Yucaipa Valley Water District

Notice and Agenda of a Board Workshop

Tuesday, May 28, 2019 at 4:00 p.m.

MEETING LOCATION:	District Administration Building 12770 Second Street, Yucaipa
MEMBERS OF THE BOARD:	Director Chris Mann, Division 1 Director Bruce Granlund, Division 2 Director Jay Bogh, Division 3 Director Lonni Granlund, Division 4 Director Joyce McIntire, Division 5

I. Call to Order - Pledge of Allegiance

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

III. Staff Report

IV. Operational Updates

A. Overview of Recent Water Mainline Issues on Oak Grove Road, Yucaipa [Workshop Memorandum No. 19-117 - Page 5 of 69]

V. Capital Improvement Projects

A. Overview of Proposed Sewer Facility Design Services for the Upper Summerwind Lift Station and Alignment Study by Krieger & Stewart [Workshop Memorandum No. 19-118 - Page 7 of 69]

B. Status Report on the Geotechnical Investigation in the Vicinity of the Calimesa Lake and Recharge Facility and Review of Consulting Charges for Additional Work [Workshop Memorandum No. 19-119 - Page 16 of 69]

VI. Development Related

A. Overview of the Statewide Community Infrastructure Program for the Financing and Construction of Various District Facilities [Workshop Memorandum No. 19-120 - Page 22 of 69]

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

VII. Administrative Issues

A. Review of Draft Resolution No. 2019-xx Establishing the Appropriation Limit for Fiscal Year 2019-20 [Workshop Memorandum No. 19-121 - Page 40 of 69]

B. Identification and Declaration of Bad Debt for Calendar Year 2017 [Workshop Memorandum No. 19-122 - Page 58 of 69]

C. Overview of Budget Concepts and Recommendations to be Discussed at the Budget Workshop Scheduled for June 11, 2019 [Workshop Memorandum No. 19-123 - Page 59 of 69]

VIII. Director Comments

IX. Announcements

A. June 4, 2019 at 6:00 p.m. - Regular Board Meeting

B. June 11, 2019 at 4:00 p.m. - Budget Workshop

C. June 18, 2019 at 6:00 p.m. - Regular Board Meeting

D. ~~June 25, 2019 at 4:00 p.m. - Board Workshop~~ - Cancelled

E. ~~July 2, 2019 at 6:00 p.m. - Board Meeting~~ - Cancelled

F. July 9, 2019 at 4:00 p.m. - Board Workshop

G. July 16, 2019 at 6:00 p.m. - Board Meeting

H. July 30, 2019 at 4:00 p.m. - Board Workshop

I. August 6, 2019 at 6:00 p.m. - Board Meeting

J. August 13, 2019 at 4:00 p.m. - Board Workshop

K. August 20, 2019 at 6:00 p.m. - Board Meeting

L. August 27, 2019 at 4:00 p.m. - Board Workshop

M. September 3, 2019 at 6:00 p.m. - Board Meeting

N. September 10, 2019 at 4:00 p.m. - Board Workshop

O. September 17, 2019 at 6:00 p.m. - Board Meeting

P. September 24, 2019 at 4:00 p.m. - Board Workshop

Q. October 1, 2019 at 6:00 p.m. - Board Meeting

R. October 8, 2019 at 4:00 p.m. - Board Workshop

S. October 15, 2019 at 6:00 p.m. - Board Meeting

T. October 29, 2019 at 4:00 p.m. - Board Workshop

X. Adjournment

Staff Report

Yucaipa Valley Water District

Operational Updates

Yucaipa Valley Water District

Workshop Memorandum 19-117

Date: May 28, 2019

From: Joseph Zoba, General Manager

Subject: Overview of Recent Water Mainline Issues on Oak Grove Road, Yucaipa

On Thursday, May 23, 2019, the District experienced a water mainline break on Oak Grove Road, Yucaipa.

The District staff responded and performed the necessary repairs to resume water service in the area.

The purpose of this agenda item is to discuss the repairs and to set a priority for the replacement of the water mainlines in this area.

Capital Improvement Projects

Yucaipa Valley Water District

Yucaipa Valley Water District

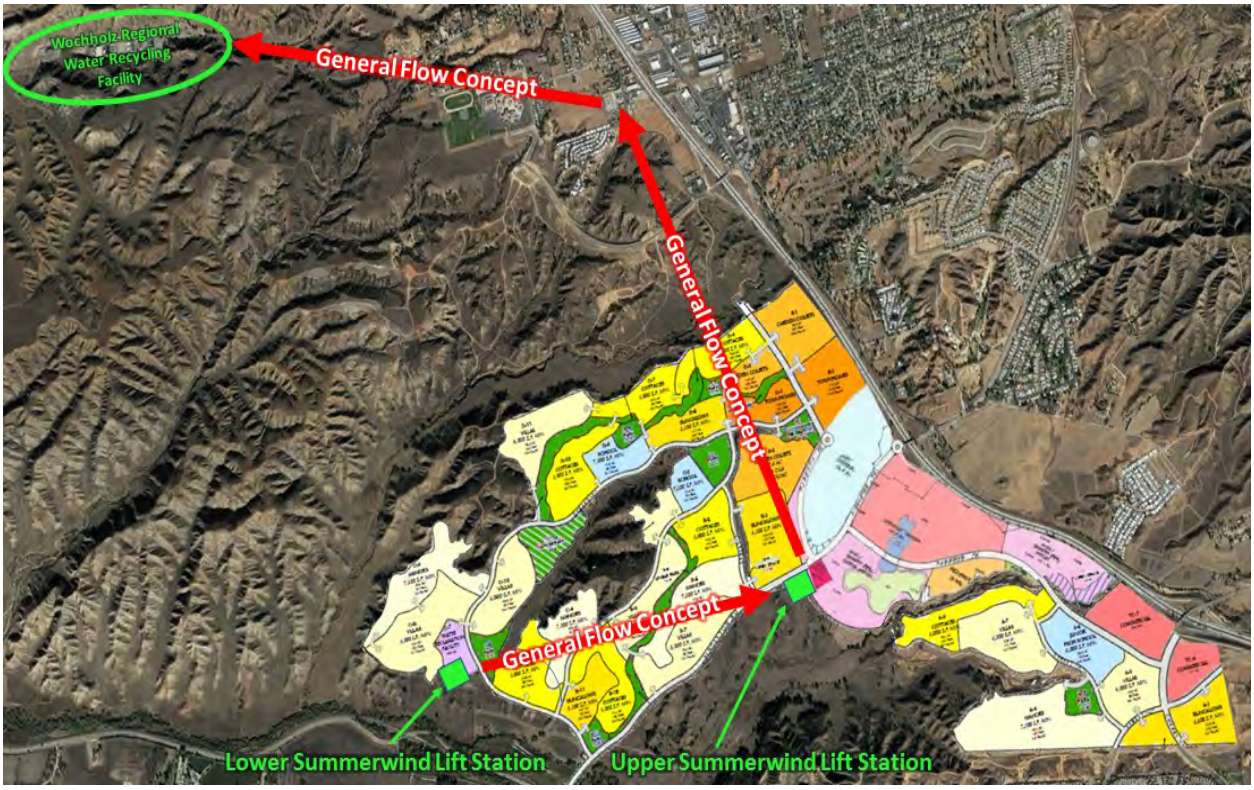
Workshop Memorandum 19-118

Date: May 28, 2019

From: Joseph Zoba, General Manager

Subject: Overview of Proposed Sewer Facility Design Services for the Upper Summerwind Lift Station and Alignment Study by Krieger & Stewart

The District staff is preparing to construct two permanent sewer lift stations in the Summerwind Development. The first lift station will be the "Upper Summerwind Lift Station" shown in the exhibit below. This lift station will replace the interim lift station currently in operation and is needed to support the first phase of the Oak Valley Development.



Following the construction of the Upper Summerwind Lift Station, the District will need to construct the Lower Summerwind Lift Station. Both lift stations will require the completion of off-site sewer mainline facilities to relieve the current flows in the existing sewer mainlines within Calimesa Boulevard.

These projects will be financed using the Statewide Community Infrastructure Program (SCIP) which was successfully used for the financing and construction of Reservoir R-12.4

KRIEGER & STEWART
Engineering Consultants

May 24, 2019 818-32.1A

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

Subject: Summerwind Upper Sewage Lift Station Design and Force Main Alignment Study
Engineering Services Proposal

Dear Mr. Zoba:

Pursuant to your request, we have prepared the following design fee proposal to prepare construction drawings and specifications for the upper lift station in the Summerwind/Oak Valley Core Development, and to determine a feasible route for the sewage force main conveying the pumped sewage from the lift station to the Wochholz Regional Water Recycling Facility (WRWRF). Although the Developers (Argent and Oak Valley Partners) are responsible for the design and construction of the lift station and force main, Yucaipa Valley Water District (YVWD) will own and operate the facilities at their completion, and therefore, the lift station design and force main design must meet all District requirements. To that end, the Developers have requested that Krieger & Stewart provide a design proposal to the District so that the design and review process proceeds in an expeditious and efficient manner.

A. PROJECT DESCRIPTION

Based on information provided by the Developers, approximately 4,800 equivalent dwelling units will ultimately be served by the upper lift station (3,800 from Summerwind and 1,000 from the Oak Valley Core). However, the design will need to consider facility phasing for flows varying from approximately 600 gpm to 2,100 gpm, depending on the timing of the various stages of construction and occupancy. This will require designing facilities that can handle the low flows initially, and be expanded to handle the intermediate and high flows ultimately. This may include utilizing multiple variable speed drive pumping units, expandable or multi-chamber wet wells, and expandable electrical panels and components. It will also require performing hydraulics for multiple force mains pumping to various discharge locations within the District. The original plan was to pump the sewage into the Mesa Verde Development, where it would then be conveyed by gravity flow through the Development to the WRWRF. However, depending on the progress of the Mesa Verde Development, it may be necessary to initially pump the sewage to County Line Road (thereby by-passing the Mesa Verde Development), and then convey the sewage by gravity to the WRWRF in a new trunk sewer located in County Line Road and the WRWRF access road. Prior to commencing detailed design engineering, the phasing and ultimate capacity of the proposed lift station will be confirmed with Argent, Oak Valley Partners, and YVWD.

The proposed lift station will be located adjacent to a proposed fire station within the Oak Valley Core (fronting Singleton Road, approximately 2,500 lineal feet west of Interstate 10). The lift station will initially pump raw sewage from the Summerwind Phase 2A tract (which will be pumped up from the lower lift station), the Summerwind Phase 1 Tracts (thus eliminating the

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interim lift station recently constructed by Argent), and the Oak Valley Core developments. Eventually, all raw sewage from Phases 1 through 5 of the Summerwind Development and all raw sewage from the Oak Valley Core Development will be pumped from the upper lift station to the gravity trunk sewer located in either the Mesa Verde Development or in County Line Road. Based on our initial review, the pumping units will be driven by variable speed drives (VFDs), and pumps will vary in speed to match inflow by maintaining a fixed level in the wet well. Due to the close proximity of proposed residential units to the lift station, we anticipate that the electrical switchgear, VFDs, and controls will be housed in a building for sound attenuation and air conditioning (for the VFDs). We anticipate that the building will be constructed of masonry units, and that the building will also house the control equipment (and possibly the emergency standby generator).

We anticipate that the proposed lift station facilities will include the following:

1. Two or more submersible non-clog type sewage pumps (duty and standby).
2. Below grade sewage wet wells (multiple or multi-chambered).
3. Below grade emergency storage tank (likely reinforced concrete due to the large required volume (2 hours of average day flow)).
4. Abovegrade pump discharge valves, including swing check valves and isolation valves.
5. Electrical service, switchgear, variable frequency drives, automatic controls, and telemetry.
6. An emergency standby generator with automatic transfer switch.
7. A masonry block control building.
8. A tubular steel fence around the site with two 20' wide automatic rolling steel access gates.
9. Liquid phase and air phase odor control facilities.

With regard to the force main and gravity sewer required to convey the pumped sewage to the WRWRF, an alignment must be determined that can be constructed without reliance upon the Mesa Verde Development proceeding in advance of the Summerwind/Oak Valley Core Development. This will require analyzing alignments through public and private properties along the freeway corridor for the force main, and reviewing routes within public streets for the trunk sewer to flow by gravity. Upon initial review, it appears that the sewage will need to be pumped to either Ave L, 7th Place, or County Line Road, which from those locations will then flow by

gravity to the WRWRF. This will be confirmed through review of topographical records. At this early stage in the planning the alignment study will be a desktop study only, and no surveying nor aerial mapping is anticipated. Once one or two viable alignments are determined, a more detailed study will need to be prepared.

Note that because the final pump selection for the lift station cannot be performed until the force main alignment and discharge location(s) are determined (which are necessary for determining the final pumping hydraulic conditions), the pump station design package cannot be completed until the force main alignment is finalized.

B. SCOPE OF SERVICES

1. Preliminary Engineering (25% Milestone)

Prior to meeting with YVWD, we will confirm the total number of dwelling units to be served by the lift station at various phases of the project, and perform our initial record search and analysis of potential alignments and diameters for the force main and gravity sewer. We anticipate obtaining property ownership records along proposed routes, and using published topographical data (such as Google Earth) to determine ground surface elevations along potential routes.

Once the preliminary force main alignments are determined, we will perform preliminary hydraulic analyses; select pumping units; size standby generator; determine wet well depth, size, and operating levels; prepare building layout; and prepare preliminary site layout.

2. YVWD 25% Review Meeting

We will meet with YVWD staff to present preliminary alignment options, hydraulic analysis results, pumping unit selection, generator and wet well sizing, and preliminary building and site layouts. We will confirm project design criteria, including final force main alignment, station pumping capacity, site size and access requirements, and building location and layout.

3. Technical Memorandum Preparation

We will prepare a technical memorandum summarizing the anticipated sewage flows, project phasing, force main requirements (sizing, quantity, and discharge options), and station design criteria.

4. 90% Construction Document Preparation

After approval of the force main alignment, preliminary site layout, and pump station capacity, we will proceed with preparation of the construction documents (drawings and

specifications) for the lift station. Design documents will incorporate the items as discussed at the 25% review meeting with YVWD staff. When approximately 90% complete, we will submit three sets of construction drawings and specifications to YVWD for their review and comment.

The specifications will include YVWD-approved special conditions, technical specifications for all equipment, YVWD standard specifications for basic construction materials (e.g. concrete, steel, piping, painting, and electrical), and applicable YVWD standard drawings.

The special conditions will address any special construction constraints and work sequence requirements.

The construction drawings will be prepared using the YVWD-approved construction drawing title block, orientation, and layout. Drawings will be provided for site grading, site piping, structural, mechanical, building layout, and electrical work.

Concurrently, we anticipate that the Developers will be proceeding with easement acquisition for the force main (if necessary) and preparation of force main and trunk sewer design drawings.

5. YVWD 90% Review and Meeting

As presented above, we will submit three sets of lift station construction documents and supporting design calculations to YVWD for review. Approximately four weeks thereafter, we will obtain YVWD's comments during a review meeting.

6. Final Construction Document Preparation

Based on YVWD staff comments from the 90% construction document review meeting, we will revise the documents as required and submit signed and stamped originals (specifications and drawing mylars) of same to YVWD staff for final approval and signatures.

Our proposed engineering services for the project include the following:

1. Verify with Argent and Oak Valley Partners the number of dwelling units to be served during each phase of the development, and the approximate time frame for each phase.

2. Verify flows and pumping conditions for each phase of the development, including analyzing pumping conditions for initial and ultimate flows to the lift station.

3. Determine feasible force main alignments from the lift station to public right-of-way where the sewage can flow by gravity to the WRWRF. This will be a desktop study only, and no field surveying or aerial photogrammetry is included for this preliminary alignment study.

4. Verify diameters of proposed force mains. It is anticipated that multiple force mains will be required to accommodate the various flow conditions.

5. Select size of sewage pumps for each flow condition, and establish phasing criteria for replacing pumps to accommodate development growth.

6. Prepare a technical design memorandum summarizing the design conditions and phasing for the project.

7. Design lift station facilities.

8. Retain the services of a sub-consultant to perform a surge analysis of the pumping system to determine the need and/or size of the surge tank likely required to control surge forces from the pumping system (due to the high lift and long force main).

9. Prepare civil, architectural, structural, mechanical, and electrical construction drawings for the lift station facilities, including wet well and masonry block building.

We understand that the Developer will provide Krieger & Stewart with the following:

1. Completion dates for dwelling units tributary to the lift station.

2. AutoCAD base sheets for the lift station site. When the lift station site is rough graded by the Developer, all survey data with control and topography (1' contours) in AutoCAD format demonstrating site was graded in accordance with the approved rough grading plan..

3. Soils investigation for the site, including design parameters for both above and below grade structures.

4. Location data for existing and proposed below grade utilities adjacent to the lift station.

5. Final alignment and profile of the proposed lift station force mains if designed by others, including elevation of force main discharge locations.

6. Alignment and profile of the proposed gravity sewer to the lift station wet well, including invert elevation at wet well inlet.

7. Street improvement plans for all streets adjacent to the lift station site.

Our proposal has been prepared based on the following understandings:

1. Determination of lift station capacity (average daily flow and peak instantaneous flow) will be based on YVWD standards and design criteria.

2. Final design of lift station force mains and gravity sewer beyond the limits of the lift station site will be provided by others, or under separate contract.

3. Coordination with all utilities except YVWD, including electrical service, will be provided by the Developers. Krieger & Stewart will provide the necessary technical information to obtain the required lift station utility services.

4. Any required site easements and related documents (e.g. grant deeds, grants of easements, legal descriptions and plats) will be provided by the Developer.

5. Site rough grading plan will be provided by Developer.

6. Potholing and field measuring of existing utilities (if required) will be provided by Developer.

7. Radio survey (if required) for lift station telemetry system will be provided by others.

8. Preparation of environmental related documents will be provided by Developer, including, but not limited to, CEQA documents, storm water pollution prevention plans, and erosion control plans.

9. Preparation, processing, and payment of fees for applications and permits will be provided by Developer, including SCAQMD permits.

10. Lift station plan review and approval by any agency other than YVWD will not be required.

11. Reports, drawings, data, and information prepared by others (as described above), which will be utilized by Krieger & Stewart in performing design engineering services, will be complete and accurate. Independent verification of same by Krieger & Stewart will not be required.

12. Bid phase and construction phase engineering services will be performed under separate contract.

Our fee to provide design engineering services for the Summerwind Upper Lift Station is $290,000, and our fee to prepare the Force Main Alignment Study is $18,500. Attached Table 1 presents a preliminary index of construction drawings for the lift station. We anticipate engineering services can be completed in 24 weeks (20 weeks for design and 4 weeks for YVWD review) once all information is provided by the Developer.

Joseph B. Zoba
May 24, 2019
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If you have any questions, please call.

Sincerely,

KRIEGER & STEWART

Patrick M. Watson

PMW/
818-32P1-Upper LS PRO
Attachments: Table 1 - Preliminary Construction Drawings Index

TABLE 1
YUCAIPA VALLEY WATER DISTRICT
SUMMERWIND & OAK VALLEY CORE UPPER SEWAGE LIFT STATION
PRELIMINARY CONSTRUCTION DRAWING INDEX

SHEET NO.	DESCRIPTION
1	TITLE SHEET, VICINITY MAP, LOCATION MAP, AND DRAWING INDEX
2	CONSTRUCTION NOTES
3	CONSTRUCTION NOTES
4	LEGENDS, SYMBOLS, AND ABBREVIATIONS
5	SCHEDULES
6	FINE GRADING PLAN
7	SITE PIPING PLAN
8	CONTROL BUILDING EXCAVATION AND BACKFILL SECTIONS
9	SITE AND WET WELL EXCAVATION AND BACKFILL SECTIONS
10	SITE GATE AND FENCING DETAILS
11	STANDARD PIPE/CONDUIT SUPPORT DETAILS
12	STANDARD MECHANICAL DETAILS
13	STANDARD MECHANICAL DETAILS
14	WET WELL MECHANICAL PLANS
15	WET WELL MECHANICAL SECTIONS
16	CONTROL BUILDING MECHANICAL FLOOR PLAN
17	CONTROL BUILDING MECHANICAL ROOF PLAN, SECTION, AND DETAILS
18	EMERGENCY BYPASS MANHOLE AND AIR PHASE ODOR CONTROL PLANS AND SECTIONS
19	STANDARD ARCHITECTURAL DETAILS
20	SPECIFIC ARHCITECTURAL DETAILS
21	CONTROL BUILDING EXTERIOR ELEVATIONS/FINISH SCHEDULES
22	CONTROL BUILDING INTERIOR ELEVATIONS
23	STANDARD STRUCTURAL DETAILS
24	STANDARD STRUCTURAL DETAILS
25	EMERGENCY BYPASS MANHOLE STRUCTURAL DETAIL AND SECTIONS
26	WET WELL AND EMERGENCY STORAGE STRUCTURAL PLANS
27	WET WELL AND EMERGENCY STORAGE STRUCTURAL SECTIONS
28	WET WELL AND EMERGENCY STORAGE STRUCTURAL DETAILS
29	CONTROL BUILDING STRUCTURAL PLANS
30	CONTROL BUILDING STRUCTURAL SECTIONS AND DETAILS
31	ELECTRICAL SYMBOLS, ABBREVIATIONS, AND LIGHTING FIXTURE SCHEDULE
32	SITE ELECTRICAL PLAN
33	ELECTRICAL CONTROL DIAGRAMS
34	MAIN CONTROL PANEL AND RTU PANEL LAYOUT
35	INTERCONNECT DIAGRAMS
36	STANDARD ELECTRICAL DETAILS
37	ELECTRICAL SINGLE LINE DIAGRAM, MCC ELEVATION, AND CONDUIT SCHEDULE
38	CONTROL BUILDING ELECTRICAL AND LIGHTING PLANS

Yucaipa Valley Water District

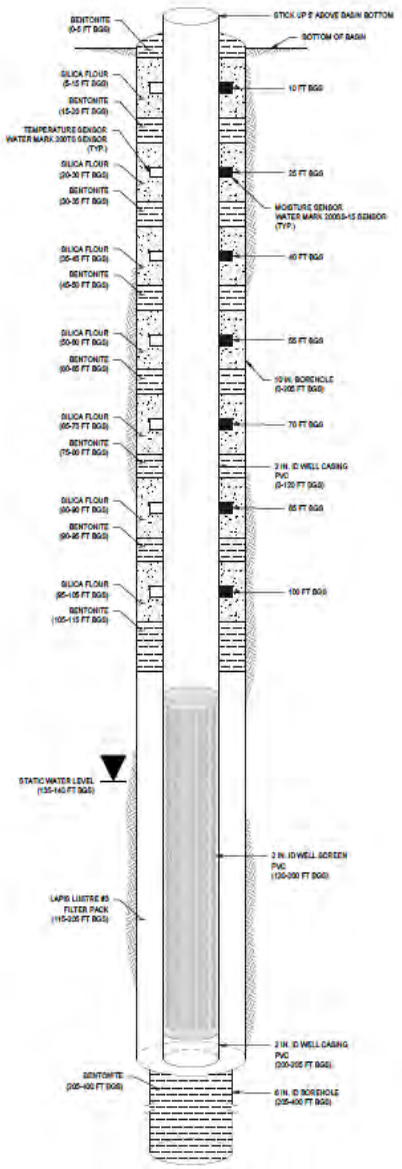
Workshop Memorandum 19-119

Date: May 28, 2019

From: Matthew Porras, Implementation Manager
Joseph Zoba, General Manager

Subject: Status Report on the Geotechnical Investigation in the Vicinity of the Calimesa Lake and Recharge Facility and Review of Consulting Charges for Additional Work

As a part of the Calimesa Lakes project, the District has contracted with Geoscience who will be conducting recharge testing by discharging water into a constructed basin that will measure 300 feet long and 75 feet wide. The testing is scheduled to last 6-8 weeks and will utilize instrumentation that is designed to accurately measure changes in moisture and temperature at various depths in two separate locations.



PROPOSED VADOSE ZONE AND MONITORING INSTRUMENTATION LOCATION 1

At this point, both monitoring wells have been constructed and tested. The site grading is complete, the basin has been constructed and the temporary supply line is installed. The infiltration testing started on April 16, 2019. The purpose of this test is to measure the rate of surface water infiltration into the groundwater basin.

On April 20, 2019, the initial test was stopped to re-evaluate the direction of the project. The next steps as recommended by Geoscience was to drain the water out of the basin, test the soils in the bottom of the basin, and remove additional soil from the bottom of the basin to reach a more permeable layer of soil.

The District staff has requested a modification to the scope of services from Geoscience to continue our evaluation of the proposed project.

Task 3 - Installation of Vadose Zone and Groundwater Monitoring Points

Overall, the construction of all of the monitoring equipment took longer than anticipated. Additional drill rig time and installation time was needed because the drilling logs suggested that there may be an offset in the subsurface soils along a fault and potentially a perched groundwater condition. Therefore, Geoscience deepened Location #2 to make sure that the soil materials encountered in the upper 95 feet in Location #1 was penetrated.

Geoscience also installed a piezometer to make sure groundwater levels could be measured to assess potential perched conditions.

Based on the lithology encountered in the unsaturated zone Geoscience thought it was prudent to have a subsidence benchmark placed and survey to detect whether hydro-compaction would be induced when the vadose zone was saturated during the test.

Geoscience also equipped two additional wells (Location 2 piezometer and the residential well) from their initial quote.

The additional costs for Task 3 are detailed in the attached table and are composed of staff time, additional subcontractor costs, and reimbursables.

The total additional costs for Task 3 is $33,244.

Task 4 - Pilot Testing - Artificial Recharge Basin Construction and Monitoring

This task includes the addition of climate equipment including an evaporation pan and rain gauge which was not included in the original estimate. The local data was determined to be insufficient for the precise nature of this study.

The soil types were found to be much more variable across the area than initially determined from the two instrumentation borings. The District agreed to evacuate the basin by pumping the water into the adjacent fields so as to dry out the basin as quick as possible. After the basin dried, Geoscience conducted additional investigations using 12 hand drilled borings to explore the distribution of soil types beneath the bottom of the basin across the basin. Geoscience also completed seven shallow percolation tests to assess the percolation rates of the various shallow subsurface soil types to develop an initial estimate of potential infiltration. Based on these investigations and shallow test pits conducted at the site with the District staff, Geoscience recommended the depth of removal of soils for the pilot test.

The additional new subtasks completed as a part of Task 4 to date are detailed in the attached table. The new subtasks are described in bold font. Where additional costs were incurred on old tasks, the explanation is in bold within the description.

The total additional costs for Task 4 is $68,220.

Budget Amendment No. 1 for Professional Hydrogeological Services Related to

Pilot Recharge Test to Evaluate Long-Term Infiltration Rates At Proposed Oak Valley Town Center, Calimesa, California

Task Description			GEOSCIENCE SUPPORT SERVICES, INC.				
			GEOSCIENCE Labor	Subcontractor Labor	Reimbursable Expenses[1]	Temporary Equipment	Total Cost
		Hourly Rate:					
3.0	**Installation of Vadose Zone and Groundwater Monitoring Points**						
	3.2	Site Visit with Client and Contractors	*$ 1,816*	$ -	$ -	$ -	$ 1,816
	3.3	On-Site During Drilling of One 6" Dia. Sonic Pilot Borehole to Approximately 400 feet bgs **(Additional Depth at Location 2 required to Explore Potential perched conditions and fault offset)**	*$ 5,670*	$ 18,001	$ -	$ -	$ 23,671
	3.9	On-Site During Sonic Reaming of Pilot Borehole to 10" Dia. to Approximately 205 feet bgs	*$ 600*	$ -	$ -	$ -	$ 600
	3.10	On-Site During 2" Dia. Sch. 80 PVC 205 ft Monitoring Well Construction; Installation of Filter Pack, Bentonite Seals, and Annular Seal (full-time observation)	*$ 2,390*	$ -	$ -	$ -	$ 2,390
	3.12	On-Site During Pumping Development and Water Quality Sampling of Monitoring Well (including cost for laboratory water quality analyses)	*$ 600*	$ -	$ -	$ -	$ 600
	3.14	On-Site During Installation of 7 Pairs of Soil Moisture and Temperature Monitoring Sensors (attached to outside of monitoring well)	*$ -*	$ -	$ -	$ -	$ -
	3.15	On-Site During Drilling of One 6" Dia. Sonic Borehole to Approximately 80 feet bg	*$ 1,193*	$ -	$ -	$ -	$ 1,193
	3.18	On-Site During 1" Dia. Sch. 80 PVC 75 ft Observation Borehole Monitoring Apparatus Construction; Installation of Silca Flour, Bentonite Seals, and Annular Seal (full-time observation)	*$ 450*	$ -	$ -	$ -	$ 450
	3.19	On-Site During Installation of 5 Pairs of Soil Moisture and Temperature Monitoring Sensors **(Additional Sensors due to additional depth at Location 2, completion as Piezometer to assess water level, and county well permit)**	*$ -*	$ -	$ 2,204	$ -	$ 2,204
	3.22	As Needed Project Management Support **(review of water quality results, follow-up with lab on elevated manganese, inform YVWD)**	*$ 320*	$ -	$ -	$ -	$ 320
		Total Addtionals for Task 3	*$ 13,039*	*$ 18,001*	*$ 2,204*	*$ -*	***$ 33,244***

Budget Amendment No. 1 for Professional Hydrogeological Services Related to

Pilot Recharge Test to Evaluate Long-Term Infiltration Rates At Proposed Oak Valley Town Center, Calimesa, California

Task	Description	GEOSCIENCE SUPPORT SERVICES, INC. GEOSCIENCE Labor	Subcontractor Labor	Reimbursable Expenses[1]	Temporary Equipment	Total Cost
	Hourly Rate:					
4.0	**Pilot Testing - Artificial Recharge Basin Construction and Monitoring**					
4.1	One Site Visit During Construction of Recharge Basin and One During Basin Backfilling/Restoration of Site **(additional site visits for deepening basin)**	$ *1,920*		$ -	$ -	$ 1,920
4.2	On-Site For Installation of Flowmeter, Flow Control Valves, Staff Gage, Two Stilling Wells, Sonic Sounder (pond level), and Telemetry **(additional costs for full equipping of of basin monitoring equipment)**	$ *18,934*	$ -	$ -		$ 18,934
4.3	**On-Site for Installation of Temporary Security Fencing around Recharge Basin and Observation Boring**	$ *1,250*	$ 2,240	$ 250	$ -	$ 3,740
4.4	On-Site to Install Pressure Transducers in One New Monitoring Well and One Existing Agriculture Well/Observation Well (2 Transducers Total) **(provide and install transducers in Location 2 well and residential well)**	$ *600*	$ -	$ -	$ -	$ 600
4.5	On-Site for Start of Infiltration Test and Equipment Check		$ -	$ -	$ -	$ -
4.6	On-Site For Hand Water Level and Downloading Monitoring Well and Observation Well Transducers, and ALL Moisture and Temperature Sensor Data (assume 9 visits for 6-weeks)		$ -	$ -	$ -	$ -
4.7	As Needed Project Management Support	$ *3,480*	$ -	$ -	$ -	$ 3,480
4.8	**Evaporation Station Installation**	$ *750*	$ -	$ 2,963	$ -	$ 3,713
4.9	**Basin and Subsidence Monitoring Elevation Surveys (Core results suggested the potential for hydrocompaction from wetting of Vadose zone material)**	$ *630*	$ 3,498	$ -	$ -	$ 4,128
4.10	Data Downloads During Down Period	$ *2,250*		$ -	$ -	$ 2,250
4.11	**Old Irrigation Line Removal and Sealing**	$ *1,920*	$ -	$ 150		$ 2,070
4.12	On Site and Office Meetings with Contractors/Client and calls.	$ *1,440*	$ -	$ -	$ -	$ 1,440
4.13	**Remove Water from Basin**	$ *6,750*	$ -	$ 1,333	$ -	$ 8,083
4.14	**Subsurface Exploration to Determine Excavation Depths, Log and Cross-Section Preparation. 8-hand borings shallow borings - pre-soak, 4-hand borings to 15 -foot.**	$ *12,788*	$ -	$ 650	$ -	$ 13,438
4.15	**Shallow percolation test in test borings (7-shallow percolation test)**	$ *1,275*	$ -	$ 250	$ -	$ 1,525
4.16	**Re-install Basin Piping and Reset Instrumentation for second test**	$ *2,400*	$ -	$ 500	$ -	$ 2,900
			$ -	$ -	$ -	$ -
	Subtotal	$ *56,387*	$ *5,738*	$ *6,096*	$ -	**$ *68,220***
	TOTAL HOURS AND COST (TASKS 3 and 4):	**$ 69,426**	**$ 23,739**	**$ 8,300**	**$ -**	**$ 101,464**

Notes:

[1] Reimbursable expenses include mileage, field per diem at $250/day, equipment rental for basin excavation, and dewatering.

Development Projects

Yucaipa Valley Water District

Yucaipa Valley Water District

Workshop Memorandum 19-120

Date: May 28, 2019

From: Joseph Zoba, General Manager

Subject: Overview of the Statewide Community Infrastructure Program for the Financing and Construction of Various District Facilities

The California Statewide Communities Development Authority developed the Statewide Community Infrastructure Program ("SCIP") to provide property owners with the ability to finance development impact fees through an acquisition agreement that qualifies under the 1913/1915 Act via tax-exempt bond issuance proceeds.

Statewide Community Infrastructure Program (SCIP)

Overview

In response to the increasing local agency staff time and budget pressures caused by new commercial, industrial or residential development, CSCDA offers the Statewide Community Infrastructure Program ("SCIP"). SCIP is a financing program that enables developers to pay most impact fees and finance public improvements through an acquisition agreement that qualify under the 1913/1915 Act (excluding school fees) via tax-exempt bond issuance proceeds. The SCIP program has assisted communities and developers throughout California to finance over $500 million in impact fees since 2003.

This highly versatile program has been molded to the needs of each local agency participant of SCIP. As most local agencies require developers to pay impact fees prior to obtaining a permit, SCIP can be used to directly prepay these fees or, alternatively, to reimburse the developer after fee payment. The program can be used to enable developers to pay for, or be reimbursed for, all eligible impact fees or for a single impact fee. Moreover, the program may alleviate the need for a fee deferral program by providing the local agency with necessary funds and eliminating the risk of nonpayment by the developer.

The District utilized SCIP financing for the construction of the R-12.4 Reservoir Project.

The District staff recommends that the District pursue SCIP financing for facilities needed solely for new development. These facilities include, but are not limited to the following:

- R-11.4 drinking water reservoir(s);
- R-11.4 recycled water reservoir;
- R-10 Recycled Water Booster Station - To provide recycled water to Pressure Zone 11
- Pressure Zone 11 recycled pipelines (R-10 to R-11);
- Summerwind sewer lift stations (two);
- Summerwind sewer force mainlines (two); and
- Calimesa sewer mainline facilities and trunk line.

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CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
Statewide Community Infrastructure Program
A Program of the California Statewide Communities Development Authority

What is the Statewide Community Infrastructure Program?

- SCIP is a pooled tax exempt financing program which can finance impact fees and public improvements for private developments
- Any City / County / Special District can participate in SCIP to provide the local agency the means of offering competitive financing to all developers as a turn key solution, minimizing local agency staff time
- The bonds are issued by the California Statewide Communities Development Authority (CSCDA) which is a Joint Powers Authority sponsored by the League of California Cities and the California State Association of Counties to promote bond programs of public benefit to its members
- These are 30 year fixed-rate tax-exempt bonds secured by property owner assessments
- There are typically two issues a year (in the Spring and Fall). SCIP has issued over $500 MM in bonds since its inception in 2003
- The Program also allows CSCDA to establish stand-alone Mello-Roos Community Facilities Districts which allow for financing of public improvements and services

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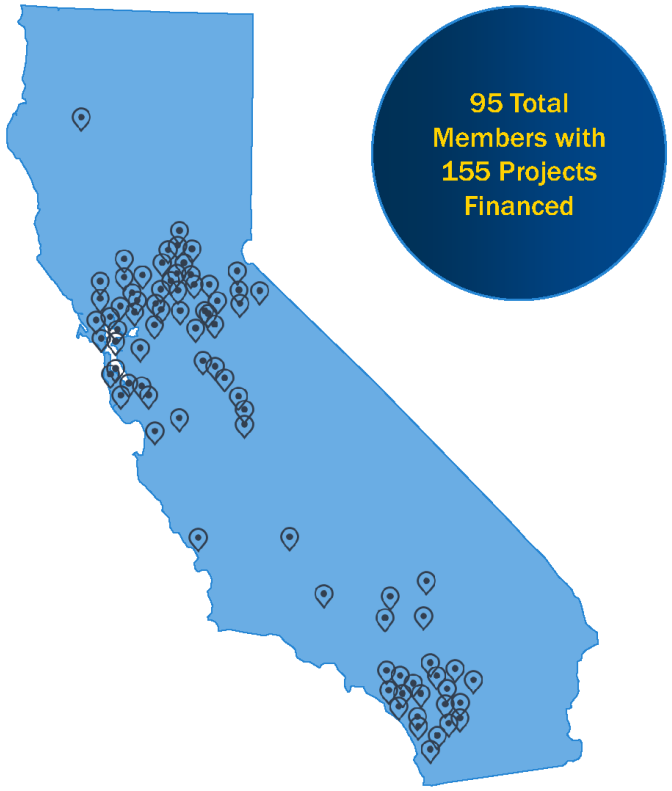
Who Uses SCIP?

95 Participating Local Agencies across California with a Growing List of Recurring Developer Clients

Member Map



Participating Local Agencies

- Alameda, City of
- American Canyon
- Angels
- Antioch
- Bakersfield
- Banning
- Blythe
- Brentwood
- Butte County
- Calistoga
- Cathedral City
- Chula Vista
- Citrus Heights
- Clovis
- Coachella Valley Water District
- Cosumnes CSD
- Corona
- Dana Point
- Davis
- Desert Hot Springs
- Diablo Water District
- Dublin
- Dublin San Ramon Services District
- East Contra Costa Regl. F&F Auth.
- East Palo Alto
- Eastern Municipal Water District
- El Dorado, County of
- Elk Grove
- Fairfield
- Folsom
- Fremont
- Galt
- Gardena
- Healdsburg
- Hercules
- Hollister
- Imperial, County of
- Indian Wells
- Indio
- Ironhouse Sanitary District
- Lathrop
- Lincoln
- Linda County Water District
- Live Oak
- Livermore
- Madera, City of
- Manteca
- Menifee
- Merced, City of
- Millbrae
- Morgan Hill
- Morro Bay
- Murrieta
- City of Napa
- County of Napa
- Newport Beach
- Norco
- Oakley
- Oxnard
- Palm Springs
- Petaluma
- Placer, County of
- Rainbow Municipal Water District
- Rancho Cordova
- Redding
- Richmond
- Rialto
- Rio Vista
- Rocklin
- Roseville
- Sacramento, City of
- Sacramento, County of
- Sacramento County Water Agency
- Sacramento Regional County Sanitation Dt.
- Sacramento Area Sewer District
- San Diego, City of
- San Juan Bautista
- San Luis Obispo, County of
- San Marcos
- San Mateo, County of
- Santa Rosa
- Sonoma, County of
- South Placer Municipal Utility District
- Stockton
- Thousand Oaks
- Tracy
- Tuolumne, County of
- Ukiah
- Vacaville
- Vallejo
- West Sacramento
- Woodland
- Yuba City
- Yuba, County of
- Yucaipa Valley Water District

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SCIP Participating Developers

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Program Benefits

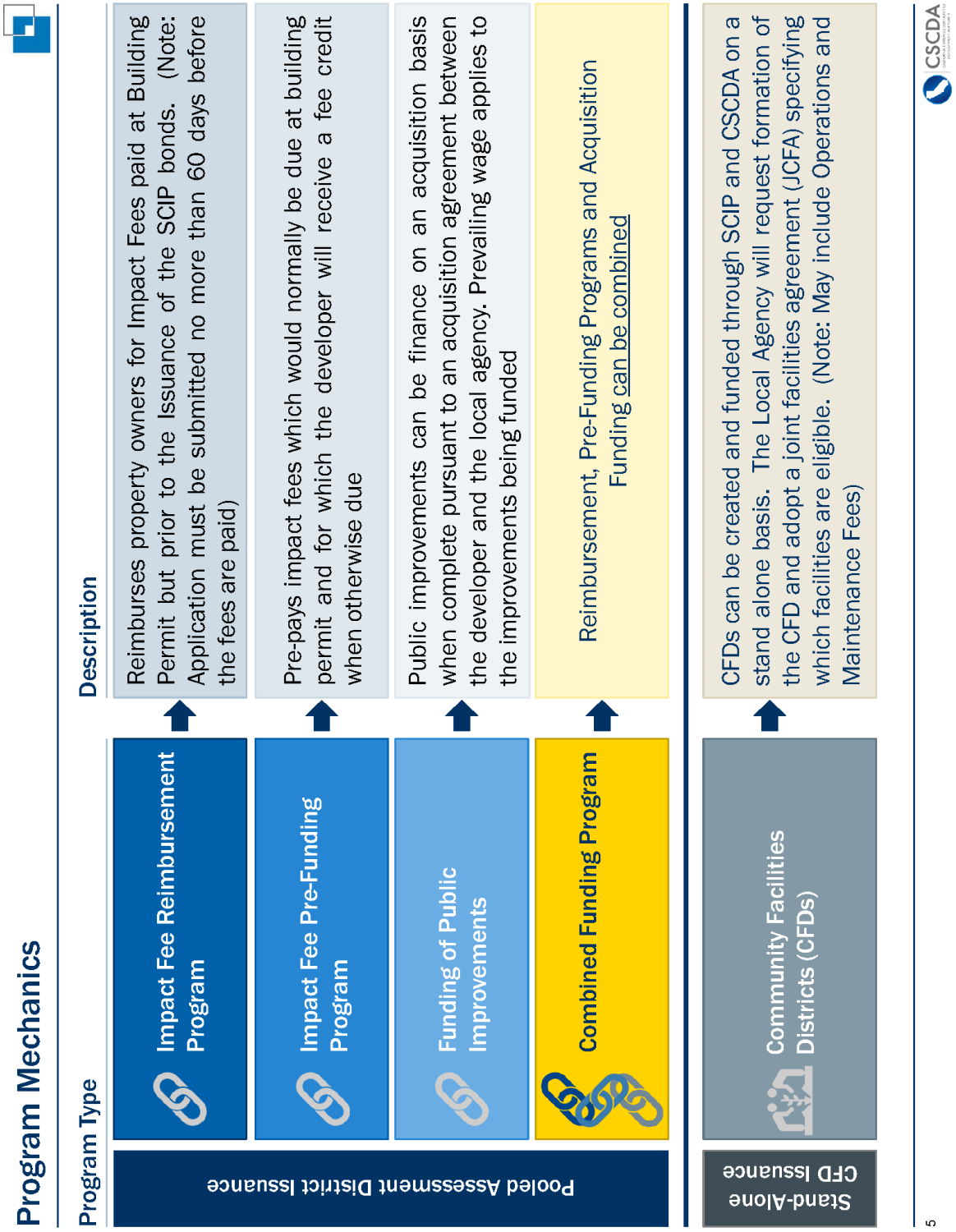
- SCIP provides local agencies a means of offering competitive financing to all developers as a turnkey solution which minimizes local agency staff time

- The Program can finance projects which range in size from $500,000 up to $10,000,000 or higher

- Developers use SCIP for a variety of reasons:
  1. Can be part of the capital mix of debt, equity, public financing
  2. Provides off balance sheet/land secured non recourse debt
  3. Can provide competitive advantages with respect to residential marketing
  4. Minimizes carrying cost by enabling developers to more efficiently subdivide and issue debt only for the lots where they are prepared to pull permits

- SCIP provides diversity to investors and economies of scale to its participants which ultimately translates to competitive interest rates and lower costs

CSCDA


Program Mechanics
Program Type
Description
Pooled Assessment District Issuance
Impact Fee Reimbursement Program
Reimburses property owners for Impact Fees paid at Building Permit but prior to the Issuance of the SCIP bonds. (Note: Application must be submitted no more than 60 days before the fees are paid)
Impact Fee Pre-Funding Program
Pre-pays impact fees which would normally be due at building permit and for which the developer will receive a fee credit when otherwise due
Funding of Public Improvements
Public improvements can be finance on an acquisition basis when complete pursuant to an acquisition agreement between the developer and the local agency. Prevailing wage applies to the improvements being funded
Combined Funding Program
Reimbursement, Pre-Funding Programs and Acquisition Funding can be combined
Stand-Alone CFD Issuance
Community Facilities Districts (CFDs)
CFDs can be created and funded through SCIP and CSCDA on a stand alone basis. The Local Agency will request formation of the CFD and adopt a joint facilities agreement (JCFA) specifying which facilities are eligible. (Note: May include Operations and Maintenance Fees)
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What Can be Financed through the Program?

Eligible Fees

Fees for infrastructure to be owned by public agency

Does not include school, housing, fire, and police fees

Eligible Improvements

Improvements identified in the 1913 / 1915 Assessment Act, including but not limited to, are listed below:

- Street and Roadways
- Freeway Interchanges
- Pedestrian Malls
- Sidewalks
- Storm Drainage
- Flood Control
- Water Supply
- Gas Supply
- Street lighting
- Parking
- Landscaping
- Sewer and Pipelines
- Parks and Parkways
- Bridges and Thoroughfares
- Bicycle and Pedestrian Trails
- Open Space and Greenbelts

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Local Agency Requirements

1. Must be a Member of CSCDA (no cost to join and CSCDA currently has 532 members)
2. Adopt SCIP Resolution consenting to use of the SCIP Program (again no cost to join)
   a) Sample Resolutions and Agreements are contained in the SCIP Manual and proposal by SCIP Legal Counsel
3. Developers can submit funding applications online but they must be signed by the Local Agency prior to the Public Hearing
4. Will review and verify eligible fees and improvements contained in the Engineer's Report prepared by SCIP
5. Will execute an acquisition agreement to reimburse developer for public improvements, the form of which is included with the SCIP Resolution
6. Funds will be spent in accordance with federal tax law
7. Approve requisition of funds

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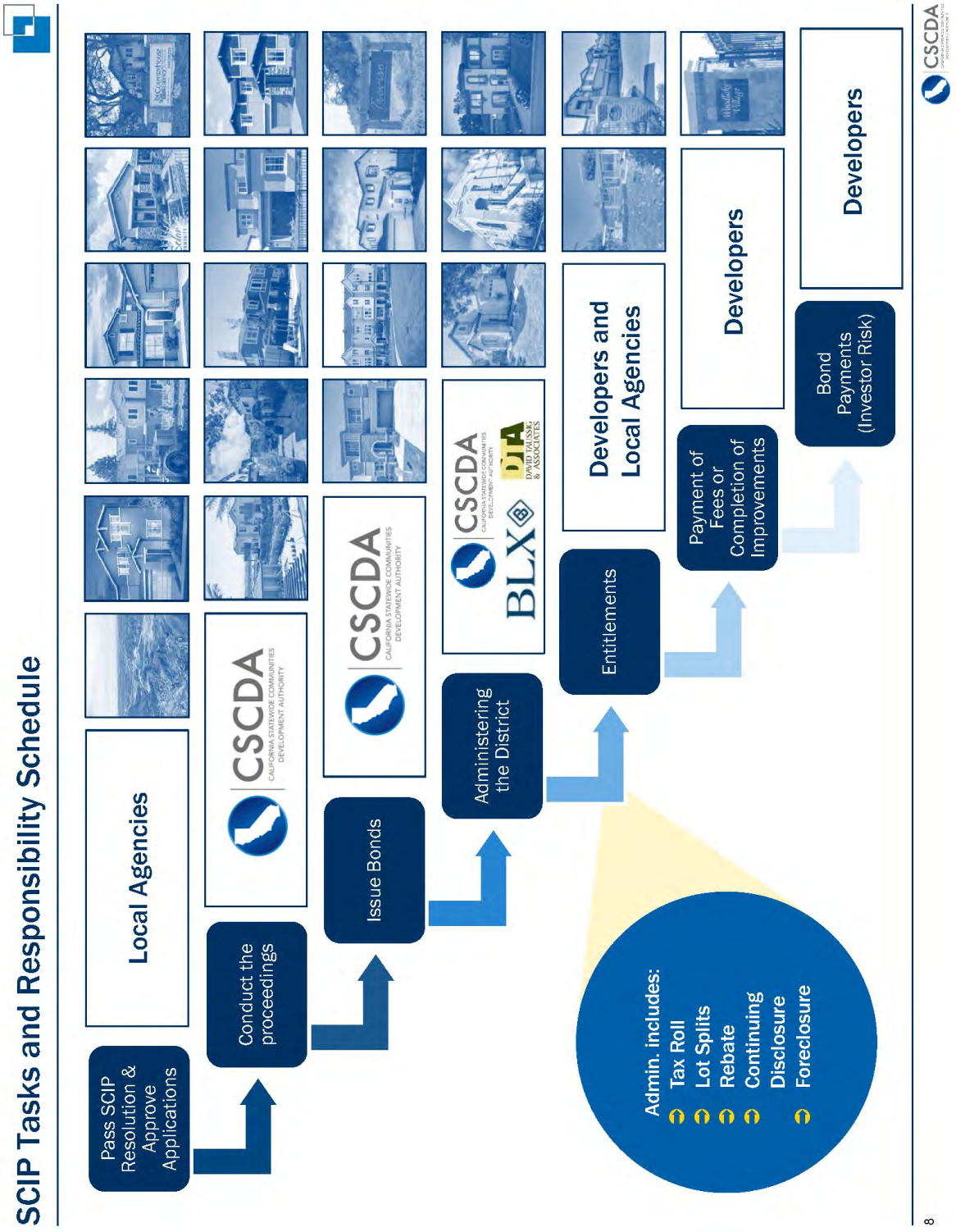
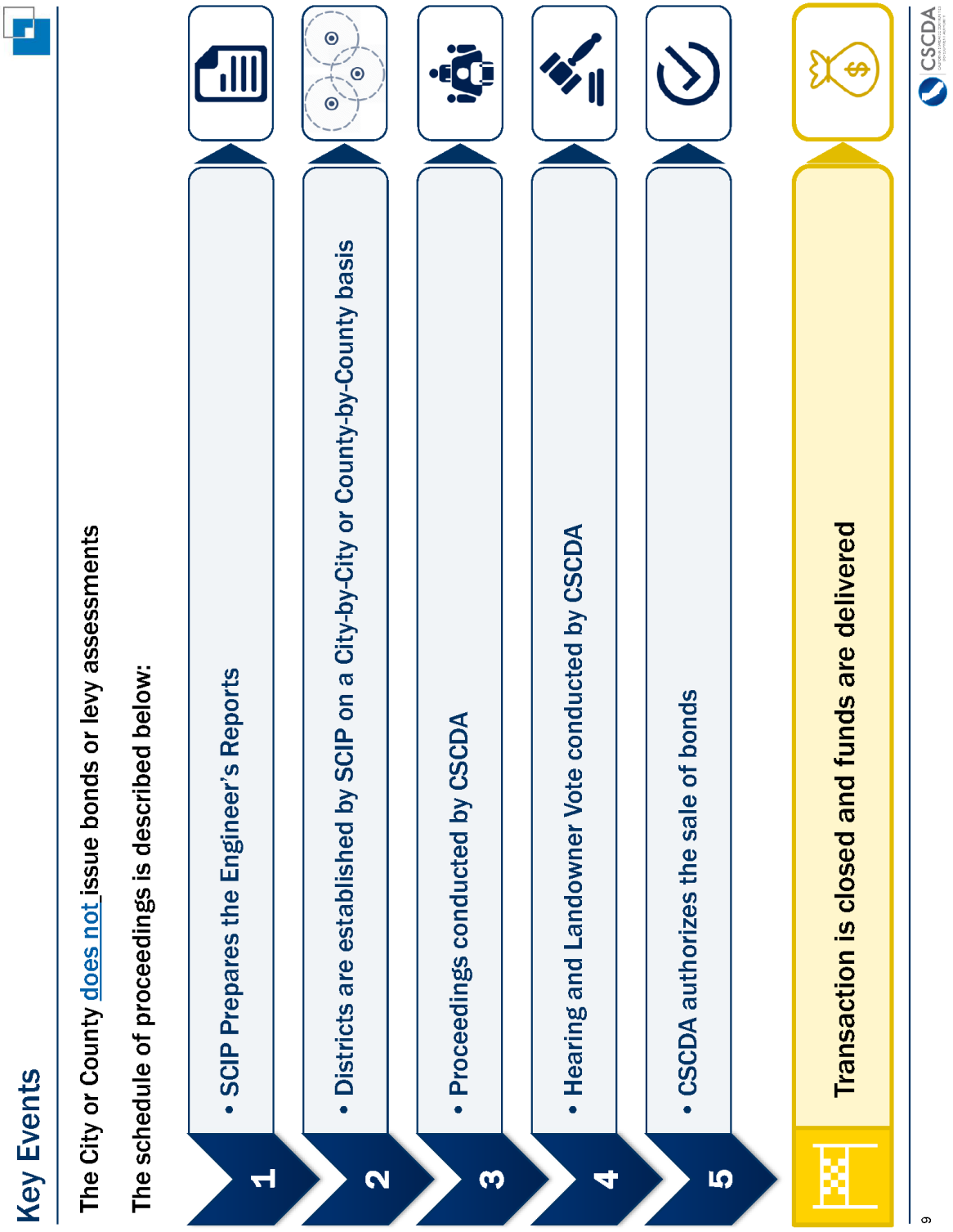

SCIP Tasks and Responsibility Schedule
Pass SCIP Resolution & Approve Applications
Local Agencies
Conduct the proceedings
CSCDA
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
Issue Bonds
CSCDA
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
Administering the District
CSCDA
BLX
DJA
DAVID TAUSSIG & ASSOCIATES
Entitlements
Developers and Local Agencies
Payment of Fees or Completion of Improvements
Developers
Bond Payments (Investor Risk)
Developers
Admin. includes:
Tax Roll
Lot Splits
Rebate
Continuing Disclosure
Foreclosure
CSCDA
8


Key Events
The City or County does not issue bonds or levy assessments
The schedule of proceedings is described below:
1
• SCIP Prepares the Engineer's Reports
2
• Districts are established by SCIP on a City-by-City or County-by-County basis
3
• Proceedings conducted by CSCDA
4
• Hearing and Landowner Vote conducted by CSCDA
5
• CSCDA authorizes the sale of bonds
Transaction is closed and funds are delivered
CSCDA
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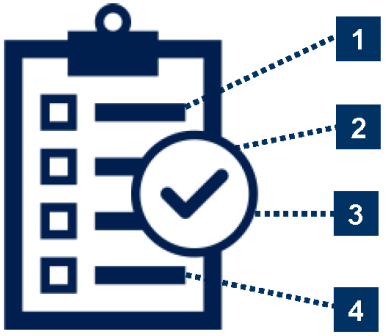
Community Facilities Districts

SCIP is available to form CFDs and Issue bonds for Stand Alone Projects

Local Agency will adopt a Resolution requesting CSCDA form a CFD including a Joint Community Facilities Agreement (JCFA)

- Will attach a boundary map of the project
- A list of facilities and fees to be financed
- May include and O&M component in addition to facilities
- Can include more than one Local Agency in the CFD (with approval)

CSCDA credit requirements(1):



1. **At Least a 4x value to lien ratio (including overlapping debt)**
2. **Combined tax burden cannot exceed 2% of the estimated home value**
3. **Debt service may escalate at up to 2% per year**
4. **Project must have received its discretionary entitlements**

The minimum size for a stand alone CFD is $5 million

(1) If a Local Agency has more stringent requirements those will apply

2003 - Present | Transactions
Appendix I
RBC Capital Markets
CSCDA
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
SCIP
Statewide Community Infrastructure Program

Comprehensive Transaction History

Sale Date	Issuer	Series	Par Amount	Description	Projects
Oct-03	CSCDA	Series 2003A	$6,270,000	SCIP Pooled Revenue	5
Dec-04	CSCDA	Series 2004A	$3,590,000	SCIP Pooled Revenue	10
Jul-05	CSCDA	Series 2005A	$10,645,000	SCIP Pooled Revenue	10
Oct-06	CSCDA	Series 2006A	$19,015,000	SCIP Pooled Revenue	11
Jun-07	CSCDA	Series 2007A	$25,545,000	SCIP Pooled Revenue	11
Nov-07	CSCDA	Series 2007B	$10,460,000	SCIP Pooled Revenue	8
Dec-07	CSCDA	Series A (2007)	$37,500,000	Stand Alone CFD (Orinda Wilder)	1
Jul-08	CSCDA	Series 2008A	$21,805,000	SCIP Pooled Revenue	9
Jun-10	CSCDA	Series 2010A	$6,180,000	SCIP Pooled Revenue	6
Sep-11	CSCDA	Series 2011A	$9,190,000	SCIP Pooled Revenue	4
Dec-12	CSCDA	Series 2012	$21,030,000	Reassessment Refunding	1
May-13	CSCDA	Series 2013A	$6,245,000	Stand Alone CFD (Manteca)	1
Aug-13	CSCDA	Series 2013	$14,444,827	SCIP Pooled Revenue Refunding	15
May-14	CSCDA	Series 2014A	$4,680,000	SCIP Pooled Revenue	3
Nov-14	CSCDA	Series 2014	$11,015,000	Stand Alone Assessment District (Yucaipa VWR)	1
Jan-15	CSCDA	Series 2014B	$10,605,000	SCIP Pooled Revenue	5
Jun-15	CSCDA	Series 2015R1	$29,195,000	SCIP Pooled Revenue Refunding	23
Jun-15	CSCDA	Series 2015	$33,015,000	Stand Alone CFD Refunding (Orinda Wilder)	1
Aug-15	CSCDA	Series 2015A	$11,125,000	Stand Alone CFD (Rio Bravo)	1
Sep-15	CSCDA	Series 2015A	$5,320,000	SCIP Pooled Revenue	4
Dec-15	CSCDA	Series 2015	$15,305,000	Stand Alone Assessment District (Emerson Ranch)	1
Mar-16	CSCDA	Series 2016A	$11,275,000	Stand Alone CFD (University District)	1
May-16	CSCDA	Series 2016A	$10,090,000	SCIP Pooled Revenue	6
Oct-16	CSCDA	Series 2016B	$11,040,000	SCIP Pooled Revenue	6
Nov-16	CSCDA	Series 2016A	$11,155,000	Stand Alone CFD (Delta Coves)	1
Feb-17	CSCDA	Series 2017R1	$35,953,593	SCIP Pooled Revenue Refunding	20
Apr-17	CSCDA	Series 2017A	$11,715,000	SCIP Pooled Revenue	7
Jun-17	CSCDA	Series 2017A	$20,830,000	Stand Alone CFD (Napa Pipe Redevelopment Project)	1
Oct-17	CSCDA	Series 2017	$14,500,000	Stand Alone CFD (University District)	1
Oct-17	CSCDA	Series 2017B	$19,915,000	SCIP Pooled Revenue	8
Dec-17	CSCDA	Series 2017C	$10,470,000	SCIP Pooled Revenue	6
May-18	CSCDA	Series 2018A	$23,960,000	SCIP Pooled Revenue	17
June-18	CSCDA	Series 2018	$19,305,000	Stand Alone CFD (Horse Creek Ridge)	1
Sept-18	CSCDA	Series 2018B	$31,940,000	SCIP Pooled Revenue	10
Dec-18*	CSCDA	Series 2018C	$21,035,000	SCIP Pooled Revenue	8
Total			**$565,363,420**	**35 Transactions**	**224**

**Preliminary; Subject to Change*

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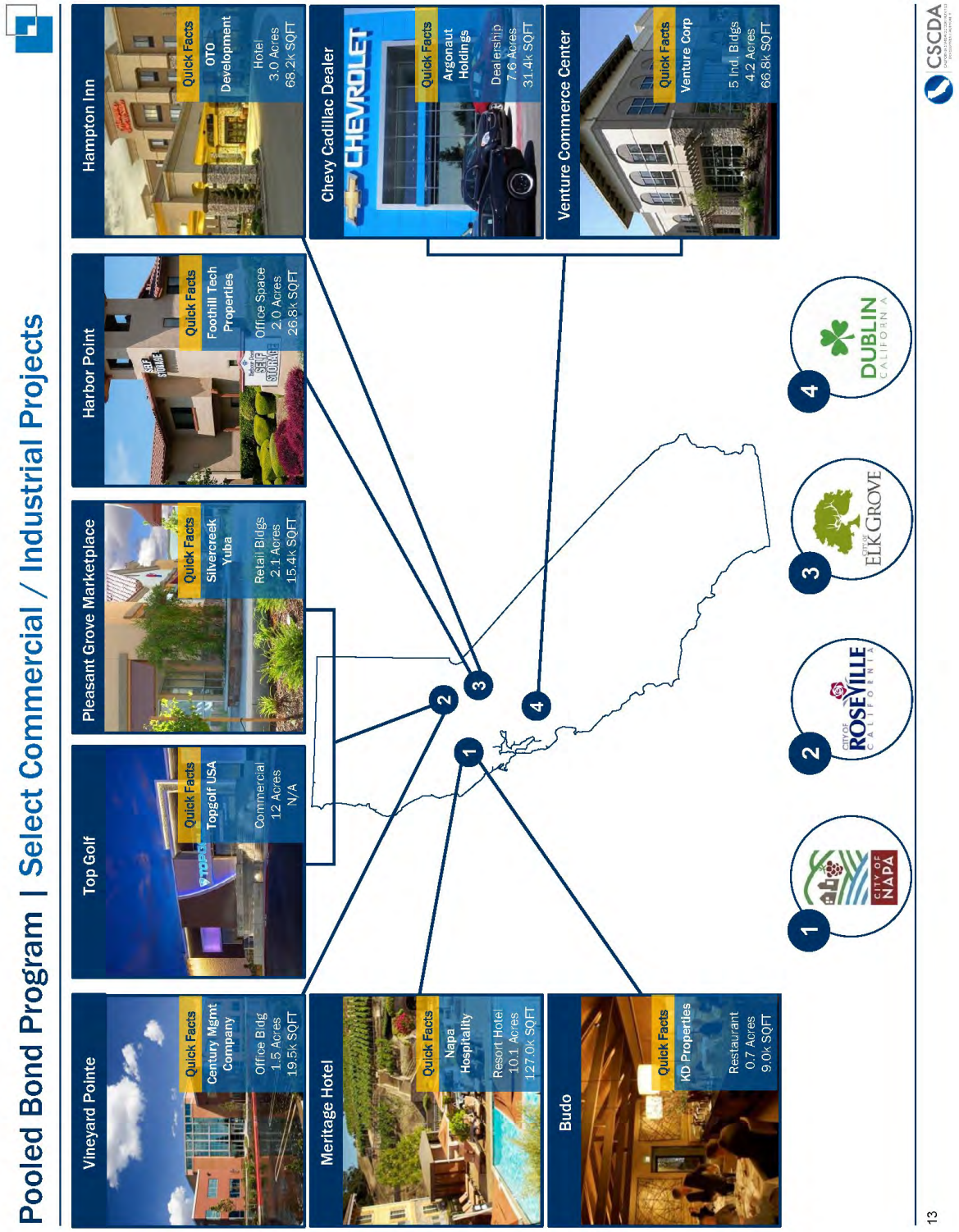
Pooled Bond Program | Select Commercial / Industrial Projects
Vineyard Pointe
Quick Facts
Century Mgmt Company
Office Bldg
1.5 Acres
19.5K SQFT
Top Golf
Quick Facts
Topgolf USA
Commercial
12 Acres
N/A
Pleasant Grove Marketplace
Quick Facts
Silvercreek Yuba
Retail Bldgs
2.1 Acres
15.4K SQFT
Harbor Point
Quick Facts
Foothill Tech Properties
Office Space
2.0 Acres
26.8K SQFT
Hampton Inn
Quick Facts
OTO Development
Hotel
3.0 Acres
68.2K SQFT
Meritage Hotel
Quick Facts
Napa Hospitality
Resort Hotel
10.1 Acres
127.0K SQFT
Budo
Quick Facts
KD Properties
Restaurant
0.7 Acres
9.0K SQFT
Chevy Cadillac Dealer
CHEVROLET
Quick Facts
Argonaut Holdings
Dealership
7.6 Acres
31.4K SQFT
Venture Commerce Center
Quick Facts
Venture Corp
5 Ind. Bldgs
4.2 Acres
66.8K SQFT
1
2
3
4
CITY OF NAPA
CITY OF ROSEVILLE CALIFORNIA
CITY OF ELK GROVE
DUBLIN CALIFORNIA
CSCDA
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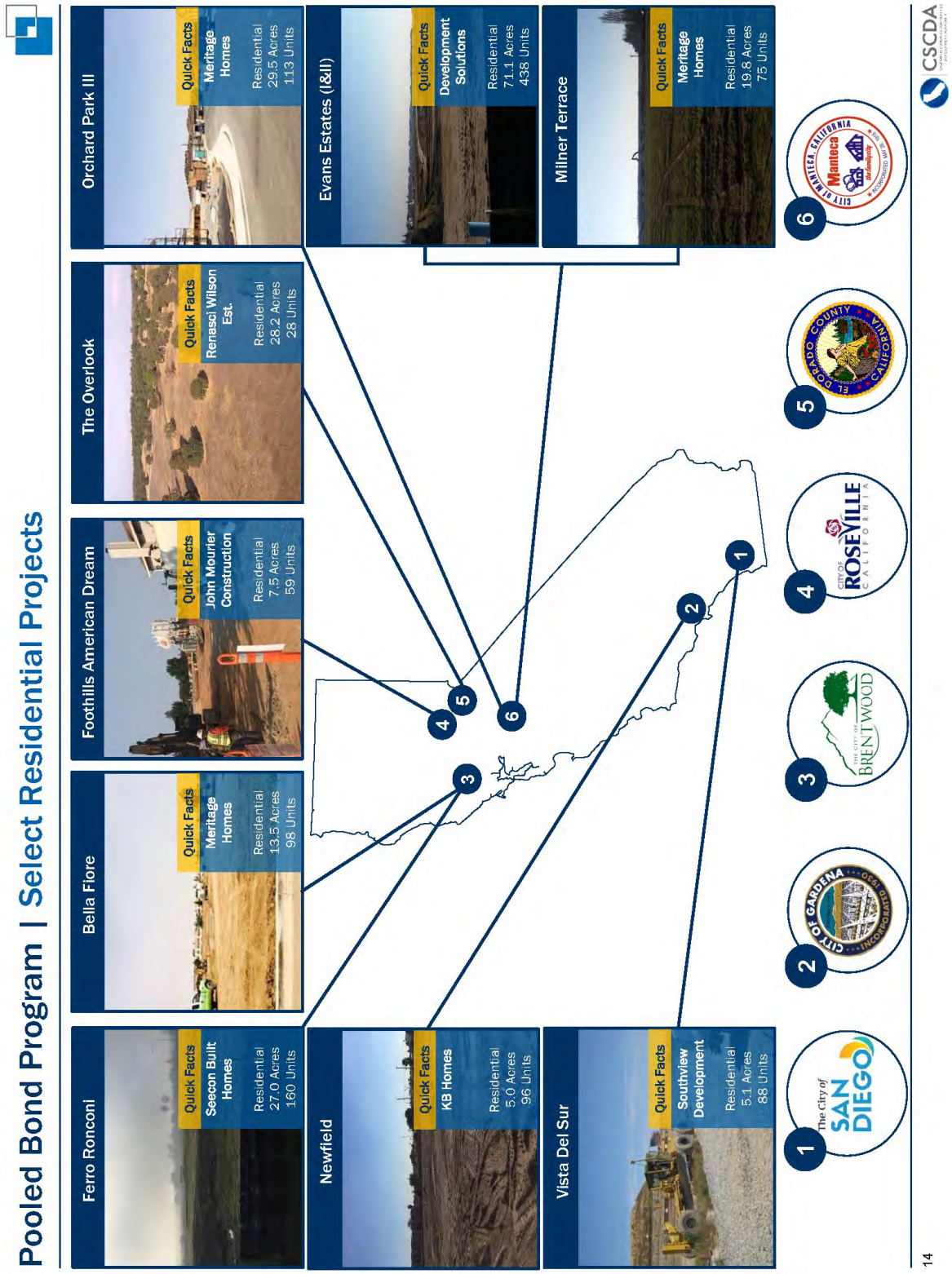
Pooled Bond Program | Select Residential Projects
Ferro Ronconi
Quick Facts
Seecon Built Homes
Residential
27.0 Acres
160 Units
Bella Fiore
Quick Facts
Meritage Homes
Residential
13.5 Acres
98 Units
Foothills American Dream
Quick Facts
John Mourier Construction
Residential
7.5 Acres
59 Units
The Overlook
Quick Facts
Renasci Wilson Est.
Residential
28.2 Acres
28 Units
Orchard Park III
Quick Facts
Meritage Homes
Residential
29.5 Acres
113 Units
Newfield
Quick Facts
KB Homes
Residential
5.0 Acres
96 Units
Vista Del Sur
Quick Facts
Southview Development
Residential
5.1 Acres
88 Units
Evans Estates (I&II)
Quick Facts
Development Solutions
Residential
71.1 Acres
438 Units
Milner Terrace
Quick Facts
Meritage Homes
Residential
19.8 Acres
75 Units
1
2
3
4
5
6
The City of SAN DIEGO
CITY OF GARDENA
THE CITY OF BRENTWOOD
CITY OF ROSEVILLE CALIFORNIA
EL DORADO COUNTY CALIFORNIA
CITY OF MANTECA, CALIFORNIA Manteca
CSCDA
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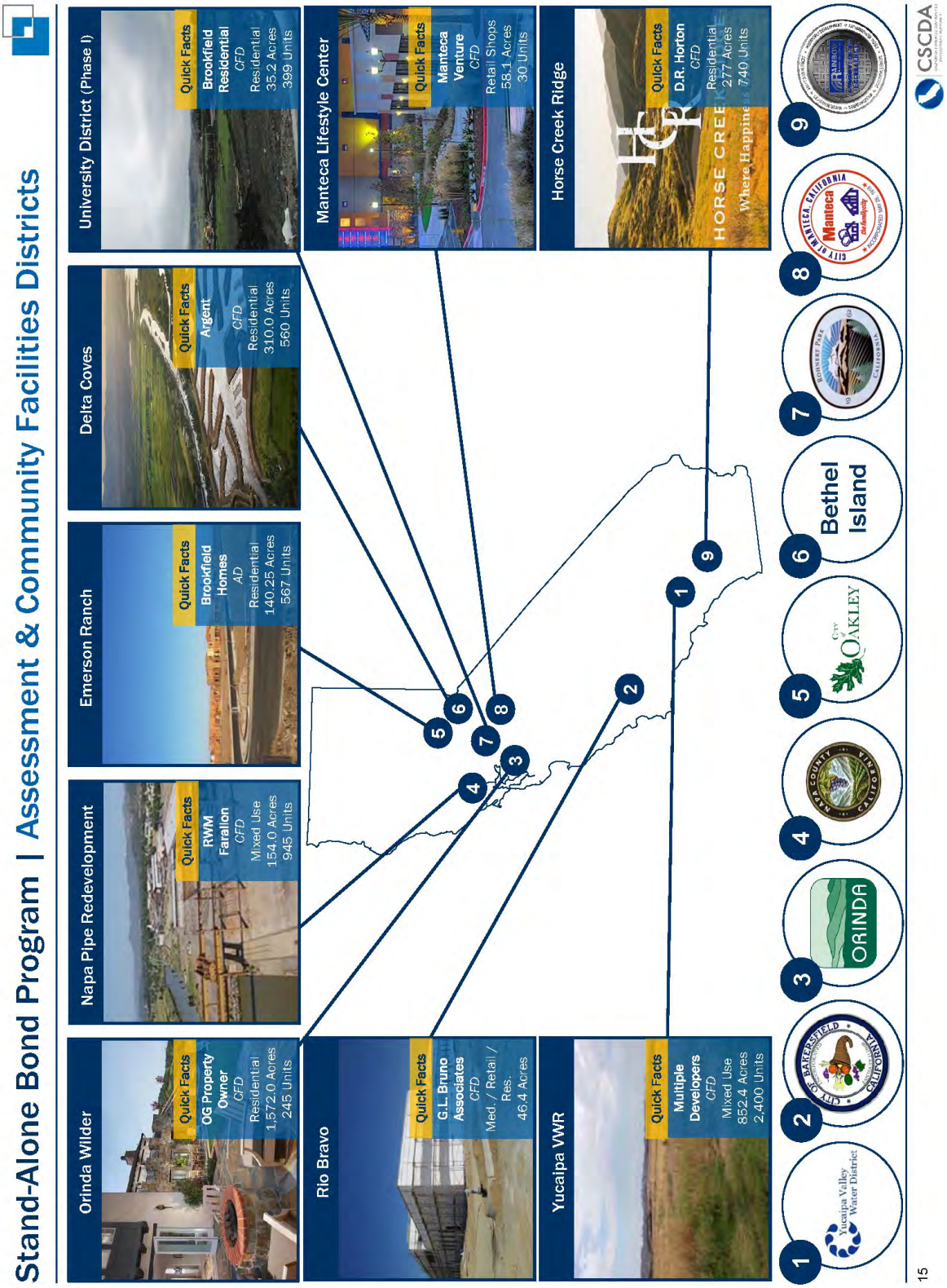

Stand-Alone Bond Program | Assessment & Community Facilities Districts
Orinda Wilder
Quick Facts
OG Property Owner
CFD
Residential
1,572.0 Acres
245 Units
Napa Pipe Redevelopment
Quick Facts
RWM Farallon
CFD
Mixed Use
154.0 Acres
945 Units
Emerson Ranch
Quick Facts
Brookfield Homes
AD
Residential
140.25 Acres
567 Units
Delta Coves
Quick Facts
Argent
CFD
Residential
310.0 Acres
560 Units
University District (Phase I)
Quick Facts
Brookfield Residential
CFD
Residential
35.2 Acres
399 Units
Manteca Lifestyle Center
Quick Facts
Manteca Venture
CFD
Retail Shops
58.1 Acres
30 Units
Horse Creek Ridge
Quick Facts
D.R. Horton
CFD
Residential
277 Acres
740 Units
Rio Bravo
Quick Facts
G.L. Bruno Associates
CFD
Med. / Retail / Res.
46.4 Acres
Yucaipa VWR
Quick Facts
Multiple Developers
CFD
Mixed Use
852.4 Acres
2,400 Units
1
2
3
4
5
6
7
8
9
Yucaipa Valley Water District
ORINDA
OAKLEY
Bethel Island
CSCDA
15

Administrative Items

Yucaipa Valley Water District

Yucaipa Valley Water District

Workshop Memorandum 19-121

Date: May 28, 2019

From: Allison M. Edmisten, Chief Financial Officer

Subject: Review of Draft Resolution No. 2019-xx Establishing the Appropriation Limit for Fiscal Year 2019-20

In 1979, Proposition 4 (the Gann Initiative) was approved adding Article XIII B to the State Constitution. The provisions of this article place limits on the amount of revenue that can be appropriated by all entities of government. This initiative was designed to constrain government expenditures by placing an annual limit on revenue and appropriation growth.

In June 1990, Proposition 111 amended Article XIII B, making changes in the base year upon which the appropriations limit is based, establishing new cost of living factors and new population factors for use by local governments, and increasing appropriations not subject to the limit (primarily qualified capital outlay projects). The financial constraints of Article XIII B apply to State, all cities, counties, special districts and all other political subdivisions.

The Yucaipa Valley Water District has completed the computation associated with the appropriation limitation for fiscal year 2019-20 ("FY 2020"). Based on the attached calculation, the proposed adjustment to the District's appropriation limit includes an increase of 0.82% for the increase in non-residential assessed valuation of new construction and a weighted average increase of 1.04% for population change. These percentages have been used to calculate an increase in the appropriation limit from $77,731,684 in FY 2019 to $81,563,856 in FY 2020. This represents an overall increase of 4.93% to the appropriation limit. The District’s annual appropriations are well below this limit.

RESOLUTION NO. 2019-XX

RESOLUTION OF THE YUCAIPA VALLEY WATER DISTRICT ESTABLISHING THE APPROPRIATION LIMIT FOR FISCAL YEAR 2019-20

WHEREAS, Article XIII B of the California Constitution provides that the State and each local government shall be subject to an appropriations limit, to govern the maximum amount of each entity's appropriations subject to limitation, in any fiscal year, as the same are defined in Article XIII B; and

WHEREAS, California Government Code Section 7910 provides for the annual establishment by local jurisdictions of their appropriations limit for each fiscal year, and further provides that upon establishment of such appropriations limit any judicial action or proceeding to attack, review, set aside, void, or annul such action by the District must be commenced within forty-five (45) days of the effective date of the resolution establishing the appropriations limit; and

WHEREAS, documentation used in determining the appropriations limit has been made available to the public for a period of not less than fifteen (15) days prior to Board consideration of this resolution.

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

Section 1. That in accordance with Article XIII B of the California Constitution and Section 7910 of the Government Code of the State of California, the appropriation limit for the Fiscal Year 2019-20 for the Yucaipa Valley Water District is established as $81,563,856.

Section 2. The adjustment factors for computation of the FY 2019-20 appropriation limitation have been identified in the calculation of the appropriation limit.

Section 3. That documentation used in the determination of such appropriation limit has been available to the public at least fifteen days prior to this meeting of the Board of Directors.

This Resolution is effective immediately upon adoption.

PASSED AND ADOPTED this 18th day of June 2019.

YUCAIPA VALLEY WATER DISTRICT ATTEST:

Chris Mann, President Board of Directors

Joseph B. Zoba, General Manager

Yucaipa Valley Water District

12770 Second Street, Yucaipa, California 92399

Appropriation Limit for the Yucaipa Valley Water District

Fiscal Year 2019-20

Prepared by: Allison M. Edmisten, Chief Financial Officer

Overview of Appropriation Limit

Introduction

In the 1970s soaring property values in California led to dramatic increases in property taxes, prompting a tax revolt that resulted in the passage of Proposition 13 in the June 1978 California primary. Proposition 13 reduced local property taxes by 57% and thereby slashed the revenue base for local governments and schools. Over the years the revenue loss has been made up by a varying mix of state funds and new revenue from specialized local fees and taxes, as well as by outright local budget cuts.

The California tax revolt did not end with Proposition 13. Seventeen months later, in November 1979, voters passed the Proposition 4, known as the Gann Amendment. Proposition 4 imposed a limit on most state and local government expenditures from tax sources. The limit is calculated annually according to a formula based on population and the cost of living. Under Proposition 4, excess revenues must be returned to the taxpayers.

Both Propositions 13 and 4 have been modified in the years since their passage. While weakened by the changes, Propositions 13 and 4 remain constraints on California state and local budgeting, and continue to be focal points in the public policy debate about California taxing and spending.

Summary of Proposition 4 and Related Voter Initiatives

Modern spending limits in California began in 1979 with the passage of Proposition 4 (Article XIII B of the California Constitution). Also called the Gann Initiative after its chief sponsor, Paul Gann, Proposition 4 places an appropriations limit on most spending from tax proceeds. The limit for each year is equal to the prior year's spending with upward adjustments allowed for changes in population and the cost of living. Most state and local government appropriations are subject to the limit. However, the law exempts certain appropriations from the limit including capital outlay, debt service and local government subventions. When the limit is exceeded, Proposition 4 requires the surplus to be returned to the taxpayers within two years. Appropriations in the two year period can be averaged before becoming subject to the excess revenue provisions of the Gann limit.

Voters approved the Gann limit in a November 1979 special election by a 74% margin. The late 1970s were a time of surplus state revenues in California, and voter exasperation at the inability of the legislature and the governor to agree on a plan to return the surplus to the taxpayers in the form of refunds or property tax relief helped fuel the tax revolt that led first to Proposition 13 and then to Proposition 4. With the Gann limit, voters took the matter of spending limits into their own hands, and ignored objections that spending limit formulas are an artificial constraint on policy making and hamper the government's ability to address citizen needs.

During the early 1980s, increases in population and the consumer price index outpaced the growth in state revenue, and the Gann limit was not reached. However, a surge in state revenues in 1987 caused the limit to be breached, and led to the first refund to taxpayers.

Voters have modified the Gann limit in a series of initiative measures. Proposition 99 (1988) and Proposition 10 (1998) exempted new tobacco taxes from the Gann limit. Proposition 98 (1988)

required public schools to receive a share of revenues exceeding the Gann limit. That share was changed to a flat 50% by Proposition 111 (1990). Proposition 111 also added three exemptions to the Gann limit: capital outlay spending, appropriations supported by increased gas taxes, and appropriations resulting from national disasters. Most significantly, Proposition 111 changed the formula used for calculating annual adjustments to the Gann limit. Under Proposition 111, the population factor is based on a weighted average of population and K-14 school enrollment growth (instead of population only), and the cost of living factor is based solely on California per-capita personal income growth (and no longer takes into account the Consumer Price Index).

The changes to the Gann limit formula under Proposition 111 substantially raised the Gann limit, making it less likely that the limit will be reached in the future. Many observers believe that in its current weakened state the Gann limit has ceased to be a meaningful constraint on state spending.

How the Appropriations Limit Works

Which Revenues Are Subject to Limit?

Article XIII B places a limit on appropriations from most, but not all, government revenue sources. The limit applies to appropriations from proceeds of taxes from both the general fund and special funds of government entities. Proceeds of taxes include tax revenues, interest earnings on invested tax revenues, and any revenues collected by a regulatory license fee or user charge in excess of the amount needed to cover the cost of providing the regulation, product, or service.

Which Appropriations Are Subject to Limit?

Appropriations for almost all government functions are subject to limitation under Article XIII B. However, there are some important exceptions. The original Proposition 4 provided that the following appropriations are not limited, even if made from proceeds of taxes:

- Subventions from the state to local governments and schools, the use of which is unrestricted (these subventions are not subject to the state's limit, but instead are counted as subject to the local entity's limit);
- Appropriations to pay for costs of complying with federal laws and court mandates;
- Payments for interest and redemption charges on pre-existing (i.e., pre-Proposition 4) or voter-approved bonded indebtedness;
- Withdrawals from previously appropriated reserve funds; and
- Refunds of taxes.

Proposition 111 excluded capital outlay from the appropriations limit. This change reflects the fact that while capital outlay appropriations are made during a single budget year, they reflect long-term investments that are utilized over a number of years. Appropriations directly related to an emergency, such as a fire, earthquake, or other natural disaster, were also excluded from the limit by Proposition 111. No reduction in future limits is required for appropriations made for these emergency purposes.

The "Base Year" Limit.

The first year that limits were in effect was FY 1980-81. The base year for determining the appropriations limit in FY 1980-81 was FY 1978-79. Actual appropriations in the FY 1978-79

fiscal year that had been financed by the proceeds of taxes were the starting point. Appropriations not subject to limitation were subtracted from that figure and this became the "base year" level of appropriations for computing all subsequent years' limits. Proposition 111 updated the base year for calculating the limit for each government entity to FY 1986-87. For fiscal years beginning with FY 1990-91, the limit for each entity is the FY 1986-87 limit adjusted annually as specified by Article XIII B as amended by Proposition 111.

Annual Adjustments to the Limit.

The appropriations limit for each year since FY 1980-81 is calculated by adjusting the base year limit for changes in the cost-of-living and population. Proposition 111, passed by the voters in June 1990, and revised each of the adjustment factors. Specifically, annual adjustments to limits, either upward or downward, are made as follows:

- Cost-of-Living.
  - State and schools are adjusted by the change in California per capita personal income.
  - Local agencies are adjusted by the change in California per capita personal income or the change in the local property tax roll due to the addition of new nonresidential construction.
- Population.
  - The State uses a population factor calculated by adding: (a) the change in the state's total population weighted by the percent of the budget spent on non-educational programs, and (b) the change in average daily attendance (ADA) for K-14 education weighted by the percentage of the budget spent on K-14 education.
  - Local agencies use a population factor that is the percentage change in the jurisdiction or in the county in which the jurisdiction is located. Special districts located in two or more counties may use the change in the county in which the district has the highest assessed valuation.
  - Counties. The population change for counties can be calculated by using one of three methods: (a) the percentage change in population within the county; (b) the percentage change in population for both the county itself and contiguous counties; or (c) the percentage change in population within the incorporated portion of the county.
  - K-14 Schools use the change in population is the percentage change in average daily attendance.
- Program Transfers. Limits of governmental entities are modified to reflect transfers of financial responsibility from one level of government to another. The limit of the new service provider is increased by the amount the former service provider's limit is reduced.
- Funding Transfers. Adjustments either upward or downward are made to account for transfers of program funding sources, for example from tax revenues (subject to limit) to fees (not subject to limit).

The level of appropriations actually made by a government entity in any year does not have any bearing on the calculation of the appropriations limit for the subsequent years. Each year's limit is computed based on the prior year's limit, not the prior year's appropriations.

If the governing body actually appropriates less money than what would be permitted by the limit, it has "room" under its limit, and the limit will be further adjusted the following year for cost-of-living and population changes. A government entity does not "lose" room under its limit for the future by appropriating less than the maximum permitted in any year.

Appropriations Permitted in Excess of the Limit.

Article XIII B sets forth two circumstances under which governments may make appropriations in excess of their limits:

- Emergency. Appropriations for declared emergencies do not count towards and may be made in excess of the limit. Proposition 111 removed the requirement that the limits for future years must be reduced over a three-year period so that there would be no total increase in allowable appropriations.
- Voter Approval. Article XIII B permits voters of a jurisdiction to authorize an increase in the appropriations limit. However, no voter-approved increase may be in effect for more than four years. At the end of the four-year period, either the voters must approve another increase or the limit must return to the level it would otherwise have been.

When Revenues Exceed the Appropriations Limit.

A government entity may receive revenues during a fiscal year that exceed its appropriations limit. Proposition 111 allows governments to average appropriations over a two year period before becoming subject to the excess revenue provisions of Article XIII B. In other words, a government entity can offset appropriations that exceeds its appropriations limit in one year of a two-year period by appropriating less than the limit in the other year. If, after taking this two year averaging into account, authority to appropriate is not provided by either an emergency declaration or voter approval, Article XIII B as amended by Propositions 98 and 111 sets forth a process for disposing of the excess State revenues:

- Education Programs. After the two-year averaging period, 50% of any excess revenues are transferred to the State School Fund for elementary, secondary and community college education. A portion of this excess revenue (25%) may effectively be built into the base used to calculate future funding required by Proposition 98 if the excess funds are used for a specified purpose. The transfer to education is not required if the state's average expenditure per student and average class size is equal to or exceeds that of the ten states with the best performance in these areas.
- Return of Excess. The 50% of excess revenues remaining after the transfer to education must be returned to taxpayers within the following two years. The return can be made through a reduction in the tax rate or as a fee reduction.

Sources:

- "Government Appropriations Limit: Article XIII B of the Constitution." In: *Revenue and Taxation Reference Book 2003*. Sacramento: Assembly Revenue and Taxation Committee, Chapter 5, January 2004, pp. 150-7.
- "Tax and Expenditure Limitation in California: Proposition 13 & Proposition 4", Institute of Governmental Studies, University of California at Berkeley (http://www.igs.berkeley.edu/library/htTaxSpendLimits2003.html)

Calculation of Appropriation Limitation

Appropriation Limit Calculation – Part I

Greater of California per capita income or increase in non-residential assessed valuation of new construction		1.0385
Population percentage change factor	x	1.0104
Ratio of change		1.0493

Appropriation Limit Calculation – Part II

Ratio of change		1.0493
Prior year appropriation limit (2018-19)	x	$77,731,684
Current year appropriation (2019-20)		$81,563,856

Computation of Appropriation Limitation

Adjustment Factors

Cost of Living Price Factor: The computation of the appropriation limitation involves the greater of the two cost of living factors:

Percentage change in per capita income[1]		Percentage change in local assessment roll due to addition of non-residential new construction[2]
	or	
3.85%		0.82%

Population: The computation of the appropriation limitation involves the greater of the following factors for each county:

Growth within San Bernardino County[3]		Growth within the City of Yucaipa
	or	
0.90%		**1.01%**
Growth within Riverside County[4]		**Growth within the City of Calimesa**
	or	
1.17%		0.87%

The underlined factors above were used in calculating the District's appropriation limit for the fiscal year 2018-19. The resolution adopted by the Board of Directors will specify these factors.

[1] State of California, Department of Finance correspondence dated May 2019 (Attachment A)
[2] Ms. Linda Santillano, Auditor-Controller Office, Property Tax Section, July 2018 (909) 382-3189
[3] State of California, Department of Finance correspondence dated May 2019 (Attachment B-SB)
[4] State of California, Department of Finance correspondence dated May 2019 (Attachment B-RIV)

Procedure for Administering Revenue and Taxation Code Section 2228(a)

The Revenue and Taxation Code, Section 2228(a) requires the following:

If a special district is located within a single county or within more than one city or any combination of cities and incorporated area within a single county, the annual percentage change in population for the district shall be that established for the county or the weighted average of the percentage change of each city and the unincorporated area.

If a special district is located within more than one county, the annual percentage change in population for the district shall be the weighted average of the percentage change of each county or city or unincorporated area within the district or any combination provided that the areas selected are mutually exclusive.

The State of California, Department of Finance has specified that the weights applied shall be the relative share of the assessed valuation (A.V.) of the district in each local agency.

Population Percentage Change Factor:

Local Agency	Percentage Population Change		Assessed Valuation	=	Percentage Change x A.V.
San Bernardino County	1.01%	x	6,693,626,824	=	67,605,631
Riverside County	1.17%	x	1,333,791,770	=	15,605,364
Total District			8,027,418,594		83,210,995

Weighted Average Percent Change:

$$\frac{\text{Total District (Percentage Change x A.V.)}}{\text{Total District Assessed Valuation}} = \frac{83,210,995}{8,027,418,594} = 0.010366$$

Attachments

DEPARTMENT OF FINANCE
GAVIN NEWSOM • GOVERNOR
915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

May 2019

Dear Fiscal Officer:

Subject: Price Factor and Population Information

Appropriations Limit
California Revenue and Taxation Code section 2227 requires the Department of Finance to transmit an estimate of the percentage change in population to local governments. Each local jurisdiction must use their percentage change in population factor for January 1, 2019, in conjunction with a change in the cost of living, or price factor, to calculate their appropriations limit for fiscal year 2019-20. Attachment A provides the change in California's per capita personal income and an example for utilizing the price factor and population percentage change factor to calculate the 2019-20 appropriations limit. Attachment B provides the city and unincorporated county population percentage change. Attachment C provides the population percentage change for counties and their summed incorporated areas. The population percentage change data excludes federal and state institutionalized populations and military populations.

Population Percent Change for Special Districts
Some special districts must establish an annual appropriations limit. California Revenue and Taxation Code section 2228 provides additional information regarding the appropriations limit. Article XIII B, section 9(C) of the California Constitution exempts certain special districts from the appropriations limit calculation mandate. The code section and the California Constitution can be accessed at the following website: http://leginfo.legislature.ca.gov/faces/codes.xhtml.

Special districts required by law to calculate their appropriations limit must present the calculation as part of their annual audit. Any questions special districts have on this requirement should be directed to their county, district legal counsel, or the law itself. No state agency reviews the local appropriations limits.

Population Certification
The population certification program applies only to cities and counties. California Revenue and Taxation Code section 11005.6 mandates Finance to automatically certify any population estimate that exceeds the current certified population with the State Controller's Office. **Finance will certify the higher estimate to the State Controller by June 1, 2019.**

Please Note: The prior year's city population estimates may be revised.

If you have any questions regarding this data, please contact the Demographic Research Unit at (916) 323-4086.

KEELY BOSLER
Director
By:

Vivek Viswanathan
Chief Deputy Director

Attachment

May 2019

Attachment A

A. **Price Factor**: Article XIII B specifies that local jurisdictions select their cost of living factor to compute their appropriation limit by a vote of their governing body. The cost of living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the fiscal year 2019-20 appropriation limit is:

Per Capita Personal Income

Fiscal Year (FY)	Percentage change over prior year
2019-20	3.85

B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2019-20 appropriation limit.

2019-20:

Per Capita Cost of Living Change = 3.85 percent
Population Change = 0.47 percent

Per Capita Cost of Living converted to a ratio: $\frac{3.85 + 100}{100} = 1.0385$

Population converted to a ratio: $\frac{0.47 + 100}{100} = 1.0047$

Calculation of factor for FY 2019-20: $1.0385 \times 1.0047 = 1.0434$

Fiscal Year 2019-20

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2018 to January 1, 2019 and Total Population, January 1, 2019

County City	Percent Change 2018-2019	--- Population Minus Exclusions --- 1-1-18	 1-1-19	Total Population 1-1-2019
San Bernardino				
Adelanto	0.07	34,466	34,489	35,136
Apple Valley	0.79	72,891	73,464	73,464
Barstow	0.20	23,682	23,730	24,150
Big Bear Lake	0.63	5,427	5,461	5,461
Chino	2.43	82,328	84,329	89,829
Chino Hills	1.18	83,379	84,364	84,364
Colton	0.61	54,061	54,391	54,391
Fontana	1.25	209,455	212,078	212,078
Grand Terrace	0.67	12,570	12,654	12,654
Hesperia	1.30	95,127	96,362	96,362
Highland	0.82	55,326	55,778	55,778
Loma Linda	1.41	23,922	24,259	24,335
Montclair	0.87	39,220	39,563	39,563
Needles	0.36	5,067	5,085	5,085
Ontario	2.31	174,244	178,268	178,268
Rancho Cucamonga	0.44	178,619	179,412	179,412
Redlands	0.56	71,441	71,839	71,839
Rialto	0.65	106,582	107,271	107,271
San Bernardino	0.11	217,452	217,695	219,233
Twentynine Palms	1.85	18,502	18,845	28,958
Upland	0.58	78,027	78,481	78,481
Victorville	0.78	122,052	123,010	126,543
Yucaipa	1.01	54,293	54,844	54,844
Yucca Valley	0.66	21,905	22,050	22,050
Unincorporated	0.53	303,177	304,788	312,654
County Total	0.90	2,143,215	2,162,510	2,192,203

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

Fiscal Year 2019-20

Attachment B
Annual Percent Change in Population Minus Exclusions*
January 1, 2018 to January 1, 2019 and Total Population, January 1, 2019

County City	Percent Change 2018-2019	--- Population Minus Exclusions --- 1-1-18	 1-1-19	Total Population 1-1-2019
Riverside				
Banning	0.30	30,950	31,044	31,044
Beaumont	3.99	46,545	48,401	48,401
Blythe	0.40	13,827	13,882	19,428
Calimesa	0.87	9,080	9,159	9,159
Canyon Lake	0.64	11,213	11,285	11,285
Cathedral City	0.81	54,419	54,859	54,907
Coachella	1.25	45,777	46,351	46,351
Corona	0.65	167,013	168,101	168,101
Desert Hot Springs	0.51	29,102	29,251	29,251
Eastvale	0.54	65,725	66,078	66,078
Hemet	0.39	84,423	84,754	84,754
Indian Wells	1.04	5,389	5,445	5,445
Indio	1.37	88,194	89,406	89,406
Jurupa Valley	1.58	104,661	106,318	106,318
Lake Elsinore	1.14	62,096	62,804	62,949
La Quinta	0.83	41,753	42,098	42,098
Menifee	2.95	90,775	93,452	93,452
Moreno Valley	1.09	206,046	208,297	208,297
Murrieta	0.99	116,970	118,125	118,125
Norco	0.33	23,886	23,966	26,386
Palm Desert	0.61	53,298	53,625	53,625
Palm Springs	0.71	48,390	48,733	48,733
Perris	0.93	76,260	76,971	76,971
Rancho Mirage	1.05	18,297	18,489	18,489
Riverside	0.56	326,211	328,042	328,101
San Jacinto	2.67	47,607	48,878	48,878
Temecula	0.51	113,248	113,826	113,826
Wildomar	1.21	35,635	36,066	36,066
Unincorporated	1.83	386,738	393,833	394,200
County Total	1.17	2,403,528	2,431,539	2,440,124

*Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

PIP1112

COUNTY OF SAN BERNARDINO

PROPERTY INFORMATION SYSTEM

AGENCY PERCENTAGE CHANGE REPORT

AGENCY	NEW CONST INCREASE	TOTAL INCREASE	PERCENTAGE CHANGE
VICTORVILLE RDA BEAR VALLEY ROAD	14,279,133.00	40,971,856.00	34.8510
VICTORVILLE STREET LIGHT DISTRICT	12,968,789.00	201,796,569.00	6.4266
VICTORVILLE WATER DISTRICT	22,742,007.00	496,598,524.00	4.5795
WEST VALLEY MVCD	195,007,331.00	2,887,281,005.00	6.7540
WEST VALLEY WATER DISTRICT	122,455,684.00	988,884,395.00	12.3832
WRIGHTWOOD CSD	12,067.00	27,319,239.00	0.0441
YERMO COMMUNITY SERVICES DISTRICT	15,330.00	6,336,288.00	0.2419
YUCAIPA RDA	316,803.00	21,633,949.00	1.4643
YUCAIPA VALLEY WATER DISTRICT	1,642,891.00	200,764,398.00	0.8183
YUCAIPA-CALIMESA JOINT UNIFIED	1,701,096.00	205,618,906.00	0.8273
YUCCA VALLEY RDA	2,290,522.00	34,539,359.00	6.6316
29 PALMS CEMETERY DISTRICT	2,625,090.00	39,718,520.00	6.6092

AGENCY NET VALUATIONS

ROLL YEAR: 2018

AGENCY: WW29 YUCAIPA VALLEY WATER DISTRICT

ADDRESS: P.O. BOX 730
YUCAIPA, CA 923990730

	ACCT CODE	ACCT NAME	NET VALUE BEFORE RDA	RDA INCREMENT	NET VALUE AFTER RDA	HOME OWNERS EXEMPTION	TAX ROLL VALUE
	DA01	DEBT SERVICE IMP 2					
LOCAL SECURED			903,610,724	78,393,467	825,217,257	9,840,600	815,376,657
SECURED UTILITY			0	0	0	0	0
UNSECURED			25,055,107	16,523,817	8,531,290	0	8,531,290
TOTAL			928,665,831	94,917,284	833,748,547	9,840,600	823,907,947
	GA01	GENERAL TAX LEVY					
LOCAL SECURED			4,460,008,997	192,329,484	4,267,679,513	57,500,800	4,210,178,713
SECURED UTILITY			0	0	0	0	0
UNSECURED			67,771,822	24,179,112	43,592,710	0	43,592,710
TOTAL			4,527,780,819	216,508,596	4,311,272,223	57,500,800	4,253,771,423
	GA02	GENERAL TAX LEVY IMP DIST A					
LOCAL SECURED			2,616,254,027	96,793,716	2,519,460,311	36,012,200	2,483,448,111
SECURED UTILITY			0	0	0	0	0
UNSECURED			28,608,813	4,311,438	24,297,375	0	24,297,375
TOTAL			2,644,862,840	101,105,154	2,543,757,686	36,012,200	2,507,745,486

0	04-4882	CHIRIACO SUMMIT CO WATER	3,974,546	3,974,546	119,842	4,094,388
0	04-4888	COACHELLA VAL IMP DST 16 ANX 3				
0	04-4889	CVWD WATER ASMT 65	86,796,702	86,796,702	9,128,372	95,925,074
0	04-4891	PINE COVE CO WATER	237,957,428	237,957,428	96,834	238,054,262
0	04-4892	PINYON PINES CO WATER	12,166,166	12,166,166		12,166,166
0	04-4893	WEST VALLEY WATER				
0	04-4894	CO WATER WEST VALLEY JT33-36	133,235,353	133,235,353	26,274,331	159,509,684
0	04-4895	YUCAIPA VALLEY CO WATER ANX				
0	04-4896	YUCAIPA VALLEY CO WTR	828,717,958	828,717,958	11,354,167	840,072,125
0	04-4897	YUCAIPA VALLEY CO WTR IMP 1	365,555,677	365,555,677	5,667,375	371,223,052
0	04-4898	YUCAIPA VALLEY CO WTR IMP 2	139,518,135	139,518,135	198,957	139,717,092
0	04-4899	YUCAIPA VAL CO WTR IMP#1 ANX				
0	04-4903	EDGEMONT COMM SERV DEBT SERVICE				

Yucaipa Valley Water District

Workshop Memorandum 19-122

Date: May 28, 2019

From: Allison M. Edmisten, Chief Financial Officer
Erin Anton, Administrative Clerk V

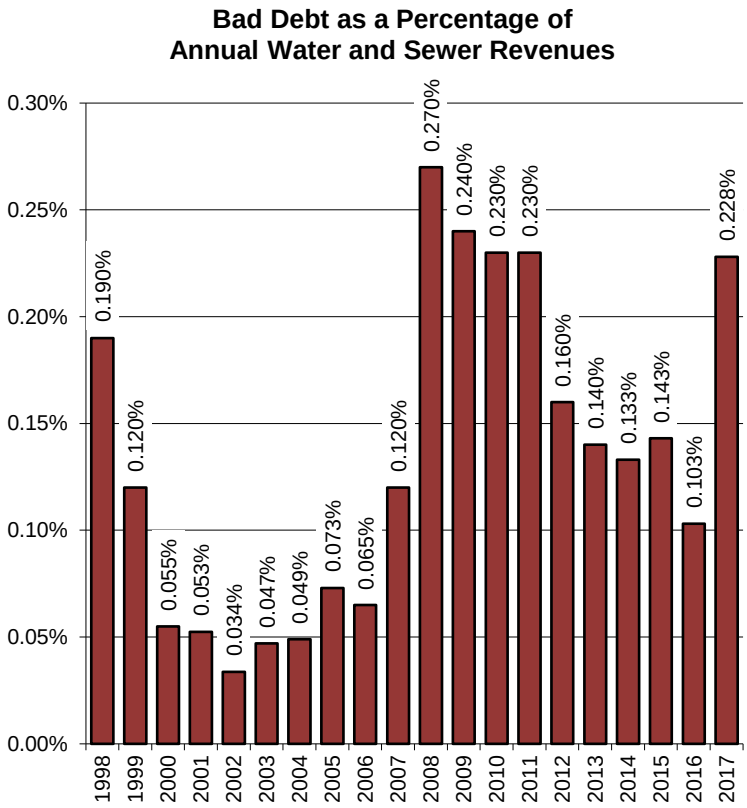
Subject: Identification and Declaration of Bad Debt for Calendar Year 2017

The District actively pursues delinquent accounts, and in most cases is able to collect delinquent fees through a combination of shutting off the services provided, sending accounts to a collection agency, placing a lien on the property involved, and/or pursuing the claims through legal actions such as small claims court. In some cases, the District is unable to collect the money owed the District.

During the calendar year 2017, the amount of bad debt totals $45,561.98. This total includes $27,660.35 for sewer only customers, $9,896.23 for water/sewer customers, $1,304.56 due to home foreclosures, and $9,703.84 for miscellaneous accounts receivable invoices.

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

Overall, the total amount of bad debt represents a loss of 0.228% for calendar year 2017 based on total water and sewer revenues.



Yucaipa Valley Water District

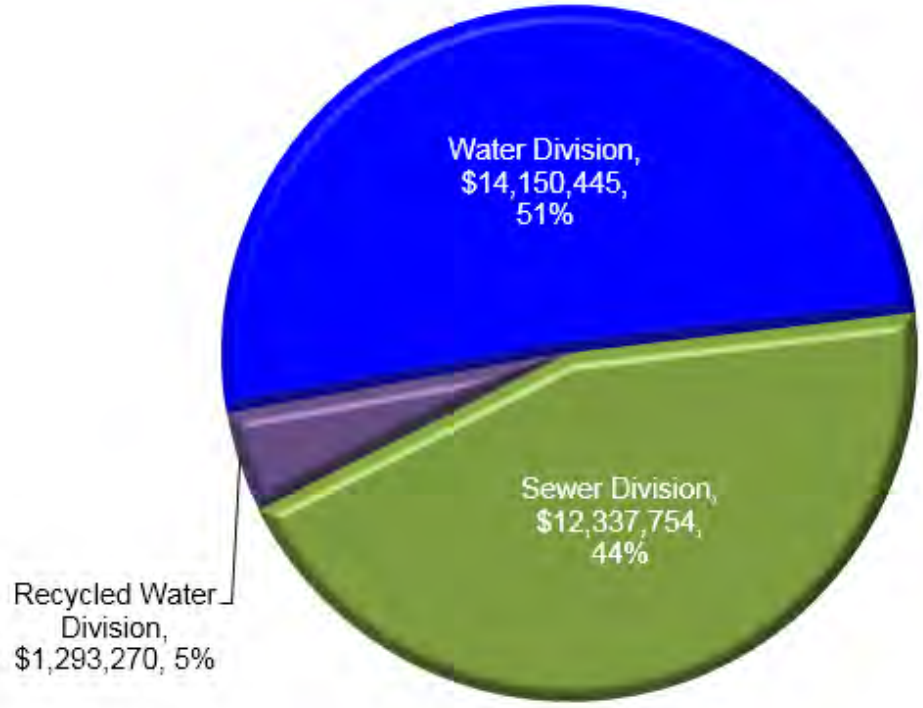
Workshop Memorandum 19-123

Date: May 28, 2019

From: Joseph Zoba, General Manager

Subject: Overview of Budget Concepts and Recommendations to be Discussed at the Budget Workshop Scheduled for June 11, 2019

The current Fiscal Year 2019 operating budget totaled $27,781,469 (excluding capital improvement projects) and was divided into the following three enterprise funds.



On Tuesday, June 11, 2019 at 4:00 pm, the District will be conducting a budget workshop to discuss the proposed budget for the Fiscal Year starting on July 1, 2019.

The purpose of this workshop agenda item is to discuss recent budget trends and to review the existing rate structures for drinking water, sewer, recycled water, and brine disposal services.

Director Comments

Yucaipa Valley Water District

Adjournment

Yucaipa Valley Water District

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
71 full time employees

FY 2018-19 Operating Budget:
Water Division - $14,150,445
Sewer Division - $12,337,754
Recycled Water Division - $1,293,270
Total Annual Budget - $25,754,750

Number of Services:
12,693 water connections serving 17,362 units
13,980 sewer connections serving 21,806 units
92 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
1.756 million gallons of Inland Empire Brine Line capacity
0.595 million gallons of treatment capacity in Orange County

Typical Rates, Fees and Charges:

- Drinking Water Commodity Charge:

1,000 gallons to 15,000 gallons	$1.429 per each 1,000 gallons
16,000 gallons to 60,000 gallons	$1.919 per each 1,000 gallons
61,000 gallons to 100,000 gallons	$2.099 per each 1,000 gallons
101,000 gallons or more	$2.429 per each 1,000 gallons

- Recycled Water Commodity Charge:

1,000 gallons or more	$1.425 per each 1,000 gallons

- Water Meter Service Charge (Drinking Water or Recycled Water):

5/8” x 3/4” Water Meter	$14.00 per month
1” Water Meter	$23.38 per month
1-1/2” Water Meter	$46.62 per month

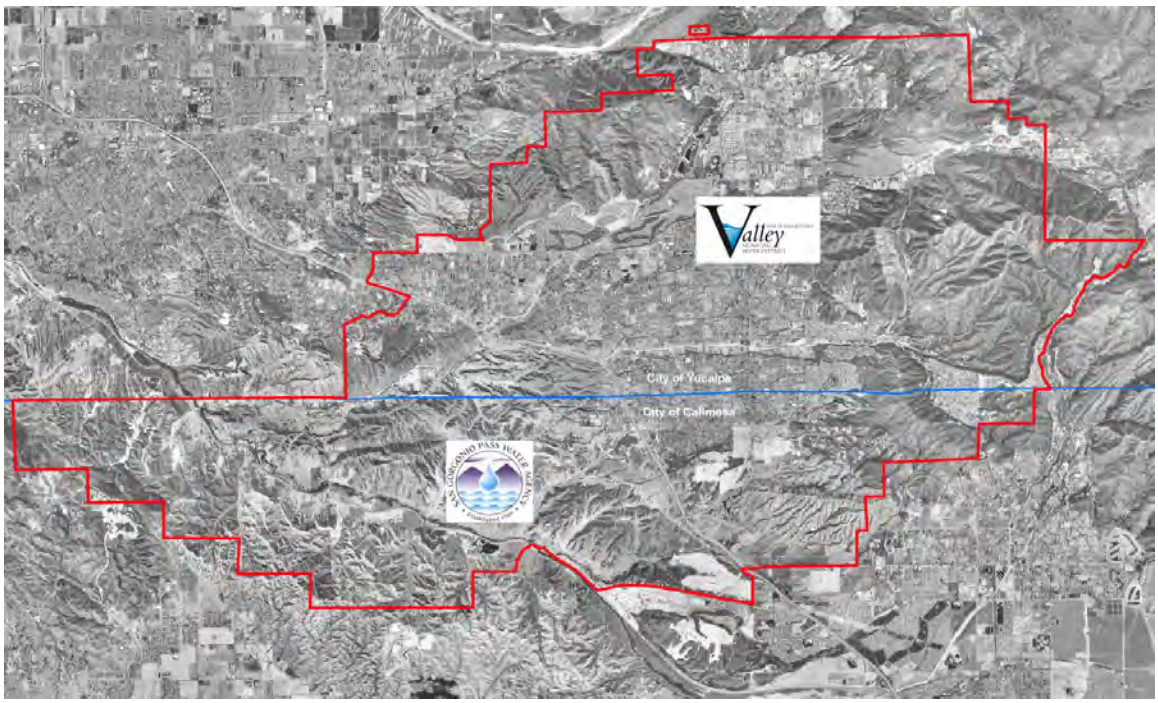
- Sewer Collection and Treatment Charge:

Typical Residential Charge	$42.43 per month

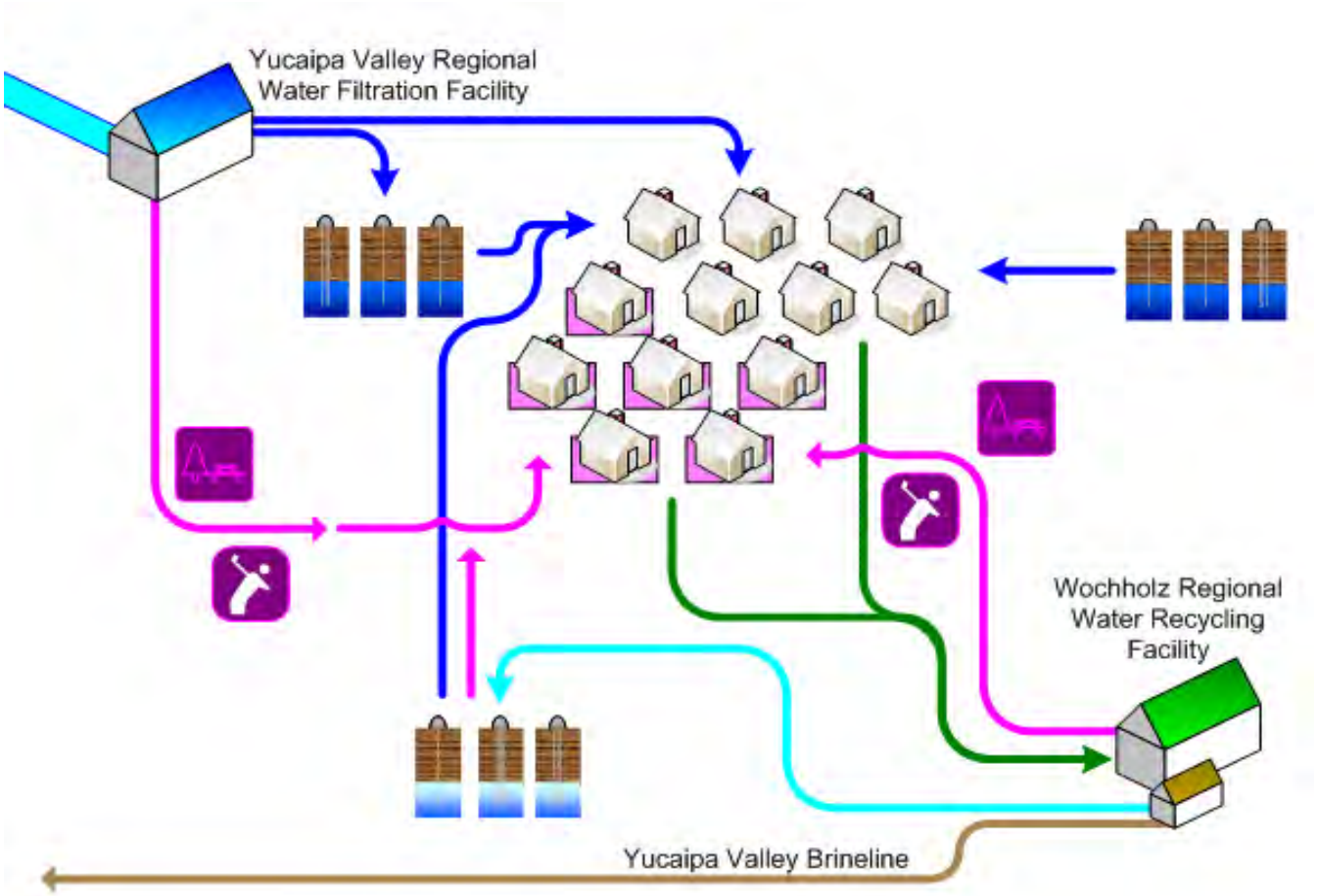
- Imported Water Charges (Pass-through State Water Project Charge):

San Bernardino Valley Municipal Water District	$0.27 per each 1,000 gallons
San Gorgonio Pass Water Agency	$0.66 per each 1,000 gallons

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.



Yucaipa Valley Water District

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 wastewater 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 wastewater treatment process. This high-quality product can be recycled 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.

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

Certificate of Participation (COP) – A type of financing where an investor purchases a share of the lease revenues of a program rather than the bond being secured by those revenues.

Coliform Bacteria - A group of bacteria found in the intestines of humans and other animals, but also occasionally found elsewhere used as indicators of sewage pollution. E. coli are the most common bacteria in wastewater.

Collections System - In wastewater, it is the system of typically underground pipes that receive and convey sanitary wastewater or storm water.

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.

Contaminants of Potential Concern (CPC) - Pharmaceuticals, hormones, and other organic wastewater contaminants.

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.

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.

Levels of Service (LOS) - Goals to support environmental and public expectations for performance.

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.

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.

Santa Ana River Interceptor (SARI) Line - A regional brine line designed to convey 30 million gallons per day (MGD) of non-reclaimable wastewater from the upper Santa Ana River basin to Orange County Sanitation District for treatment, use and/or disposal.

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

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 wastewater.

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.

South Coast Air Quality Management District (SCAQMD) - Regional regulatory agency that develops plans and regulations designed to achieve public health standards by reducing emissions from business and industry.

Special district - A form of local government created by a local community to meet a specific need. Yucaipa Valley Water District is a County Water District formed pursuant to Section 30000 of the California Water Code

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.

Surface Water - Water found in lakes, streams, rivers, oceans, or reservoirs behind dams. In addition to using groundwater, Yucaipa Valley Water District receives surface water from the Oak Glen area.

Sustainable Groundwater Management Act (SGMA) - Pursuant to legislation signed by Governor Jerry Brown in 2014, the Sustainable Groundwater Management Act requires water agencies to manage groundwater extractions to not cause undesirable results from over production.

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 wastewater as it trickles over them.

Underground Service Alert (USA) - A free service (https://www.digalert.org) 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 carry 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.

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

Water Service Line - A water service line is used to deliver water from the Yucaipa Valley Water District's mainline distribution system.

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.

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

Water-Wise House Call - a service which provides a custom evaluation of a customer's indoor and outdoor water use and landscape watering requirements.

Well - a hole drilled into the ground to tap an underground aquifer.

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

Yucaipa Valley Water District

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