



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

Tuesday, June 5, 2018 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 consent calendar matters are routine and will be acted upon in one motion. There will be no discussion of these items unless board members, administrative staff, or members of the public request specific items to be discussed and/or removed prior to the vote for approval.
 - A. Minutes of Meetings
 - 1. Board Budget Workshop - May 14, 2018
 - 2. Regular Board Meeting - May 15, 2018
 - 3. Board Workshop - May 22, 2018
- V. **STAFF REPORT**
- VI. **DISCUSSION ITEMS**
 - A. Rental of Bear Valley Mutual Water Company Stock Shares for the 2018 Irrigation Season [[Director Memorandum No. 18-077 - Page 18 of 119](#)]
RECOMMENDED ACTION: That the Board approves the rental of Bear Valley Mutual Water Company stock for the 2018 Irrigation Season to Camp Morning Star and Larry Jacinto.
 - B. Adoption of the Operating Budget and Capital Improvement Plan for Fiscal Year 2019 [[Director Memorandum No. 18-078 - Page 19 of 119](#)]
RECOMMENDED ACTION: That the Board adopts the budget as presented.
 - C. Approval of the Installation of Hardscape Landscape Material around Reservoir R-13.1 at the Yucaipa Valley Regional Water Filtration Facility [[Director Memorandum No. 18-079 - Page 49 of 119](#)]
RECOMMENDED ACTION: That the Board authorizes the District staff to proceed with the hardscape installation at Reservoir 13.1 with Pacific Coast Landscape & Design for a sum not to exceed \$39,132.

Any person who requires accommodation to participate in this meeting should contact the District office at (909) 797-5117, at least 48 hours prior to the meeting to request a disability-related modification or accommodation.

Materials that are provided to the Board of Directors after the meeting packet is compiled and distributed will be made available for public review during normal business hours at the District office located at 12770 Second Street, Yucaipa. Meeting materials are also available on the District's website at www.yvwd.dst.ca.us

- D. Authorization to Solicit Bids for the Replacement of Drinking Water Pipelines on Douglas Street, Cornell Drive, Auburn Avenue, Citibank / Yucaipa Blvd and Oak Glen Road [[Director Memorandum No. 18-080 - Page 51 of 119](#)]
 RECOMMENDED ACTION: That the Board authorizes the District staff to solicit bids for the proposed pipeline replacements.
- E. Authorization to Solicit Bids for the Construction of an 8-Inch Drinking Water Pipeline in Oak Glen Road [[Director Memorandum No. 18-081 - Page 52 of 119](#)]
 RECOMMENDED ACTION: That the Board authorizes District Staff to solicit construction bids for the replacement of a drinking water pipeline in Oak Glen Road.
- F. Consideration of Insurance Policies for Fiscal Year 2019 [[Director Memorandum No. 18-082 - Page 53 of 119](#)]
 RECOMMENDED ACTION: That the Board authorizes the District staff to contract with Inland Counties Insurance Services Brokerage for a sum not to exceed \$211,825.
- G. Consideration of Becoming Active Members in the Association of California Water Agencies (ACWA) and the California Association of Sanitation Agencies (CASA) [[Director Memorandum No. 18-083 - Page 72 of 119](#)]
 RECOMMENDED ACTION: That the Board authorizes the District staff to become members of ACWA and CASA.
- H. Consideration of a Proposed Development Agreement with Western Pacific Housing for the Development of 121 lots in Calimesa - Portions of Tract Nos. 26925, 30386, and 30386-1 [[Director Memorandum No. 18-084 - Page 74 of 119](#)]
 RECOMMENDED ACTION: That the Board approves Development Agreement No. 2018-08.
- I. Consideration of Amendment No. 3 to the Contract with RMC / Woodard & Curran for the Title 22 Engineering Report for Indirect Potable Reuse Project – Wilson Creek Spreading Basins [[Director Memorandum No. 18-085 - Page 91 of 119](#)]
 RECOMMENDED ACTION: That the Board approves Amendment No. 3 for a sum not to exceed \$39,900.
- J. Consideration of Resolution No. 2018-18 Requesting the Local Agency Formation Commission Take Proceedings for the Annexation of Territory (Assessor Parcel Numbers 407-220-004, 007, 008, 009, 014, 016, and 017, and 413-270-012 and 013) [[Director Memorandum No. 18-086 - Page 97 of 119](#)]
 RECOMMENDED ACTION: That the Board approves Resolution No. 2018-18.
- K. Consideration of Approving Anticipated Reimbursable Expenses for Board Member Participation at the Western Coalition of Arid States Conference and the Association of California Water Agencies Conference [[Director Memorandum No. 18-087 - Page 101 of 119](#)]
 RECOMMENDED ACTION: That the Board approves the reimbursement of conference related expenses pursuant to District policy for board members that will be attending the conferences.

VII. BOARD REPORTS & DIRECTOR COMMENTS

VIII. ANNOUNCEMENTS

- A. June 12, 2018 at 4:00 p.m. - Board Workshop
- B. June 19, 2018 at 6:00 p.m. - Regular Board Meeting
- C. ~~June 26, 2018 at 4:00 p.m. - Board Workshop~~ Cancelled
- D. ~~July 3, 2018 at 6:00 p.m. - Regular Board Meeting~~ Cancelled
- E. July 10, 2018 at 4:00 p.m. - Board Workshop

- F. July 17, 2018 at 6:00 p.m. - Regular Board Meeting
- G. July 31, 2018 at 4:00 p.m. - Board Workshop
- H. August 7, 2018 at 6:00 p.m. - Regular Board Meeting
- I. August 14, 2018 at 4:00 p.m. - Board Workshop
- J. August 21, 2018 at 6:00 p.m. - Regular Board Meeting
- K. August 28, 2018 at 4:00 p.m. - Board Workshop
- L. September 4, 2018 at 6:00 p.m. - Regular Board Meeting
- M. September 11, 2018 at 4:00 p.m. - Board Workshop
- N. September 18, 2018 at 6:00 p.m. - Regular Board Meeting
- O. September 25, 2018 at 4:00 p.m. - Board Workshop
- P. October 2, 2018 at 6:00 p.m. - Regular Board Meeting
- Q. October 9, 2018 at 4:00 p.m. - Board Workshop
- R. October 16, 2018 at 6:00 p.m. - Regular Board Meeting
- S. October 30, 2018 at 4:00 p.m. - Board Workshop

IX. CLOSED SESSION

- A. Conference with Legal Counsel - Government Code Section 54957(b) Consideration of Dismissal of Public Employee Based on Recommendation of Hearing Officer

X. ADJOURNMENT

Consent Calendar



Yucaipa Valley Water District

MINUTES OF A BOARD WORKSHOP

May 14, 2018 at 4:00 P.M.

Directors Present:

Jay Bogh, President
Lonni Granlund, Director
Bruce Granlund, Vice President
Tom Shalhoub, Director
Chris Mann, Director

Staff Present:

Joseph Zoba, General Manager
Allison Edmisten, Chief Financial Officer
Peggy Little, Administrative Supervisor
Katie Hallberg, Implementation Manager
Mike Kostelecky, Operations Manager
Jennifer Ares, Water Resource Manager
John Wrobel, Public Works Manager
Michael Rivera, Public Works Supervisor
Thaxton Van Belle, Interim Operations Manager
Dustin Hochreiter, Senior Engineering Technician

Directors Absent:

None

Consulting Staff Present:

David Wysocki, Legal Counsel

Guests and Others Present:

David Duron, Customer

-
- I. Call to Order - 4:00 p.m.
 - II. Public Comments
 - None
 - III. Staff Report
 - Water Resource Manager Jennifer Ares discussed the Inland Solar Challenge scheduled for the weekend of May 19-20, 2018. The board members were requested to participate in the event as judges on Sunday, May 20, 2018.
 - IV. Presentation of the Operating Budget and Capital Improvement Plan for Fiscal Year 2019
 - General Manager Joseph Zoba recognized the effort put forth by Administrative Supervisor Peggy Little and Chief Financial Officer Allison Edmisten in compiling the Fiscal Year 2019 Operating Budget.
 - The Board of Directors and District staff reviewed and discussed each line item for the proposed drinking water, sewer, and recycled water budget.
 - The Fiscal Year 2019 Capital Improvement Plan will be presented at the board workshop on May 22, 2018.
 - V. Director Comments
 - A. None
 - X. Adjournment - The meeting was adjourned at 5:50 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

MINUTES OF A REGULAR BOARD MEETING

May 15, 2018 at 6:00 P.M.

Directors Present:

Jay Bogh, President
Bruce Granlund, Vice President
Lonni Granlund, Director
Tom Shalhoub, Director
Chris Mann, Director

Staff Present:

Joseph Zoba, General Manager
Allison Edmisten, Chief Financial Officer
Mike Kostelecky, Operations Manager
Jennifer Ares, Water Resource Manager
Kathryn Hallberg, Management Analyst
Matthew Porras, Management Analyst
Thaxton VanBelle, Interim Operations Manager
Kevin Lee, Interim Operations Manager
Joan Cadiz, Purchasing Agent

Directors Absent:

None

Consulting Staff Present:

David Wysocki, Legal Counsel

Registered Guests and Others Present:

Ariana Marie Hernandez, Customer
Linda Shelton, Customer
David Duron, Customer
Leonard Stephenson, San Gorgonio Pass Water Agency

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. 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 with Director Jay Bogh, Director Bruce Granlund, Director Lonni Granlund, Director Chris Mann, and Director Tom Shalhoub present.

PUBLIC COMMENTS

- Leonard Stephenson from the San Gorgonio Pass Water Agency commented on the Association of California Water Agencies (ACWA) conference and suggested that the District consider the insurance services provided by ACWA.
- David Duron commented on the passing of Richard Sigmund, suggested food waste and compost at the Wochholz Regional Water Recycling Facility, and suggested that the District participate in the future Yucaipa Music and Arts Festivals.

CONSENT CALENDAR

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

A. Minutes of Meetings

- Regular Board Meeting – May 1, 2018
- Board Workshop – May 8, 2018

B. Payment of Bills

- Approve/Ratify Invoices for Board Awarded Contracts
- Ratify General Expenses for April 2018

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Tom Shalhoub - Yes

STAFF REPORT

Water Resource Manager Jennifer Ares provided information about the following items:

- The Inland Solar Challenge will be held on May 18-20 at the Yucaipa Regional Park.

DISCUSSION ITEMS:

DM 18-074

RECOGNITION OF
JOAN CADIZ ON HER
RETIREMENT FROM
THE YUCAIPA VALLEY
WATER DISTRICT

General Manager Joseph Zoba recognized Joan Cadiz and noted her achievements and contributions to the District on the occasion of her retirement from the Yucaipa Valley Water District.

Director Tom Shalhoub moved that the Board recognize the achievements and contributions of Joan Cadiz and adopt Resolution No. 2018-17. Director Bruce Granlund seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Tom Shalhoub - Yes

DM 18-075

PRESENTATION OF
THE UNAUDITED
FINANCIAL REPORT
FOR THE PERIOD
ENDING ON APRIL 30,
2018

Chief Financial Officer Allison Edmisten provided an overview of the Unaudited Financial Report for the period ending on April 30, 2018.

Director Lonni Granlund moved that the Board receive and file the unaudited financial report. Director Bruce Granlund seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Tom Shalhoub - Yes

DM 18-076

CONSIDERATION OF
AMENDMENT NO. 1 TO
INTEGRATE DATA
FROM SOUTHERN
CALIFORNIA EDISON
INTO THE
COMPREHENSIVE
DATABASE
MANAGEMENT
SYSTEM

Water Resource Manager Jennifer Ares discussed Amendment No. 1 to the existing contract with Dudek for the integration of data from Southern California Edison into the District's comprehensive database management system.

Director Tom Shalhoub moved that the Board authorize the Water Resources Manager to execute Amendment No. 1 with Dudek for a sum not to exceed \$6,600.

The motion was approved by the following vote:

Director Jay Bogh - Yes
Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Tom Shalhoub - Yes

BOARD REPORTS AND
DIRECTOR COMMENTS

- Director Tom Shalhoub reported on the San Bernardino Valley Municipal Water District meeting on May 15, 2018.

ANNOUNCEMENTS

Director Jay Bogh called attention to the announcements listed on the agenda.

ADJOURNMENT

The meeting was adjourned at 6:25 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

(Seal)

MINUTES OF A BOARD WORKSHOP

May 14, 2018 at 4:00 P.M.

Directors Present:

Bruce Granlund, Vice President
Lonni Granlund, Director
Chris Mann, Director
Tom Shalhoub, Director

Staff Present:

Jennifer Ares, Water Resource Manager
Allison Edmisten, Chief Financial Officer
Chelsie Fogus, Engineering Technician
Ashley Gibson, Water Resource Supervisor
Kathryn Hallberg, Implementation Manager
Dustin Hochreiter, Senior Engineering Technician
Mike Kostelecky, Operations Manager
Kevin Lee, Interim Operations Manager
Matthew Porras, Implementation Manager
Michael Rivera, Public Works Supervisor
Thaxton Van Belle, Interim Operations Manager
John Wrobel, Public Works Manager
Joseph Zoba, General Manager

Directors Absent:

Jay Bogh, President

Consulting Staff Present:

David Wysocki, Legal Counsel

Guests and Others Present:

David Duron, Customer
Kevin Garcia, Customer
Linda Shelton, Customer

-
- I. Call to Order - 4:00 p.m.
 - II. Public Comments
 - None
 - III. Staff Report
 - General Manager Joseph Zoba discussed recent updates to the State Water Project allocation and a recent surplus water sale agreement.
 - IV. Presentations
 - A. Overview of the 2018 Inland Solar Challenge Event [Workshop Memorandum No. 18] - Water Resource Manager Jennifer Ares provided an overview of the 2018 Inland Solar Challenge Event.
 - B. Overview of the Chino Basin Water Conservation District's Water Conservation Center [Workshop Memorandum No. 18-134] - Water Resource Manager Jennifer Ares provided an overview of the Chino Basin Water Conservation District's Water Conservation Center.
 - V. Strategic Planning

- A. Discussion of the Strategic Planning and Status Report Related to Public Relations [Workshop Memorandum No. 18-135] - General Manager Joseph Zoba provided a discussion of the strategic planning and status report related to public relations.
- VI. Operational Updates
- A. Status Update of the Yucaipa Creek Erosion Control Project [Workshop Memorandum No. 18-136] - Implementation Manager Matthew Porras provided a status update of the Yucaipa Creek Erosion control project.
 - B. Status Report for the Tracer Study on the R-13.1 Clearwell at the Yucaipa Valley Regional Water Filtration Facility [Workshop Memorandum No. 18-137] - Operations Manager Mike Kostelecky provided a status report for the tracer study on the R-13.1 clear well at the Yucaipa Valley Regional Water Filtration Facility.
 - C. Overview of a Property Agreement for an Alley Pipeline Replacement Adjacent to Yucaipa Boulevard [Workshop Memorandum No. 18-138] - Implementation Manager Matthew Porras provided an overview of a property agreement for an alley pipeline replacement adjacent to Yucaipa Boulevard.
- VII. Capital Improvement Projects
- A. Authorization to Solicit Bids for Douglas Street, Cornell Drive, Auburn Avenue, Citibank / Yucaipa Blvd and Oak Glen Road Replacement Pipelines [Workshop Memorandum No. 18-139] - Implementation Manager Matthew Porras discussed the authorization to solicit bids for Douglas Street, Cornell Drive, Auburn Avenue, Citibank / Yucaipa Blvd and Oak Glen Road replacement pipelines.
 - B. Consideration of the Installation of Hardscape near Reservoir R-13.1 at the Yucaipa Valley Regional Water Filtration Facility [Workshop Memorandum No. 18-140] - Operations Manager Mike Kostelecky discussed the consideration of the installation of hardscape near reservoir R-13.1 at the Yucaipa Valley Regional Water Filtration Facility.
 - C. Authorization to Solicit Bids for the Construction of an 8-Inch Drinking Water Pipeline in Oak Glen Road [Workshop Memorandum No. 18-141] - Implementation Manager Matthew Porras discussed the authorization to solicit bids for the construction of an 8-inch drinking water pipeline in Oak Glen Road.
 - D. Status Report on the Emergency Repairs for Drinking Water Reservoir 17.1.1 [Workshop Memorandum No. 18-142] - Operations Manager Mike Kostelecky provided a Status report on the emergency repairs for Drinking Water Reservoir 17.1.1.
- VIII. Development Projects
- A. Overview of a Proposed Development Agreement with Western Pacific Housing for the Development of 121 lots in Calimesa - Portions of Tract Nos. 26925, 30386, and 30386-1 [Workshop Memorandum No. 18-143] - General Manager Joseph Zoba provided overview of a proposed Development Agreement with Western Pacific Housing for the Development of 121 lots in Calimesa - Portions of Tract Nos. 26925, 30386, and 30386-1.
- IX. Administrative Items
- A. Overview of the Operating Budget and Capital Improvement Plan for Fiscal Year 2019 [Workshop Memorandum No. 18-144] - General Manager Joseph Zoba

provided an overview of the Operating Budget and Capital Improvement Plan for Fiscal Year 2019.

- B. Rental of Bear Valley Mutual Water Company Stock Shares for the 2018 Irrigation Season [Workshop Memorandum No. 18-145] - General Manager Joseph Zoba discussed the rental of Bear Valley Mutual Water Company stock shares for the 2018 irrigation season.
- C. Review of Amendment No. 3 to the Contract with RMC / Woodard & Curran for the Title 22 Engineering Report for Indirect Potable Reuse Project – Wilson Creek Spreading Basins [Workshop Memorandum No. 18-146] - General Manager Joseph Zoba reviewed Amendment No. 3 to the Contract with RMC / Woodard & Curran for the Title 22 Engineering Report for Indirect Potable Reuse Project – Wilson Creek Spreading Basins.
- D. Consideration of Becoming Active Members in the Association of California Water Agencies and the California Association of Sanitation Agencies [Workshop Memorandum No. 18-147] - General Manager Joseph Zoba provided an overview of becoming active members in the association of California water agencies and the California Association of sanitation agencies.
- E. Discussion Regarding Annexation of 242.63 Acres to the Yucaipa Valley Water District - TSG Cherry Valley (Assessor Parcel Numbers 407-220-004, 007, 008, 009, 014, 016, and 017, and 413-270-012 and 013) [Workshop Memorandum No. 18-148] - General Manager Joseph Zoba discussed the annexation of 242.63 Acres to the Yucaipa Valley Water District - TSG Cherry Valley (Assessor Parcel Numbers 407-220-004, 007, 008, 009, 014, 016, and 017, and 413-270-012 and 013).
- F. Overview of Property Purchase Offer from the City of Yucaipa for Land Located at 11335 Pendleton Road, Yucaipa [Workshop Memorandum No. 18-149] - Implementation Manager Matthew Porras provided an overview of a property purchase offer from the City of Yucaipa for land located at 11335 Pendleton Road, Yucaipa.
- G. Review of Proposed Insurance Policies for Fiscal Year 2019 [Workshop Memorandum No. 18-150] - Implementation Manager Katie Hallberg reviewed proposed insurance policies for Fiscal Year 2019.
- H. Review of a Draft Fee Deposit and Refund Agreement for the San Gorgonio Land Project [Workshop Memorandum No. 18-151] - General Manager Joseph Zoba reviewed a draft Fee Deposit and Refund Agreement for the San Gorgonio Land Project.
- X. Director Comments
 - A. None
- X. Adjournment - The meeting was adjourned at 5:40 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

Staff Report



Yucaipa Valley Water District

The Mercury News



Drought or no drought: Jerry Brown sets permanent water conservation rules for Californians

By [PAUL ROGERS](#) | progers@bayareanewsgroup.com | Bay Area News Group
PUBLISHED: May 31, 2018 at 3:30 pm | UPDATED: June 1, 2018 at 6:00 am

Although he declared an end to California's historic five-year drought last year, Gov. Jerry Brown on Thursday signed two new laws that will require cities and water districts across the state to set permanent water conservation rules, even in non-drought years.

"In preparation for the next drought and our changing environment, we must use our precious resources wisely," Brown said in a statement. "We have efficiency goals for energy and cars – and now we have them for water."

Brown signed two bills, [SB 606](#) by Sen. Robert Hertzberg (D-Van Nuys) and [AB 1668](#) by Assemblywoman Laura Friedman (D-Glendale), that require cities, water districts and large agricultural water districts to set strict annual water budgets, potentially facing fines of \$1,000 per day if they don't meet them, and \$10,000 a day during drought emergencies.

Under the bills, each urban water provider will be required to come up with a target for water use by 2022. Fines for agencies failing to meet their goals can begin in 2027.

The targets must be approved by the State Water Resources Control Board between now and then, and will vary by city and county.

Standards will be based on a formula that is made up of three main factors: an allowance of 55 gallons per person per day for indoor water use — dropping to 50 gallons by 2030; a yet-to-be determined amount for residential outdoor use that will vary depending on regional climates; and a standard for water loss due to leak rates in water system pipes.

The new laws make it likely that water agencies will need to offer more rebates for home owners and business owners who replace lawns with drought-tolerant plants and who purchase water efficient appliances. The agencies could also limit the hours and days of lawn watering, even when droughts are not occurring.

The laws are a response to complaints from some water agencies that the mandatory water targets the Brown administration put in place during the drought were too inflexible and didn't take into account local water supplies, population growth and other factors. Those limits ranged from an 8 percent reduction in water use to a 36 percent reduction, based on each community's per-capita water use.

The months-long debate over the new laws split the water community, environmental groups and business groups.

Organizations who supported the new laws say it makes sense to reduce demand as the state's population grows, and allow each local area the flexibility for devising their own plan while California continues to develop new supplies, from recycled water to storm water capture to new reservoirs.

Supporters included business groups such as the Bay Area Council and the Silicon Valley Leadership Group, along with water agencies like the Contra Costa Water District, East Bay Municipal Utility District, the Santa Clara Valley Water District, and the Metropolitan Water District of Southern California. Environmentalists supporting the laws included the Audubon Society, the Nature Conservancy and the Natural Resources Defense Council.

"They are definitely a step in the right direction," said Tracy Quinn, water conservation director for the Natural Resources Defense Council, of the new laws. "The framework strikes the right balance between local control and necessary state oversight."

Quinn said that most cities and water districts in California already are close to, or under, a standard of 55 gallons per person per day for indoor use.

Last year, urban Californians used an average of 90 gallons of water per person per day for indoor and outdoor use combined, down from 109 gallons in 2013, according to the state water board. Most communities using more were located in hot places in Southern

California and the Sacramento area, while cities with smaller yards and coastal areas with cooler climates used less. In the summer at least half of residential water use in most communities goes to watering lawns and landscaping.

Environmentalists like Sierra Club California said the rules didn't go far enough. Of particular concern was a compromise inserted in the bill that allowed cities and water districts to get 15 percent credit on their water use totals if they produce certain types of recycled water.

"All water should be valued," said Sara Aminzadeh, executive director of the California Coastkeeper Alliance, which opposed the bills. "With energy we wouldn't want to offer incentives for the wasteful use of solar or wind energy. Likewise, we want to make sure all water is used efficiently."

Some of the state's major water agencies also opposed it, many on the general argument that Sacramento shouldn't be telling local government what to do. Among the opponents were the Alameda County Water District, Kern County Water Agency, San Diego County Water Authority, and the Zone 7 Water Agency in Livermore.

"Every local water agency supports conservation and has a responsibility to make sure its water users use water efficiently," said Tim Quinn, executive director of the Association of California Water Agencies, which opposed the bill. "This was never about whether we should be pursuing conservation. It was about how."



Paul Rogers Paul Rogers has covered a wide range of issues for The Mercury News since 1989, including water, oceans, energy, logging, parks, endangered species, toxics and climate change. He also works as managing editor of the Science team at KQED, the PBS and NPR station in San Francisco, and has taught science writing at UC Berkeley and UC Santa Cruz.

[Follow Paul Rogers @PaulRogersSJMN](#)

Source: <https://www.mercurynews.com/2018/05/31/california-drought-jerry-brown-sets-permanent-water-conservation-rules-with-new-laws/>

Discussion Items





Date: June 5, 2018

Prepared By: Joseph Zoba, General Manager

Subject: Rental of Bear Valley Mutual Water Company Stock Shares for the 2018 Irrigation Season

Recommendation: That the Board approves the rental of Bear Valley Mutual Water Company stock for the 2018 Irrigation Season to Camp Morning Star and Larry Jacinto.

The Yucaipa Valley Water District has 588 shares of Bear Valley stock that will not be utilized this year. Based on inquiries received about the rental of our water shares during the 2018 irrigation season, the District staff recommends renting the shares of stock for this calendar year to the following parties:

- Camp Morning Star - 75 shares; and
- Larry Jacinto - 445 shares.

The rental of these shares is a good example of the assistance and cooperation that exists between local water agencies, mutual water companies, and customers to facilitate reasonable water management policies in the region.



Director Memorandum 18-078

Date: June 5, 2018

Prepared By: Allison Edmisten, Chief Financial Officer

Subject: Adoption of the Operating Budget and Capital Improvement Plan for Fiscal Year 2019

Recommendation: That the Board adopts the budget as presented.

On Monday, May 14, 2018, the Yucaipa Valley Water District conducted a budget workshop to review the proposed operating budget for next year. During the budget workshop, the District staff provided a detailed overview of each individual line item for the water, sewer, and recycled water enterprise funds of the District.

On Tuesday, May 22, 2018 at the Board workshop [WM 18-144] the staff discussed adjusting budget line items to include the memberships for Association of California Water Agencies (ACWA) for the water division and California Association of Sanitation Agencies (CASA) for the sewer division. The water division Dues & Subscriptions line item [GL Account #02-5-06-54002] was increased \$25,000 and the Professional Fees line item [GL Account #02-5-06-54109] was offset by the same amount. The sewer division Dues & Subscriptions line item [GL Account #03-5-06-54002] was increased \$16,000 and the Professional Fees line item [GL Account #03-5-06-54109] was offset by the same amount.

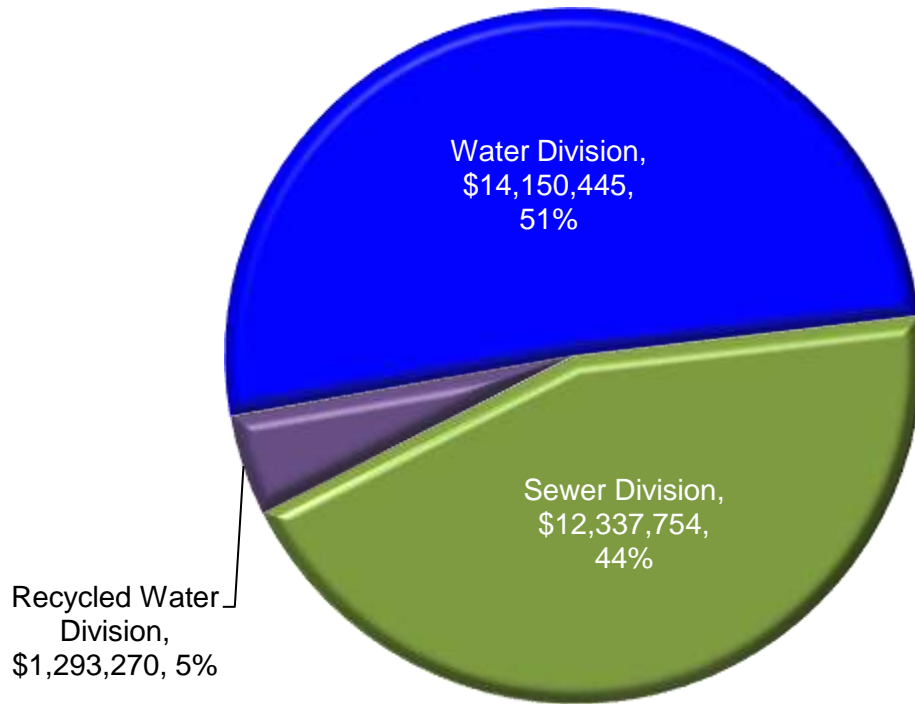
Finally, after further review, staff moved the Repair & Maintenance – Backflow would be more appropriately budgeted in the Water Division rather than the Recycled Water Division. In addition, the initial budgeted amount was determined to be too low. The Repair & Maintenance – Backflow line item in the Recycled Water Division [GL Account #04-5-06-51031] in the amount of \$2,500 was deleted and the revenue offset, Sales – Water & Recycled line item [GL Account #04-40010] was reduced by \$2,500. In the Water Division, a line item for Repair & Maintenance – Backflow was added [GL Account #02-5-03-51029] in the amount of \$20,000. A decrease in Repair & Maintenance – Meters line item [GL Account #02-5-03-51030] in the amount of \$20,000 was made as an offset.

The changes above resulted in an overall decrease to the budget of \$2,500. The Fiscal Year 2019 budget is now \$27,781,469.

These were the only significant changes made since the budget workshop.

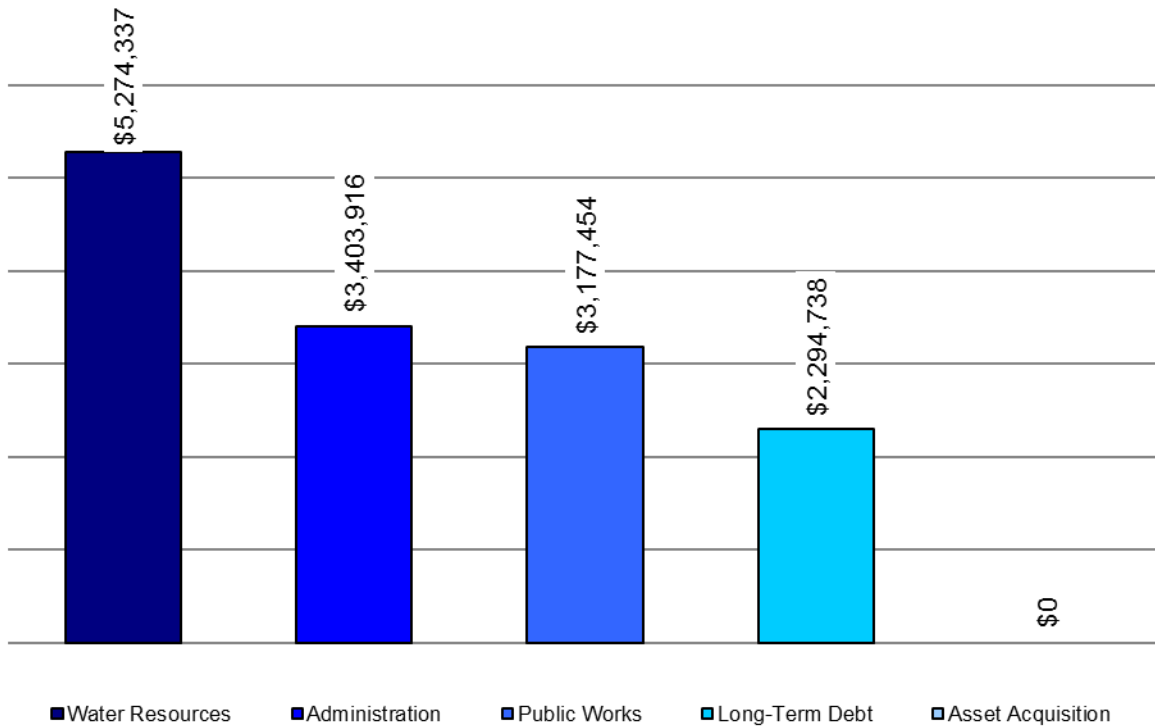
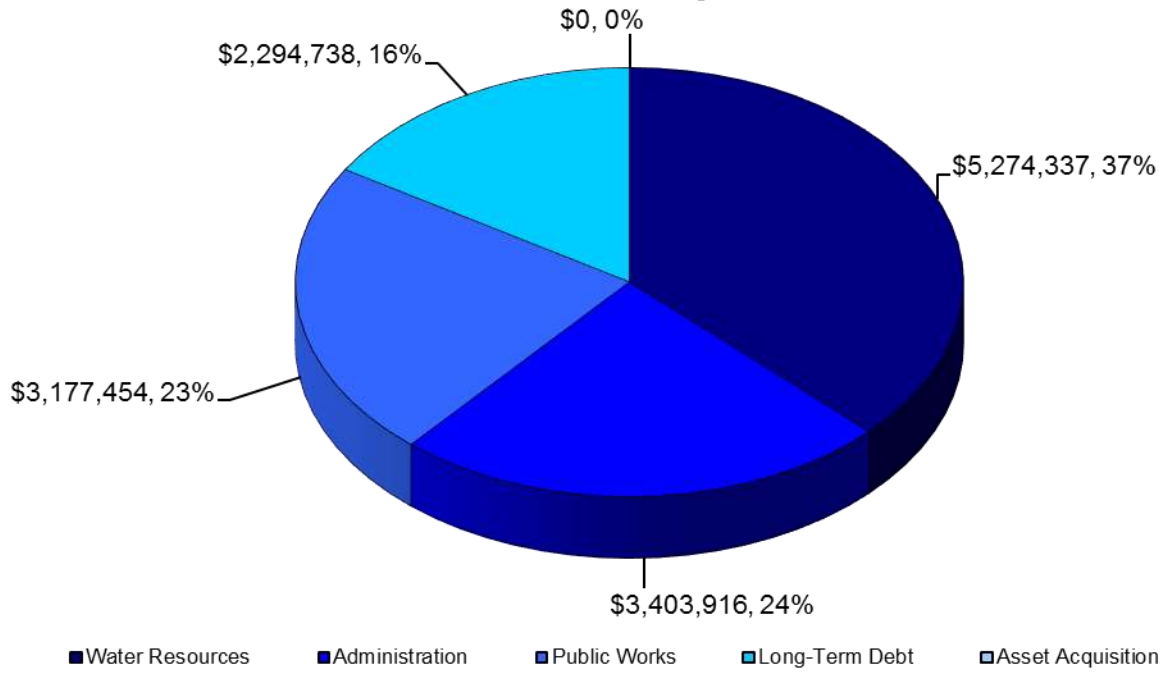
Budget Overview

The Fiscal Year 2019 operating budget totals \$27,781,469 (excluding capital improvement projects) distinguished by the following three enterprise funds.

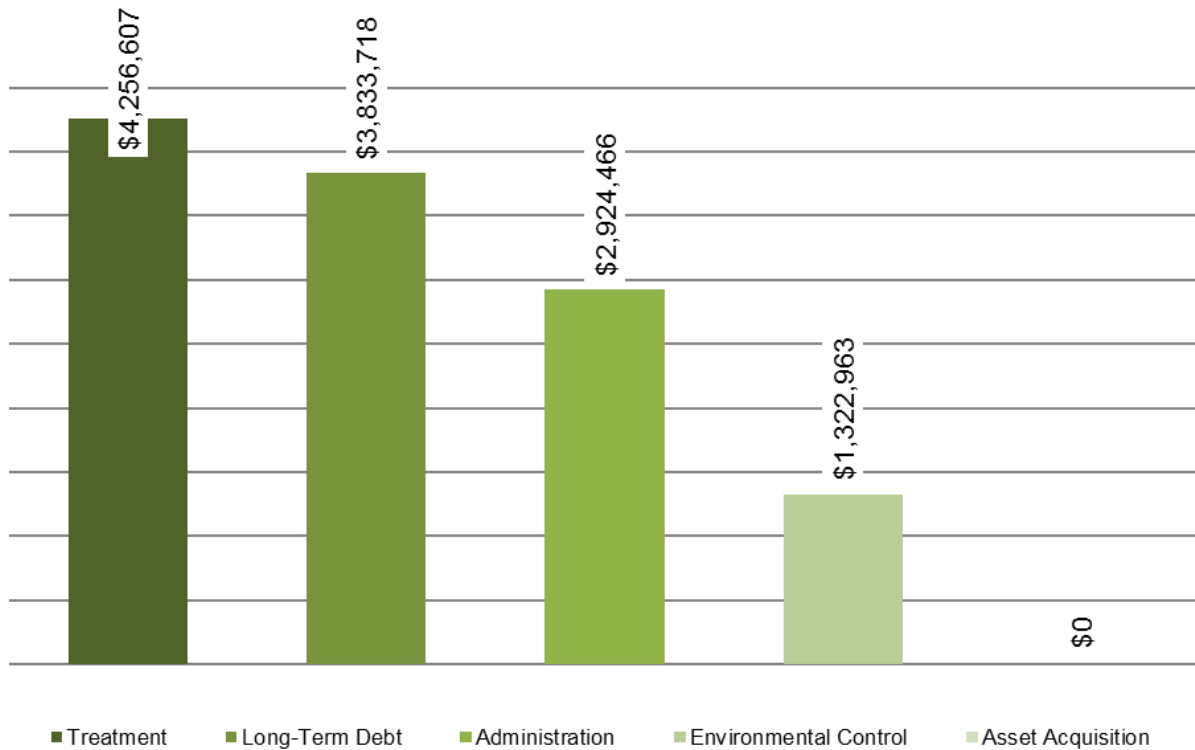
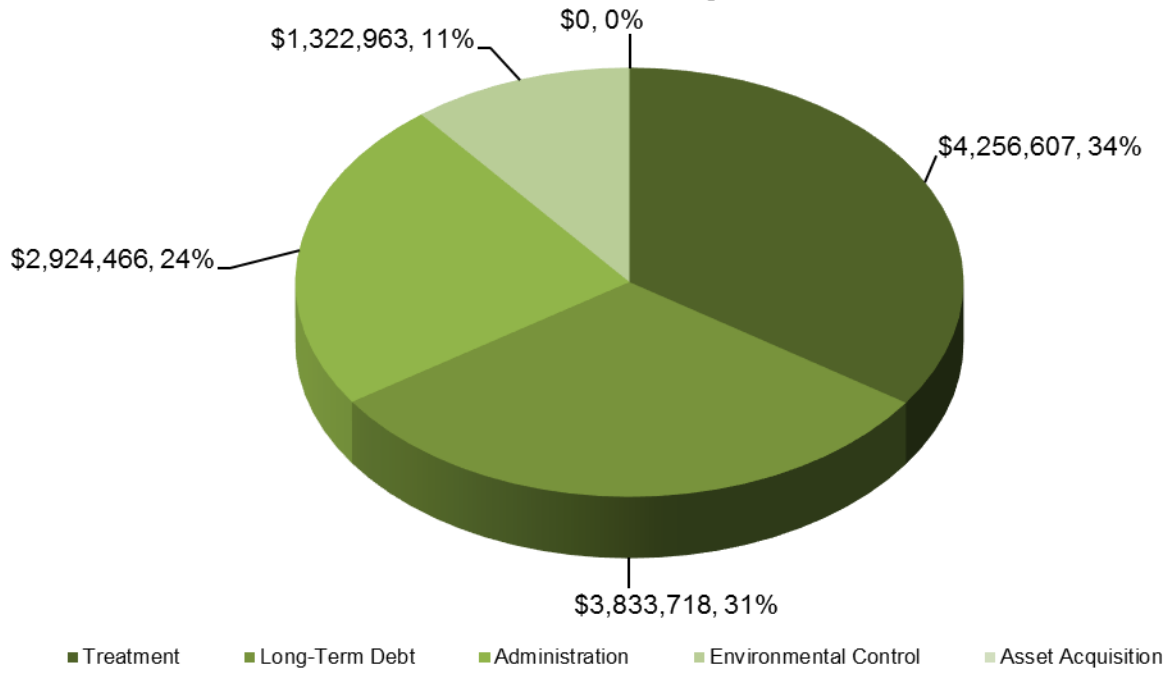


The departmental expenses for each of the enterprise funds are provided below:

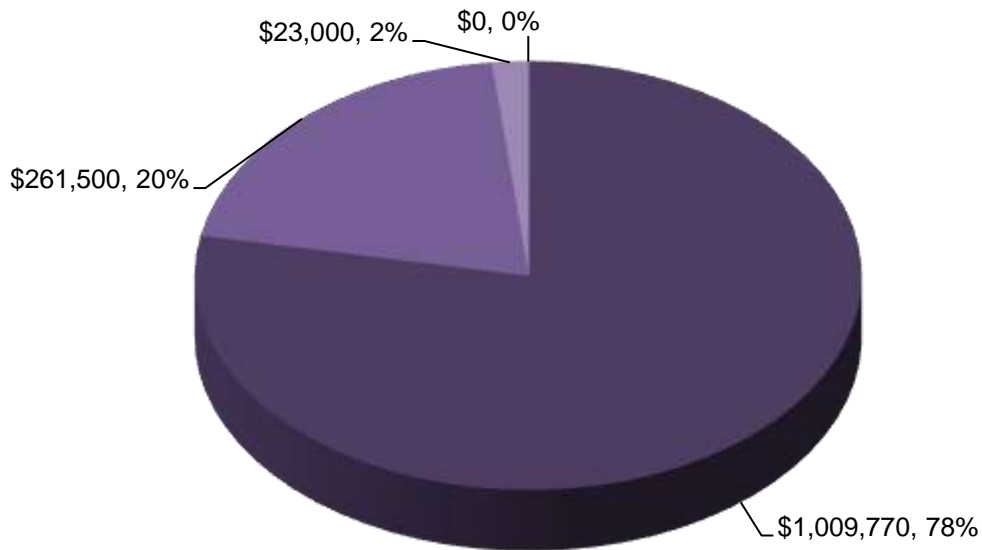
Water Division Expenditures



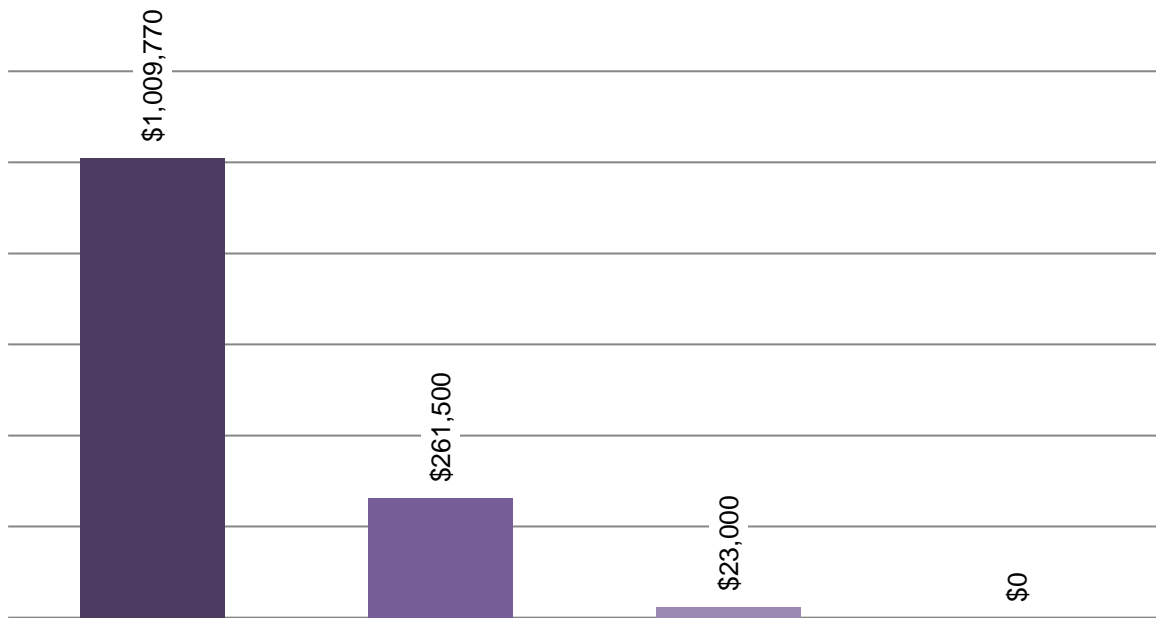
Sewer Division Expenditures



Recycled Water Division Expenditures



■ Labor and Benefits ■ Operational Expenses ■ Reserves & Infrastructure Replacement ■ Asset Acquisition



■ Labor and Benefits ■ Operational Expenses ■ Reserves & Infrastructure Replacement ■ Asset Acquisition

WATER DIVISION BUDGET

Fiscal Year 2019

OPERATING REVENUE:	G/L Number	Modified Budget Fiscal Year 2018	Adopted Budget Fiscal Year 2019
Potable Water - Commodity Charge	02-40010	5,912,971	5,958,445
Construction Water - Commodity Charge	02-40011	20,000	25,000
Imported Water - San Geronio Pass W.A.	02-40012	250,000	250,000
Imported Water - San Bernardino Valley M.W.D.	02-40013	850,000	850,000
Potable Water - Commodity Multi-Unit Discount	02-40014	(100,000)	(110,000)
Water Wholesale Revenue	02-40015	300,000	200,000
Water Service Establishment Fee	02-40016	5,000	5,000
Potable Water - Service Demand Charge	02-41000	3,200,000	3,400,000
Fire Service Standby Fee	02-41001	45,000	45,000
Construction Water - Service Charge	02-41003	15,000	15,000
Potable Water - Service Charge Multi-Unit Discount	02-41005	(135,000)	(135,000)
Unauthorized Use of Water Charges	02-41010	2,000	2,000
Water Meter & Service Installation Charges	02-41110	75,000	50,000
Fire Flow Measurements & Reports	02-41112	3,500	4,500
Disconnection and Reconnection Charges	02-41113	125,000	100,000
Delinquent Payment Charges	02-41121	125,000	135,000
Management & Accounting Services	02-42123	189,000	202,500
Bad Debt Write-Off & Recovery	02-42124	(20,000)	(20,000)
Total Operating Revenue		10,862,471	10,977,445
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	62,000	85,000
Property Tax-Unsecured	02-43110	115,000	80,000
Property Tax-Secured	02-43120	2,600,000	2,700,000
Tax Collection-Prior	02-43130	25,000	25,000
Other Taxes	02-43140	170,000	180,000
Rental Income - Water Stock	02-49110	1,700	3,000
Miscellaneous Non-Operating Revenue	02-49150	100,000	100,000
Total Non-Operating Revenue		3,073,700	3,173,000
TOTAL WATER REVENUE		13,936,171	14,150,445
OPERATING EXPENSE			
Water Resource Department		5,370,600	5,274,337
Public Works Department		2,550,488	3,177,454
Administration Department		3,719,418	3,403,916
Long-Term Debt Obligations		2,295,665	2,294,738
Asset Acquisition		-	-
Total Operating Expense		13,936,171	14,150,445
TOTAL WATER EXPENSES		13,936,171	14,150,445

WATER DIVISION BUDGET

Fiscal Year 2019

WATER RESOURCE DEPARTMENT	G/L Number	Modified Budget Fiscal Year 2018	Adopted Budget Fiscal Year 2019
Labor	02-5-01-50010	832,563	997,976
Benefits	02-5-01-500xx	399,337	501,361
Repair & Maintenance - Structures	02-5-01-51003	525,000	319,000
Repair & Maintenance - Valves	02-5-01-51011	30,000	20,000
General Supplies & Expenses	02-5-01-51140	2,500	2,000
Power Purchases	02-5-01-51210	1,400,000	1,394,000
Electricity and Fuel	02-5-01-51211	5,000	5,000
Imported Water Purchases	02-5-01-51316	1,206,200	1,200,000
Licenses & Permits	02-5-01-54019	70,000	70,000
Laboratory Services	02-5-01-54110	50,000	65,000
Operation, Repair & Maintenance - YVRWFF	02-5-01-57040	850,000	700,000
Sub-Total Water Resource Department		5,370,600	5,274,337
PUBLIC WORKS DEPARTMENT			
Labor	02-5-03-50010	1,003,049	1,650,107
Benefits	02-5-03-500xx	757,180	888,847
Repair & Maintenance - Vehicles & Equipment	02-5-03-51001	230,000	200,000
Repair & Maintenance - Valves	02-5-03-51011	10,000	10,000
Repair & Maintenance - Pipelines	02-5-03-51010	225,000	225,000
Repair & Maintenance - Service Lines	02-5-03-51021	175,000	96,000
Repair & Maintenance - Fire Hydrants	02-5-03-51022	40,000	25,000
Repair & Maintenance - Backflow	02-5-03-51029	5,000	20,000
Repair & Maintenance - Water Meters	02-5-03-51030	75,000	30,000
Fire Flow Testing	02-5-03-51031	28,259	30,000
General Supplies & Expenses	02-5-03-51140	7,000	2,500
Sub-Total Utility Services Department		2,555,488	3,177,454

WATER DIVISION BUDGET

Fiscal Year 2019

ADMINISTRATIVE SERVICES DEPARTMENT	G/L Number	Modified Budget Fiscal Year 2018	Adopted Budget Fiscal Year 2019
Labor	02-5-06-50010	542,038	602,359
Director Fees	02-5-06-50012	22,500	25,000
Benefits	02-5-06-500xx	437,080	291,857
Repair & Maintenance - Structures	02-5-06-51003	195,000	30,000
Safety Equipment & Supplies	02-5-06-51120	25,000	25,000
Petroleum Products	02-5-06-51125	106,000	105,000
Office Supplies	02-5-06-51130	30,000	35,000
General Supplies & Expenses	02-5-06-51140	54,000	35,000
Electricity	02-5-06-51211	60,000	65,000
Natural Gas	02-5-06-51213	3,000	1,500
Dues & Subscriptions	02-5-06-54002	16,500	41,500
Computer Expenses	02-5-06-54005	125,000	100,000
Postage	02-5-06-54010	3,500	4,200
Printing & Publications	02-5-06-54011	-	-
Education & Training	02-5-06-54012	15,000	15,000
Utility Billing Expenses	02-5-06-54013	180,000	150,000
Public Relations	02-5-06-54014	50,000	25,000
Travel Related Expenses	02-5-06-54016	15,000	8,000
Certifications & Renewals	02-5-06-54017	7,000	8,000
Meeting Related Expenses	02-5-06-54020	6,000	8,000
Utilities - YVWD Services	02-5-06-54022	50,000	60,000
Waste Disposal	02-5-06-54024	2,500	2,500
Telephone	02-5-06-54025	45,000	45,000
Conservation & Rebates	02-5-06-54099	22,800	30,000
Contractual Services	02-5-06-54104	130,000	100,000
Legal	02-5-06-54107	60,500	50,000
Audit & Accounting	02-5-06-54108	16,000	12,000
Professional Fees	02-5-06-54109	165,000	165,000
Reserve Funds	02-5-06-55500	200,000	200,000
Water Infrastructure Replacement	02-5-06-xxxxx	1,000,000	1,000,000
Insurance	02-5-06-56001	100,000	100,000
Regulatory Compliance	02-5-06-57030	7,000	15,000
Election Related Expenses	02-5-06-57090	-	5,000
Beaumont Basin Watermaster	02-5-06-57096	28,000	44,000
Sub-Total Administration Department		3,719,418	3,403,916
LONG-TERM DEBT	G/L Number	Modified Budget Fiscal Year 2018	Adopted Budget Fiscal Year 2019
Debt Service - Series 2004A Principal	02-5-40-57201	1,670,000	1,115,000
Debt Service - Series 2004A Interest	02-5-40-57402	625,665	1,179,738
Rate Stabilization Fund	02-5-40-57806	-	-
Sub-Total Long-Term Debt		2,295,665	2,294,738
ASSET ACQUISITION	G/L Number	Modified Budget Fiscal Year 2018	Adopted Budget Fiscal Year 2019
Water Department	02-5-40-57001	-	-
Utility Services Department	02-5-40-57003	-	-
Administration	02-5-40-57006	-	-
Sub-Total Asset Acquisition		-	-

SEWER DIVISION BUDGET

Fiscal Year 2019

OPERATING REVENUE:	G/L Number	Modified Budget Fiscal Year 2018	Adopted Budget Fiscal Year 2019
Sewer Service Establishment Fee	03-40016	500	500
Sewer Service Demand Charge	03-41000	11,890,265	12,116,254
Sewer Service Demand - Multi-User Discount	03-41005	(200,000)	(200,000)
Sewer Lateral Installation	03-41110	2,500	2,500
Septage Pumping	03-41116	-	-
Penalty Late Charges	03-41121	129,925	135,000
Revenue-Other, Operating	03-42122	1,950	2,000
Bad Debt Write-Off & Recovery	03-41124	(15,000)	(15,000)
Front Footage Fees	03-41131	30,000	30,000
Total Operating Revenue		11,840,140	12,071,254
NON-OPERATING REVENUE:			
Reserve Fund Transfer - Asset Acquisition		-	-
Reserve Fund Transfer - Operational Expenses		-	-
Rate Stabilization Fund Transfer In		-	-
Interest Earned	03-43010	59,000	95,000
Property Tax-Unsecured	03-43110	50,000	50,000
Property Tax-Secured	03-43120	175,000	100,000
Tax Collection-Prior	03-43130	10,000	10,000
Other Taxes	03-43140	1,500	1,500
Misc. Non-Operating Revenue	03-49150	-	10,000
Total Non-Operating Revenue		295,500	266,500
TOTAL SEWER REVENUE		12,135,640	12,337,754
OPERATING EXPENSE			
Treatment		3,930,743	4,256,607
Administration		3,246,153	2,924,466
Environmental Control		1,124,463	1,322,963
Debt Service		3,834,281	3,833,718
Asset Acquisition		-	-
Total Operating Expense		12,135,640	12,337,754
TOTAL SEWER EXPENSES		12,135,640	12,337,754

SEWER DIVISION BUDGET

Fiscal Year 2019

TREATMENT	G/L Number	Modified Budget Fiscal Year 2018	Adopted Budget Fiscal Year 2019
Labor	03-5-02-50010	878,548	1,170,711
Benefits	03-5-02-500xx	405,495	577,896
Repair and Maintenance - Structures	03-5-02-51003	483,200	300,000
Automation Control	03-5-02-51010	80,000	70,000
Chemicals	03-5-02-51106	586,000	600,000
Propane	03-5-02-51111	10,000	1,000
Laboratory Supplies	03-5-02-51115	34,500	35,000
General Supplies & Expenses	03-5-02-51140	3,000	2,000
Utilities-Power Purchases	03-5-02-51210	800,000	800,000
Laboratory Services	03-5-02-54110	100,000	85,000
Sludge Disposal	03-5-02-57031	250,000	230,000
Brineline Operating Expenses	03-5-02-57034	300,000	385,000
	Sub-total Treatment	3,930,743	4,256,607
ADMINISTRATION			
Labor	03-5-06-50010	557,579	602,359
Directors Fees	03-5-06-50012	22,500	25,000
Benefits	03-5-06-500xx	395,074	286,857
Safety Equipment	03-5-06-51120	10,000	5,500
Petroleum Products	03-5-06-51125	20,000	18,000
Office Supplies	03-5-06-51130	4,000	10,000
General Supplies & Expenses	03-5-06-51140	25,000	30,000
Dues & Subscriptions	03-5-06-54002	10,000	25,000
Management & Accounting Services	03-5-06-54003	189,000	202,500
Computer Expenses	03-5-06-54005	100,000	100,000
Printing & Publications	03-5-06-54011	-	-
Education & Training	03-5-06-54012	9,000	15,000
Public Relations	03-5-06-54014	50,000	25,000
Travel Related Expenses	03-5-06-54016	17,000	10,000
Certifications & Renewals	03-5-06-54017	7,500	7,500
Licenses & Permits	03-5-06-54019	67,500	65,000
Meeting Related Expenses	03-5-06-54020	5,000	5,000
YVWD Services	03-5-06-54022	2,000	1,500
Waste Disposal	03-5-06-54024	13,000	13,000
Telephone	03-5-06-54025	30,000	45,000
Drinking Water	03-5-06-54030	1,000	1,250
Contractual Services	03-5-06-54104	70,000	50,000
Legal	03-5-06-54107	45,000	45,000
Audit & Accounting	03-5-06-54108	16,000	12,000
Professional Fees	03-5-06-54109	225,000	159,000
Reserve Funds	03-5-06-55500	500,000	500,000
Sewer Infrastructure Replacement	03-5-06-xxxxx	700,000	500,000
Insurance	03-5-06-56001	100,000	115,000
Regulatory Compliance	03-5-06-57030	55,000	50,000
	Sub-Total Administration	3,246,153	2,924,466

SEWER DIVISION BUDGET

Fiscal Year 2019

ENVIRONMENTAL CONTROL	G/L Number	Modified Budget Fiscal Year 2018	Adopted Budget Fiscal Year 2019
Labor	03-5-07-50011	424,161	614,646
Benefits	03-5-07-500xx	272,302	326,817
Repair and Maintenance - Structures	03-5-07-51003	225,000	225,000
General Supplies & Expenses	03-5-07-51140	1,000	1,000
Lift Station No. 1	03-5-07-51241	65,000	55,000
Lift Station No. 2	03-5-07-51242	20,000	14,000
Lift Station No. 3	03-5-07-51243	12,000	9,000
Lift Station No. 4	03-5-07-51244	32,000	14,500
Lift Station No. 8	03-5-07-51248	7,000	3,000
Pretreatment	03-5-07-54111	66,000	60,000
Sub-Total Environmental Control		1,124,463	1,322,963
LONG-TERM DEBT			
Debt Service - Principal WRWRF Project	03-5-40-57202	2,199,524	2,252,312
Debt Service - Principal Brineline Project	03-5-40-57203	423,936	435,383
Debt Service - Principal WISE Project	03-5-40-57204	130,782	133,659
Debt Service - Principal R-10.3 Project	03-5-40-57205	38,318	39,161
Debt Service - Principal Crow Street & B-12.1	03-5-40-57206	15,014	15,330
Debt Service - Interest	03-5-40-57403	1,026,707	957,873
Debt Service - Rate Stabilization Fund	57006.03.06	-	-
Sub-Total Long-Term Debt		3,834,281	3,833,718
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 2019

OPERATING REVENUE:	<u>G/L Number</u>	<u>Adopted Budget Fiscal Year 2018</u>	<u>Adopted Budget Fiscal Year 2019</u>
Recycled Water - Commodity Charge	04-40010	565,795	694,270
Construction Recycled Water - Commodity Chrg	04-40011	20,000	65,000
Recycled Water - Service Demand Charge	04-41000	60,000	85,000
Construction Recycled Water - Service Charge	04-41003	5,000	5,000
Meter/Lateral Installation	04-41110	15,000	45,000
Delinquent Payment Charges	04-41121	1,000	5,000
Revenue-Other, Operating	04-41122	500	500
Total Operating Revenue		667,295	899,770
NON-OPERATING REVENUE:			
Transfer - Reserve Fund	--	-	-
Interest Earned	04-43010	13,000	20,000
Property Tax-Unsecured	04-43110	10,000	10,000
Property Tax-Secured	04-43120	110,000	350,000
Tax Collection-Prior	04-43130	10,000	10,000
Other Taxes	04-43140	2,500	2,500
Misc. Non-Operating Revenue	04-49150	1,000	1,000
Total Non-Operating Revenue		146,500	393,500
TOTAL RECYCLED WATER REVENUE		813,795	1,293,270

RECYCLED WATER DIVISION

Fiscal Year 2019

OPERATING EXPENSES	G/L Number	Adopted Budget Fiscal Year 2018	Adopted Budget Fiscal Year 2019
Labor - Recycled Water	04-5-06-50010	343,507	677,931
Director Fees	04-5-06-50012	5,000	5,000
Benefits - Recycled Water	04-5-06-500xx	91,138	326,839
R&M - Structures	04-5-06-51003	25,000	34,000
R&M - Valves	04-5-06-51011	5,000	5,000
R&M - Pipelines	04-5-06-51020	5,000	2,500
R&M - Service Lines	04-5-06-51021	15,000	2,500
R&M - Fire Hydrants	04-5-06-51022	1,000	1,000
R&M - Meters	04-5-06-51030	4,000	10,000
General Supplies and Expenses	04-5-06-51140	8,500	5,000
Utilities - Power Purchases	04-5-06-51210	70,000	70,000
Dues & Subscriptions	04-5-06-54002	4,000	1,500
Computer Expense	04-5-06-54005	14,000	5,000
Printing & Publications	04-5-06-54011	-	-
Education & Training	04-5-06-54012	5,000	4,000
Public Relations	04-5-06-54014	2,000	6,500
Travel Related Expenses	04-5-06-54016	6,500	2,500
Certifications & Renewals	04-5-06-54017	2,000	1,000
Licenses & Permits	04-5-06-54019	20,000	10,000
Meeting Related Expenses	04-5-06-54020	2,500	1,500
Utilities - YVWD Services	04-5-06-54022	25,000	30,000
Telephone	04-5-06-54025	1,500	2,000
Contractual Services	04-5-06-54104	8,400	5,000
Legal	04-5-06-54107	1,250	1,500
Audit & Accounting	04-5-06-54108	2,500	2,500
Professional Services	04-5-06-54109	61,000	10,000
Laboratory Services	04-5-06-54110	-	-
Reserve Funds	04-5-06-55500	8,000	8,000
Recycled Water Infrastructure Replacement	04-5-06-xxxxx	25,000	15,000
Insurance	04-5-06-56001	20,000	20,000
Regulatory Compliance	04-5-06-57030	25,000	25,000
Environmental Compliance	04-5-06-57040	2,000	2,500
Total Operating Expense		808,795	1,293,270
TOTAL RECYCLED WATER EXPENSES		808,795	1,293,270



Chapter Five

Fiscal Year 2019

Capital Improvement Budget

Capital Improvement Program

A systematic, organized approach to planning capital facilities provides several benefits:

Using taxpayers' dollars wisely. Advance planning and scheduling of infrastructure may avoid costly mistakes. The effort put into deliberate assessment of the need for repair, replacement or expansion of existing infrastructure, as well as careful evaluation of the need and timing of new facilities can provide savings. Project timing may be improved to better use available personnel, expensive equipment and construction labor by scheduling related major activities over a longer period. Coordination of construction of several projects may affect savings in construction costs (a newly paved street may not have to be torn up to replace utility lines). Overbuilding or underbuilding usually can be avoided. Needed land can be purchased at lower cost well in advance of construction.

Focusing on community needs and capabilities. District projects should reflect the community's needs, objectives, expected growth and financial capability. With limitations for funding capital facilities, planning ahead will help assure that high priority projects will be built first.

Obtaining community support. Citizens tend to be more receptive toward projects which are part of a community-wide analysis. A high priority project which is part of an overall plan is less suspect as being someone's "pet project". Where the public participates in the planning of community facilities the citizens are better informed about the community needs and the priorities. A capital improvement program reduces the pressure on elected officials to fund projects which may be of low priority.

Encouraging economic development. Typically, a firm considering expansion or relocation is attracted to a community which has well planned and well managed facilities in place. Also, a capital improvement program allows private investors to understand a community's tax loads and service costs and reflects the fact that the community has completed advance planning to minimize the costs of capital facilities.

More efficient administration. Coordination of capital improvements construction among city, county and special districts can reduce scheduling problems, conflicts and overlapping of projects. Also, work can be scheduled more effectively when it is known in advance what, where and when projects are to be undertaken. A capital improvements program allows a community to anticipate lead times necessary to conduct bond elections and bond sales, prepare design work and let contract bids.

Maintaining a stable financial program. Abrupt changes in the tax structure and bonded indebtedness may be avoided when construction projects are spaced over a number of years. Major expenditures can be anticipated, resulting in the maintenance of a sound financial standing through a more balance program of bonded indebtedness. Where there is ample time for planning, the most economical methods of financing each project can be selected in advance. Keeping planned projects within the financial capacity of the community helps to preserve its credit and bond rating and makes the area more attractive to business and industry.

Federal and state grant and loan programs. A capital improvements program places the community in a better position to take advantage of federal and state grant programs, because plans can be made far enough in advance to utilize matching funds, both anticipated and

unanticipated. Most federal and state grant/loan programs either require prior facilities planning, or favor, in ranking applications, applicants which have conducted such planning.

The Yucaipa Valley Water District Capital Improvement Program is a planning tool used to identify projects and their corresponding costs. This program is necessary to provide for the orderly replacement and expansion of existing facilities; the construction of new facilities; and the development of project revenue and financing sources.

The Yucaipa Valley Water District Capital Improvements Program is a blueprint for planning the capital expenditures by coordinating planning, financial capacity and physical infrastructure construction.

The Capital Improvement Program is composed of two parts -- a capital budget and a capital program. The capital budget is the upcoming year's spending plan for capital items. The capital program is a plan for capital expenditures that extends five years beyond the capital budget.

Capital Improvement Program Summary

The Yucaipa Valley Water District Capital Improvement Program identifies those proposed projects to be undertaken by the District to improve services, upgrade facilities and replace physical plants. This report contains a summary of those projects. It should be noted that the cost estimates should only be used as a general guide. Actual costs may vary greatly based on such factors as when the project is built, specific design considerations, environmental mitigation, and actual construction bids.

Substantial financial resources will be needed to carry out the Capital Improvement Program. Revenue and expenditures over the next five-year period need to be reviewed in order to determine the District's ability to implement the Capital Improvement Program.

Criteria for Prioritizing Capital Improvement Projects

Capital Improvement Projects will be evaluated and prioritized by being placed into one of three categories. The three categories are as follows:

- **Critical**
 - Reduce Dependency on Imported Water
 - Well Construction
 - Maximize Local Water
 - Recycled Water Development
 - Regulatory Requirements
 - Contractual Obligations
- **Important**
 - Community Needs
 - Minimization of Operational Costs
 - System Reliability
- **Necessary**
 - Future Growth

Capital Improvement Categories

The District currently maintains several separate categories to better define capital improvement projects. These categories are used primarily to identify internal funding sources, but such categories can also be useful for assessing the importance of a particular project.

The District uses the following categories:

- Contractual Obligation
- Drinking Water Source of Supply
- Drinking Water System Improvement
- Drinking Water Treatment Facility Construction/Improvement
- Drinking Water Well Improvement
- Groundwater Monitoring Improvement
- Groundwater Recharge Facility Improvement
- Land Acquisition
- Recycled Water Source of Supply
- Recycled Water System Improvement
- Regulatory Requirement
- Sewer Collection System Improvement
- Sewer Lift Station Improvement
- Sewer Treatment Facility Construction/Improvement
- Other

Purpose of Capital Improvement Program

By establishing the Capital Improvement Program, it becomes clear that the District must maximize revenue sources to support the construction of required facilities. The District's ability to obtain long-term financing for the Capital Improvement Program is largely dependent on the financial strength and revenue stream of the District. To keep this high investment grade rating for future projects, the District must maintain adequate fee structures and reserve funds.

Finally, it is imperative that the operating costs of the water, sewer and recycled water divisions remain fully self-supported by user fees in order to maximize other revenue sources for support of the Capital Improvement Program.

In the operating budget, the water, sewer and recycled water divisions receive property taxes that are used to fund depreciation/reserves. This is consistent with a fiduciary approach that invests heavily in the replacement of aged infrastructure instead of subsidizing water and sewer rates. This approach will continue to make the water, sewer and recycled water operating funds self-sufficient while investing in improving the efficiency of the District while providing for the orderly replacement and expansion of existing facilities. This fiduciary philosophy of investing in the replacement of old infrastructure greatly enhances the overall value of the District while improving the quality of life for our customers.

**YUCAIPA VALLEY WATER DISTRICT
CAPITAL IMPROVEMENT PROGRAM**

Project	Salinity Concentrate Reduction and Management (SCRAM) Project at the Yucaipa Valley Regional Water Filtration Facility			
Division	Drinking Water Division		Project Priority	Important
Category	Water Source of Supply		CMMS Code	
Phase	Planning	Design	Environmental	Construction

COST BY TYPE		FUNDING SOURCE	
Preliminary Engineering/Design	\$ 175,000	Reserves/Depreciation	\$ 1,800,000
Environmental	\$ 0	Development Impact Fees	\$ 1,500,000
Right-of-Way/Land Acquisition	\$ 0	Federal Participation	
Labor, Equipment, Administration	\$ 50,000	State Participation	
Contract Construction	\$ 4,500,000	Bond Financing	
Construction Engineering	\$ 525,000	Local Matching	
Other: Environmental/Permitting/Misc	\$ 50,000	Other Funds	\$ 2,000,000
Total	\$ 5,300,000	Total	\$ 5,300,000

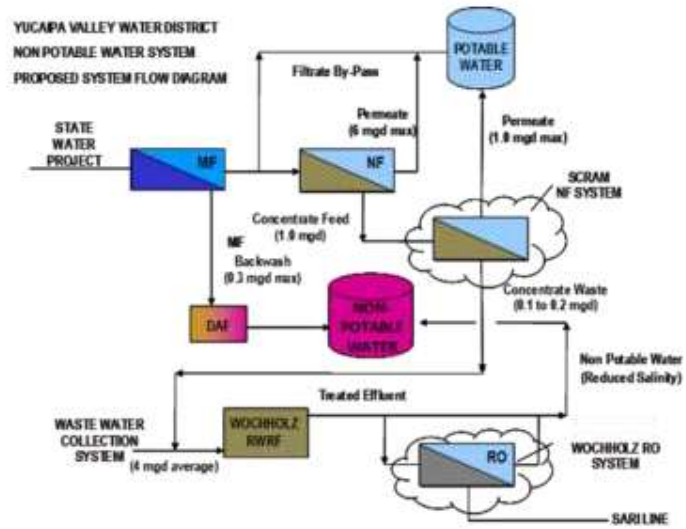
Project Description:

The Yucaipa Valley Water District operates the Yucaipa Valley Regional Water Filtration Facility (YVRWFF) for production of drinking water. The drinking water filtration facility is designed for an ultimate capacity of 36 million gallons per day (mgd) using the latest membrane barrier technology for the removal of macro, micro and molecular constituents that are commonly found in surface water streams and lakes.

Today the filtration system consists of 13.6 mgd of microfiltration (MF) and 6.0 mgd of nanofiltration (NF) processes. The 6.0 mgd NF system capacity allows the District to provide up to 8.0 mgd of drinking water at a blend ratio of 75:25 NF:MF, which is needed to minimize formation of regulated disinfection by products. To increase the production capacity of the facility, additional MF and NF processes should be installed.

The District staff has recognized a distinct benefit of increasing the nanofiltration capacity by 3 mgd with a concentrate recycle process to improve the productivity and efficiency of the system while reducing the volume of the backwash water produced at the facility. This system enhancement will increase the overall drinking water capacity of the facility from 8 mgd to 12 mgd while eliminating about 1.0 mgd of flow to the recycled water system.

The benefit of this project would be to: (1) increase the efficiency of drinking water produced from the filtration facility from 85% to 95%; (2) decrease the amount of recycled water produced from the drinking water facility; (3) enhance the protection of the drinking water supply from increased salinity excursions and an upward overall salinity trend from source water originating from the State Water Project (a recent salinity peak in early 2014 is shown below); and (4) maintain compliance with the Regional Water Quality Control Board Basin Plan objectives for the Yucaipa and Beaumont Management Zones.



Justification:

The construction of this reservoir is necessary to augment the District's water supply which will provide a direct benefit to the amount of water managed in local groundwater basins.



YUCAIPA VALLEY WATER DISTRICT CAPITAL IMPROVEMENT PROGRAM

Project	Calimesa Recycled Water Conveyance Pipeline Project			
Division	Recycled Water Division		Project Priority	Important
Category	System Improvement		CMMS Code	P-04-223
Phase	Planning	Design	Environmental	Construction

COST BY TYPE	
Preliminary Engineering/Design	\$ 150,000
Environmental	\$ 0
Right-of-Way/Land Acquisition	\$ 0
Labor, Equipment, Administration	\$ 50,000
Contract Construction	\$ 5,400,000
Construction Engineering	\$ 425,000
Other: Environmental/Permitting/Misc	\$ 50,000
Total	\$ 6,075,000

FUNDING SOURCE	
Reserves/Depreciation	\$ 2,375,000
Development Impact Fees	
Federal Participation	
State Participation	
Bond Financing	
Local Matching	
Other Funds	\$ 3,700,000
Total	\$ 6,075,000

Description:

The Calimesa Recycled Water Conveyance Pipeline Project that will consist of approximately 18,500 linear feet of 24" recycled water pipeline that will provide recycled water to the southern Calimesa service area. This project, and the use of recycled water will reduce the long-term drought impacts and increase the protection of local groundwater resources.



**YUCAIPA VALLEY WATER DISTRICT
CAPITAL IMPROVEMENT PROGRAM**

Project	Pisgah Peak Pipeline			
Division	Drinking Water Division		Project Priority	Important
Category	Drinking Water System Improvement		CMMS Code	P-02-307
Phase	Planning	Design	Environmental	Construction

COST BY TYPE		FUNDING SOURCE	
Preliminary Engineering/Design	\$ 20,000	Reserves/Depreciation	\$ 350,000
Environmental	\$ 0	Development Impact Fees	
Right-of-Way/Land Acquisition	\$ 0	Federal Participation	
Labor, Equipment, Administration	\$ 5,000	State Participation	
Contract Construction	\$ 300,000	Bond Financing	
Construction Engineering	\$ 25,000	Local Matching	
Other: Environmental/Permitting/Misc	\$ 0	Other Funds	
Total	\$ 350,000	Total	\$ 350,000

Installation of 1,560 LF of 8" DIP booster pipeline from a temporary booster to a northerly PRV station. A temporary high-line will be installed and connected to the temporary booster during the construction of the 8" DIP booster pipeline.

Degradation of sources for the R22.1 reservoir have increased the urgency of this effort. The ability to boost from the R20.2 reservoir will provide an alternative source to wells that are the sole source of supply to the R22.1 reservoir and provide a more stable solution to demand.

YUCAIPA VALLEY WATER DISTRICT CAPITAL IMPROVEMENT PROGRAM

Project	Douglas, Cornell, Auburn, Citi-Bank Pipeline Improvements			
Division	Drinking Water Division		Project Priority	Important
Category	Drinking Water System Improvement		CMMS Code	P-02-301
Phase	Planning	Design	Environmental	Construction

COST BY TYPE		FUNDING SOURCE	
Preliminary Engineering/Design	\$ 50,000	Reserves/Depreciation	\$ 1,100,000
Environmental		Development Impact Fees	
Right-of-Way/Land Acquisition		Federal Participation	
Labor, Equipment, Administration		State Participation	
Contract Construction	\$ 1,000,000	Bond Financing	
Construction Engineering	\$ 50,000	Local Matching	
Other: Environmental/Permitting/Misc		Other Funds	
Total	\$ 1,100,000	Total	\$ 1,100,000

This bundle of pipeline replacements has been selected due to the frequency and severity of failures to the existing pipelines. Replacement of these pipelines will result in reduced water loss and increased reliability of service.

YUCAIPA VALLEY WATER DISTRICT CAPITAL IMPROVEMENT PROGRAM

Project	Reservoir R-18.4 Power and Paving Project			
Division	Drinking Water Division		Project Priority	Important
Category	Drinking Water System Improvement		CMMS Code	P-65-354
Phase	Planning	Design	Environmental	Construction

COST BY TYPE		FUNDING SOURCE	
Preliminary Engineering/Design	\$ 15,000	Reserves/Depreciation	\$ 125,000
Environmental		Development Impact Fees	
Right-of-Way/Land Acquisition		Federal Participation	
Labor, Equipment, Administration		State Participation	
Contract Construction		Bond Financing	
Construction Engineering	\$ 110,000	Local Matching	
Other: Environmental/Permitting/Misc		Other Funds	
Total	\$ 125,000	Total	\$ 125,000

This project involved improvements to the electrical service at Reservoir R-18.4 to provide power to the reservoir site and an AMI communication portal. The project involved the installation of 1,400 LF of electrical conduit and wire to serve the R18.4 reservoir. The service line will be installed in an access road that will need to be repaved after the work is complete.

YUCAIPA VALLEY WATER DISTRICT CAPITAL IMPROVEMENT PROGRAM

Project	Primary Clarifier Equipment Replacement		
Division	Sewer Division	Project Priority	Important
Category	Sewer Treatment Facility Construction / Improvement	CMMS Code	P-88-331
Phase	Planning	Design	Environmental
			Construction

COST BY TYPE	
Preliminary Engineering/Design	\$ 10,000
Environmental	
Right-of-Way/Land Acquisition	
Labor, Equipment, Administration	\$ 10,000
Contract Construction	\$ 330,000
Construction Engineering	
Other: Environmental/Permitting/Misc	
Total	\$ 350,000

FUNDING SOURCE	
Reserves/Depreciation	\$ 350,000
Development Impact Fees	
Federal Participation	
State Participation	
Bond Financing	
Local Matching	
Other Funds	
Total	\$ 350,000

The District staff has been preparing for the replacement of primary clarifier equipment at the Wochholz Regional Water Recycling Facility. The equipment is needed to replace the existing system currently in operation.



YUCAIPA VALLEY WATER DISTRICT CAPITAL IMPROVEMENT PROGRAM

Project	Automated Meter Infrastructure		
Division	Drinking Water Division	Project Priority	Important
Category	Drinking Water System Improvement	CMMS Code	P-65-354
Phase	Planning	Design	Environmental
			Construction

COST BY TYPE	
Preliminary Engineering/Design	
Environmental	
Right-of-Way/Land Acquisition	
Labor, Equipment, Administration	\$ 365,000
Contract Construction	
Construction Engineering	
Other: Environmental/Permitting/Misc	
Total	\$ 365,000

FUNDING SOURCE	
Reserves/Depreciation	\$ 365,000
Development Impact Fees	
Federal Participation	
State Participation	
Bond Financing	
Local Matching	
Other Funds	
Total	\$ 365,000

The Automated Meter Infrastructure (AMI) is the system that is capable of reading water meters, identifying leaks and backflow conditions, and compiling drinking water / recycled water consumption data using radio frequency communications.

The District staff has started the installation of the new AMI equipment and will continue to install the AMI equipment over the next several fiscal years.



YUCAIPA VALLEY WATER DISTRICT CAPITAL IMPROVEMENT PROGRAM

Project	Yucaipa Creek Erosion Repair			
Division	Sewer Division		Project Priority	Important
Category	Sewer Collection System Improvements		CMMS Code	P-03-327
Phase	Planning	Design	Environmental	Construction

COST BY TYPE		FUNDING SOURCE	
Preliminary Engineering/Design		Reserves/Depreciation	\$ 27,500
Environmental		Development Impact Fees	
Right-of-Way/Land Acquisition		Federal Participation	
Labor, Equipment, Administration		State Participation	
Contract Construction	\$ 27,500	Bond Financing	
Construction Engineering		Local Matching	
Other: Environmental/Permitting/Misc		Other Funds	
Total	\$ 27,500	Total	\$ 27,500

Over the past few years, storm events have undercut the erosion control in multiple areas. The amount of repair work at its current state is relatively small, at 65 linear feet of 3'x3' Gabions and 230 square feet of grouted rip-rap. The plan is to make the repairs now and maintain the erosion control structures before the condition degrades further.

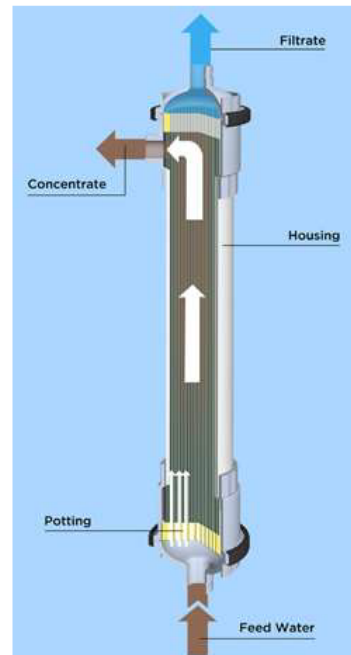


YUCAIPA VALLEY WATER DISTRICT CAPITAL IMPROVEMENT PROGRAM

Project	Scinor Replacement Membrane Modules		
Division	Sewer Division	Project Priority	Important
Category	Sewer Treatment Facility Construction / Improvement	CMMS Code	P-03-xxx
Phase	Planning	Design	Environmental
			Construction

COST BY TYPE		FUNDING SOURCE	
Preliminary Engineering/Design		Reserves/Depreciation	\$ 275,000
Environmental		Development Impact Fees	
Right-of-Way/Land Acquisition		Federal Participation	
Labor, Equipment, Administration		State Participation	
Contract Construction	\$ 275,000	Bond Financing	
Construction Engineering		Local Matching	
Other: Environmental/Permitting/Misc		Other Funds	
Total		Total	
\$ 275,000		\$ 275,000	

The Yucaipa Valley Water District is analyzing the potential replacement of microfiltration membranes at the Wochholz Regional Water Recycling Facility. This project would also include the replacement of the pre-strainer associated with the new membranes. While the replacement strainer would add about \$60,000 to the project cost for equipment and installation, the new strainer would provide a 200-micron mesh instead of the existing 320-micron slits. The new strainer would be tested and ultimately part of a larger contract to install new strainers for the remaining microfiltration membranes.



YUCAIPA VALLEY WATER DISTRICT CAPITAL IMPROVEMENT PROGRAM

Project	Reservoir R-16.2 Structural Upgrades			
Division	Drinking Water Division		Project Priority	Important
Category	Drinking Water System Improvement		CMMS Code	P-02-xxx
Phase	Planning	Design	Environmental	Construction

COST BY TYPE		FUNDING SOURCE	
Preliminary Engineering/Design		Reserves/Depreciation	\$ 90,000
Environmental		Development Impact Fees	
Right-of-Way/Land Acquisition		Federal Participation	
Labor, Equipment, Administration		State Participation	
Contract Construction	\$ 90,000	Bond Financing	
Construction Engineering		Local Matching	
Other: Environmental/Permitting/Misc		Other Funds	
Total		Total	
\$ 90,000		\$ 90,000	

The drinking water reservoir R16.2 is an aging steel bolted tank that needs a new roof and other structural repairs.

YUCAIPA VALLEY WATER DISTRICT CAPITAL IMPROVEMENT PROGRAM

Project	Well Rehabilitations - Upper Dickenson			
Division	Drinking Water System		Project Priority	Critical
Category	Drinking Water System Improvements		CMMS Code	P-02-xxx
Phase	Planning	Design	Environmental	Construction

COST BY TYPE		FUNDING SOURCE	
Preliminary Engineering/Design		Reserves/Depreciation	\$ 22,000
Environmental		Development Impact Fees	
Right-of-Way/Land Acquisition		Federal Participation	
Labor, Equipment, Administration		State Participation	
Contract Construction	\$ 22,000	Bond Financing	
Construction Engineering		Local Matching	
Other: Environmental/Permitting/Misc		Other Funds	
Total		Total	
\$ 22,000		\$ 22,000	

The District staff has been evaluating the rehabilitation of drinking water wells in the Upper Dickenson area. These improvements are critical for upper-elevation water supplies.

YUCAIPA VALLEY WATER DISTRICT CAPITAL IMPROVEMENT PROGRAM

Project	Wilson Creek Recycled Water Recharge		
Division	Drinking Water Division Recycled Water Division	Project Priority	Critical
Category	Drinking Water Source of Supply Recycled Water System Improvement	CMMS Code	P-02-xxx
Phase	Planning	Design	Environmental Construction

COST BY TYPE		FUNDING SOURCE	
Preliminary Engineering/Design		Reserves/Depreciation	\$ 600,000
Environmental		Development Impact Fees	
Right-of-Way/Land Acquisition		Federal Participation	
Labor, Equipment, Administration		State Participation	
Contract Construction	\$ 600,000	Bond Financing	
Construction Engineering		Local Matching	
Other: Environmental/Permitting/Misc		Other Funds	
Total	\$ 600,000	Total	\$ 600,000

The Wilson Creek Recycled Water Recharge Project will provide additional recharge of the Yucaipa groundwater subbasin by surface application of highly treated recycled water from the Wochholz Regional Water Recycling Facility (WRWRF) at the Wilson Creek Basins.



Date: June 5, 2018

Prepared By: Mike Kostelecky, Operations Manager

Subject: Approval of the Installation of Hardscape Landscape Material around Reservoir R-13.1 at the Yucaipa Valley Regional Water Filtration Facility

Recommendation: That the Board authorizes the District staff to proceed with the hardscape installation at Reservoir 13.1 with Pacific Coast Landscape & Design for a sum not to exceed \$39,132.

The District staff is proposing to modify the landscaping around Reservoir R-13.1 to a low maintenance hardscape which will match the existing hardscape on the property. This change will require the purchase of four hundred forty tons of crushed Desert Gold rock for a sum not to exceed \$33,978 and labor to remove the existing vegetation for an amount of \$5,154. This also includes installation of a weed barrier fabric and matching rock at the corner where the District's Recycled Water monument rock now exists.



District staff is asking for your consideration to contract the identified hardscape scope of work at 13.1 to the District's current contracted landscape company, Pacific Coast Landscape & Design, Inc., for a sum not to exceed \$39,131.80.

Funding Considerations:

San Bernardino Valley Municipal Water District is currently granting a rebate of \$1.00 per square foot of turf removed. District staff is working closely with Valley District staff to receive a credit not to exceed the estimated cost.

The documentation/ information required:

- Customer name and meter number
- Site pictures before and after
- Paid invoice

Pacific Coast Landscape & Design, Inc.
 P.O. Box 4566
 Riverside, CA 92514-4566
 (951)683-2197



ESTIMATE

ESTIMATE # 1949
 DATE 05/30/2018
 EXPIRATION DATE 06/30/2018

ADDRESS
 Yucaipa Valley Water District
 12770 Second Street
 Yucaipa, CA 92399

Please detach top portion and return with your payment.

LOCATION #: SITE A **ADDRESS:** 35477 Oak Glen **REQUESTED BY:** Tim Mackamul

ACTIVITY	QTY	RATE	AMOUNT
We hereby propose to furnish all labor, materials and equipment for the LANDSCAPE SERVICES requested at 35477 Oak Glen Rd, Yucaipa, CA.			
Our proposal is as follows:			
*****VEGETATION CLEARING & ROCK INSTALLATION*****			
(Vacant Lot adjacent to storage tank)			
Clear all vegetation from lot and dispose of offsite.	1	1,000.00	1,000.00
Fine Grade Approximately 52,274 SF to prep for Rock Installation	52,274	0.05	2,613.70
Install approximately 440 Tons of 3/4" Crushed Desert Gold Rock spread @ 2" Depth (to match existing)	52,274	0.65	33,978.10
*Includes weed barrier fabric for weed prevention.			
*****EXISTING ROCK REMOVAL & REPLACEMENT*****			
Removal of existing rock at corner of lot (Approximately 360 SF)	360	1.50	540.00
Spread approximately 4 Tons of 3/4" Desert Gold Rock @ 2" Depth with Weed Barrier Fabric	4	250.00	1,000.00

Thank you for the opportunity to provide you with our services. We look forward to working with your team on this project. **TOTAL \$39,131.80**



Director Memorandum 18-080

Date: June 5, 2018

Prepared By: Dustin Hochreiter, Senior Engineering Technician

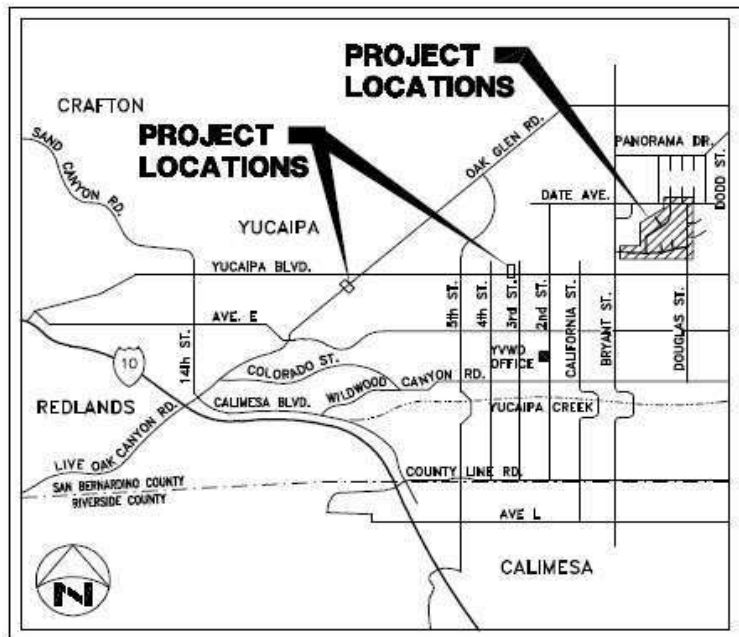
Subject: Authorization to Solicit Bids for the Replacement of Drinking Water Pipelines on Douglas Street, Cornell Drive, Auburn Avenue, Citibank / Yucaipa Blvd and Oak Glen Road

Recommendation: That the Board authorizes the District staff to solicit bids for the proposed pipeline replacements.

The Yucaipa Valley Water District has essentially completed the design and bid package for the replacement of drinking water pipelines in Douglas Street, Cornell Drive, Auburn Avenue, Citibank and Oak Glen Road.

The proposed pipeline project involves multiple pipeline segments in various locations; approximately 3,820± linear feet of 8-inch and 6-inch cement mortar lined ductile iron pipe, including various laterals, valves, appurtenances, and connections.

The construction of 411 linear feet of 6-inch ductile iron pipe in the Citibank / Yucaipa Blvd area and 3,409 linear feet of 8-inch ductile iron pipe on Auburn Avenue, Cornell Drive, Douglas Street and Oak Glen Road is due to failing infrastructure of the existing distribution system.



This project is categorically exempt from environmental review in accordance with the California Environmental Quality Act Guidelines Section 15301(c).

District staff recommends the Board of Directors authorize the District staff to solicit bids for the proposed pipeline projects.



Director Memorandum 18-081

Date: June 5, 2018

Prepared By: Chelsie Fogus, Engineering Technician I

Subject: Authorization to Solicit Bids for the Construction of an 8-Inch Drinking Water Pipeline in Oak Glen Road

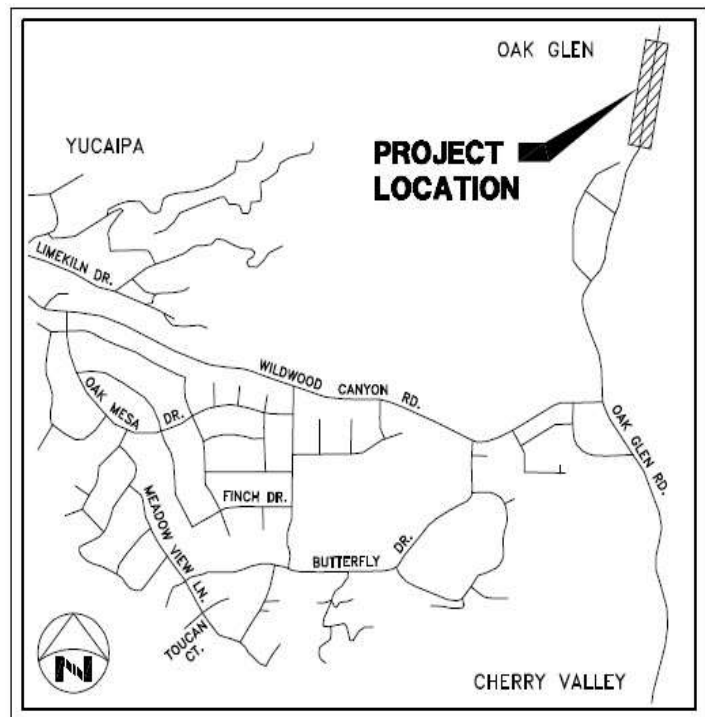
Recommendation: That the Board authorizes District Staff to solicit construction bids for the replacement of a drinking water pipeline on Oak Glen Road.

The Yucaipa Valley Water District has essentially completed the design and bid package for a new 8-inch booster pipeline to be installed in Oak Glen Road.

The proposed pipeline project involves the construction of approximately 1,560 linear feet of 8-inch ductile iron pipe, including valves and appurtenances, and removal and replacement of AC pavement. There will be a temporary 6-inch highline fully restrained rated for 200 PSI working pressure required during the construction of the permanent pipeline.

This project is categorically exempt from environmental review in accordance with the California Environmental Quality Act Guidelines Section 15301(c).

District staff recommends the Board of Directors authorize the District staff to solicit bids for Oak Glen Road Drinking Water Pipeline Replacement Project.





Date: June 5, 2018

Prepared By: Kathryn Hallberg, Management Analyst

Subject: Consideration of Insurance Policies for Fiscal Year 2019

Recommendation: That the Board authorizes the District staff to contract with Inland Counties Insurance Services Brokerage for a sum not to exceed \$211,825.

Yucaipa Valley Water District currently has a property/liability insurance policy with Inland Counties Insurance Services Brokerage with insurance coverage provided by Water Plus Insurance Program and Allied World Assurance Coverage.

The District Staff has investigated pooled insurance from Association of California Water Agencies Joint Powers Insurance Authority (ACWA/JPIA) and our current provider Inland Counties Insurance Services Brokerage.

District staff recommends accepting Inland Counties Insurance Services Brokerage proposal for Fiscal Year 2019 in the amount not to exceed \$211,825.00.

Financial Consideration:

Funding for the initial payment will be split 45% Water Department Prepaid Insurance [GL Account #02-11301], 45% Sewer Department Prepaid Insurance [GL Account #03-11301] and 10% Recycled Department Prepaid Insurance [GL Account #04-11301]. Thereafter the annual cost will be amortized over the 12 months of the fiscal year and charged as an expense each month to each of the departments listed above [GL Account #0*-5-06-56001]. This was included in the 2019 Fiscal Year Budget.



INSURANCE PROPOSAL
Yucaipa Valley Water District

EFFECTIVE DATE
7/1/2018

PRESENTED BY:
Inland Counties Insurance Services, Inc. DBA Roberge & Fries Insurance
Agency



PROGRAM MANAGER
www.alliedpublicrisk.com
Allied Community Insurance Services, LLC
Agency License No. 733176
CA License No. 0L01269



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 Allied Public Risk 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)	\$ 73,446.00
8	SECTION 2. COMMERCIAL CRIME	\$ 1,800.00
9-10	SECTION 3. COMMERCIAL GENERAL LIABILITY	\$ 47,815.00
11	SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Wrongful Acts, Employment Practices, Employee Benefits, Privacy & Network Risk)	\$ 15,168.00
12	SECTION 5. BUSINESS AUTO	\$ 45,066.00
13	SECTION 6. COMMERCIAL EXCESS LIABILITY	\$ 27,220.00

TOTAL ANNUAL PREMIUM (excludes state-imposed taxes, surcharges, and fees)	\$ 210,515.00
TERRORISM PREMIUM	\$ 1,210.00
FULLY EARNED POLICY FEE	\$ 100.00
STATE-IMPOSED TAXES, SURCHARGES, AND FEES	\$ N/A
TOTAL AMOUNT DUE* *Payment is due in accordance with the producer agreement.	\$ 211,825.00

NOTES:

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2018

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*

***IS THIS SECTION INCLUDED IN THE PROPOSAL? 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)	\$99,902,731
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 / Boiler & Machinery:	Included
Mobile Equipment (Scheduled):	\$1,527,499
Mobile Equipment (unscheduled, maximum \$10,000 any one item):	\$15,000
Mobile Equipment (borrowed, rented & leased):	N/A
Earthquake (earth movement excluded):	N/A
Flood Zone AE:	N/A
Flood Zone X (shaded/unshaded)	N/A

DEDUCTIBLES:

\$2,500	Property
\$1,000	Mobile Equipment
\$10,000	Equipment Breakdown (aboveground & less than 50 feet belowground)
\$10,000	Equipment Breakdown (greater than 50 feet belowground)
N/A	Earthquake (earth movement excluded)
N/A	Flood Zone X (per occurrence)
N/A	Flood Zone AE ¹ (per occurrence)
N/A	Flood Zone AE ¹ (per damaged structure / per occurrence)
	¹ the greater of the deductibles will be applied
N/A	Wind/Hail ² (per occurrence)
N/A	Wind/Hail ² (per damaged structure / per occurrence)
	² 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

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2018

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.



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.

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2018

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.



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.

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2018

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.



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.

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2018

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.



PROPERTY SUBLIMITS:

Coverage	Limit
Accounts Receivable	\$500,000
Valuable Papers and Records	\$500,000
Contamination	\$100,000
Tools and Equipment Owned by Your Employees	\$5,000
Personal Effects and Property of Others	\$5,000
Outdoor Property (unscheduled)	\$25,000
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
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	\$2,500
Debris Removal	25% of scheduled limit
Ordinance or Law Provision	25% of scheduled limit

NOTES:

Premium is calculated from attached property schedule; review property schedule for coverage and limit adequacy.

Earthquake and Flood coverages are excluded.

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2018

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 2. COMMERCIAL CRIME*

***IS THIS SECTION INCLUDED IN THE PROPOSAL? 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:

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
\$250,000	\$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:

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2018

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 3. COMMERCIAL GENERAL LIABILITY*

***IS SECTION INCLUDED IN THE PROPOSAL? 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 Limit	\$1,000,000
Damage to Premises Rented to You	\$1,000,000
Medical Payments	\$10,000

DEDUCTIBLE:

N/A

POLICY HIGHLIGHTS:

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

OPTIONAL COVERAGES INCLUDED IN QUOTE:

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2018

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.



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:

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2018

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 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY*

***IS THIS SECTION INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

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

FORM:

- Occurrence

DEFENSE COSTS:

- Outside the Limits of Liability

LIMITS:

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

PRIVACY LIABILITY AND NETWORK RISK¹:

Privacy & Network Security Wrongful Acts	\$1,000,000	per act
Breach Consultation Services	\$50,000	per act
Breach Response Services	\$50,000	per act
Public Relations & Data Forensics	\$50,000	per act

¹Coverage provided for Privacy Liability & Network Risk Coverage is issued on a claims made basis with defense inside the limit of liability. Privacy Retroactive Date: 7/7/12. Privacy Deductible: \$1,000.

SPECIAL COVERAGES:

- Inverse Condemnation: Yes

DEDUCTIBLE

\$2,500 each claim including expenses

RETROACTIVE DATE:

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:

EPLI deductible - \$2,500 deductible each claim including expenses.

INSURED: Yucaipa Valley Water District

EFFECTIVE DATE: 7/1/2018

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 5. BUSINESS AUTO*

***IS THIS SECTION IS INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

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

FORM:

- ISO Business Auto

PORTFOLIO:

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

DEDUCTIBLE:

Liability: None
 Comprehensive: \$500
 Collision: \$500

NOTES:

Please refer to Auto terms provided for per unit coverage. Auto terms per new Vehicle scheduled received from insured.

INSURED: Yucaipa Valley Water District
 EFFECTIVE DATE: 7/1/2018

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 6. COMMERCIAL EXCESS LIABILITY*

***IS THIS SECTION IS INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

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

FORM:

- Proprietary
- Following Form

LIMITS:

\$5,000,000 / \$5,000,000

RATING BASIS:

- On file with underwriter
- Non auditable

SCHEDULED UNDERLYING POLICIES:

Commercial General Liability - Yes
 Hired and Non-Owned Auto Liability - Yes
 Public Officials & Management Liability - Yes
 Wrongful Acts - Yes
 Employment Practices - Yes
 Employee Benefit Plans - Yes
 Owned Auto Liability - Yes
 Employer's Liability (minimum underlying limit requirement of \$500,000 / \$500,000 / \$500,000) - No
 Other:

NOTABLE EXCLUSION:

- Workers' Compensation

NOTES:

Employers' Liability subject to Allied World security requirements.
Please provide current WC declaration page for EL consideration in Excess.

INSURED: Yucaipa Valley Water District
EFFECTIVE DATE: 7/1/2018

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.

**POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended via the Program Reauthorization Act of 2015, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury – in consultation with the Secretary of Homeland Security, and the United States Attorney General—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES [85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020] OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Acceptance or Rejection of Terrorism Insurance Coverage

	I hereby elect to purchase terrorism coverage for a prospective premium of \$1,210.00
	I hereby decline to purchase terrorism coverage for certified acts of terrorism. I understand that I will have no coverage for losses resulting from certified acts of terrorism.

Policyholder/Applicant's Signature Yucaipa Valley Water District	Insurance Company Allied World Specialty Insurance Company
Print Name	Policy Number
Date	

IL U 001 09 03

CALIFORNIA UNINSURED MOTORISTS COVERAGE SELECTION/REJECTION

Applicant/Named Insured: Yucaipa Valley Water District
Company: Allied World Specialty Insurance Company

California law permits you to make certain decisions regarding Uninsured Motorists Coverage. This document describes this coverage and the options available.

You should read this document carefully and contact us or your agent if you have any questions regarding Uninsured Motorists Coverage and your options with respect to this coverage.

This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations Page(s) and/or Schedule(s) for complete information on the coverages you are provided.

A. Mandatory Offer Of Bodily Injury Uninsured Motorists Coverage

Please indicate your choices by initialing next to the appropriate item(s) below.

1. Selection Of Bodily Injury Uninsured Motorists Coverage

(Initials) _____	I select Bodily Injury Uninsured Motorists Coverage at limits equal to the limits of my Bodily Injury Liability Coverage (split limits) or Combined Single Limit for Liability Coverage.
--------------------------------	--

2. Rejection Of Bodily Injury Uninsured Motorists Coverage

The California Insurance Code requires that we provide you with the following information:

"The California Insurance Code requires an insurer to provide uninsured motorists coverage in each bodily injury liability insurance policy it issues covering liability arising out of the ownership, maintenance, or use of a motor vehicle. Those provisions also permit the insurer and the applicant to delete the coverage completely or to delete the coverage when a motor vehicle is operated by a natural person or persons designated by name. Uninsured motorists coverage insures the insured, his or her heirs, or legal representatives for all sums within the limits established by law, which the person or persons are legally entitled to recover as damages for bodily injury, including any resulting sickness, disease, or death, to the insured from the owner or operator of an uninsured motor vehicle not owned or operated by the insured or a resident of the same household. An uninsured motor vehicle includes an underinsured motor vehicle as defined in subdivision (p) of Section 11580.2 of the Insurance Code".

(Initials)	I reject Bodily Injury Uninsured Motorists Coverage entirely.
_____	I delete Bodily Injury Uninsured Motorists Coverage only with respect to the following individuals:
_____	(Name of Excluded Driver(s))

3. Lower Limit(s) For Bodily Injury Uninsured Motorists Coverage

The California Insurance Code requires that we provide you with the following information:

"The California Insurance Code requires an insurer to provide uninsured motorists coverage in each bodily injury liability insurance policy it issues covering liability arising out of the ownership, maintenance, or use of a motor vehicle. Those provisions also permit the insurer and the applicant to agree to provide the coverage in an amount less than that required by subdivision (m) of Section 11580.2 of the Insurance Code but not less than the financial responsibility requirements. Uninsured motorists coverage insures the insured, his or her heirs, or legal representatives for all sums within the limits established by law, which the person or persons are legally entitled to recover as damages for bodily injury, including any resulting sickness, disease, or death, to the insured from the owner or operator of an uninsured motor vehicle not owned or operated by the insured or a resident of the same household. An uninsured motor vehicle includes an underinsured motor vehicle as defined in subdivision (p) of Section 11580.2 of the Insurance Code".

(Initials) _____

I reject Bodily Injury Uninsured Motorists Coverage at limits equal to my Bodily Injury Liability Coverage (split limits) or Combined Single Limit for Liability Coverage and I select the following lower limits.

(Choose one):

(Initials)	Split Limits	OR	(Initials)	Combined Single Limit
_____	\$ 15,000/30,000		_____	\$ 30,000
_____	20,000/40,000		_____	40,000
_____	25,000/50,000		_____	50,000
_____	30,000/60,000		_____	60,000
_____	50,000/100,000		_____	100,000
_____	100,000/300,000		_____	250,000
_____	250,000/500,000		_____	300,000
_____	500,000/1,000,000		_____	500,000
_____	\$ _____		_____	1,000,000
	(Other)		_____	_____
			_____	\$ _____
				(Other)

B. Mandatory Offer Of Property Damage Uninsured Motorists Coverage

Uninsured Motorists Coverage may also include Property Damage Uninsured Motorists Coverage. Property Damage Uninsured Motorists Coverage provides insurance protection to an insured for compensatory damages for injury to or destruction of a covered auto caused by an automobile accident which an insured is legally entitled to recover from the owner or operator of certain types of uninsured motor vehicles. However, Property Damage Uninsured Motorists Coverage is available only:

1. If you have not rejected Bodily Injury Uninsured Motorists Coverage; and
2. For autos for which you have not purchased Collision Coverage.

Please indicate your choices by initialing next to the appropriate item(s) below.

(Initials) _____	<p>I select Property Damage Uninsured Motorists Coverage at a limit of \$3,500 for each accident for the following vehicle(s):</p> <p>(Specify Year/Make/Model)</p> <p>_____</p> <p>_____</p> <p>_____</p>
(Initials) _____ _____	<p>I reject Property Damage Uninsured Motorists Coverage entirely.</p> <p>I delete Property Damage Uninsured Motorists Coverage only with respect to the following individuals:</p> <p>(Name of Excluded Driver(s))</p> <p>_____</p> <p>_____</p>

Applicant's/Named Insured's Signature

Date



Date: June 5, 2018

Prepared By: Joseph Zoba, General Manager

Subject: Consideration of Becoming Active Members in the Association of California Water Agencies (ACWA) and the California Association of Sanitation Agencies (CASA)

Recommendation: That the Board authorizes the District staff to become members of ACWA and CASA.

The Yucaipa Valley Water District currently participates in the following organizations:

- Administration and Organizational Associations and Organizations:
 - Association of Environmental Professionals - <https://www.califaep.org/>
 - Association of San Bernardino County Special Districts - <https://www.csda.net/about-csda/chapters-networks/chapter-san-bernardino>
 - California Municipal Treasurers Association - <http://www.cmta.org/>
 - California Society of Municipal Finance Officers - <https://www.csmfo.org/>
 - California Special Districts Association - <https://www.csda.net/home>
 - Emergency Response Network of the Inland Empire - <https://www.eastvalley.org/217/ERNIE>
 - Society for Human Resource Management - <https://www.shrm.org/>
 - WaterISAC - <https://www.waterisac.org/>
- Drinking Water Associations and Organizations:
 - American Water Works Association - <https://www.awwa.org/>
 - Groundwater Resources Association of California - <https://www.grac.org/>
 - Southwest Membrane Operator Association - <https://www.swmoa.org/>
- Sewer and Environmental Control Associations and Organizations:
 - California Water Environment Association - <http://www.cwea.org/>
 - Multi-State Salinity Coalition - <http://multi-statesalinitycoalition.com/>
 - Southern California Alliance of Publicly Owned Treatment Works - <http://scap1.org/SitePages/Home.aspx>
 - Western Coalition of Arid States - <http://www.westcas.org/>
- Recycled Water Associations and Organizations:
 - WaterReuse Association - <https://watereuse.org/>

The District staff continuously reviews and reconsiders our participation in associations and organizations as renewal notices are received throughout the fiscal year. If there is a distinct benefit to join an organization, the District will join and distribute information and material received to District staff members. However, if there is limited benefit to join an organization, then it is

more cost effective to pay a little extra to attend special meetings or events to help District staff fully evaluate our participation in an organization. However, if there is

The District staff is currently reviewing and assessing the value of joining the California Association of Sanitation Agencies (CASA - <https://casaweb.org/>) and the Association of California Water Agencies ACWA - <https://www.acwa.com/>). The immediate benefit of these two organizations is that they deal specifically with issues in the State of California. Based on recent strategic planning discussions, both organizations would provide the District staff and elected officials with more detailed information about biosolids, sustainability, current legislation, SGMA, and renewable energy issues.

The Fiscal Year 2019 budget has been adjusted to support the expenditure associated with joining these organizations.

	Water Division Dues & Subscriptions	Sewer Division Dues & Subscriptions
General Ledger Line Item	02-5-06-54002	03-5-06-54002
Proposed FY 2019 Budget	\$16,500	\$9,000
ACWA Membership Dues	\$24,760	- -
CASA Membership Dues	- -	\$16,068
Revised FY 2019 Budget	\$41,260	\$25,100

If the board did decide to join, the District staff would re-evaluate the benefits of participating in ACWA and CASA each year as part of the renewal process and budget process.



Date: June 5, 2018

Prepared By: Joseph Zoba, General Manager

Subject: Consideration of a Proposed Development Agreement with Western Pacific Housing for the Development of 121 lots in Calimesa - Portions of Tract Nos. 26925, 30386, and 30386-1

Recommendation: That the Board approves Development Agreement No. 2018-08.

At the board workshop meeting on April 10, 2018, and May 22, 2018, the District staff discussed the implementation of the San Gorgonio Pass Water Agency Supplemental Water Resource Fee for Tract No. 26925 and Tract No. 30386. Based on this discussion, the District staff prepared the attached development agreement and provided the document to Western Pacific Housing / DR Horton for review.



**AGREEMENT TO PROVIDE DRINKING WATER, RECYCLED WATER,
 AND SEWER SERVICE PORTIONS OF: TRACT NUMBER 26925 (80
 LOTS); TRACT 30386 (34 LOTS); AND TRACT 30386-1 (7 LOTS) IN
 THE CITY OF CALIMESA, COUNTY OF RIVERSIDE**

This Agreement is made and effective this 5th day of June 2018, by and between the Yucaipa Valley Water District, a public agency ("District") and Western Pacific Housing, Inc., a Delaware Corporation ("Developer"). Each is sometimes referred to herein as a "Party" and jointly as the "Parties".

Project File(s)	Work Order(s)
P-65-038	#65-01063
P-65-268	#65-16122

For contractual issues, the Parties are represented by the following responsible individuals authorized to execute this Agreement:

District	Developer
Yucaipa Valley Water District 12770 Second Street Post Office Box 730 Yucaipa, California 92399 Attention: Joseph Zoba, General Manager Telephone: (909) 797-5119 x2	Western Pacific Housing, Inc. 2280 Wardlow Circle, #100 Corona, California 92880 Attention: Barbara Murakami, Vice President Telephone: (951) 739-5443

The Developer is anticipated to acquire fee title to and be the owner of the following parcel(s) by August 1, 2018, which is/are the subject of this Agreement and described herein as the "Property":

Tract Number and Lot Numbers	City / County
Tract No. 26925 - Lots 1-27, 45-97 (80 lots) Tract No. 30386 - Lots 1-34 (34 lots) Tract No. 30386-1 - Lots 16-22 (7 lots)	City of Calimesa / Riverside County

RECITALS

WHEREAS, the Developer desires to develop its Property situated within the service area of the District as shown on Exhibit A attached hereto and consists of the development of 121 lots; and

WHEREAS, the Developer has provided plans, drawings, and/or concepts to the District to construct the proposed "Project" as shown on Exhibit B attached hereto; and

WHEREAS, the Developer desires to obtain drinking water service, recycled water service, and sewer service from the District for the Project in accordance with the current Rules, Regulations, and Policies of the District; and General Construction Conditions as provided in Exhibit C attached hereto; and

WHEREAS, it is the purpose of this Agreement to set forth the terms and conditions by which the District will provide service to the Project.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Developer and the District agree as follows:

- A. Project Overview.** The proposed Project consists of one hundred twenty-one (121) lots within Tract Nos. 26925, 30386, and 30386-1. The Project is located west of Bryant Street, in Calimesa, California. The Project will receive drinking water service, recycled water service, and sewer service from the District.
- B. Special Conditions.** The following conditions, being contained herein, will be required by the District for the Developer to receive service for the Project.
1. Project Specific Drinking Water Conditions: The Project will receive drinking water service from the District. The Developer will design and construct on-site and off-site drinking water infrastructure ("Facilities") pursuant to District approved plans and requirements.
 - a. A 24-inch water conveyance pipeline located in Singleton Road/Bryant Street is required to be completed, tested, made operational, and accepted by the District prior to the issuance of the 61st building permit issued pursuant to this Agreement or by May 15, 2019 (See Section B.6.b.ii).
 2. Project Specific Recycled Water Conditions: The Project will receive recycled water service from District. The Developer will design and construct on-site and off-site recycled water infrastructure ("Facilities") pursuant to District approved plans and requirements.
 - a. Recycled water service for this project is limited to common areas around the Project site. The residential lots within the Project will not be dual-plumbed.
 3. Project Specific Sewer Conditions: The Project will receive sewer service from the District. The Developer will design and construct on-site and off-site sewer infrastructure ("Facilities") pursuant to District approved plans and requirements.
 - a. The District has identified sewer mainline deficiencies downstream of the Project within the City of Calimesa. To secure the appropriate funding for the upgrade of these sewer mainline facilities, the Developer shall pay to the District a fee of \$1,500 per Equivalent Dwelling Unit for the construction of upgraded sewer mainline facilities. This fee shall be paid prior to the issuance of building permits.
 4. Project Specific Stormwater Conditions. The City of Calimesa and/or the County of Riverside will retain responsibility and authority for stormwater related to the Project. The Developer will provide approved plans, specifications, and construction drawings to the District for review and identification of onsite stormwater collection facilities and retention basins and the District will review such

plans, specifications and drawings to ensure that the Facilities will not interfere with existing District infrastructure and/or the stormwater facilities.

5. Project Specific Conditions. The Developer shall design and construct all Facilities and related appurtenances pursuant to the District approved plans and construction drawings to serve the Project.
 - a. The Developer shall provide written confirmation that Western Pacific Housing is the owner of the Property identified on page 1 of this Agreement by August 1, 2018.
 - b. The District will not provide drinking water, recycled water, or sewer service to the Project until the necessary infrastructure is completed and accepted by the District to provide service to each lot.
 - c. Project phases will be coordinated with the District staff.
 - d. The Developer shall provide electronic design drawings of parcels and infrastructure in native file formats consistent with existing District enterprise systems.

6. Rates, Fees and Charges. The most current rates, fees and charges will be payable pursuant to the Resolution/Ordinance in effect at the time building permits are issued or renewed for each lot.
 - a. The Developer shall pay the sustainability fees based on the rates, fees and charges in effect by the San Gorgonio Pass Water Agency for seven acre-feet (7 acre-feet) of imported water prior to the issuance of building permits.
 - b. On September 19, 2017, the Board of Directors adopted Resolution No. 2017-23, "A Resolution of the Yucaipa Valley Water District Establishing the Methodology to Calculate and Collect Facility Capacity Charges Related to the Purchase of Permanent Water Resources for New Development within the Boundary of the San Gorgonio Pass Water Agency and the City of Calimesa" ("SGPWA Water Fee"). This resolution is designed to be amended from time to time with the most recent calculation of the SGPWA Water Fee (superseding Resolution No. 2017-23) paid by the Developer pursuant to the following conditions:
 - i. When applicable, the implementation of the latest calculation of the SGPWA Water Fee shall be based on the consumption of 120 kgal (120,000 gallons) of drinking water per year.
 - ii. The 24-inch water conveyance pipeline to be constructed in Bryant Street / Singleton Road is expected to be made operational by May 15, 2019. In the event the 24-inch water conveyance pipeline is not operational by May 15, 2019, and the Developer seeks to obtain issuance of building permits pursuant to this Agreement, the Developer agrees to pay the SGPWA Water Fee identified in

Section B.6.b. of this Agreement (prior to the issuance of building permits) until the 24-inch water conveyance pipeline is completed, operational and accepted by the District. This paragraph (Section B.6.b.ii.) shall not apply if the 24-inch water conveyance pipeline is completed and accepted by the District prior to May 16, 2019.

- iii. The Developer shall pay to the District the SGPWA Water Fee calculated in Section B.6.b. of this Agreement prior to the issuance of any building permit(s) issued by the City of Calimesa after July 1, 2020.
7. Project Related Invoices. The Developer agrees to deposit funds with the District, as required herein, within 10 business days following the District's approval of this Agreement. The Developer acknowledges and hereby agrees that the District is authorized, from time-to-time, to reimburse itself from the funds on deposit for Project costs incurred and that the District will not release any structure for occupancy unless there is a minimum balance in the Project Cash Account.
8. Ownership, Operation and Maintenance. Once constructed and accepted by the District, title to the Facilities (excluding private, on-site Facilities) will be conveyed by the Developer to the District, and the District will operate and maintain the Facilities and provide service to the Developer's Property in accordance with the District's Rules, Regulations and Policies and the provisions of this Agreement.
9. Easements, Dedications, and Recorded Documentation: All easements, dedications, and recorded documentation required by the District shall be provided by the Developer to the District in a timely manner as required by the District.
10. Annexation. This Project is located within the service area of the District, so an annexation is not required.
11. Annual Review of Construction Drawings. The District requires an annual review of approved construction drawings related to this Project. The District will not charge the Developer for the annual construction drawing review. However, the Developer will be required to update and resubmit construction drawings based on comments provided by the District at the sole cost and expense of the Developer prior to the start of construction.
12. Amendment. This Agreement may be amended, from time-to-time, by mutual agreement, in writing signed by both Parties. The District and the Developer further agree that to the extent this Agreement does not address all aspects of the Developer's Property and/or Project, the Parties will meet and confer and negotiate in good faith and execute a written amendment or supplement to this Agreement.
13. Assignment. This Agreement will not be assigned, whether in whole or in part by either Party.
14. Term and Termination of Agreement. Unless extended by mutual agreement of the parties in writing, this Agreement shall terminate at 5:00 p.m., on the day before the sixth (6th) anniversary date of this Agreement; provided, however, that this

Agreement shall automatically terminate, without further liability to either party, as follows:

- a. Immediately, upon receiving written notice that Western Pacific Housing did not purchase of the Property as identified on page 1;
- b. Immediately, upon abandonment by the Developer of the Developer's Property and/or the work hereunder. "Abandonment" is defined as the act of bankruptcy or Developer's failure to improve the Property in a manner consistent with the proposed development plan within twelve months of the effective date of this Agreement; and/or
- c. Within 45 days of the date of the issuance of a Notice of Default by the District to the Developer in the event the Developer fails or refuses to perform, keep or observe any of the terms, conditions or covenants set forth in this Agreement.

IN WITNESS WHEREOF, the parties have executed is Agreement to be effective on the day and year first above written.

YUCAIPA VALLEY WATER DISTRICT

Dated: _____ By: _____
Jay Bogh, Board President

DEVELOPER

Dated: _____ By: _____

Print Name: _____

Print Title: _____

Exhibit A - Project Location



Yucaipa Valley Water District
 Development Agreement No. 2018-08
 Page 7 of 16

Exhibit B - Proposed Development Concept



Exhibit C - General Construction Conditions

DESIGN AND CONSTRUCTION

- A. Licensed Professionals. All work, labor and services performed and provided in connection with, for example, the preparation of surveys and descriptions of real property and rights-of-way, the preparation of construction specifications, plans and drawings, and the construction of all Facilities shall be performed by or under the direction of professionals appropriately licensed by the State of California and in good standing.
- B. Plan Acceptance; Facility Acceptance. Upon its final review and approval of the plans and specifications ("Plans"), the District shall sign the construction drawings ("Approved Plans") indicating such approval ("Plan Acceptance"). Plans are subject to an annual review by the District and modifications will be required by the District to conform to revised construction standards and policies as part of the Plan Acceptance. The Developer shall update and resubmit the Plans for final approval by the District.
1. The Developer shall not permit, or suffer to permit, the construction of any Facility without having first obtained Plan Acceptance or completed modifications required by annual updates. In the event the Developer fails or refuses to obtain the District's Plan Acceptance, the District may refuse, in its sole discretion and without liability to the Developer, to issue its Facility Acceptance (as that term is defined below) as to such Facility when completed.
 2. The Developer shall not deviate from any Approved Plans and/or specifications without the District's prior written approval.
- C. Facility Inspection. All construction work shall be inspected on a timely basis by District personnel and/or by District's consultants at the sole cost of the Developer. The Developer acknowledges that the inspector(s) shall have the authority to require that any and all unacceptable materials, workmanship, construction and/or installation not in conformance with either (i) the Approved Plans, or (ii) standard practices, qualities and standards in the industry, as reasonably determined by the District, shall be replaced, repaired or corrected at Developer's sole cost and expense.
1. In the event the Developer's contractor proposes to work overtime and beyond normal business hours, the Developer shall obtain the District's approval at least 24 hours in advance so that inspection services may be appropriately scheduled. The Developer shall be solely responsible for paying all costs and expenses associated with such inspection services.
 2. The District shall promptly upon request of Developer cause the final inspection of a Facility which Developer indicates is completed. If the District finds such Facilities to have been completed in conformance with the Approved Plans for which a Plan Acceptance has been issued, then District shall issue to Developer its letter ("Facility Acceptance") indicating satisfactory completion of the Facility and District's acceptance thereof. Neither inspection nor issuance of the Facility Acceptance shall constitute a waiver by District of any claims it might have against

Developer for any defects in the work performed, the materials provided, or the Facility constructed arising during the one-year warranty period.

- D. Project Coordination and Designation of Developer's Representative. The Developer shall be solely responsible for coordinating the provision of all work, labor, material and services associated with the planning, design and construction of the Facilities required for the Project.
1. The Developer shall be solely responsible for compliance with all applicable federal, state and local safety rules and regulations, and shall conduct periodic safety conferences as required by law and common sense.
 2. Prior to proceeding with any Facility construction, the Developer shall schedule and conduct a preconstruction conference with the District. In the event the Developer fails or refuses to conduct any such conference, the District may refuse, in its sole discretion, to accept the Facilities constructed by the Developer.
 3. The District and the Developer hereby designate the individual identified on page 1 of this Agreement as the person who shall have the authority to represent the District and Developer in matters concerning this Agreement. In order to ensure maximum continuity and coordination, the District and Developer agree not to arbitrarily remove or replace the authorized representative, but in the event of a substitution, the substituting Party shall promptly advise the other Party of such substitution, in writing.
- E. District's Right to Complete Facilities. The District is hereby granted the unqualified right to complete, construct or repair all or any portion of the water and/or sewer Facilities, at Developer's sole cost and expense in the event there is a threat to the public's health, safety or welfare.
- F. Construction of Connections to District Facilities. Unless otherwise agreed to in writing by the District, the District shall furnish all labor, materials and equipment necessary to construct and install connections between the Developer's Facilities and the District's water, recycled water, and sewer systems. All costs and expenses associated therewith shall be paid by the Developer.
- G. Compliance with Law and District Regulations. The Developer hereby agrees that all Facilities shall be planned, designed and constructed in accordance with all applicable laws, and the District's Rules, Regulations and Policies in effect at the time of construction. The Developer shall keep fully informed of and obey all laws, rules and regulations, and shall indemnify the District against any liability arising from Developer's violation of any such law, rule or regulation.
- H. Developer's Warranties. The Developer shall unconditionally guaranty, for a period of one year following the District's Facility Acceptance thereof, any and all materials and workmanship, at the Developer's sole cost and expense. The provision of temporary water service through any of the Developer's Facilities, prior to District's acceptance of same, shall not nullify nor diminish the Developer's warranty obligation, nor shall the Developer's warranty obligation be voided if the District determines, in its sole discretion, to make any emergency repairs necessary to protect the public's health, safety or welfare or to ensure

continuity of water or sewer service. The District shall notify Developer of such emergency repairs.

- I. **Testing and Disinfection.** Upon approval by the District, the Developer, at its sole cost and expense, shall undertake and satisfactorily complete a testing program, including without limitation, compaction, cleaning, video and air testing, and pressurized and disinfection testing (drinking water Facilities), for all Facilities prior to acceptance by the District.
- J. **Bond Requirements.** The Developer shall provide to the District, in a form satisfactory to the District, the following bonds:
 1. **Performance and Warranty Bond.** A performance bond issued by a corporate surety or sureties licensed and permitted to do business by and within the State of California in an amount representing not less than one hundred percent (100%) of any and all construction work to be conducted or performed under this Agreement. A warranty bond issued by a corporate surety or sureties licensed and permitted to do business by and within the State of California in an amount representing not less than fifty percent (50%) of the total cost of any and all construction performed hereunder, insuring against any and all defects in the Facilities constructed hereunder, for a period of not less than one full year after the date of acceptance thereof by the District.
 2. **Labor and Materials Payment Bond.** A labor and materials payment bond issued by a corporate surety or sureties licensed and permitted to do business by and within the State of California in an amount representing not less than one hundred percent (100%) of the total cost of any and all construction performed hereunder per California Civil Code Sections 9550 and following.
 3. **Miscellaneous Bond Requirements.** All bonds required by this section are subject to the approval as to form and content by the General Manager and District's Legal Counsel. All bonds required by this section shall be provided by a surety that is an "admitted" surety insurer authorized to transact surety insurance in California, with assets exceeding its liabilities in the amount equal to or in excess of the amount of the bonds, and each bond shall not be in excess of ten percent (10%) of the surety insurer's assets. The bond shall be duly executed and shall meet all of the requirements of Section 995.660 of the Code of Civil Procedure.
- K. **Title to Facilities and Right-of-Way.** Provided that the Developer's Facilities are designed and constructed as required hereunder and the District proposes to issue its Facility Acceptance, the Developer shall, concurrently with the District's Facility Acceptance, convey ownership title to all Facilities (and right-of-way, if applicable) to the District, free and clear of any and all liens and encumbrances except those that are expressly agreed to by the District. The District may require fee title or an easement, depending upon the location of the Facility through action by the Board of Directors. Upon conveyance of title, the District shall assume the responsibility of operating and maintaining the Facilities, subject to the Developer's warranty as provided herein. The Developer acknowledges and agrees that the District shall not be obligated to operate and maintain the Facilities and to provide service to and through them until all applicable conditions imposed by this

Agreement hereunder are satisfied and title to the Facilities has been conveyed and delivered to the District in recordable form.

- L. Risk of Loss. Until such time as acceptance thereof by the District, and until good and marketable title to the easements, rights-of-way and Facilities are conveyed and delivered to the District in recordable form, the Developer shall be solely and completely responsible for any and all losses and/or damage of every kind or nature to the easements, rights-of-way and Facilities. In the event Developer believes the loss and/or damages arose from or are related to acts performed by the District, this provision does not preclude Developer's insurance carrier from seeking indemnity and/or reimbursement from the District.
- M. Conditions Precedent to the Provision of Water and Sewer Service. Unless the District otherwise agrees in writing, the District shall not be obligated to provide any water and/or sewer service to the Developer's Property or any part thereof, including model homes, until Facility Acceptance by the District and Developer conveys to the District the right-of-way and Facilities associated with the requested service. Upon acceptance of the right-of-way and appurtenant Facilities, the District shall provide the service requested and assume the responsibility for operating and maintaining the affected Facilities. Service provided by the District shall be in accordance with its Rules, Regulations and Policies and shall be comparable in quality of service to that provided all similarly situated customers.

FEES AND CREDITS

- N. Developer Fees, Charges, Costs and Expenses. The Developer shall be solely responsible for the payment to the District of all fees, charges, costs and expenses related to this Project.
- O. Developer Cash Account Deposit. The Developer acknowledges and hereby agrees that the District is authorized, from time-to-time, to reimburse itself from the funds on deposit for Project costs incurred.
1. The Developer shall provide the initial deposit to the District, and maintain the minimum balance in the Cash Account for the Project as provided below:
 - a. An initial deposit of \$2,500 and a minimum balance of \$1,000 for a Project that involves the construction of 1 to 2 proposed structures;
 - b. An initial deposit of \$5,000 and a minimum balance of \$2,000 for a Project that involves the construction of 3 to 5 proposed structures;
 - c. An initial deposit of \$10,000 and a minimum balance of \$3,000 for a Project that involves the construction of 6 to 20 proposed structures;
 - d. An initial deposit of \$25,000 and a minimum balance of \$5,000 for all other Projects.

2. The initial deposit shall be received by the District within 10 business days following the District's approval of this Agreement.
 3. The District shall provide a monthly accounting of how funds were disbursed.
 4. The Developer agrees to deposit funds with the District within 30 calendar days upon the date an invoice is issued by the District or a Notice of Default will be issued by the District.
 5. The District will not release any structure for occupancy unless the minimum balance is available to the District in the Project Cash Account.
 6. Should any unexpended funds remain in the Cash Account upon completion of the Project or termination of this Agreement, then such funds shall be reimbursed to the Developer within 60 days.
- P. Current Fees and Charges. In the event of a change in the District's schedule of fees and charges, such change shall automatically be incorporated into this Agreement as though set forth in full. Unless otherwise agreed to in writing by the District, the Developer shall pay, when due, the then-current amount of the applicable fee or charge.
- Q. Sustainability Water. The Developer shall pay for the purchase of a quantity of imported water pursuant to the Sustainability Policy adopted by the Board of Directors as a Resolution No. 11-2008 on August 20, 2008, or the latest version with a revised quantity or fee structure. The imported water rate shall be the rate in effect at the time water is secured from the San Bernardino Valley Municipal Water District. Imported water for compliance with the Yucaipa Valley Water District's Sustainability Policy may be pre-paid to lock in the Development Sustainability fee or purchased prior to the issuance of building permits and pay the fee in effect at that time.
- R. San Gorgonio Pass Water Agency Facility Capacity Charges. If the Project is within the service area of the San Gorgonio Pass Water Agency, the Developer will be required to pay the latest San Gorgonio Pass Water Agency Facility Capacity Charge as set forth by District resolution.
- S. District Financial Participation; Credits. The District may agree to participate in certain Facilities for this Project. Any participation or financial contribution to construct the water and/or sewer infrastructure associated with this Project is identified in the Special Conditions at the beginning of the Agreement.

PERMITS AND DOCUMENTATION

- T. Permits, Licenses and CEQA Documentation. The Developer shall be solely responsible for securing and paying for all permits and licenses necessary to develop its project. The Developer shall be solely responsible for complying with the California Environmental Quality Act under the auspices of the City and/or County within which the Property is situated. However, upon request, the Developer shall furnish to the District all relevant environmental documentation and information.

- 1. The Developer, at its sole cost and expense, shall be solely responsible for defending against any and all legal challenges, including but not limited to permits, licenses and CEQA documentation.

U. Documents Furnished by the Developer. The Developer shall furnish to the District documentation as required by the District specified below, within the time periods specified. Each and every document submittal shall consist of a fully executed original or certified copy (in recordable form, if applicable) and two copies.

Document(s)	Due Date
Certification of Streets to Rough Grade	Prior to Construction
City/County Encroachment Permits and Conditions	Prior to Construction
Field Engineering Surveys ("Cut Sheets")	Prior to Construction
Grant of Easements and Rights-of-Way	Prior to Construction
Labor and Materials Bond	Prior to Construction
Liability Insurance Certificate(s)	Prior to Construction
Performance Bond	Prior to Construction
Soil Compaction Tests	Prior to Acceptance
Warranty Bond	Prior to Acceptance
List of Approved Street Addresses and Assessor Parcel Numbers	Prior to Setting Meter
Notice of High/Low Water Pressure	Prior to Setting Meter
Notice of Water Pumping Facility	Prior to Construction
Mechanic's Lien Releases	Upon Request of District

NOTE: The DEVELOPER hereby acknowledges and agrees that the foregoing list is not intended to be exclusive; therefore, the DISTRICT reserves the right to request, from time-to-time, additional documents or documentation.

INSURANCE AND INDEMNIFICATION

V. Indemnification and Hold Harmless. The Developer and the District agree that the District should, to the extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, defense costs, court costs or any other costs arising out of or in any way related to the performance by Developer of this Agreement. Accordingly, the provisions of this indemnity provision are intended by the Parties to be interpreted and construed to provide the fullest protection possible under the law to the District, except for liability attributable to the District's intentional and/or negligent acts. Developer acknowledges that the District would not enter into this Agreement in the absence of this commitment from the Developer to indemnify and protect the District as set forth here.

Therefore, the Developer shall defend, indemnify and hold harmless the District, its employees, agents and officials, from any liability, claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, actual attorneys' fees incurred by the District, court costs, interest, defense costs including expert witness fees and any other costs or expenses of any kind whatsoever without restriction or limitation incurred in relation to, as a consequence of or arising out of or in any way attributable actually, allegedly or impliedly, in whole or in part in the performance by Developer of this

Agreement. All obligations under this provision are to be paid by the Developer as incurred by the District. Notwithstanding the foregoing, the Developer shall have no obligation to defend, indemnify or hold harmless the District, its employees, agents or officials from any liability arising, in whole or in part, from the District's intentional and/or negligent acts.

W. Insurance. The Developer agrees to provide insurance in accordance with the requirements set forth here throughout the term of this Agreement. If the Developer uses existing coverage to comply with these requirements and that coverage does not meet the requirements set forth herein, the Developer agrees to amend, supplement or endorse the existing coverage to do so. The following coverages will be provided by the Developer and maintained on behalf of the District and in accordance with the requirements set forth herein.

1. Commercial General Liability Insurance (Primary) shall be provided on ISO-CGL Form No. CG 00 01 10 93. Policy limits shall be no less than \$1,000,000 per occurrence for all coverages and \$2,000,000 general aggregate. The District and its officials, employees and agents shall be added as additional insureds using ISO Form CG 20 10 10 93. Coverage shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to the District or any employee or agent of the District. Coverage shall not be limited to the vicarious liability or supervisory role of any additional insured. Coverage shall contain no contractors' limitation endorsement. There shall be no endorsement or modification limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.
2. Umbrella Liability Insurance (over Primary) shall apply to bodily injury/property damage, personal injury/advertising injury, at a minimum, and shall include a "drop down" provision providing primary coverage above a maximum \$25,000 self-insured retention for liability not covered by primary policies but covered by the umbrella policy. Coverage shall be following form to any underlying coverage. Coverage shall be provided on a "pay on behalf" basis, with defense costs payable in addition to policy limits. There shall be no cross-liability exclusion and no contractor's limitation endorsement. Policy limits shall be not less than \$1,000,000 per occurrence and \$1,000,000 in the aggregate, above any limits required in the underlying policies. The policy shall have starting and ending dates concurrent with the underlying coverages.
3. Workers' Compensation/Employer's Liability shall provide workers' compensation statutory benefits as required by law. Employer's liability limits shall be no less than \$1,000,000 per accident or disease. Employer's liability coverage shall be scheduled under any umbrella policy described above. Unless otherwise agreed, this policy shall be endorsed to waive any right of subrogation as respects the District, its employees or agents.
4. The Developer and the District further agree as follows:
 - a. All insurance coverage provided pursuant to this Agreement shall not prohibit the Developer, and the Developer's employees or agents, from waiving the right of subrogation prior to a loss. The Developer waives its right of subrogation against the District.

- b. Unless otherwise approved by the District in writing, the Developer's insurance shall be written by insurers authorized to do business in the State of California and with a minimum "Best's" Insurance Guide rating of "A:VII". Self-insurance will not be considered to comply with these insurance specifications.
- c. The Developer agrees to provide evidence of the insurance required herein, satisfactory to the District, consisting of certificate(s) of insurance evidencing all of the coverages required and an additional insured endorsement to the Developer's general liability and umbrella liability policies. Certificate(s) are to reflect that the insurer will provide 30 days' notice of any cancellation of coverage. The Developer agrees to require its insurer to modify such certificate(s) to delete any exculpatory wording stating that failure of the insurer to mail written notice of cancellation imposes no obligation, and to delete the word "endeavor" with regard to any notice provisions. The Developer agrees to provide complete certified copies of policies to the District within 10 days of the District's request for such copies.
- d. In the event of any loss that is not insured due to the failure of the Developer to comply with these requirements, the Developer agrees to be responsible for any all losses, claims, suits, damages, defense obligations and liability of any kind attributed to the District, or the District's officials, employees and agents as a result of such failure.
- e. The Developer agrees not to attempt to avoid its defense and indemnity obligations to the District and its employees, agents and officials by using as defense the Developer's statutory immunity under workers' compensation and similar statutes.

MISCELLANEOUS PROVISIONS

- X. Status of the Parties. This Agreement is not intended to create, and nothing herein contained shall be construed to create, an association, a trust, a joint venture, a partnership or other entity of any kind, or to constitute either party as the agent, employee or partner of the other.
- Y. Force Majeure. If either the District or the Developer is delayed, hindered or prevented from performing any term of this Agreement by any cause beyond either party's control including, without limitation, any strike, walkout, prohibitions imposed by law, rules or regulations, riot, war, act of God or the default of the other party, then such performance may be excused or the time of performance tolled during the period of delay.
- Z. Incorporation of Prior Agreements. This Agreement contains all of the agreements of the parties with respect to any matter covered or mentioned in this Agreement, and no prior agreement or understanding pertaining to any such matter shall be effective for any purpose.

- AA. Waiver. No waiver by either Party of any provisions of this Agreement shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by either Party of the same or any other provisions.
- BB. Severance. If any provision of this Agreement is determined to be void by any court of competent jurisdiction then such determination shall not affect any other provision of this Agreement provided that the purpose of this Agreement is not frustrated.
- CC. Disclaimer. Utilizing fees and Facilities provided to the District by the Developer, the District will supply sewer collection and treatment services to the Developer's Property and Project, however, the District shall not be obligated to utilize public funds to subsidize the Project.
- DD. Water Supply Availability. The District does not guarantee water supply availability and shall not be required to authorize the issuance of grading, building, or occupancy permits during the period of time that the State of California and/or the Board of Directors have declared a water supply reduction of 20% or greater for a specific portion or all of the District's service area.
- EE. Preparation of This Agreement. This Agreement shall not be construed against the Party preparing it, but shall be construed as if both Parties prepared it.
- FF. Alternative Dispute Resolution. Any dispute as to the construction, interpretation or implementation of this Agreement, or any rights or obligations hereunder, shall be submitted to mediation. Unless the Parties enter into a written stipulation to the contrary, prior to the filing of any complaint to initiate legal action, all disputes shall first be submitted to non-binding mediation, conducted by the Judicial Arbitration and Mediation Services, Inc./Endispute, or its successor, or any other neutral, impartial mediation service that the Parties mutually agree upon in accordance with its rules for such mediation. Mediation fees shall be shared equally by the DEVELOPER and the DISTRICT.

END OF SECTION



Director Memorandum 18-085

Date: June 5, 2018

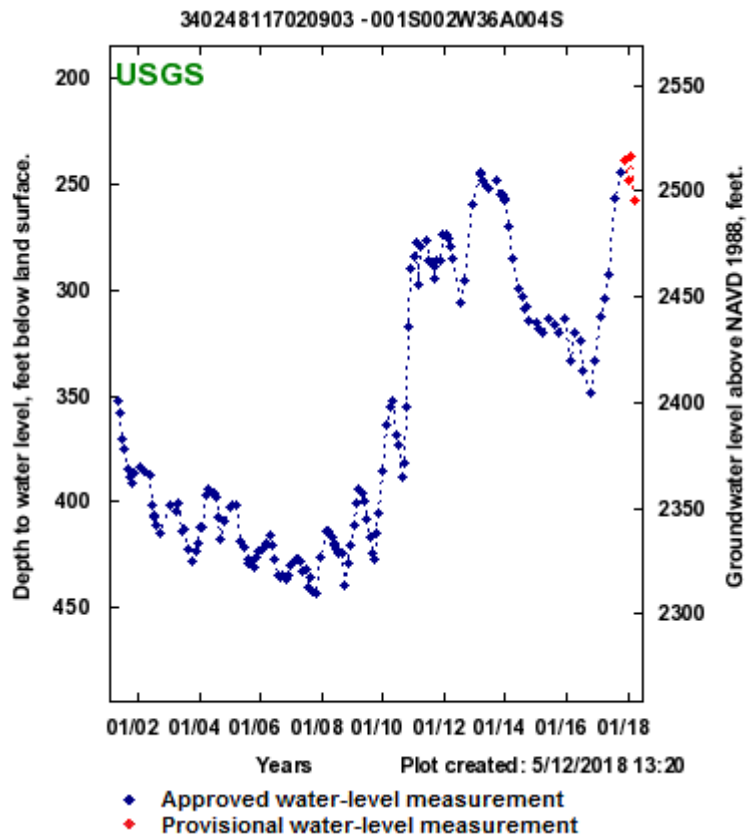
Prepared By: Jennifer Ares, Water Resource Manager

Subject: Consideration of Amendment No. 3 to the Contract with RMC / Woodard & Curran for the Title 22 Engineering Report for Indirect Potable Reuse Project – Wilson Creek Spreading Basins

Recommendation: That the Board approves Amendment No. 3 for a sum not to exceed \$39,900.

The District has been actively recharging imported water at the Wilson Creek Spreading Basins for several years. This recharge strategy has resulted in increased water stored in the Gateway Groundwater Basin, which is the groundwater basin located immediately below the Wilson Creek recharge facilities.

To further increase the amount of water recharged at this location, the Board of Directors approved a series of technical studies that are required by the State of California prior to the recharge of recycled water into the groundwater supply [Director Memorandum No. 15-010]. A computer model has been designed to predict the travel time and underflow characteristics for water molecules added to the Wilson Creek Spreading Basins.



The next step in the process is the preparation of the Title 22 Engineering Report for the Recycled Water Groundwater Recharge. The attached contract amendment includes the additional compilation of the Title 22 Engineering Report along with additional biological studies, comment letters, and the incorporation of the State Water Project recharge annual maintenance activities.

Financial Considerations:

Funding for this project will be from the Recycled Water Fund [GL Account #04-5-06-54109]. This Amendment was not included in the 2017-18 budget, however, there is sufficient funding available in the reserve fund listed above.



National Experience. Local Focus.

May 7, 2018

Mr. Joseph Zoba
Yucaipa Valley Water District
12770 Second Street
Yucaipa, CA 92399-0730

Subject: Proposed Amendment No. 3 to “Title 22 Engineering Report for Indirect Potable Reuse Project – Wilson Creek Spreading Basins”

Dear Mr. Zoba,

In accordance with our recent communications, Woodard & Curran, Inc.¹ is submitting this request to amend our contract with Yucaipa Valley Water District (YVWD/District) for the preparation of the Title 22 Engineering Report for the Wilson Creek Spreading Basins (Project). This proposal describes the changes requested to Woodard & Curran’s scope of work (see Exhibit A), schedule, and fee (see Exhibit B), which are required due to the following changes to the Project tasks:

- Increased scope of work for the preparation of the Title 22 Engineering Report: due to Woodard & Curran taking the lead on completing the six (6) full report sections and three (3) partial report sections that were previously anticipated to be prepared by the District.
- Schedule extension beyond the 12-month project duration anticipated in our August 2015 proposal for the Project. Due to several factors that have impacted the schedule (e.g., activities for the validation testing of the District’s UV disinfection system), the schedule has been extended by many months. This has resulted in additional project management charges and additional project meetings.
- Increased coordination activities with other entities collaborating on the project (e.g., review and coordination with Geoscience for revisions to their report), stakeholders, and regulators.
- Additional effort to respond to comments for the Project’s draft mitigated negative declaration (MND) under the California Environmental Quality Act (CEQA).
- Support of District staff in preparing a notification to California Department of Fish & Wildlife (CDFW) under the Streambed Alteration Agreement Program.

Please do not hesitate to contact me on my cell phone (714.292.6488) or via email (sgoldman@woodardcurran.com) if you have any questions about this amendment request.

Sincerely,

Scott Goldman, P.E., BCEE | Principal

¹ RMC Water and Environment is a wholly owned subsidiary of Woodard & Curran, Inc.

Exhibit A

Scope of Work

Amendment No. 3 to Title 22 Engineering Report for Indirect Potable Reuse Project – Wilson Creek Spreading Basins

The following presents the scope of work for Woodard & Curran under this amendment:

Task 1: Engineering Report – Additional Services

Woodard & Curran will assist the District to prepare a Draft Title 22 Engineering Report that outlines the design criteria, treatment process parameters, and projected effluent quality for the District's Groundwater Recharge project. The format of the report will follow California Division of Drinking Water guidelines. The purpose of the report is to demonstrate to DDW that the planned recycled water infrastructure complies with Title 22 requirements for groundwater recharge using recycled water. Woodard & Curran would act as the lead entity to compile the various sections to produce a complete Report that meets the requirements of Title 22.

Deliverables

- Draft Title 22 Engineering Report for DDW Review (Word and PDF files).

Task 2: Permit Applications – Additional Services

Woodard & Curran will prepare a permit application with the submittal of the draft Engineering Report to DDW. This task will also include up to two teleconferences with DDW staff for the following purposes:

- To discuss changes to the project description and scope of the draft Engineering Report that will be submitted for DDW review.
- To facilitate coordination on comments back from DDW on the draft Engineering Report.

Assumptions

If DDW comments are minimal on the draft Engineering Report, Woodard & Curran's level of effort represented in the fee estimate is expected to be sufficient to address DDW comments in a final Engineering Report together with District staff input and revisions from other team members as required (e.g., Geoscience, SPI, DDB). If DDW comments are more extensive, additional effort and cost may be required.

The Santa Ana Regional Water Quality Control Board (RWQCB) provides local implementation of SWRCB policies and regulations and develops and implements a regional Water Quality Control Plan (Basin Plan) to protect surface water and groundwater quality and beneficial uses. Currently, the RWQCB issues permits for groundwater recharge projects and individual non-potable reuse permits. It is assumed that the District will work directly with the RWQCB staff and will prepare and submit a permit application for the Project.

Task 3: Project Management – Additional Services

Woodard & Curran will perform routine administrative tasks including invoicing, progress reports, budget and schedule tracking. It is anticipated that the project schedule will be extended by four (4) months, and up to two (2) progress meetings will be held with the District (at the District offices and/or by teleconference).

Task 8: Response to MND Comments

Woodard & Curran and Rincon Consultants will review the three comment letters received on the *Wilson Basins Recycled Water Recharge Project MND* and develop draft responses on behalf of the District. Up to two (2) conference calls with District staff will be held to discuss approach to incorporating the commenters requests. The draft response letters will include proposed changes to the draft MND analysis or mitigation measures.

Woodard & Curran will then prepare a final MND file for adoption by the District's Board of Directors, along with a slide presentation explaining key findings in the MND analysis and comments received.

Task 9: Basin Permitting Support



California Department of Fish & Wildlife (CDFW) has suggested that a Streambed Alteration Agreement (SAA) is required for the Wilson Basins Recycled Water Recharge Project pursuant to California Fish and Game Code §1602. Woodard & Curran's regulatory team will provide as needed assistance to the District (up to the level of effort represented in the fee estimate) for the District to prepare a SAA notification package. It is expected that the District will prepare the Notification of Lake or Streambed Alteration form (Form DFW 2023), project description/maps (including the CDFW jurisdictional area maps), and supplemental information as needed.

Woodard & Curran will review the draft SAA notification packages provided by the District. Final notification packages with notification fees (provided by the District) will be compiled and submitted by the District to the CDFW. Woodard & Curran will attend up to two conference calls with CDFW (coordinated by District staff) as needed to discuss the notification package. If CDFW requests additional information for the application to be considered complete, Woodard & Curran will support the District in revising the SAA application packages as requested (up to remaining budget available). This proposal assumes that limited new information will be requested by CDFW. CDFW has 90 days to review and issue the SAA (30-days for completeness check and 60-days for SAA preparation).

Exhibit B

Fee Estimate

5/7/2018

Yucaipa Valley Water District
Amendment No. 3

Title 22 Engineering Report for Indirect Potable Reuse Project - Wilson Creek Spreading Basins

Tasks	Labor				Total Labor Costs (1)	Outside Svcs.		Total ODC's	Total Fee
	Scott Coleman	Nathan Chase	Rosalyn Pickett	Rob Morrow		Rincon Consultants	Sub Consultant Total Cost (2)		
	PM	Permitting SPM	QA/QC SPM	EA/OC SPM		Biological and Cultural			
Task 1 - Title 22 Engineering Report - Additional Services									
1.19 Revisions to Draft Engineering Report	8	\$244	\$265	\$244	\$1,478		\$0	\$110	\$17,568
Subtotal Task 1	8	24	0	6	82		\$0	\$110	\$17,568
Task 2 - Permit Applications - Additional Services									
2.3 Permit Application and up to two (2) DWH teleconferences	4	12			\$5,760		\$0	\$165	\$5,925
Subtotal Task 2	4	12	0	0	26		\$0	\$165	\$5,925
Task 3 - Project Management - Additional Services									
3.2 Schedule, budget, and invoice management (4 mos.)	4	4			\$2,352		\$0	\$0	\$2,352
3.3 Progress meetings (1 meeting and 1 teleconference)	4	8			\$3,840		\$0	\$165	\$4,005
Subtotal Task 3	4	12	0	0	30		\$0	\$165	\$6,357
Task 8 - Response to MND Comments									
8.1 Response to MND Comments	0	0	8	16	\$6,240		\$1,200	\$0	\$7,440
Subtotal Task 8	0	0	8	16	26		\$1,200	\$0	\$7,440
Task 9 - Basin Permitting									
9.1 Basin Permitting Support	0	0	8	0	\$2,336		\$0	\$132	\$2,468
Subtotal Task 9	0	0	8	0	10		\$0	\$132	\$2,468
TOTAL	16	48	16	16	174		\$1,200	\$672	\$39,999

1. The individual hourly rates include salary, overhead and profit.
2. Subconsultants will be billed at actual cost plus 10%.
3. Other direct costs (ODCs) such as reproduction, delivery, mileage (rates will be those allowed by current IRS guidelines), and travel expenses, will be billed at actual cost plus 10%.
4. Woodward & Curran reserves the right to adjust its hourly rate structure and ODC markup at the beginning of the calendar year for all ongoing contracts.



Date: June 5, 2018

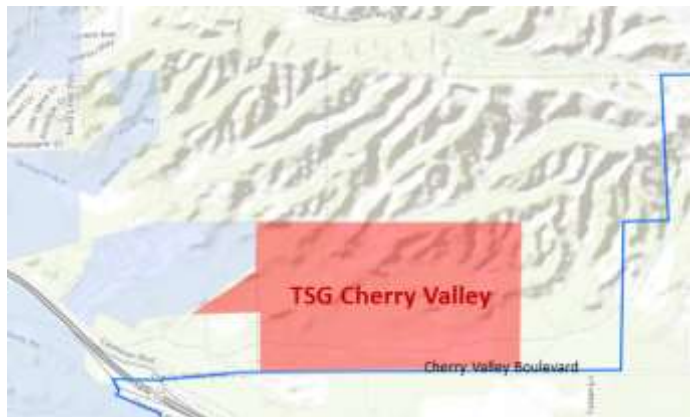
Prepared By: Joseph Zoba, General Manager

Subject: Consideration of Resolution No. 2018-18 Requesting the Local Agency Formation Commission Take Proceedings for the Annexation of Territory (Assessor Parcel Numbers 407-220-004, 007, 008, 009, 014, 016, and 017, and 413-270-012 and 013)

Recommendation: That the Board approves Resolution No. 2018-18.

On May 16, 2018, the District received a request to proceed with the annexation of 242.63 acres of territory into the District's boundary for drinking water, recycled water, and sewer service. The area is currently within the District's sphere of influence, but outside of the service area boundary.

The District staff has prepared Resolution No. 2018-18 for your review and consideration.



TSG Cherry Valley, LP
2 Park Plaza, Suite 700
Irvine, California 92614

Mr. Joseph Zoba
Yucaipa Valley Water District
P.O. Box 730
Yucaipa, CA 92399

RE: Annexation into Yucaipa Valley Water District
TSG Cherry Valley, LP

Dear Mr. Zoba:

This letter is being provided to Yucaipa Valley Water District (the "District") based upon our recent discussions regarding the possible annexation of properties within the District's sphere of influence into the District's boundaries. TSG Cherry Valley, LP ("TSG") owns certain real properties within the District's sphere of influence, totaling approximately 242.63 acres, including Assessor's Parcel Nos. 407-220-004, 007, 008, 009, 014, 016 and 017, and 413-270-012 and 013.

TSG is amendable to annexing into the District's boundaries, and is hereby authorizing the District to include the TSG properties in the proposed annexation into the District. Attached is a map showing the location of the TSG properties and the current District boundary and sphere of influence for your reference.

We look forward to working with you on the proposed annexation. Should you need any additional information, please feel free to contact Brian Rupp at (949) 231-5068 or via email at brupp@shopoff.com.

Sincerely,



TSG Cherry Valley, LP
By: TSG GP, LLC, its General Partner
By: William A. Shopoff, Manager

Cc: Jennifer Guenther, Esq.
Patrick Meyer
Brian Rupp

RESOLUTION NO. 2018-18**A RESOLUTION OF THE YUCAIPA VALLEY WATER DISTRICT
REQUESTING THE LOCAL AGENCY FORMATION COMMISSION TAKE
PROCEEDINGS FOR THE ANNEXATION OF TERRITORY**

(Assessor Parcel Numbers 407-220-004, 007, 008, 009, 014, 016,
and 017, and 413-270-012 and 013)

BE IT RESOLVED, by the Board of Directors of the Yucaipa Valley Water that:

WHEREAS, the Board of Directors of the Yucaipa Valley Water District desires to initiate proceedings pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the California Government Code, for the annexation of property to the Yucaipa Valley Water District; and,

WHEREAS, the territory proposed for a sphere of influence modification and annexation is set forth in Exhibit "A" attached hereto and identified by Assessor Parcel Number above, and by this reference incorporated herein; and,

WHEREAS, the proposed annexation is not expected to require a modification to the sphere of influence assigned by the Local Agency Formation Commission for the Yucaipa Valley Water District; and,

WHEREAS, it is desired that the proposed annexation be subject to the following terms and conditions:

1. The annexation will require the Yucaipa Valley Water District to provide drinking water, recycled water, and sewer collection service to the property pursuant to the rules and regulations of the Yucaipa Valley Water District.
2. All standards conditions and cost associated with the filing, proceedings, and preparation of material for the Local Agency Formation Commission shall be the sole responsibility of the property owner.

NOW, THEREFORE, BE IT RESOLVED, that this resolution of Application is hereby approved and adopted by the Board of Directors of the Yucaipa Valley Water District, and the Local Agency Formation Commission for San Bernardino County is hereby requested to take proceedings for the annexation as illustrated in Exhibit "A".

BE IT FURTHER RESOLVED, that the Secretary of the Yucaipa Valley Water District is hereby authorized and directed to transmit to the Executive Officer of the Local Agency Formation Commission a certified copy of this Resolution.

PASSED, APPROVED and ADOPTED this 5th day of June 2018.

YUCAIPA VALLEY WATER DISTRICT

Jay Bogh, President Board of Directors

ATTEST:

Joseph B. Zoba, General Manager



Date: June 5, 2018

Prepared By: Joseph Zoba, General Manager

Subject: Consideration of Approving Anticipated Reimbursable Expenses for Board Member Participation at the Western Coalition of Arid States Conference and the Association of California Water Agencies Conference

Recommendation: That the Board approves the reimbursement of conference related expenses pursuant to District policy for board members that will be attending the conferences.

On August 3, 2016, the Board of Directors approved Resolution No. 2016-21 which updated the policy for reimbursement of actual and necessary expenses for the Board of Directors. Section 2 and Section 3 of Resolution No. 2016-21 are pertinent to receive reimbursement for expenses incurred by board members.

2. Reimbursable Expenses of Board Members. As authorized by Government Code, Section 53232.2 the following actual and necessary expenses incurred by Board members in the performance of their official duties shall be reimbursed by the District:
 - (a) Mileage at the rate established by the Internal Revenue Service to and from all Meetings as defined by the District's Ordinance No. 53-2007 and this Resolution;
 - (b) Travel and lodging expenses that have been approved by the Board of Directors prior to the date the meeting, seminar or event.
 - (c) Meal expenses incurred by a board member in attending such meetings with detailed receipts;
 - (d) Lodging costs, in connection with a conference or organized educational activity conducted in compliance with the Brown Act, including but not limited to the ethics training in Section 4 below, shall not exceed the maximum group rate published by the conference or activity sponsor or if no group rate is provided then the lodging cost shall not exceed the government and group rates offered by a provider of transportation or lodging services for travel and lodging when available.

3. Expense Report Requirements. The District shall provide written expense report forms to be filed by the District's Board members for reimbursement of actual and necessary expenses incurred on behalf of the District in performance of official duties. Such filings shall include all receipts for such expenses. Reimbursable expenses to be reported shall include, but not be limited to, mileage, meals, lodging and other travel-related expenses. All such expense reports shall constitute public records under

the California Public Records Act. The District Board member shall provide brief oral reports on meetings attended at the expense of the District at the next regular meeting of the District's Board of Directors.

The District staff has received a request from Director Shalhoub to attend the Western Coalition of Arid States (WESTCAS) meeting in June 2018, and we anticipate receiving requests from board members to attend the ACWA 2018 Fall Conference in November 2018. The meeting agenda for WESTCAS is attached, but the details for the ACWA Fall Conference are unavailable at this time.

The purpose of this agenda item is to receive authorization for reimbursement and to determine the board members interested in attending these events.



"The Voice of Water Quality in the Arid West"

WESTCAS 2018 Annual Conference
June 20-22, 2018
Island Palms Hotel & Marina
San Diego, CA

"Planning for Average...Preparing for Extremes"

Even in the Arid West, where water managers have learned to deal with "long periods of boredom, punctuated by moments of sheer terror", the uptick in extreme events raises the question of when and how to prepare for extremes. WESTCAS invites you to participate in our 26th Annual Conference in San Diego, California June 20-22, 2018. Our program includes panel discussions on what climatic conditions we might expect and proactive water management solutions that are being implemented. These proactive solutions include forest management to protect water supplies from forest fires, storing water underground, and potable reuse.

This conference also features up-to-date status reports on regulatory issues including water quality standards, drinking water, and the definition of waters of the United States. As always, our session on legislative issues will highlight how the Federal budget and legislation will impact western water and wastewater agencies. The outcome of these sessions will be concrete steps that WESTCAS will take to weigh in on the issues that disproportionately impact the arid west states. Adding your voice and perspectives to our annual conference will strengthen the "The Voice of Water Quality in the Arid West".

Please consider joining us and staying for the weekend to enjoy all that San Diego has to offer.

~Steve Bigley, President, WESTCAS

WESTCAS 2018 Annual Conference Agenda

Wednesday - June 20th	
Time	Speaker/Event
8:00AM	Registration and Morning Coffee
8:30 AM	Welcome Steve Bigley, WESTCAS President Director of Environmental Services, Coachella Valley Water District
8:45 AM	"WOTUS Update - WESTCAS Perspective" Jim Kudlinski, WESTCAS Regulatory Committee Chair, Supervisor, Environmental Support Services, Salt River Project
9:15 AM	"A Look at the Arid West Water Quality Research Project" Co-Presenters: Robert Gensemer Ph.D. and Richard Meyerhoff, Ph.D. GEI Consultants, Denver, CO
10:15 AM	Break
10:30 AM	<b style="color: red;">Preparing for Extremes - Climate Panel "Improving Sub-seasonal to Seasonal Precipitation Forecasting for Water Management" Jeanine Jones, Interstate Resource Manager, California Department of Water Resources "Planning for a Future Climate on the Salt and Verde River System" James Walter, Meteorologist, Salt River Project "Integrating Climate Data Into Forecasting Hydrologic Inflow" Co-Presenters: Laura Blaylock, Manager, Energy & Water Management and Courtney Jalbert, Infrastructure Integrity Manager, Tarrant Regional Water District, Fort Worth, TX
12:30 PM	Hosted Welcome Lunch "California Water Fix - Extreme Financing" Tim Quinn, Ph. D., Executive Director, Association of California Water Agencies
2:00 PM	"Maintaining Water Supply Resiliency in Extreme Times" Update from the U. S. Bureau of Reclamation <ul style="list-style-type: none"> •Colorado River Issues - Shortage Status? •Salinity Control Program •Title XVI •Federal Budget – 2-year outlook •Future of Pilot System Conservation Program
3:00 PM	Break
3:15 PM	WESTCAS Member Regulatory Update "Chromium 6" Steve Bigley, WESTCAS President "SPCC Hazardous Substance Proposed Rule" Jim Kudlinski, Supervisor, Environmental Support Services, Salt River Project "Salinity" Peggy Glass, Ph.D., Principal, Alan Plummer Associates "NPDES Groundwater" Kelly Collins, PG, BCES, Principal Technologist, Carollo Engineers
4:15 PM	<b style="color: red;">Tipping the Federal Scale - DC Extremes "Federal Water Quality Coalition Regulatory Updates" Barnes & Thornburg LLP
5:00 PM	State Reports CA, CO, NV
5:30 PM	Hosted Welcome Reception **Dinner on Your own**

Thursday - June 21st	
8:00 AM	Registration and Morning Coffee
8:15 AM	Welcome Steve Bigley, WESTCAS President
8:30AM	"WESTCAS Plan of Action in D.C." Hicks-Ray Associates <ul style="list-style-type: none"> •WESTCAS Phoenix Fly-In Issues Survey •Water Resources Development Act, WIFIA •Protecting Interstate Waters - Lacey Act Update •Water Conservation Rebate Update <ul style="list-style-type: none"> •Title XVI •Rule Rollbacks & Budget Cutbacks •DC Business – Life under the new administration •WESTCAS Work Session
10:15 AM	Break
10:30 AM	"The Mission of the Western Federal Agency Support Team (WestFAST)" Roger Gorke Senior Policy Advisor Office of Water U. S. Environmental Protection Agency
11:15 AM	"Weather-Proofing California's Water Supply With Extreme Financing" Dee Zinke, Assistant General Manager, Chief External Affairs Officer, Metropolitan Water District of Southern California (Invited) <ul style="list-style-type: none"> •California Water Project •Lower Colorado Basin Issues •Metropolitan's View on Climate Change & Water Supply
11:45 AM	State Reports AZ, NM, TX
12:15 PM	Hosted Networking Lunch
1:45 PM	"USFS Forest Fire Initiative" Chris Treese, External Affairs Manager, Colorado River Water Conservation District
2:45 PM	"Building and Maintaining Fire Resistant Water Supplies" Andrew Fecko, Director of Strategic Affairs, Placer County Water Agency, CA
3:15 PM	Break
3:30 PM	Groundwater Storage - Extreme Measures "Groundwater Banking" Brian Powell, Director, Groundwater Management, Eastern Municipal Water District, Perris, CA "Groundwater Replenishment in Coachella Valley, CA" Zoe Rodriguez del Rey, Coachella Valley Water District, Coachella, CA "ASR Well Technologies and Advancement" Gary Gin, Vice President, Leonard Rice Engineers "Increasing Use of Aquifer Storage and Recovery (ASR) Importance In Drought Prone States" David Harkins, Ph.D., P.E., Carollo Engineers
5:15 PM	Annual WESTCAS Membership Meeting 2018 Steve Bigley, WESTCAS President State Caucuses & Board Elections Jim Kudlinski, WESTCAS Secretary
5:45 PM	WESTCAS Happy Hour
Friday - June 22 nd	
8:00 AM	Associates Committee Meeting
9:00 AM	WESTCAS Board Meeting
11:30 AM	Conference Adjournment

Note: Any times and/or speakers will be updated if changed from above



[HOME](#) / [EVENTS](#) / [CONFERENCES](#) / [2018 FALL CONFERENCE & EXHIBITION](#)

ACWA conferences are the premier destination for water industry professionals to learn and connect. Program offerings include Statewide Issue Forums, Town Hall discussions, Region Programs and sessions covering a wide range of topics including groundwater management, water rates issues, crisis communications, affordable drinking water issues, municipal finance, and more.

Specific details about this conference will be made available in the future. Please check back for updates.

Important Links

- [Conference Information](#) ** COMING SOON **
- [Exhibitor Information](#) ** COMING SOON **
- [Sponsorship Information](#)

MINUTES OF A REGULAR BOARD MEETING

August 3, 2016 at 6:00 P.M.

Directors Present:

Lonni Granlund, President
Bruce Granlund, Director
Ken Munoz, Director

Staff Present:

Joseph Zoba, General Manager
Jack Nelson, Assistant General Manager
Vicky Elisalda, Controller
Jennifer Ares, Water Resource Manager
John Hull, Public Works Manager
Mike Kostelecky, Senior Plant Operator

Directors Absent:

Jay Bogh, Vice President
Tom Shalhoub, Director

Consulting Staff Present:

David Wysocki, Legal Counsel

Registered Guests and Others Present:

Linda Shelton, Customer
Cesia Romero, Guest
Bruce Cash, Guest
Gil Navarro, San Bernardino Valley Municipal Water District
David Fenn, San Gorgonio Pass Water Agency
Leonard Stevenson, San Gorgonio Pass Water Agency

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

CALL TO ORDER

Director Bruce Granlund led the pledge of allegiance.

FLAG SALUTE

The roll was called and Director Bruce Granlund, Director Lonni Granlund, and Director Ken Munoz were present. Director Jay Bogh and Director Tom Shalhoub were absent.

ROLL CALL

Gil Navarro requested information about the water conservation rebates offered by the District and introduced Cesia Romero.

PUBLIC COMMENTS

Director Bruce Granlund moved to approve the consent calendar and Director Ken Munoz seconded the motion.

CONSENT CALENDAR

A. Minutes of Meetings

1. Regular Board Meeting – July 20, 2016
2. Board Workshop – July 26, 2016

The motion was approved by the following vote:

Director Jay Bogh - Absent

Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Ken Munoz - Yes
Director Tom Shalhoub - Absent

General Manager Joseph Zoba discussed the following items:

- Information was provided about the recent construction activity by the Department of Water Resources that impacted imported water deliveries to the Crafton Hills Reservoir and the Yucaipa Valley Regional Water Filtration Facility.
- The District will be presenting resolutions at future board meetings recognizing the contributions of Jack Nelson and Linda Kilday for service to the Yucaipa Valley Water District upon their retirement.

STAFF REPORT

DISCUSSION ITEMS:

Following a staff presentation by Assistant General Manager Jack Nelson, Director Bruce Granlund moved and Director Ken Munoz seconded a motion to deny the claims for construction related work on Yucaipa Valley Water District property – James Jones.

The motion was approved by the following vote:

Director Jay Bogh - Absent
Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Ken Munoz - Yes
Director Tom Shalhoub - Absent

DM 16-072
DENIAL OF CLAIMS
RELATED TO
CONSTRUCTION
WORK ON YUCAIPA
VALLEY WATER
DISTRICT PROPERTY
- JAMES JONES

Following a staff presentation by General Manager Joseph Zoba, Director Ken Munoz moved and Director Bruce Granlund seconded a motion to adopt Resolution No. 2016-21.

The motion was approved by the following vote:

Director Jay Bogh - Absent
Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Ken Munoz - Yes
Director Tom Shalhoub - Absent

DM 16-073
CONSIDERATION OF
RESOLUTION NO.
2016-21 UPDATING
THE POLICY FOR
REIMBURSEMENT OF
ACTUAL AND
NECESSARY
EXPENSES OF THE
BOARD OF
DIRECTORS

Following a staff presentation by General Manager Joseph Zoba, Director Bruce Granlund moved and Director Ken Munoz seconded a motion to continue the discussion of this item until the next board meeting on August 17, 2016.

The motion was approved by the following vote:

Director Jay Bogh - Absent
Director Bruce Granlund - Yes
Director Lonni Granlund - Yes
Director Ken Munoz - Yes
Director Tom Shalhoub - Absent

DM 16-074
CONSIDERATION OF
CHANGING THE
REGULAR MEETING
DATES FOR YUCAIPA
VALLEY WATER
DISTRICT BOARD
MEETINGS AND
WORKSHOPS

There were no board reports.

BOARD REPORTS

There were no director comments.

DIRECTOR
COMMENTS

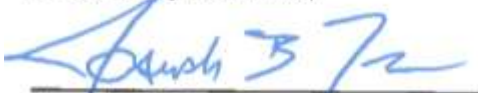
Director Lonni Granlund called attention to the announcements listed on the agenda.

ANNOUNCEMENTS

The meeting was adjourned at 6:25 p.m.

ADJOURNMENT

Respectfully submitted,



Joseph B. Zoba, Secretary

Board Reports



Yucaipa Valley Water District

Director Comments



Yucaipa Valley Water District



FACTS ABOUT THE YUCAIPA VALLEY WATER DISTRICT

Service Area Size: 40 square miles (sphere of influence is 68 square miles)

Elevation Change: 3,140 foot elevation change (from 2,044 to 5,184 feet)

Number of Employees: 5 elected board members
62 full time employees

Operating Budget: Water Division - \$13,397,500
Sewer Division - \$11,820,000
Recycled Water Division - \$537,250
Total Annual Budget - \$25,754,750

Number of Services: 12,434 water connections serving 17,179 units
13,559 sewer connections serving 20,519 units
64 recycled water connections

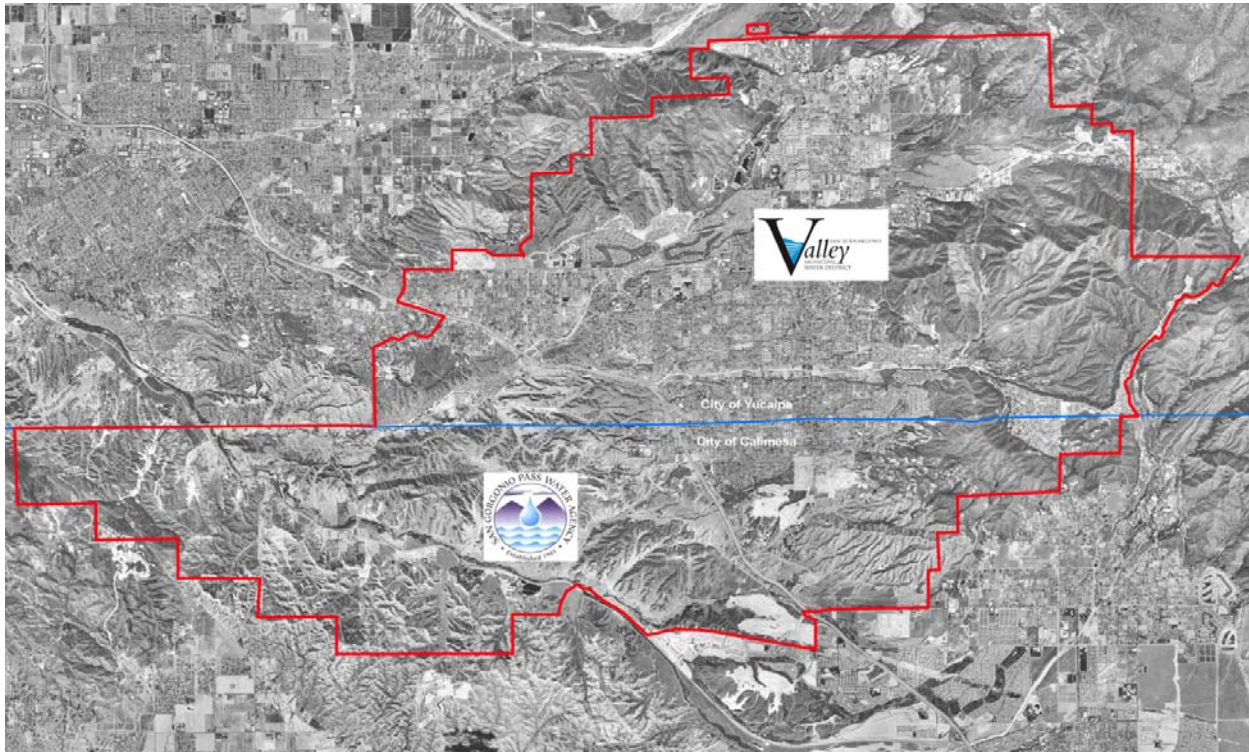
Water System: 215 miles of drinking water pipelines
27 reservoirs - 34 million gallons of storage capacity
18 pressure zones
12,000 ac-ft annual water demand (3.9 billion gallons)
Two water filtration facilities:
- 1 mgd at Oak Glen Surface Water Filtration Facility
- 12 mgd at Yucaipa Valley Regional Water Filtration Facility

Sewer System: 8.0 million gallon treatment capacity - current flow at 4.0 mgd
205 miles of sewer mainlines
5 sewer lift stations
4,500 ac-ft annual recycled water prod. (1.46 billion gallons)

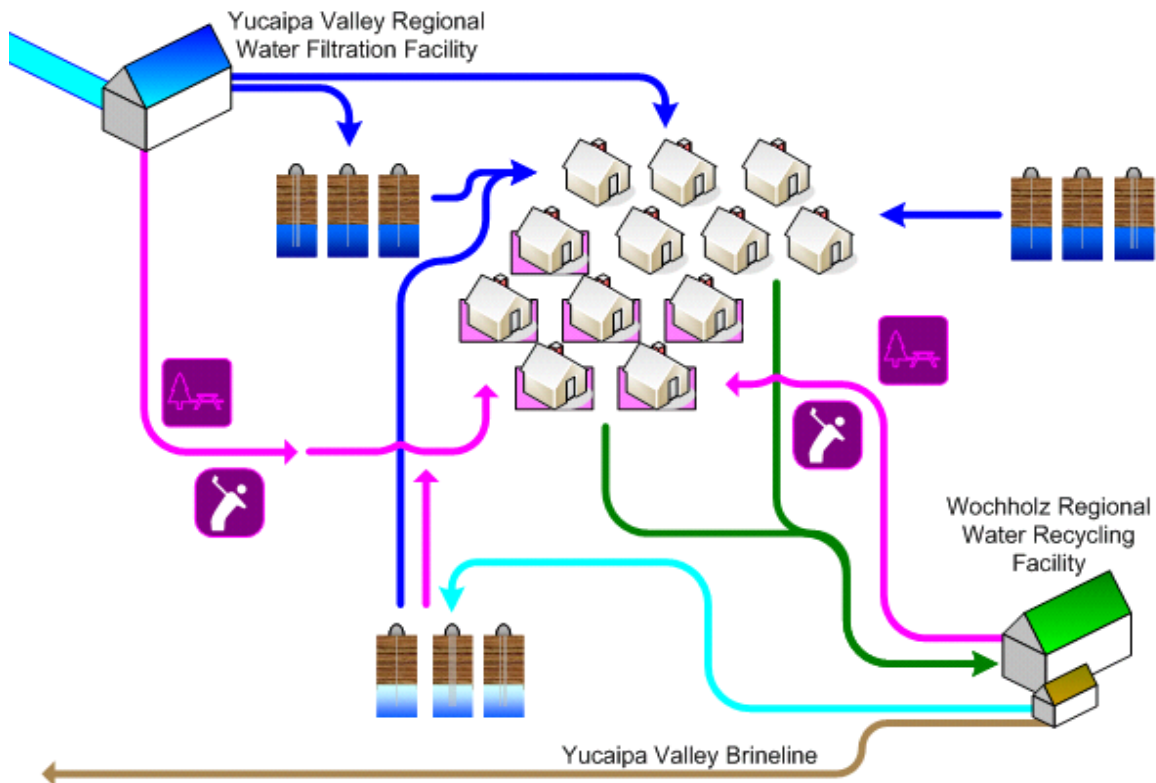
Recycled Water: 22 miles of recycled water pipelines
5 reservoirs - 12 million gallons of storage
1,200 ac-ft annual recycled demand (0.4 billion gallons)

Brine Disposal: 2.2 million gallon desalination facility at sewer treatment plant
1.108 million gallons of Inland Empire Brine Line capacity
0.295 million gallons of treatment capacity in Orange County

State Water Contractors: San Bernardino Valley Municipal Water District
San Gorgonio Pass Water Agency



Sustainability Plan: A Strategic Plan for a Sustainable Future: The Integration and Preservation of Resources, adopted on August 20, 2008.





THE MEASUREMENT OF WATER PURITY

One part per hundred is generally represented by the percent (%).
This is equivalent to about fifteen minutes out of one day.

One part per thousand denotes one part per 1000 parts.
This is equivalent to about one and a half minutes out of one day.

One part per million (ppm) denotes one part per 1,000,000 parts.
This is equivalent to about 32 seconds out of a year.

One part per billion (ppb) denotes one part per 1,000,000,000 parts.
This is equivalent to about three seconds out of a century.

One part per trillion (ppt) denotes one part per 1,000,000,000,000 parts.
This is equivalent to about three seconds out of every hundred thousand years.

One part per quadrillion (ppq) denotes one part per 1,000,000,000,000,000 parts.
This is equivalent to about two and a half minutes out of the age of the Earth (4.5 billion years).





GLOSSARY OF COMMONLY USED TERMS

Every profession has specialized terms which generally evolve to facilitate communication between individuals. The routine use of these terms tends to exclude those who are unfamiliar with the particular specialized language of the group. Sometimes jargon can create communication cause difficulties where professionals in related fields use different terms for the same phenomena.

Below are commonly used water terms and abbreviations with commonly used definitions. If there is any discrepancy in definitions, the District's Regulations Governing Water Service is the final and binding definition.

Acre Foot of Water - The volume of water (325,850 gallons, or 43,560 cubic feet) that would cover an area of one acre to a depth of 1 foot.

Activated Sludge Process – A secondary biological sewer treatment process where bacteria reproduce at a high rate with the introduction of excess air or oxygen, and consume dissolved nutrients in the wastewater.

Annual Water Quality Report - The document is prepared annually and provides information on water quality, constituents in the water, compliance with drinking water standards and educational material on tap water. It is also referred to as a Consumer Confidence Report (CCR).

Aquifer - The natural underground area with layers of porous, water-bearing materials (sand, gravel) capable of yielding a supply of water; see Groundwater basin.

Backflow - The reversal of water's normal direction of flow. When water passes through a water meter into a home or business it should not reverse flow back into the water mainline.

Best Management Practices (BMPs) - Methods or techniques found to be the most effective and practical means in achieving an objective. Often used in the context of water conservation.

Biochemical Oxygen Demand (BOD) – The amount of oxygen used when organic matter undergoes decomposition by microorganisms. Testing for BOD is done to assess the amount of organic matter in water.

Biosolids – Biosolids are nutrient rich organic and highly treated solid materials produced by the sewer treatment process. This high-quality product can be used as a soil amendment on farm land or further processed as an earth-like product for commercial and home gardens to improve and maintain fertile soil and stimulate plant growth.

Catch Basin – A chamber usually built at the curb line of a street, which conveys surface water for discharge into a storm sewer.

Capital Improvement Program (CIP) – Projects for repair, rehabilitation, and replacement of assets. Also includes treatment improvements, additional capacity, and projects for the support facilities.

Collector Sewer – The first element of a wastewater collection system used to collect and carry wastewater from one or more building sewer laterals to a main sewer.

Coliform Bacteria – A group of bacteria found in the intestines of humans and other animals, but also occasionally found elsewhere and is generally used as an indicator of sewage pollution.

Combined Sewer Overflow – The portion of flow from a combined sewer system, which discharges into a water body from an outfall located upstream of a wastewater treatment plant, usually during wet weather conditions.

Combined Sewer System– Generally older sewer systems designed to convey both sewage and storm water into one pipe to a wastewater treatment plant.

Conjunctive Use - The coordinated management of surface water and groundwater supplies to maximize the yield of the overall water resource. Active conjunctive use uses artificial recharge, where surface water is intentionally percolated or injected into aquifers for later use. Passive conjunctive use is to simply rely on surface water in wet years and use groundwater in dry years.

Consumer Confidence Report (CCR) - see Annual Water Quality Report.

Cross-Connection - The actual or potential connection between a potable water supply and a non-potable source, where it is possible for a contaminant to enter the drinking water supply.

Disinfection By-Products (DBPs) - The category of compounds formed when disinfectants in water systems react with natural organic matter present in the source water supplies. Different disinfectants produce different types or amounts of disinfection byproducts. Disinfection byproducts for which regulations have been established have been identified in drinking water, including trihalomethanes, haloacetic acids, bromate, and chlorite

Drought - a period of below average rainfall causing water supply shortages.

Dry Weather Flow – Flow in a sanitary sewer during periods of dry weather in which the sanitary sewer is under minimum influence of inflow and infiltration.

Fire Flow - The ability to have a sufficient quantity of water available to the distribution system to be delivered through fire hydrants or private fire sprinkler systems.

Gallons per Capita per Day (GPCD) - A measurement of the average number of gallons of water use by the number of people served each day in a water system. The calculation is made by dividing the total gallons of water used each day by the total number of people using the water system.

Groundwater Basin - An underground body of water or aquifer defined by physical boundaries.

Groundwater Recharge - The process of placing water in an aquifer. Can be a naturally occurring process or artificially enhanced.

Hard Water - Water having a high concentration of minerals, typically calcium and magnesium ions.

Hydrologic Cycle - The process of evaporation of water into the air and its return to earth in the form of precipitation (rain or snow). This process also includes transpiration from plants, percolation into the ground, groundwater movement, and runoff into rivers, streams and the ocean; see Water cycle.

Infiltration – Water other than sewage that enters a sewer system and/or building laterals from the ground through defective pipes, pipe joints, connections, or manholes. Infiltration does not include inflow. See *Inflow*.

Inflow - Water other than sewage that enters a sewer system and building sewer from sources such as roof vents, yard drains, area drains, foundation drains, drains from springs and swampy areas, manhole covers, cross connections between storm drains and sanitary sewers, catch basins, cooling towers, storm waters, surface runoff, street wash waters, or drainage. Inflow does not include infiltration. See *Infiltration*.

Inflow / Infiltration (I/I) – The total quantity of water from both inflow and infiltration.

Mains, Distribution - A network of pipelines that delivers water (drinking water or recycled water) from transmission mains to residential and commercial properties, usually pipe diameters of 4" to 16".

Mains, Transmission - A system of pipelines that deliver water (drinking water or recycled water) from a source of supply the distribution mains, usually pipe diameters of greater than 16".

Meter - A device capable of measuring, in either gallons or cubic feet, a quantity of water delivered by the District to a service connection.

Overdraft - The pumping of water from a groundwater basin or aquifer in excess of the supply flowing into the basin. This pumping results in a depletion of the groundwater in the basin which has a net effect of lowering the levels of water in the aquifer.

Peak Flow – The maximum flow that occurs over a specific length of time (e.g., daily, hourly, instantaneously).

Pipeline - Connected piping that carries water, oil or other liquids. See Mains, Distribution and Mains, Transmission.

Point of Responsibility, Metered Service - The connection point at the outlet side of a water meter where a landowner's responsibility for all conditions, maintenance, repairs, use and replacement of water service facilities begins, and the District's responsibility ends.

Potable Water - Water that is used for human consumption and regulated by the California Department of Public Health.

Pressure Reducing Valve - A device used to reduce the pressure in a domestic water system when the water pressure exceeds desirable levels.

Pump Station - A drinking water or recycled water facility where pumps are used to push water up to a higher elevation or different location.

Reservoir - A water storage facility where water is stored to be used at a later time for peak demands or emergencies such as fire suppression. Drinking water and recycled water systems will typically use concrete or steel reservoirs. The State Water Project system considers lakes, such as Shasta Lake and Folsom Lake to be water storage reservoirs.

Runoff - Water that travels downward over the earth's surface due to the force of gravity. It includes water running in streams as well as over land.

Sanitary Sewer System - Sewer collection system designed to carry sewage, consisting of domestic, commercial, and industrial wastewater. This type of system is not designed nor intended to carry water from rainfall, snowmelt, or groundwater sources. See *Combined Sewer System*.

Sanitary Sewer Overflow – Overflow from a sanitary sewer system caused when total wastewater flow exceeds the capacity of the system. See *Combined Sewer Overflow*.

Santa Ana River Interceptor (SARI) Line – A regional brine line designed to convey 30 million gallons per day of non-reclaimable wastewater from the upper Santa Ana River basin to the sewer treatment plant operated by Orange County Sanitation District.

Secondary Treatment – Biological sewer treatment, particularly the activated-sludge process, where bacteria and other microorganisms consume dissolved nutrients in wastewater.

Supervisory Control and Data Acquisition (SCADA) - A computerized system which provides the ability to remotely monitor and control water system facilities such as reservoirs, pumps and other elements of water delivery.

Service Connection - The water piping system connecting a customer's system with a District water main beginning at the outlet side of the point of responsibility, including all plumbing and equipment located on a parcel required for the District's provision of water service to that parcel.

Sludge – Untreated solid material created by the treatment of sewage.

Smart Irrigation Controller - A device that automatically adjusts the time and frequency which water is applied to landscaping based on real-time weather such as rainfall, wind, temperature and humidity.

Special District - A political subdivision of a state established to provide a public services, such as water supply or sanitation, within a specific geographic area.

Surface Water - Water found in lakes, streams, rivers, oceans or reservoirs behind dams.

Total Suspended Solids (TSS) – The amount of solids floating and in suspension in water or sewage.

Transpiration - The process by which water vapor is released into the atmosphere by living plants.

Trickling Filter – A biological secondary treatment process in which bacteria and other microorganisms, growing as slime on the surface of rocks or plastic media, consume nutrients in primary treated sewage as it trickles over them.

Underground Service Alert (USA) - A free service that notifies utilities such as water, telephone, cable and sewer companies of pending excavations within the area (dial 8-1-1 at least 2 working days before you dig).

Urban Runoff - Water from city streets and domestic properties that typically carries pollutants into the storm drains, rivers, lakes, and oceans.

Valve - A device that regulates, directs or controls the flow of water by opening, closing or partially obstructing various passageways.

Wastewater – Any water that enters the sanitary sewer.

Water Banking - The practice of actively storing or exchanging in-lieu surface water supplies in available groundwater basin storage space for later extraction and use by the storing party or for sale or exchange to a third party. Water may be banked as an independent operation or as part of a conjunctive use program.

Water cycle - The continuous movement water from the earth's surface to the atmosphere and back again; see Hydrologic cycle.

Water Pressure - Pressure created by the weight and elevation of water and/or generated by pumps that deliver water to the tap.

Water Service Line - The pipeline that delivers potable water to a residence or business from the District's water system. Typically the water service line is a 1" to 1½" diameter pipe for residential properties.

Watershed - A region or land area that contributes to the drainage or catchment area above a specific point on a stream or river.

Water Table - The upper surface of the zone of saturation of groundwater in an unconfined aquifer.

Water Transfer - A transaction, in which a holder of a water right or entitlement voluntarily sells/exchanges to a willing buyer the right to use all or a portion of the water under that water right or entitlement.

Water Well - A hole drilled into the ground to tap an underground water aquifer.

Wetlands - Lands which are fully saturated or under water at least part of the year, like seasonal vernal pools or swamps.

Wet Weather Flow – Dry weather flow combined with stormwater introduced into a combined sewer system, and dry weather flow combined with infiltration/inflow into a separate sewer system.





COMMONLY USED ABBREVIATIONS

AQMD	Air Quality Management District
BOD	Biochemical Oxygen Demand
CARB	California Air Resources Board
CCTV	Closed Circuit Television
CWA	Clean Water Act
EIR	Environmental Impact Report
EPA	U.S. Environmental Protection Agency
FOG	Fats, Oils, and Grease
GPD	Gallons per day
MGD	Million gallons per day
O & M	Operations and Maintenance
OSHA	Occupational Safety and Health Administration
POTW	Publicly Owned Treatment Works
PPM	Parts per million
RWQCB	Regional Water Quality Control Board
SARI	Santa Ana River Inceptor
SAWPA	Santa Ana Watershed Project Authority
SBVMWD	San Bernardino Valley Municipal Water District
SCADA	Supervisory Control and Data Acquisition system
SSMP	Sanitary Sewer Management Plan
SSO	Sanitary Sewer Overflow
SWRCB	State Water Resources Control Board
TDS	Total Dissolved Solids
TMDL	Total Maximum Daily Load
TSS	Total Suspended Solids
WDR	Waste Discharge Requirements
YVWD	Yucaipa Valley Water District