; YVWD, 2008; BCVWD, 2005; BHMWC, 2008; Riverside County GIS, 2009. (all boundaries subject to verification)
WEBB

Yucaipa Valley Water District

Director Memorandum 12-056

Date: June 20, 2012

Prepared By: Joseph Zoba, General Manager

Subject: Authorization to Execute Documents for the Formation of Community Facilities District No. 2012-1 (Singleton Heights) as a Substitute for Community Facilities District No. 2006-1

Recommendation: That the Board authorizes the Board President to execute the Consent to Assignment of the Joint Community Facilities Agreement and the Fee Deposit and Refund Agreement.

On September 6, 2006, the Board of Directors approved Resolution No. 21-2006 Approving a Joint Community Facilities Agreement for developments in the City of Calimesa. While the District approved the necessary agreements, the Community Facilities District was never established by the developer and the City of Calimesa.

The District staff has been working with the City of Calimesa and one of the developers to revise the prior Community Facilities District No. 2006-1 as Community Facilities District No. 2012-1. The new Community Facilities District would only include Tract No. 26811, the MasterCraft development currently under construction.

RESOLUTION NO. 21-2006

RESOLUTION OF THE BOARD OF DIRECTORS OF THE YUCAIPA VALLEY WATER DISTRICT APPROVING A JOINT COMMUNITY FACILITIES AGREEMENT

WHEREAS, on July 17, 2006, the City Council of the City of Calimesa (the "City Council") adopted a resolution stating its intention to form Community Facilities District No. 2006-1 of the City of Calimesa (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part I of Division 2 of Title 5 of the Government Code of the State of California (the "Act"); and

WHEREAS, on July 17, 2006, the City Council also adopted a resolution stating its intention to incur bonded indebtedness in an aggregate principal amount not to exceed $22,000,000 within the proposed CFD for the purpose of financing certain infrastructure improvements required in connection with the development of land therein, including certain water and sewer facilities as more particularly described in Exhibit B attached hereto (the "Water Facilities"); and

WHEREAS, the Yucaipa Valley Water District (the "District") is a public agency authorized by law to own and operate the Water Facilities; and

WHEREAS, pursuant to Section 53316.2 of the Act ("Section 53316.2"), a community facilities district is authorized to finance facilities to be owned or operated by an entity other than the agency that created the community facilities district only pursuant to a joint community facilities agreement or joint exercise powers of agreement; and

WHEREAS, the District and City of Calimesa (the "City") now desire to enter into a joint community facilities agreement in the form attached hereto as Exhibit A (the "Joint Community Facilities Agreement") in order to comply with Section 53316.2; and

WHEREAS, the District has determined that the construction of the Water Facilities and the conveyance of the Water Facilities to the District in accordance with the Joint Community Facilities Agreement will be beneficial to the residents within the District.

NOW, THEREFORE, the Board of Directors of the Yucaipa Valley Water District does hereby resolve, order and determine as follows:

SECTION 1. Each of the above recitals is true and correct.

SECTION 2. Pursuant to Section 53316.2, the Board hereby approves the execution and delivery by the District of the Joint Community Facilities Agreement in the form attached hereto as Exhibit A, and hereby declares that the construction of the Water Facilities and the conveyance of the Water Facilities to the District in accordance with the Joint Community Facilities Agreement will be beneficial to the residents within the District.

Adopted by the Directors of the Yucaipa Valley Water District on September 6, 2006.

President of the Board of Directors
Yucaipa Valley Water District

ATTEST:

Secretary of the Board of Directors
Yucaipa Valley Water District

JOINT COMMUNITY FACILITIES AGREEMENT

This Joint Community Facilities Agreement dated as of September 6, 2006 (this "Agreement"), is entered into by and among the CITY OF CALIMESA, CALIFORNIA (the "City"), CALIMESA SPRINGS, LLC, a California limited liability company("Calimesa Springs"), and the YUCAIPA VALLEY WATER DISTRICT (the "District").

WHEREAS, Calimesa Springs is currently developing land located within the City (the "Development");

WHEREAS, On July 17, 2006, the City Council passed a Resolution of Intention to form Community Facilities District No. 2006-1 of the City of Calimesa (the "CFD") pursuant to Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"), in order to finance the construction of certain infrastructure improvements required in connection with the Development (the "Infrastructure Improvements"), including certain water and sewer improvements (the "Water Facilities");

WHEREAS, Calimesa Springs desires to convey the Water Facilities to the District upon completion thereof;

WHEREAS, Pursuant to Section 53316.2 of the Act, the CFD may finance facilities to be owned or operated by the District only pursuant to a joint community facilities agreement;

WHEREAS, the parties now desire to enter into this Agreement in order to comply with the Act;

NOW, THEREFORE, in consideration of the premises and the mutual promises and material covenants set forth herein, the parties hereto hereby agree as follows:

SECTION 1. CONSTRUCTION AND CONVEYANCE OF WATER FACILITIES. When the Water Facilities are constructed in a manner acceptable to the District, as determined by the District in accordance with its policies and procedures, Calimesa Springs shall, upon the completion of such construction, convey the Water Facilities to the District, and the District agrees to accept such conveyance from Calimesa Springs. Upon such conveyance of the Water Facilities to the District, the District shall thereafter own and operate such Water Facilities in accordance with its applicable policies and procedures. The City and Calimesa Springs agree that construction of the Water Facilities and the conveyance thereof to the District shall be financed solely from the proceeds of special taxes levied by the CFD and bonds issued by the CFD secured by such special taxes or funds of Calimesa Springs, and in no instance shall the District be under any obligation to expend its own funds for such construction or acquisition. Upon conveyance of the Water Facilities to the District, Calimesa Springs shall grant to the District, by appropriate instruments prescribed by the District, all easements on private property which may be necessary for the proper operation and maintenance of the Water Facilities, or any part thereof. Notwithstanding the foregoing, pursuant to the Agreement to Provide Water, Sewer and Recycled Water Facilities and Service to the Private Development of Parent Tract Number 26811 by and between Calimesa Springs and the District, Calimesa Springs has agreed to make a deposit with the District the amount of $1,292,500 for the Phase 1 of the pipeline construction costs associated with

the Pressure Zone 12 Cross-Town Pipeline plus design costs. The City intends to finance such Water Facilities with proceeds of bonds issued by the CFD, which bond issuance shall be at the sole discretion of the City. Only to the extend bond proceeds are available, and only upon receipt of sufficient evidence that such deposit has been made to the District, the City shall pay to Calimesa Springs the amount equal to such deposit.

SECTION 2. EXECUTION IN COUNTERPARTS. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 3. GOVERNING LAW. This Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State of California.

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

CITY OF CALIMESA, CALIFORNIA

By: _____
Authorized Signatory

ATTEST:

_____
City Clerk

CALIMESA SPRINGS, LLC a California limited liability company

By: CALIMESA SPRINGS, LLC a California limited liability company

By: _____
Member

YUCAIPA VALLEY WATER DISTRICT

By: _____
President

ATTEST:

_____
District Secretary

DESCRIPTION OF WATER AND SEWER FACILITIES

The water and sewer facilities to be constructed by Developer and conveyed to the Yucaipa Valley Water District are as follows:

- Design of Phase 1 of the 24-inch Potable Water Pipeline
- Cost of Construction of Phase 1 of the 24-inch Potable Water Pipeline
- In-Tract Zone 12 Water Improvements (Backbone)
- Removal of Existing Water Reservoir and Reconstruction of Existing Zone 12 Water Line (Backbone)

FEE DEPOSIT AND REFUND AGREEMENT

by and among

YUCAIPA VALLEY WATER DISTRICT

the

CITY OF CALIMESA

and

SINGLETON ROAD, LLC

relating to

CITY OF CALIMESA
COMMUNITY FACILITIES DISTRICT NO. 2012-1
(SINGLETON HEIGHTS)

65095295.5

FEE DEPOSIT AND REFUND AGREEMENT

THIS FEE DEPOSIT AND REFUND AGREEMENT (the "Agreement") is entered into effective as of the ___ day of _____, 2012 ("Effective Date"), by and among the **CITY OF CALIMESA**, a city duly organized and existing under the laws of the State of California ("City"), **YUCAIPA VALLEY WATER DISTRICT**, a public agency ("Water District") and **SINGLETON ROAD, LLC**, an Oregon limited liability company ("Developer"), and relates to community facilities district formed by the City upon petition of the Developer and known as "City of Calimesa Community Facilities District No. 2012-1 (Singleton Heights)" (the "CFD").

RECITALS:

A. The property depicted in Exhibit "A-1" hereto (the "Property") constitutes the land within the boundaries of the CFD.

B. Developer is developing the Property for residential purposes and has obtained or intends to obtain the necessary development approvals to construct approximately 268 residential units on the Property, as such development may be modified from time to time (the "Project").

The Developer has petitioned the City to form the CFD pursuant to the Act in order to finance certain public facilities, including payment of the Water District Fees (as defined below) used by the Water District for the acquisition, design, construction, installation and inspection of various public facilities to be owned and operated by the Water District required in connection with the Project, which facilities will benefit the Project, in whole or in part, and to issue bonds for the CFD.

On April 16, 2012, the City adopted Resolution No. 2012-15, "A Resolution of the City Council of the City of Calimesa, California determining the validity of prior proceedings and establishing the Community Facilities District No. 2012-1 (Singleton Heights) and approving the execution and delivery of Consent to Assignment of Yucaipa JCFA, Deposit and Reimbursement Agreement and Fee Deposit and Reimbursement Agreement".

C. The Project will require the payment, pursuant to existing Water District Rules and Regulations, resolutions and development agreement for and applicable to the Project (the "Project Conditions"), of certain Water District Fees (defined below).

D. Prior to the issuance of building permits for the construction of homes within the Project, Developer, or its successors or assigns, shall provide a security deposit to the Water District to cover the Water District Fees required for the Project (the "Deposit") before any Bond Proceeds are available to pay the Water District Fees. In such case, the Developer shall be entitled to (i) return of such Deposits and (ii) credit for payments made to the Water District from Bond Proceeds for the Water District Fees which would otherwise be due to the Water District in conjunction with the Project, all as further described herein.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the Parties hereto agree as follows:

1. Recitals. Each of the above recitals is incorporated herein and is true and correct.

2. Definitions. Unless the context clearly otherwise requires, the terms defined in this Section shall, for all purposes of this Agreement, have the meanings herein specified.

(a) "Act" means the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code.

(b) "Bond Proceeds" or "Proceeds of the Bonds" shall mean those net funds generated by the sale of the Bonds and investment earnings thereon.

(c) "Bonds" shall mean those bonds, or other securities, issued by, or on behalf of, the CFD in one or more series, as authorized by the qualified electors within the CFD.

(d) "Deposits" means an amount deposited with the Water District by Developer as security for Water District Fees and which deposits are eligible for refund to the Developer by the Water District upon the sale of the Bonds and delivery of the Bond proceeds to the Water District.

(e) "Party" or "Parties" shall mean any one or all of the parties to this Agreement.

(f) "State" means the State of California.

(g) "Water District Fees" means the fees and charges and all components thereof imposed by the Water District upon the Project pursuant to the Project Conditions (as shown in Exhibit "A-2").

3. Sale of Bonds and Use of Proceeds. The City Council acting as the legislative body of the CFD may, in its sole discretion, finance, among other things, the Water District Fees by issuing the Bonds. The City may cause any portion of available Bond Proceeds to be paid to the Water District prior to the time the Water District Fees are due and payable to the Water District. In such case, the Developer shall be entitled to credit for Water District Fees (according to the schedule of Water District Fees governing the amount to be paid when such Water District Fees are payable) that would otherwise be due to the Water District in conjunction with the Project.

As required by the Project Conditions, it may be necessary for Developer, or its successors or assigns, to make deposits to the Water District before the Bonds are issued. Upon the issuance and sale of the Bonds, the Developer may execute and submit a payment request, in substantially the form attached hereto as Exhibit "B", to the CFD requesting disbursement to the Water District of an amount equal to all Deposits from the Bond Proceeds. Within twenty (20)

business days of the Water District's receipt of Bond Proceeds pursuant to such disbursement request, the Water District shall return the Deposits to the Developer in an amount equal to the amount of the Bond Proceeds received from the CFD. The Water District may expend such Deposits as an inter-fund borrowing to pay for the costs eligible to be financed by the Water District Fees to be repaid solely from any Water District Fees received by the Water District. In the event Bonds are not issued within twenty-four (24) months of the date of any Deposit, such Deposit may be applied to pay the Water District Fees, and shall no longer be reflected as a deposit on the accounts of the Water District. The Developer understands that the issuance of Bonds shall be in the sole discretion of the City. No provision of this Agreement shall be construed as a promise, warranty or agreement by the City to issue any Bonds. Neither the City nor the CFD shall bear any liability to the Developer or the Water District for its decision not to issue Bonds.

The Parties understand and agree that in the unlikely event that the CFD is not formed or the CFD does not issue Bonds the Water District has no obligation or liability to reimburse the Developer for any Deposits previously made by the Developer to the Water District in connection with the Project. Further, in the event that the CFD is not formed or the CFD does not issue Bonds the Parties understand and agree that the Water District has no obligation or liability to expend its own funds for the acquisition or construction of any Water Facilities for the Project.

This Agreement is intended merely to provide the terms and conditions under which the Developer makes Payments to the Water District for all Water District Fees required to be paid by the Developer for the Project as required by the Water District. The Water District and the Developer agree and understand that this Agreement is subordinate to, at least as between the Water District and the Developer, that certain Agreement, and any subsequent amendments, to Provide Water, Sewer and Recycled Water Facilities and Service to the Private Development of Tract No. 26811 previously executed by the Water District and the Developer.

4. Indemnification. The Developer shall assume the defense of, indemnify and save harmless, City, Water District and the CFD, their respective officers and employees, and each and every one of them, from and against all actions, damages, claims, losses or expenses of every type and description to which they may be subjected or put, by reason of, or resulting from, any act or omission of Developer with respect to this Agreement, the formation of the CFD, the levy and collection of any special taxes within the CFD or the issuance of Bonds by or on behalf of the CFD and the expenditure of Bond Proceeds; provided, however, that Developer shall not be required to indemnify any person or entity as to damages resulting from gross negligence or willful misconduct of such person or entity or their officers, agents or employees. In the event the Developer's indemnification pursuant to the preceding sentence is insufficient, the City shall assume the defense of, indemnify and save harmless, the Water District, its respective officers and employees, and each and every one of them, from and against all actions, damages, claims, losses or expenses of every type and description to which the Water District may be subjected or put, by reason of, or resulting from, any act or omission of the Developer with respect to this Agreement, the formation of the CFD, the levy and collection of any special taxes within the CFD or the issuance of Bonds by or on behalf of the CFD and the expenditure of Bond Proceeds; provided, however, that the City shall not be required to indemnify any person or entity as to

actions, damages, liabilities, claims, losses or expenses of any type resulting from negligence or willfulness conduct of such person or entity or their officers, agents or employees.

5. Amendment and Assignment. This Agreement may be amended at any time but only in writing signed by each party hereto. This Agreement may be assigned, in whole or in part, by the Developer to the purchaser of any parcel of land within the Property only with the prior written consent of the Water District, the City and the CFD, which consent shall not be unreasonably withheld. In connection with any such consent of the Water District, the City or the CFD, the Water District, the City or the CFD, as applicable, may condition its consent upon the acceptability of the relevant experience and financial condition of the proposed assignee, the assignee's express assumption of all obligations of the Developer hereunder, and/or upon any other factor which the City or CFD, as applicable, deems relevant in the circumstances. Any such assignment shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned, and shall not be effective until approved in writing by the City, the Water District and the CFD.

6. Entire Agreement. This Agreement contains the entire agreement between the parties with respect to the matters provided for herein and supersedes all prior agreements and negotiations between the parties with respect to the subject matter of this Agreement.

7. Notices. Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to either party shall be deemed to have been received when personally delivered or seventy-two hours following deposit of the same in any United States Post Office in California, registered or certified, postage prepaid, addressed as follows:

City:	City of Calimesa 908 Park Avenue Calimesa, California 92320-1127 Attn: City Manager
Water District:	Yucaipa Valley Water District 12770 Second Street P.O. Box 730 Yucaipa, California 92399 Attn: Joseph B. Zoba, General Manager
Developer:	Singleton Road, LLC c/o MasterCraft Homes Group, LLC 1401 Quail St., Suite 100 Newport Beach, California 92660 Attn: Vice President of Operations

Each party may change its address for delivery of notice by delivering written notice of such change of address to the other party hereto.

8. Attorneys' Fees. In the event of the bringing of any action or suit by any Party against any other Party arising out of this Agreement, the Party in whose favor final judgment

shall be entered shall be entitled to recover from the losing Party all costs and expenses of suit, including reasonable attorneys' fees.

9. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent permitted by law.

10. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

11. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party hereto, or the failure by a party to exercise its rights upon the default of another party, shall not constitute a waiver of such party's right to insist and demand strict compliance by such other party with the terms of this Agreement thereafter.

12. No Third Party Beneficiaries. No person or entity other than the CFD, when and if formed, shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than the Water District, the CFD, and Developer (and their respective successors and permitted assigns, exclusive of individual homebuyers), any rights, remedies, obligations or liabilities under or by reason of this Agreement.

13. Singular and Plural; Gender. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

14. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute but one instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year written above.

CITY OF CALIMESA, a municipal corporation

By: _____
Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
City Attorney

YUCAIPA VALLEY WATER DISTRICT

By: _____
President

ATTEST:

By: _____
Secretary

SINGLETON ROAD, LLC, an Oregon limited liability company

By:_____
Name:_____
Title:_____

EXHIBIT A-1
DESCRIPTION OF PROPERTY

EXHIBIT A-2
DESCRIPTION OF WATER AND WASTEWATER FEES

Water Meter Set In Fee

Facilities Capacity Charges:

Potable Water Facilities Capacity Charges

- Yucaipa Valley Regional Water Filtration Facility:
  - Debt Service for Phase I Construction
  - Land, Design, Engineering Fees, and Phase II and Phase III

- Non-Potable System
- Booster Pumping Plants
- Pipeline Facilities
- Water Storage Reservoirs

Wastewater Facilities Capacity Charges

- Wastewater Treatment Facilities:
  - Debt Service for Existing WWTP Expansion and Upgrade
  - Future Wastewater Treatment Expansion

- Sewer Interceptors
- Lift Stations
- Effluent Disposal Facilities
- Salt Mitigation Facilities

Non-Potable Water Facilities Capacity Charges

- Non-Potable System
- Booster Pumping Plants
- Pipeline Facilities
- Water Storage Reservoirs

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EXHIBIT B
DISBURSEMENT REQUEST FORM

1. City of Calimesa Community Facilities District No. 2012-1 (Singleton Heights) ("CFD") is hereby requested to pay from the CFD bond proceeds to the Yucaipa Valley Water District (the "Water District"), as Payee, the sum set forth in 3 below.

2. The undersigned certifies that the amount requested for Water District Fees is due and payable and has not formed the basis of prior request or payment.

3. Amount requested: $

For Lot Nos: _____

[INSERT ITEMIZED SCHEDULE]

4. The amount set forth in 3 above is authorized and payable pursuant to the terms of the Fee Deposit and Refund Agreement by and among the CITY OF CALIMESA, the YUCAIPA VALLEY WATER DISTRICT and SINGLETON ROAD, LLC, an Oregon limited liability company, dated as of _____, 2012 (the "Agreement"). Capitalized terms not defined herein shall have the meaning set forth in the Agreement.

Date: _____

SINGLETON ROAD, LLC, an Oregon limited liability company

By:_____
Name:_____
Title:_____

ACKNOWLEDGED BY:

YUCAIPA VALLEY WATER DISTRICT

By:_____
Title:_____

65095295.5

DIRECTOR COMMENTS

ANNOUNCEMENTS