



Yucaipa Valley Water District

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

Notice and Agenda of a Meeting of the Board of Directors

Tuesday, October 20, 2020 at 4:00 p.m.

Due to the spread of COVID-19 and in accordance with the Governor's Executive Order N-29-20 (a copy of which is attached to this agenda), the Yucaipa Valley Water District will be conducting this meeting by teleconference only. Public comments on matters listed on the agenda or on any matter within the District's jurisdiction will be received during Public Comments, Agenda Item No. III.

**This meeting is available by calling
(888) 475-4499 using passcode 676-950-731#**

**View live presentation material at
<https://zoom.us/j/676950731>
Passcode: 765589**

There will be no public physical location for attending this meeting in person. The District's Board meeting room will be closed to the public until further notice.

If you are unable to participate by telephone, you may submit comments and/or questions in writing for the Board's consideration by sending them to inquiry@yvwd.us. Submit your written inquiry prior to the start of the meeting. All public comments received prior to the start of the meeting will be provided to the Board and may be read into the record or compiled as part of the record.

- I. CALL TO ORDER**
- II. ROLL CALL**
- III. PUBLIC COMMENTS** - At this time, members of the public may briefly address the Board of Directors on matters within its jurisdiction or on any matter listed on this agenda.

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

IV. CONSENT CALENDAR - All consent calendar matters are routine and will be acted upon in one motion. There will be no discussion of these items unless board members, administrative staff, or members of the public request specific items to be discussed and/or removed prior to the vote for approval.

- A. Minutes of Meetings
 - 1. Board Meeting - October 13, 2020
- B. Payment of Bills
 - 1. Approve/Ratify Invoices for Board Awarded Contracts
 - 2. Ratify General Expenses for September 2020

V. STAFF REPORT

VI. DISCUSSION ITEMS

- A. Overview of Various Mapping Technologies Used by the Yucaipa Valley Water District [[Director Memorandum No. 20-154 - Page 22 of 77](#)]
RECOMMENDED ACTION: Staff Presentation – No action required.
- B. Authorization to Solicit Bids for the Replacement of Drinking Water Reservoirs R-17.1.1 and R-17.1.2, Yucaipa [[Director Memorandum No. 20-155 - Page 24 of 77](#)]
RECOMMENDED ACTION: That the Board authorize the District staff to solicit bids for the replacement of the drinking water reservoirs R-17.1.1 and R-17.1.2.
- C. Presentation of Fitch Ratings Press Release Regarding Upgraded Bond Ratings for the Yucaipa Valley Water District [[Director Memorandum No. 20-156 - Page 28 of 77](#)]
RECOMMENDED ACTION: Staff report – no action required.
- D. Consideration of Using the Statewide Community Infrastructure Program for the Payment of Sewer Facility Capacity Charges for Belfort Gardens - Assessment District No. 20-01 with the California Statewide Communities Development Authority [[Director Memorandum No. 20-157 - Page 40 of 77](#)]
RECOMMENDED ACTION: Pending

VII. BOARD REPORTS & DIRECTOR COMMENTS

VIII. ANNOUNCEMENTS

- A. October 27, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- B. November 3, 2020 at 4:00 p.m. - Board Meeting - **Cancelled**
- C. November 10, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- D. November 17, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- E. November 24, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- F. December 1, 2020 at 4:00 p.m. - Board Meeting - **Cancelled**
- G. December 8, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- H. December 15, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- I. December 22, 2020 at 4:00 p.m. - Board Meeting - **Teleconference Only**
- J. December 29, 2020 at 4:00 p.m. - Board Meeting - **Cancelled**
- K. January 5, 2021 at 4:00 p.m. - Board Meeting - **Cancelled**
- L. January 12, 2021 at 4:00 p.m. - Board Meeting - **Teleconference Only**

IX. ADJOURNMENT

**EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA**

EXECUTIVE ORDER N-29-20

WHEREAS on March 4, 2020, I proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19; and

WHEREAS despite sustained efforts, the virus continues to spread and is impacting nearly all sectors of California; and

WHEREAS the threat of COVID-19 has resulted in serious and ongoing economic harms, in particular to some of the most vulnerable Californians; and

WHEREAS time bound eligibility redeterminations are required for Medi-Cal, CalFresh, CalWORKs, Cash Assistance Program for Immigrants, California Food Assistance Program, and In Home Supportive Services beneficiaries to continue their benefits, in accordance with processes established by the Department of Social Services, the Department of Health Care Services, and the Federal Government; and

WHEREAS social distancing recommendations or Orders as well as a statewide imperative for critical employees to focus on health needs may prevent Medi-Cal, CalFresh, CalWORKs, Cash Assistance Program for Immigrants, California Food Assistance Program, and In Home Supportive Services beneficiaries from obtaining in-person eligibility redeterminations; and

WHEREAS under the provisions of Government Code section 8571, I find that strict compliance with various statutes and regulations specified in this order would prevent, hinder, or delay appropriate actions to prevent and mitigate the effects of the COVID-19 pandemic.

NOW, THEREFORE, I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by the State Constitution and statutes of the State of California, and in particular, Government Code sections 8567 and 8571, do hereby issue the following order to become effective immediately:

IT IS HEREBY ORDERED THAT:

1. As to individuals currently eligible for benefits under Medi-Cal, CalFresh, CalWORKs, the Cash Assistance Program for Immigrants, the California Food Assistance Program, or In Home Supportive Services benefits, and to the extent necessary to allow such individuals to maintain eligibility for such benefits, any state law, including but not limited to California Code of Regulations, Title 22, section 50189(a) and Welfare and Institutions Code sections 18940 and 11265, that would require redetermination of such benefits is suspended for a period of 90 days from the date of this Order. This Order shall be construed to be consistent with applicable federal laws, including but not limited to Code of Federal Regulations, Title 42, section 435.912, subdivision (e), as interpreted by the Centers for Medicare and Medicaid Services (in guidance issued on January 30, 2018) to permit the extension of

otherwise-applicable Medicaid time limits in emergency situations.

2. Through June 17, 2020, any month or partial month in which California Work Opportunity and Responsibility to Kids (CalWORKs) aid or services are received pursuant to Welfare and Institutions Code Section 11200 et seq. shall not be counted for purposes of the 48-month time limit set forth in Welfare and Institutions Code Section 11454. Any waiver of this time limit shall not be applied if it will exceed the federal time limits set forth in Code of Federal Regulations, Title 45, section 264.1.
3. Paragraph 11 of Executive Order N-25-20 (March 12, 2020) is withdrawn and superseded by the following text:

Notwithstanding any other provision of state or local law (including, but not limited to, the Bagley-Keene Act or the Brown Act), and subject to the notice and accessibility requirements set forth below, a local legislative body or state body is authorized to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public seeking to observe and to address the local legislative body or state body. All requirements in both the Bagley-Keene Act and the Brown Act expressly or impliedly requiring the physical presence of members, the clerk or other personnel of the body, or of the public as a condition of participation in or quorum for a public meeting are hereby waived.

In particular, any otherwise-applicable requirements that

- (i) state and local bodies notice each teleconference location from which a member will be participating in a public meeting;
- (ii) each teleconference location be accessible to the public;
- (iii) members of the public may address the body at each teleconference conference location;
- (iv) state and local bodies post agendas at all teleconference locations;
- (v) at least one member of the state body be physically present at the location specified in the notice of the meeting; and
- (vi) during teleconference meetings, at least a quorum of the members of the local body participate from locations within the boundaries of the territory over which the local body exercises jurisdiction

are hereby suspended.

A local legislative body or state body that holds a meeting via teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically, consistent with the notice and accessibility requirements set forth below, shall have satisfied any requirement that the body allow

members of the public to attend the meeting and offer public comment. Such a body need not make available any physical location from which members of the public may observe the meeting and offer public comment.

Accessibility Requirements: If a local legislative body or state body holds a meeting via teleconferencing and allows members of the public to observe and address the meeting telephonically or otherwise electronically, the body shall also:

- (i) Implement a procedure for receiving and swiftly resolving requests for reasonable modification or accommodation from individuals with disabilities, consistent with the Americans with Disabilities Act and resolving any doubt whatsoever in favor of accessibility; and
- (ii) Advertise that procedure each time notice is given of the means by which members of the public may observe the meeting and offer public comment, pursuant to subparagraph (ii) of the Notice Requirements below.

Notice Requirements: Except to the extent this Order expressly provides otherwise, each local legislative body and state body shall:

- (i) Give advance notice of the time of, and post the agenda for, each public meeting according to the timeframes otherwise prescribed by the Bagley-Keene Act or the Brown Act, and using the means otherwise prescribed by the Bagley-Keene Act or the Brown Act, as applicable; and
- (ii) In each instance in which notice of the time of the meeting is otherwise given or the agenda for the meeting is otherwise posted, also give notice of the means by which members of the public may observe the meeting and offer public comment. As to any instance in which there is a change in such means of public observation and comment, or any instance prior to the issuance of this Order in which the time of the meeting has been noticed or the agenda for the meeting has been posted without also including notice of such means, a body may satisfy this requirement by advertising such means using "the most rapid means of communication available at the time" within the meaning of Government Code, section 54954, subdivision (e); this shall include, but need not be limited to, posting such means on the body's Internet website.

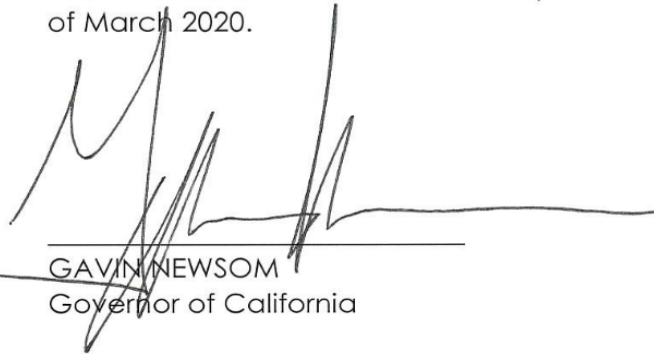
All of the foregoing provisions concerning the conduct of public meetings shall apply only during the period in which state or local public health officials have imposed or recommended social distancing measures.

All state and local bodies are urged to use sound discretion and to make reasonable efforts to adhere as closely as reasonably possible to the provisions of the Bagley-Keene Act and the Brown Act, and other applicable local laws regulating the conduct of public meetings, in order to maximize transparency and provide the public access to their meetings.

IT IS FURTHER ORDERED that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this Order.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 17th day of March 2020.



GAVIN NEWSOM
Governor of California

Consent Calendar



Yucaipa Valley Water District

MINUTES OF A BOARD MEETING - TELECONFERENCE

October 13, 2020 at 4:00 pm

Directors Present:

Chris Mann, President
Lonni Granlund, Vice President
Joyce McIntire, Director
Dennis Miller, Director

Staff Present:

Wade Allsup, Information Systems Specialist
Jennifer Ares, Water Resource Manager
Madeline Blua, Water Resource Specialist
Allison Edmisten, Chief Financial Officer
Chelsie Fogus, Administrative Assistant I
Ashley Gibson, Regulatory Compliance Manager
Kathryn Hallberg, Implementation Manager
Dustin Hochreiter, Senior Engineering Technician
Tim Mackamul, Operations Manager
Matthew Porras, Implementation Manager
Mike Rivera, Public Works Supervisor
John Wrobel, Public Works Manager
Joseph Zoba, General Manager

Directors Absent:

Jay Bogh, Director

Consulting Staff Present:

David Wysocki, Legal Counsel

Registered Guests and Others Present:

Logan Largent, Ortega Strategies Group

Due to the spread of COVID-19 and in accordance with the Governor's Executive Order N-29-20 (a copy of which was attached to the meeting agenda), the Yucaipa Valley Water District conducted this meeting by teleconference.

The meeting was available to the public by calling (888) 475-4499 using passcode 676-950-731 and live presentation material was available at <https://zoom.us/j/676950731>.

CALL TO ORDER

The regular meeting of the Board of Directors of the Yucaipa Valley Water District was called to order by Chris Mann at 4:00 p.m.

ROLL CALL

The roll was called with Director Lonni Granlund, Director Chris Mann, Director Joyce McIntire, and Director Dennis Miller present.

Director Jay Bogh was absent.

PUBLIC COMMENTS

None

CONSENT CALENDAR

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

A. Minutes of Meetings

1. Board Meeting - October 6, 2020

The motion was approved by the following vote:

Director Jay Bogh - Absent
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

STAFF REPORT

General Manager Joseph Zoba provided information on the following item(s):

- The East Branch Extension of the State Water Project will be offline from December 31, 2020 to January 31, 2021 for routine maintenance and repairs. During this period, the District staff will conduct routine maintenance and repairs at the Yucaipa Valley Regional Water Filtration Facility.
- On Friday, October 9, 2020, the District staff received information that Fitch Ratings upgraded the Yucaipa Valley Water District from an A+ rating to a AA rating. In 2015, the District refinanced the bonds used to construct the Yucaipa Valley Regional Water Filtration Facility and received a AA- rating. A presentation about the Fitch Ratings will be provided at the next board meeting.
- The San Bernardino Valley Municipal Water District Advisory Commission on Water Policy will be held on Thursday, October 15, 2020 at 6:30 pm.

DISCUSSION ITEMS:

DM 20-149

PRESENTATION OF THE
UNAUDITED FINANCIAL
REPORT FOR THE
PERIOD ENDING ON
SEPTEMBER 30, 2020

Chief Financial Officer Allison Edmisten presented the Unaudited Financial Report for the period ending on September 30, 2020. This presentation included a discussion about recent financial issues and utility billing aging data.

Director Dennis Miller moved that the Board receive and file the unaudited financial report.

Director Lonni Granlund seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Absent
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

DM 20-150

OVERVIEW OF
PROPOSED VIRTUAL
COMMUNITY
EDUCATIONAL
PROGRAMS AND
STUDENT ACTIVITIES

Water Resource Specialist Madeline Blua presented information about the proposed YVWD Water Academy, poster contest, and community water scavenger hunt. The District staff will continue to develop these concepts for future approval by the Board of Directors.

This staff presentation did not require specific action by the Board of Directors.

DM 20-151

OVERVIEW OF THE
DATE AVENUE
DRINKING WATER
PIPELINE
REPLACEMENT
PROJECT - YUCAIPA

Implementation Manager Matthew Porras presented an overview of the Dave Avenue Pipeline Project.

This staff presentation did not require specific action by the Board of Directors.

DM 20-152

CONSIDERATION OF AN
AGREEMENT TO
FACILITATE WATER
DELIVERIES BY SAN
BERNARDINO VALLEY
MUNICIPAL WATER
DISTRICT FOR THE SAN
GORGONIO PASS
WATER AGENCY IN THE
CALIMESA AREA

General Manager Joseph Zoba presented an Agreement to Facilitate Water Deliveries by San Bernardino Valley Municipal Water District for the San Gorgonio Pass Water Agency in the Calimesa Area. This version of the Agreement was updated from the previously approved version approved by the Board of Directors on November 5, 2019 as Director Memorandum No. 19-126.

Director Joyce McIntire moved that the Board authorize the President to execute the joint agency agreement as presented.

Director Dennis Miller seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Absent
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

DM 20-153

CONSIDERATION OF
UPDATED
RESOLUTIONS FOR
THE ANNEXATION OF
TERRITORY TO THE
YUCAIPA VALLEY
WATER DISTRICT

Implementation Manager Kathryn Hallberg presented updated resolutions for the annexation of territory to the Yucaipa Valley Water District service area.

Director Dennis Miller moved that the Board adopt Resolution No. 2020-49, Resolution No. 2020-50, Resolution No. 2020-51, Resolution No. 2020-52, Resolution No. 2020-53, and Resolution No. 2020-54.

Director Lonni Granlund seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Absent
Director Lonni Granlund - Yes
Director Chris Mann - Yes
Director Joyce McIntire - Yes
Director Dennis Miller - Yes

BOARD REPORTS AND
DIRECTOR COMMENTS

Director Joyce McIntire reported on the San Bernardino Valley Municipal Water District policy workshop held on October 8, 2020.

Director Joyce McIntire reported on the San Gorgonio Pass Water Agency engineering workshop held on October 12, 2020.

ANNOUNCEMENTS

Director Chris Mann called attention to the announcements listed on the agenda.

CLOSED SESSION

Director Lonni Granlund, Director Chris Mann, Director Joyce McIntire, and Director Dennis Miller were present in closed session with Legal Counsel David Wysocki, Chief Financial Officer Allison Edmisten, and General Manager Joseph Zoba to discuss the following items:

- A. Conference with Legal Counsel - Anticipated Litigation (Government Code 54956.9(d)(2) & (4)) - One Case
- B. Conference with Real Property Negotiator (Government Code 54956.8)
Property: Assessor's Parcel Numbers: 413-040-018 (portion)
Agency Negotiator: Joseph Zoba, General Manager
Negotiating Parties: Mesa Verde Ventures LLC c/o Betek Corporation Under
Under Negotiation: Terms of Payment and Price

- C. Conference with Real Property Negotiator(s) -
Government Code 54956.8
Property: Assessor's Parcel Number: 0322-301-44
Agency Negotiator: Joseph Zoba, General Manager
Negotiating Parties: Ioan and Iuliana Floruta
Under Negotiation: Terms of Payment and Price

After reconvening out of closed session, Legal Counsel David Wysocki reported that action was taken in closed session by the Board of Directors based on a motion by Director Dennis Miller and seconded by Director Lonni Granlund authorizing special legal counsel to take whatever legal action necessary to defend, protect and assert the water rights transferred by the Oak Valley Partners and related entities to Yucaipa Valley Water District. The motion was passed with 4 votes, Director Bogh being absent from the meeting.

ADJOURNMENT

The meeting was adjourned at 5:00 p.m.

Respectfully submitted,

Joseph B. Zoba, Secretary

(Seal)

Board Awarded Contracts
Consent Calendar Board Meeting - October 20, 2020

District Awarded Contracts	Director Memorandum	Job or GL #	Job Cost Breakdown	Awarded Contract Amount	Prior Payments to Date	Pending Invoice Amount	Total Contract Payments	Remaining Contract Amount
Law Office of David L. Wysocki - FY 2020-2021 Legal Services (Operating)	--	*-5-06-54107	--	--	\$6,788	\$2,663	\$9,451	
DDB Engineering (R-Reserves) Application to DDW for the Recharge at Wilson Creek Basins	15-086	04-19771	--	\$35,900	\$25,395	\$0	\$25,395	\$10,505
Delta Partners \$90,000 per year-Legislative Consult (exp 12/18) W/S Oper Three Year Contract Extension (exp 12/2021)	13-079 19-052	*-5-06-54109 *5-06-54109	\$90,000 \$270,000	\$360,000	\$210,000	\$7,500	\$217,500	\$142,500
Dudek (S-Operating) 2020-Max Benefit Monitoring for San Timoteo/Yucaipa Mgmt. Zones	20-038	03-5-06-54109	--	\$52,338	\$7,326	\$3,420	\$10,746	\$41,592
Dudek (S-Operating) 2020-Habitat Monitoring Program (HMP) in San Timoteo Creek	20-037	65-15339 03-5-06-57030	--	\$52,660	\$5,742	\$3,526	\$9,268	\$43,392
Dudek (W/S/R Operating) Developing a Comprehensive Database Management System (DMS) Amendment #1	17-084 0*-5-06-54109	65-26145 \$89,750 \$6,600	--	\$96,350	\$95,626	\$0	\$95,626	\$724
ECORP (W/S Reserves) Prepare Study/Mitigated Negative Declaration/Oak Valley Recharge DM 19-039 Ratification of original contract-add'l sum not to exceed \$4500.00	02-5-06-54109 18-157 19-093	77-32719	\$47,520 \$4,500	\$52,020	\$25,974	\$0	\$25,974	\$26,046
ECORP (W/S Reserves) YVWD-Salinity and Groundwater Enhancement (Sage) Project W/S Reserves	03-502-51003 19-022	88-23792		\$9,645	\$266	\$0	\$266	\$9,379
Geoscience Pilot Recharge Testing of the Beaumont Basin (S-Reserves) \$326,956 Amendment #1 -DM 19-057 - \$101,464 Amendment #2 -DM 19-097 - \$456,064 Amendment #3 -DM 19-125 - \$89,767	18-140 19-057 19-097 19-125	03-5-06-54109	--	\$974,251	\$799,823	\$450	\$800,273	\$173,978
Geoscience Tracer Study Analysis at Wilson Creek Spreading Basins (\$34,560.00) DM 20-008 Budget Amendment for the Tracer Study (\$7,930.00)_	19-024 20-008	02-5-06-54109	--	\$42,490	\$36,222	\$0	\$36,222	\$6,268
HDR (W-Operating) Perform Tracer Study on R13.1 Clearwell at YVRWFF	17-068	02-5-06-54109	\$37,726 \$4,000	\$41,726	\$41,319	\$0	\$41,319	\$407
Inland Potable Services Reservoir Cleaning and Inspection Services/expires 2021(Water & Recycled) 2019- (15)Reservoirs-43,537.00- DM 19-038 Change Order to Increase 35,900.00 2020- (16)Reservoirs 54,540.00 2021- (17)Reservoirs-41,616.00	18-158 19-038	*5-01-51003	--	\$175,593	\$157,126	\$0	\$157,126	\$18,467
One Stop Landscape Supply FY 20-21 Sludge Hauling\Reuse (Oper)	--	03-5-02-57031	--	--	\$49,330	\$22,278	\$71,608	

Board Awarded Contracts
Consent Calendar Board Meeting - October 20, 2020

District Awarded Contracts	Director Memorandum	Job or GL #	Job Cost Breakdown	Awarded Contract Amount	Prior Payments to Date	Pending Invoice Amount	Total Contract Payments	Remaining Contract Amount
RMC Water & Environment/Woodard & Curran								
TO#26, SRF Mgmt. Svcs-Calimesa Regional Recycled Pipeline (R-FCC)	14-023	04-5-06-54109		\$95,692	\$69,361	\$0	\$69,361	\$26,331
Application to DDW for the Recharge at Wilson Creek Basins (R-Resvs) Amendment #3	15-086 18-085	04-19771	--	\$237,668	\$236,474	\$0	\$236,474	\$1,194
Separation Processes, Inc. (W-Reserves) Design & Construction Supports Servs for NF SCRAM	15-047	55-19200 02-14500		\$191,820	\$170,980	\$0	\$170,980	\$20,840
Application to DDW for the Recharge at Wilson Creek Basins (R-Resrvs)	15-086	04-19771	--	\$42,860	\$24,527	\$0	\$24,527	\$18,333
Feasibility Report for Wochholz SAGE Project (\$67,575.00) Preliminary Engineering Design Study-SAGE Project (\$32,260.00)	17-043 19-106	03-5-06-54109 03-5-06-54109		\$99,835	\$98,311	\$0	\$98,311	\$1,524
WWTP Monitoring Operations & Reporting Enhancement (MORE) (S-Oper)	18-122	03-5-06-54109		\$330,436	\$235,742	\$11,125	\$246,867	\$83,569
WWTP -RCA - Foaming- Improve energy efficiency and treatment process	19-025	03-5-06-54109		\$36,800	\$34,621	\$0	\$34,621	\$2,179
WWTP -Secondary Treatment Process Improvement	20-073	03-5-06-54109		\$158,753	\$57,526	\$23,176	\$80,702	\$78,052
WWTP - Reverse Osmosis Pilot Study	20-099	03-5-06-54109		\$192,860	\$7,823	\$2,433	\$10,256	\$182,604
Superior Tank - R-16.6 drinking water(Water Fund, Infrastructure Reserves) Replacement of Drinking Water Reservoir R-16.6 Change Order #1 \$25,000.00 Reduction- DM 20-118	19-138	Task #79011		\$540,668	\$540,668	\$0	\$540,668	\$0
GRAND TOTALS				\$3,820,365	\$2,936,970	\$76,570	\$3,013,540	\$887,884

Check Register - September 2020

Date	Check #	Payee or Description	Amount
09/01/2020	37561	Aflac	\$ 2,995.89
09/01/2020	37562	Blue Shield of California	\$ 4,651.80
09/01/2020	37563	Nippon Life Insurance Co	\$ 2,872.43
09/01/2020	37564	Standard Dental Insurance Co	\$ 1,369.00
09/01/2020	37565	Standard Insurance Vision Plan	\$ 302.08
09/01/2020	37566	Western Dental Services Inc	\$ 241.04
09/01/2020	37567	Ameripride Uniform Services	\$ 854.04
09/01/2020	37568	AutoZone Stores LLC	\$ 248.34
09/01/2020	37569	Backflow Prevention Device Inspections,	\$ 1,711.21
09/01/2020	37570	Brenntag Pacific, Inc	\$ 15,023.66
09/01/2020	37571	California Water Environment Association	\$ 192.00
09/01/2020	37572	Commercial Solar Guy	\$ 5,000.00
09/01/2020	37573	Crown Ace Hardware - Yucaipa	\$ 50.34
09/01/2020	37574	ECORP Consulting, Inc.	\$ 4,502.50
09/01/2020	37575	Epic Pest Management	\$ 85.00
09/01/2020	37576	Evoqua Water Technologies LLC	\$ 1,345.38
09/01/2020	37577	Fedex	\$ 25.78
09/01/2020	37578	Flow N Control, Inc.	\$ 15,761.67
09/01/2020	37579	GEI Consultants, Inc.	\$ 3,418.00
09/01/2020	37580	Haaker Equipment Company	\$ 1,324.98
09/01/2020	37581	Home Depot U.S.A. Inc	\$ 690.19
09/01/2020	37582	Inland Water Works Supply Co.	\$ 1,999.84
09/01/2020	37583	JW D'Angelo Co.	\$ 7,989.26
09/01/2020	37584	Krieger & Stewart	\$ 77,187.35
09/01/2020	37585	Lawyers Title	\$ 750.00
09/01/2020	37586	LUZ Investment Corp.	\$ 750.00
09/01/2020	37587	Merit Oil Company	\$ 10,292.17
09/01/2020	37588	Nalco Company	\$ 11,311.72
09/01/2020	37589	NetComp Technologies, Inc.	\$ 680.00
09/01/2020	37590	Olga Acosta	\$ 56.43
09/01/2020	37591	Pall Corporation	\$ 8,300.00
09/01/2020	37592	State Water Resources Control Board	\$ 2,923,668.75
09/01/2020	37593	The Gas Company	\$ 71.29
09/01/2020	37594	TPX Communications	\$ 1,381.85
09/01/2020	37595	UPS Store#1504/ Mail Boxes Etc.	\$ 196.04
09/01/2020	37596	Yucaipa Disposal, Inc.	\$ 1,998.86
09/09/2020	37597	Berkshire Hathaway Homestate Companies	\$ 188.00
09/11/2020	37598	California State Disbursement Unit	\$ 628.14
09/11/2020	37599	IBEW Local #1436	\$ 660.00
09/11/2020	37600	WageWorks Inc	\$ 1,414.03
09/11/2020	37601	ADS, LLC	\$ 6,210.00
09/11/2020	37602	Agriserve Pest Control	\$ 150.00
09/11/2020	37603	All American Sewer Tools	\$ 5,740.14
09/11/2020	37604	Alpine Springs	\$ 92.45
09/11/2020	37605	Ameripride Uniform Services	\$ 855.21
09/11/2020	37606	Aqua-Metric Sales Company	\$ 78,454.07
09/11/2020	37607	Auto Care Clinic	\$ 93.23
09/11/2020	37608	Backflow Prevention Device Inspections,	\$ 2,415.01

Check Register - September 2020

Date	Check #	Payee or Description	Amount
09/11/2020	37609	Best Home Center	\$ 250.93
09/11/2020	37610	Brenntag Pacific, Inc	\$ 12,237.29
09/11/2020	37611	Burgeson's Heating & Air Cond. Inc	\$ 1,368.00
09/11/2020	37612	California Department of Fish and Wildli	\$ 764.50
09/11/2020	37613	Caroline David	\$ 105.99
09/11/2020	37614	Caselle, Inc.	\$ 2,870.00
09/11/2020	37615	Christopher Markarian	\$ 29.16
09/11/2020	37616	Clinical Laboratory of San Bernardino	\$ 13,056.00
09/11/2020	37617	Corelogic, Inc.	\$ 330.00
09/11/2020	37618	Cortech Engineering	\$ 12,994.11
09/11/2020	37619	Coverall North America, Inc.	\$ 1,331.00
09/11/2020	37620	Crown Ace Hardware - Yucaipa	\$ 638.73
09/11/2020	37621	CS Associated Municipal Sale Corp.	\$ 3,322.80
09/11/2020	37622	Edward Musarra	\$ 141.15
09/11/2020	37623	Evoqua Water Technologies LLC	\$ 2,121.56
09/11/2020	37624	Fastenal Company	\$ 1,216.29
09/11/2020	37625	Fedex	\$ 110.19
09/11/2020	37626	First American Data Tree, LLC	\$ 50.00
09/11/2020	37627	Fisher Scientific Co.	\$ 317.21
09/11/2020	37628	Freedom Mailing Services	\$ 9,210.68
09/11/2020	37629	Frontier Communications	\$ 165.07
09/11/2020	37630	G&G Environmental Compliance, Inc	\$ 3,947.73
09/11/2020	37631	Harrington Ind. Plastic, LLC	\$ 2,881.80
09/11/2020	37632	Hasa, Inc.	\$ 10,803.21
09/11/2020	37633	HD Valley Development	\$ 26.98
09/11/2020	37634	Houston & Harris PCS, Inc.	\$ 1,973.25
09/11/2020	37635	Industrial Scientific Corporation	\$ 1,122.85
09/11/2020	37636	Inland Water Works Supply Co.	\$ 325.41
09/11/2020	37637	In-Situ Inc.	\$ 2,643.13
09/11/2020	37638	Jackie Soffel	\$ 183.82
09/11/2020	37639	Jin Yong Chun	\$ 89.35
09/11/2020	37640	Jodi Sheveland	\$ 73.68
09/11/2020	37641	Josefina Kenline	\$ 71.78
09/11/2020	37642	Judith Bowman	\$ 17.45
09/11/2020	37643	JW D'Angelo Co.	\$ 4,528.96
09/11/2020	37644	Keith Woulard	\$ 269.61
09/11/2020	37645	Les Schwab Tire Center	\$ 675.91
09/11/2020	37646	Merit Oil Company	\$ 6,597.05
09/11/2020	37647	Michael Sutherland	\$ 71.10
09/11/2020	37648	Mountain Gate LLC	\$ 29.51
09/11/2020	37649	NetComp Technologies, Inc.	\$ 2,700.00
09/11/2020	37650	Open Door Labs Inc	\$ 45.18
09/11/2020	37651	Pacific Coast Landscape & Design, Inc.	\$ 7,530.00
09/11/2020	37652	Pro-Pipe & Supply, Inc.	\$ 143.45
09/11/2020	37653	Q Versa, LLC	\$ 15,290.39
09/11/2020	37654	Robert Wenzel	\$ 42.43
09/11/2020	37655	Salette Filadelfia	\$ 15.55
09/11/2020	37656	San Bdno. Valley Muni. Water Dist.	\$ 3,766.44

Check Register - September 2020

Date	Check #	Payee or Description	Amount
09/11/2020	37657	SB LAFCO	\$ 53,105.77
09/11/2020	37658	SCCI, Inc.	\$ 350.00
09/11/2020	37659	SCE Rosemead	\$ 13.13
09/11/2020	37660	Separation Processes, Inc.	\$ 5,687.73
09/11/2020	37661	Southern CA Emergency Medicine, Inc.	\$ 225.00
09/11/2020	37662	Stater Brothers	\$ 114.86
09/11/2020	37663	Tara Rhodes	\$ 181.21
09/11/2020	37664	The Counseling Team International	\$ 375.00
09/11/2020	37665	Time Warner Cable	\$ 1,703.79
09/11/2020	37666	Underground Service Alert Of So. CA	\$ 340.00
09/11/2020	37667	UPS Store#1504/ Mail Boxes Etc.	\$ 78.85
09/11/2020	37668	Wayne Simmons	\$ 43.48
09/11/2020	37669	Yucaipa Disposal, Inc.	\$ 5,326.60
09/11/2020	37670	Yucaipa Valley Water District	\$ 69,729.43
09/11/2020	37671	David L. Wysocki	\$ 3,112.50
09/11/2020	37672	Delta Partners, LLC	\$ 7,500.00
09/11/2020	37673	Dudek & Associates, Inc	\$ 1,060.00
09/11/2020	37674	One Stop Landscape Supply Inc	\$ 23,778.43
09/11/2020	37675	Separation Processes, Inc.	\$ 26,349.00
09/14/2020	37676	Patton Sales Corporation	\$ 3,196.88
09/21/2020	37677	Atkinson, Andelson, Loya, Ruud & Romo	\$ 955.00
09/21/2020	37678	Meyers Nave	\$ 82,128.84
09/21/2020	37679	Ameripride Uniform Services	\$ 1,106.30
09/21/2020	37680	AT&T Mobility	\$ 2,176.52
09/21/2020	37681	Bay Alarm Company	\$ 5,399.28
09/21/2020	37682	Below Zero	\$ 43,000.00
09/21/2020	37683	Best Home Center	\$ 336.94
09/21/2020	37684	BofA Credit Card	\$ 7,118.08
09/21/2020	37685	Brenntag Pacific, Inc	\$ 29,284.30
09/21/2020	37686	Burgeson's Heating & Air Cond. Inc	\$ 99.00
09/21/2020	37687	C & B Crushing, Inc.	\$ 320.00
09/21/2020	37688	Caltrol Inc.	\$ 9,526.28
09/21/2020	37689	CDTFA	\$ 2,175.46
09/21/2020	37690	Clark Pest Control	\$ 115.00
09/21/2020	37691	Clerk of the Board of Supervisors	\$ 50.00
09/21/2020	37692	Contron Scada Systems	\$ 3,042.40
09/21/2020	37693	Crane Certification Services, Inc	\$ 365.00
09/21/2020	37694	Doug's Filter Service, Inc.	\$ 1,286.92
09/21/2020	37695	Evans-Hydro Inc.	\$ 8,171.55
09/21/2020	37696	Fedex	\$ 103.83
09/21/2020	37697	Frontier Communications	\$ 45.83
09/21/2020	37698	GLS US	\$ 66.81
09/21/2020	37699	Grainger	\$ 1,875.75
09/21/2020	37700	Haaker Equipment Company	\$ 1,713.24
09/21/2020	37701	Hach Company	\$ 1,709.47
09/21/2020	37702	Hasa, Inc.	\$ 3,790.11
09/21/2020	37703	House Of Quality, Parts Plus	\$ 858.55

Check Register - September 2020

Date	Check #	Payee or Description	Amount
09/21/2020	37704	JW D'Angelo Co.	\$ 986.88
09/21/2020	37705	Konica Minolta Business Solutions	\$ 782.27
09/21/2020	37706	Koritas Tires Inc.	\$ 2,753.27
09/21/2020	37707	Les Schwab Tire Center	\$ 2,483.70
09/21/2020	37708	Merit Oil Company	\$ 6,044.53
09/21/2020	37709	Nexa	\$ 695.00
09/21/2020	37710	Odyssey Power Corporation	\$ 2,655.00
09/21/2020	37711	Patton Sales Corporation	\$ 184.33
09/21/2020	37712	Polydyne Inc.	\$ 6,925.72
09/21/2020	37713	SB CNTY-Solid Waste Mgmt Div	\$ 1,537.62
09/21/2020	37714	Separation Processes, Inc.	\$ 3,150.00
09/21/2020	37715	Spectrum Business	\$ -
09/21/2020	37716	Terry Moody	\$ 6,451.10
09/21/2020	37717	The Dickson Company	\$ 1,734.26
09/21/2020	37718	Tri County Pump Company	\$ 6,372.89
09/21/2020	37719	USA BlueBook	\$ 1,193.30
09/21/2020	37720	Ver Sales, Inc.	\$ 1,957.28
09/21/2020	37721	Vertech Industrial Systems, LLC	\$ 837.00
09/21/2020	37722	Spectrum Business	\$ 3,668.00
09/21/2020	37723	SCE Rosemead	\$ 266,076.98
09/25/2020	37724	California State Disbursement Unit	\$ 628.14
09/25/2020	37725	WageWorks Inc	\$ 1,414.03
09/28/2020	37726	Doug Earnest	\$ 640.51
09/28/2020	37727	Joe DeSalliers	\$ 592.13
09/28/2020	37728	Peggy Little	\$ 640.51
09/28/2020	37729	Robert Wall	\$ 785.37
09/28/2020	37730	WageWorks, Inc.	\$ 191.75
09/28/2020	37731	Aflac	\$ 2,995.89
09/28/2020	37732	Blue Shield of California	\$ 4,086.90
09/28/2020	37733	Nippon Life Insurance Co	\$ 2,872.43
09/28/2020	37734	Standard Dental Insurance Co	\$ 1,369.00
09/28/2020	37735	Standard Insurance Vision Plan	\$ 302.08
09/28/2020	37736	Western Dental Services Inc	\$ 241.04
09/28/2020	37737	Ameripride Uniform Services	\$ 881.98
09/28/2020	37738	AutoZone Stores LLC	\$ 97.21
09/28/2020	37739	Best Home Center	\$ 249.40
09/28/2020	37740	BONAFIDE TRUCK & HEAVY EQUIPMENT REI	\$ 363.65
09/28/2020	37741	Brenntag Pacific, Inc	\$ 18,840.56
09/28/2020	37742	BSK Associates	\$ 370.00
09/28/2020	37743	Burgeson's Heating & Air Cond. Inc	\$ 1,710.00
09/28/2020	37744	California Water Technologies, LLC	\$ 5,782.36
09/28/2020	37745	Cortech Engineering	\$ 1,617.09
09/28/2020	37746	Crown Ace Hardware - Yucaipa	\$ 10.75
09/28/2020	37747	Doug's Filter Service, Inc.	\$ 400.00
09/28/2020	37748	Evoqua Water Technologies LLC	\$ 303.05
09/28/2020	37749	Hach Company	\$ 364.20
09/28/2020	37750	House Of Quality, Parts Plus	\$ 114.22
09/28/2020	37751	In-Situ Inc.	\$ 58.11

Check Register - September 2020

Date	Check #	Payee or Description	Amount
09/28/2020	37752	JB Paving & Engineering, Inc.	\$ 13,550.00
09/28/2020	37753	Jeanna Kendrick	\$ 2,380.00
09/28/2020	37754	JW D'Angelo Co.	\$ 779.25
09/28/2020	37755	Laurel Falcoineri	\$ 375.62
09/28/2020	37756	Les Schwab Tire Center	\$ 3,784.52
09/28/2020	37757	Merit Oil Company	\$ 1,662.48
09/28/2020	37758	Micro Motion, Inc.	\$ 1,695.53
09/28/2020	37759	NetComp Technologies, Inc.	\$ 1,450.00
09/28/2020	37760	Office Solutions Bsns Products, L	\$ 336.03
09/28/2020	37761	Pro-Pipe & Supply, Inc.	\$ 265.05
09/28/2020	37762	Quadiant Leasing USA, Inc	\$ 353.07
09/28/2020	37763	SB CNTY-Fire Protection District	\$ 2,373.00
09/28/2020	37764	SCCI, Inc.	\$ 350.00
09/28/2020	37765	Sinclair Rock and Sand Inc.	\$ 3,950.00
09/28/2020	37766	Southern CA Emergency Medicine, Inc.	\$ 150.00
09/28/2020	37767	Spectrum Business	\$ 2,649.00
09/28/2020	37768	The Gas Company	\$ 61.92
09/28/2020	37769	TPX Communications	\$ 2,007.77
09/28/2020	37770	Transene Company, Inc.	\$ 776.11
09/28/2020	37771	Uline, Inc.	\$ 1,450.38
09/28/2020	37772	UPS Store#1504/ Mail Boxes Etc.	\$ 190.20
09/28/2020	37773	US Bank	\$ 9,624.84
			<u>\$ 4,158,414.23</u>
09/01/2020	electronic pmt	CalPERS Health Insurance	\$ 98,447.89
09/09/2020	electronic pmt	Public Employees' Retirement System	\$ 700.00
09/11/2020	electronic pmt	CalPERS 457 & Loan	\$ 28,903.97
09/11/2020	electronic pmt	CalPERS Retirement	\$ 33,329.93
09/11/2020	electronic pmt	EDD - State of California	\$ 11,052.42
09/11/2020	electronic pmt	IRS	\$ 62,847.11
09/11/2020	electronic pmt	VOYA 457 Retirement Plan	\$ 4,542.58
09/11/2020	electronic pmt	DIRECT DEPOSIT TOTAL	\$ 156,224.41
09/25/2020	electronic pmt	DIRECT DEPOSIT TOTAL	\$ 150,140.11
09/25/2020	electronic pmt	EDD - State of California	\$ 11,138.38
09/25/2020	electronic pmt	IRS	\$ 61,122.67
09/28/2020	electronic pmt	CalPERS 457 & Loan	\$ 26,326.14
09/28/2020	electronic pmt	CalPERS Health Insurance	\$ 95,517.06
09/28/2020	electronic pmt	CalPERS Retirement	\$ 33,058.83
09/28/2020	electronic pmt	VOYA 457 Retirement Plan	\$ 4,542.58
			<u>\$ 777,894.08</u>

Staff Report



Yucaipa Valley Water District

Discussion Items





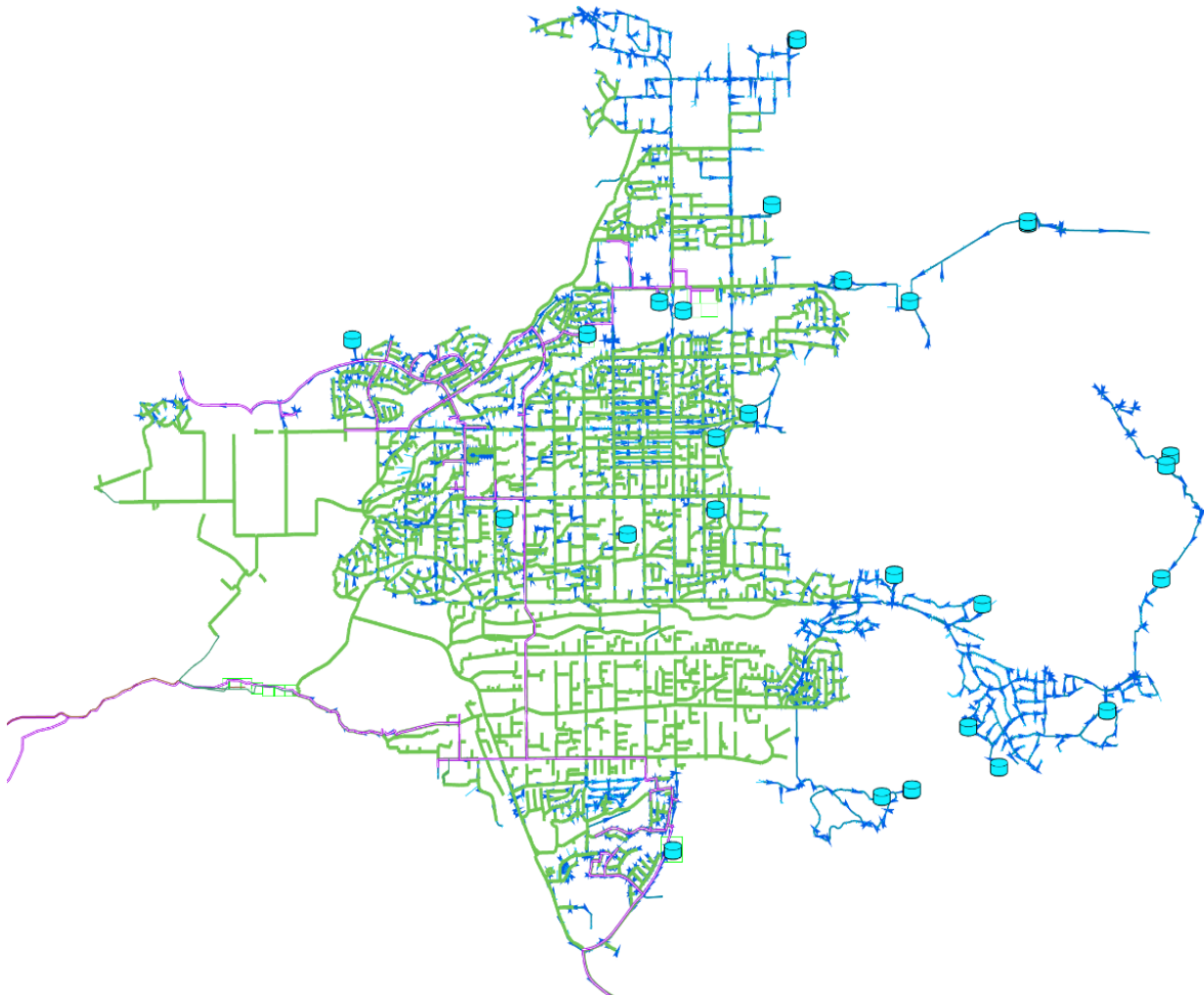
Date: October 20, 2020

Prepared By: Wade Allsup, Information Systems Specialist

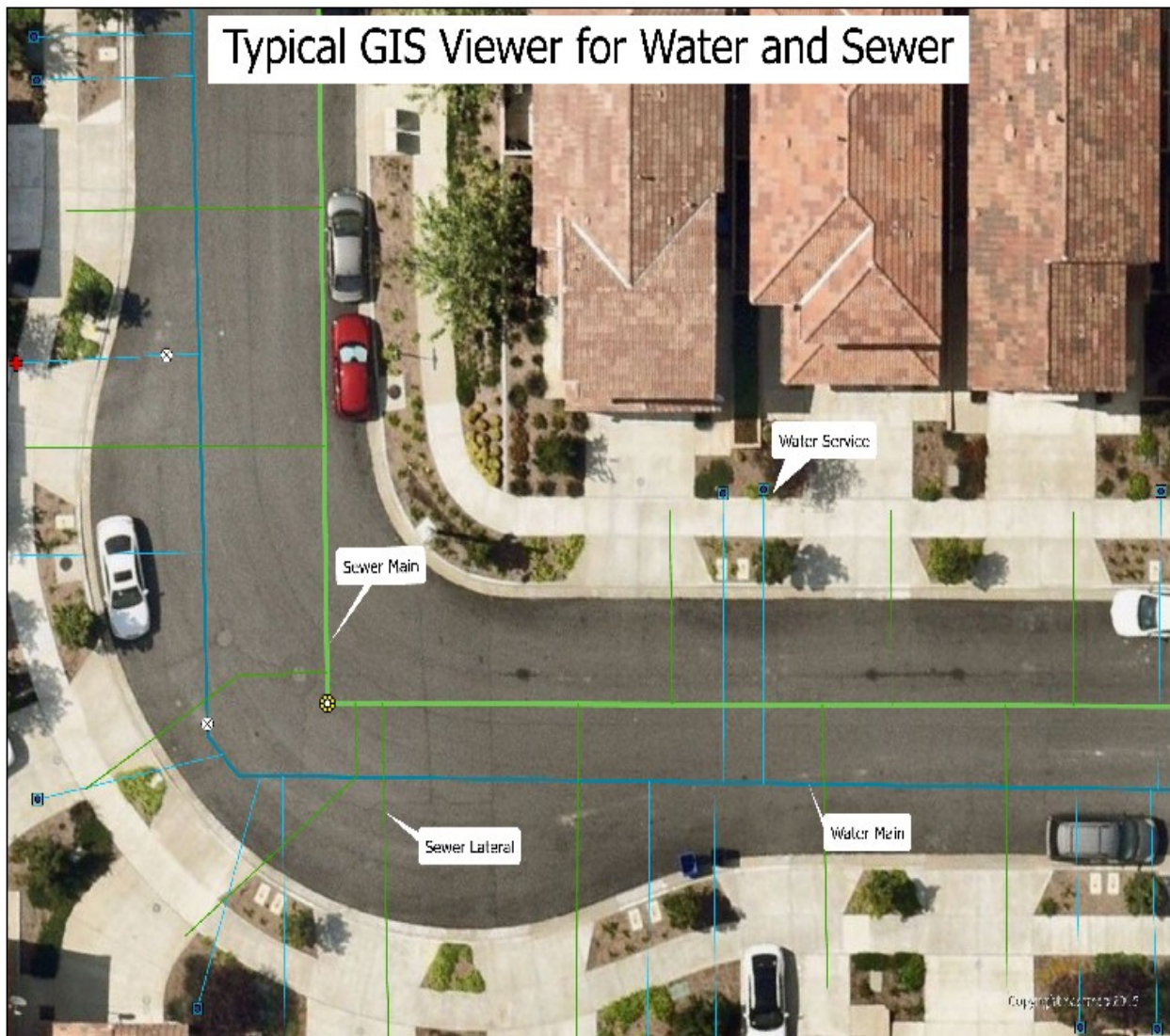
Subject: Overview of Various Mapping Technologies Used by the Yucaipa Valley Water District

Recommendation: Staff Presentation – No action required.

The District staff uses geographic based software applications for task management, system analysis, repair coordination, and many other uses. Some of the software applications used include: Elements, GeoCortex, Sensus Analytics, and ESRI Enterprise Essentials. The use of these applications has enabled the District staff to effectively manage our water and sewer assets.



Recently, District staff used mapping software to improve the ability to see previously “buried” assets by using Trimble GPS location services to pinpoint asset locations when they are uncovered for repair, adjustment, or installation. District staff has also taken design plans from different District projects and georeferenced them over maps to show how the different facilities are configured under pavement or buildings that would normally block the view of assets.



The purpose of this agenda item is to provide an overview of mapping applications and technologies used by the District staff to improve our asset management capabilities.



Date: October 20, 2020

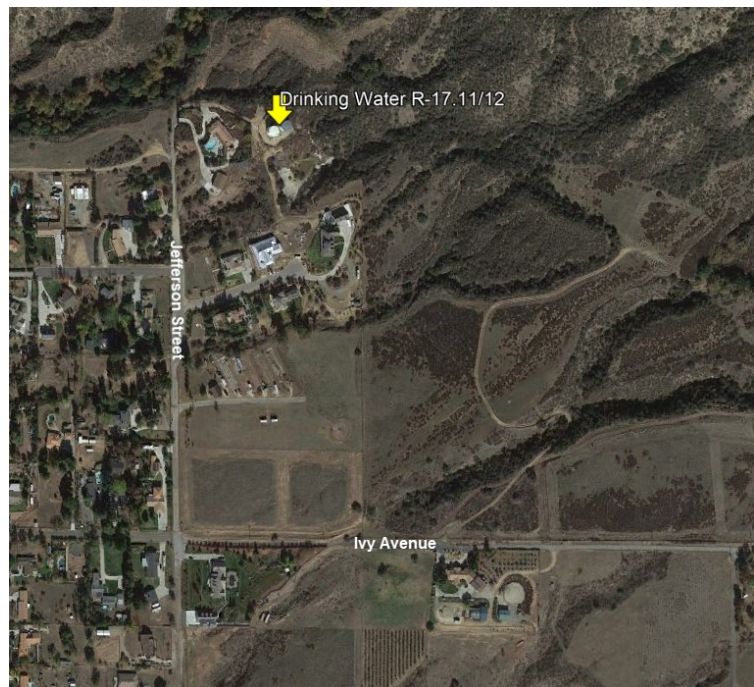
Prepared By: Matthew Porras, Implementation Manager

Subject: Authorization to Solicit Bids for the Replacement of Drinking Water Reservoirs R-17.1.1 and R-17.1.2, Yucaipa

Recommendation: That the Board authorize the District staff to solicit bids for the replacement of the drinking water reservoirs R-17.1.1 and R-17.1.2.

At the Board meeting on September 22, 2020, the District staff discussed the current condition of the R17.1 Drinking Water Storage facilities [Director Memorandum 20-137]. The westerly steel tank is identified as R-17.1.1 and the easterly steel tank as R-17.1.2. Currently, the R-17.1.2 tank is drained and out of service due to the severe damage to the structure, causing a significant leak.

Considering the age and condition of these facilities, both tanks should be replaced. The District staff has initiated the site layout and planning to update these structures to comply with current seismic requirements and increase the operational storage volume for future demands and fire protection. The preliminary site layout is attached.



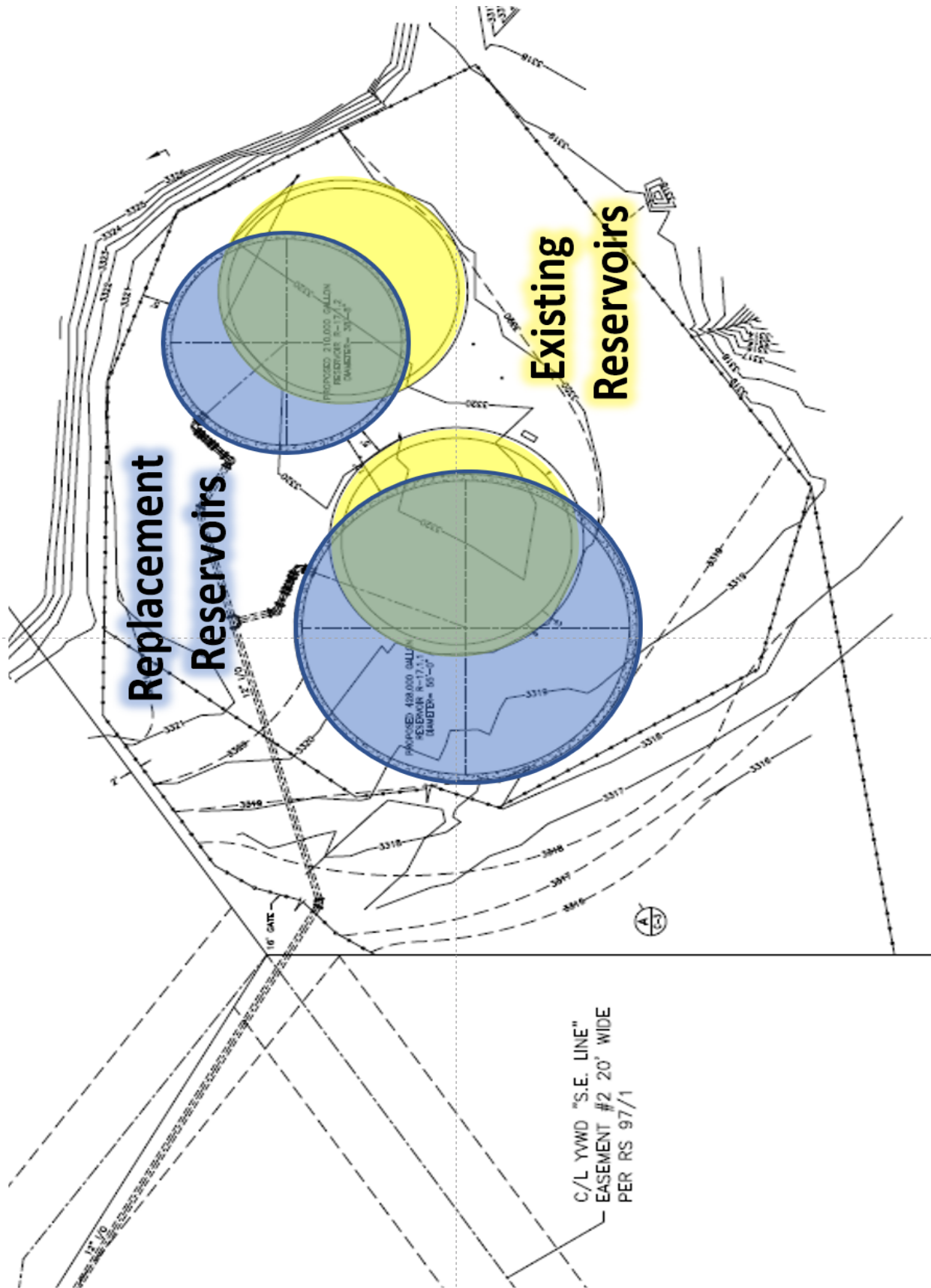
The goal of this reservoir replacement project is to have new reservoirs online and operational by June 30, 2021. The expedited timeline of this project is in response to the current condition of the R-17.1.2 tank and the anticipated summertime demand of drinking water.

Financial Consideration:

District staff estimates this project will cost between \$1,250,000-\$1,450,000. The project will be paid with Water Fund, Infrastructure Reserves [G/L Account #02-000-10311]. An engineer's estimate will be included with the bid results at a future board meeting for your review and consideration.









Date: October 20, 2020

Prepared By: Allison M. Edmisten, Chief Financial Officer

Subject: Presentation of Fitch Ratings Press Release Regarding Upgraded Bond Ratings for the Yucaipa Valley Water District

Recommendation: Staff report – no action required.

On October 9, 2020, Fitch Ratings published a press release regarding the upgrade of the Yucaipa Valley Water District's Bond Rating from A+ to AA. In addition, the District's Rating Outlook was revised from Negative to Stable.

In October 2019, Fitch Ratings had downgraded the District from 'AA-' to 'A+' as well as downgraded the Rating Outlook from Stable to Negative.

This newest rating results in a higher bond rating than the District had in the prior year. These revisions are a result of improvements to the financial profile of the District "driven largely by a recently implemented multi-year rate package," stated Fitch Ratings. The rating agency noted that prior to the recent rate adjustments, expenses continued to increase while rates were held flat.

Fitch Ratings also noted the increase in rating reflected "the system's sound service area and very strong rate flexibility, as well as its very low operating risk profile."

Attached is the published press release from Fitch Ratings.

**RATING ACTION COMMENTARY**

Fitch Upgrades Yucaipa Valley Water Dist., CA's Water Revs to 'AA'; Outlook Revised to Stable

Fri 09 Oct, 2020 - 11:24 AM ET

Fitch Ratings - Austin - 09 Oct 2020: Fitch Ratings has upgraded the rating on the following Yucaipa Valley Water District (the district) bonds to 'AA' from 'A+':

--Approximately \$29.3 million water system revenue refunding bonds, series 2015A.

In addition, Fitch has assessed the standalone credit profile (SCP) of the district's water system (the system) at 'aa'.

The Rating Outlook is Revised to Stable.

ANALYTICAL CONCLUSION

The rating upgrade to 'AA' and the revision of the Outlook to Stable reflects improvement in the system's leverage and financial profile, driven largely by a recently implemented multi-year rate package. Prior to the recent rate increase, an 11-year stretch during which time rates were held flat, while expenses continued to grow resulted in a net leverage ratio, or net adjusted debt to adjusted funds available for debt service (FADS), of an elevated 12.8x. Adopted rate increases are now expected to support higher financial margins and improve leverage to levels approximating 6.0x.

The rating and 'aa' SCP further reflect the system's sound service area and very strong rate flexibility, as well as its very low operating risk profile.

CREDIT PROFILE

The district is located 70 miles east of Los Angeles in the foothills of the San Bernardino Mountains, with portions of the service area encompassing Riverside and San Bernardino counties. The district provides retail water, wastewater, and recycled water to population of approximately [45,000] through 19,240-unit connections in the cities of Calimesa and Yucaipa. The service area is largely residential in nature, but also includes pockets of weekend and holiday vacationers.

The district has a wide array of water resources available for its customers, including the use of recycled water, which places it in a favorable position versus many other regional peers. Approximately 60% of the district's potable water supply is derived from the Yucaipa and Beaumont groundwater basins. The remaining 40% is derived from surface water sources, including treated water from the Oak Glen Plant and untreated water from the State Water Project (SWP), which is treated at the Yucaipa Filtration Facility. In times of drought, the district can utilize supply from its reservoirs and wells. Conversely, when supply is readily available, the district uses surpluses from the SWP to recharge its wells. Based on these factors, supply is viewed as adequate by Fitch.

Coronavirus Considerations

The recent outbreak of coronavirus has reportedly had no material impact on the district's financial performance to date. However, Fitch's ratings remain forward-looking in nature, and we will continue to monitor developments related to the severity and duration of the virus outbreak, as well as revise expectations for future performance as appropriate.

KEY RATING DRIVERS

Revenue Defensibility 'aa'

Sound Service Area, Very Strong Rate Flexibility

The district provides an essential service to an area with midrange growth and demographic characteristics. Rates are affordable for the large majority of customers.

Operating Risks 'aa'

Very Favorable Operating Risk Profile

Operating risks are considered very favorable, as demonstrated by the system's very low operating cost burden and similarly very low life-cycle investment needs. Near-term capital-investment needs are modest.

Financial Profile 'aa'

Improving Financial Profile

The system's net leverage improved year-over-year in fiscal 2019 and is expected to show additional improvements with the newly approved rate package. Coverage of full obligations (COFO) has historically been reliant on connection fees, but this reliance is partially offset with the system's healthy reserve levels. Additionally, the aforementioned rate package is expected to reduce the system's reliance on connection fees. Due to these factors, the liquidity profile is sound and thus neutral to the financial profile assessment.

ASYMMETRIC ADDITIVE RISK CONSIDERATIONS

The historical inability of the system's board and management team to increase rates in a timely manner represents an asymmetric additive risk consideration that is factored into the rating, but does not currently constrain the rating.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

--Sustained improvement to the system's net leverage ratio to levels approximating 5.0x in Fitch's base and stress case scenarios.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

--Sustained leverage above 8.0x in fitch's base and stress case scenarios;

--Material revisions in capital spending during the next five years beyond what is described in the 2020 budget;

--Measurable weakening in revenue defensibility driven by deterioration of the local economy and/or rate flexibility.

BEST/WORST CASE RATING SCENARIO

International scale credit ratings of Sovereigns, Public Finance and Infrastructure issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of three notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit [<https://www.fitchratings.com/site/re/10111579>].

SECURITY

The bonds are secured by a first lien pledge on the revenues of the district's water system and a 1% ad valorem property tax levied by the district.

REVENUE DEFENSIBILITY

Revenue defensibility is strong (assessed at 'aa'), with all revenue derived from business lines exhibiting monopolistic characteristics in a service area with demographic trends deemed to be favorable. The service area characteristics subfactor is assessed at 'a' with midrange customer growth, income and unemployment levels. Customer growth has been modest, with a three-year average annual compound growth rate of about 1.2% percent, and there is no significant customer concentration. Area income levels are sound at about 106% of national average. Unemployment rates were above average during the financial crisis but have settled in to levels a bit lower than the national average. As of August 2020, levels were on par with the national average of 8.5%.

As of fiscal 2019, monthly user charges equaled about \$35 assuming Fitch's standard 7,500 gallons of flows, which Fitch estimates to be affordable for most of the population (around 83%). The district's board has the independent ability to increase service rates without external approval but, like all California water entities, rate increases are subject to the Proposition 218 process. This said, the district held rates flat for eleven years before beginning the process to increase them in 2019. As stated previously, this led poor financial margins resulting in Fitch's downgrade of the district's revenue bonds and Negative Outlook assignment in October of 2019. In Fitch's view, the approved and adopted five-year rate package, which increases water rates by approximately 10%-13% in fiscal 2020 and 2021 followed by increases of 5%-6% in 2022-2025, supports the rate flexibility assessment.

OPERATING RISKS

The system's operating risks profile is assessed at 'aa', and takes into consideration a very low operating cost burden and a similarly low life-cycle ratio.

At \$4,220 per million gallons (mg) in fiscal 2019, the operating cost burden has historically remained below Fitch's \$6,500 threshold for the 'aa' subassessment. The burden should remain low given that only inflation-based increases in operating costs are expected. Capital planning and management is also assessed at 'aa', with a life-cycle ratio of a very favorable 34% in fiscal 2019. The district has historically invested in capital enough to keep this ratio favorable, as evidenced by a five-year capex-to-depreciation ratio of 105%.

The district's capital improvement plan (CIP), available in its 2020 operating budget, shows capital spending of \$9.8 million through 2024, or an average of \$2.0 million annually. This is

lower than the prior five-year average of \$3.5 million, which could result in an increasing life-cycle ratio over time. Nevertheless, the life cycle ratio is comfortable below Fitch's 'aa' threshold of 45% and therefore not a concern at this time. CIP spending is expected to be funded 100% with surplus revenue. Projects are repair and rehab in nature, with some allocation for automatic meter installations.

FINANCIAL PROFILE

The financial profile is very strong, and is assessed at 'aa'. Fitch's net leverage calculation was 5.9x in fiscal 2019, down measurably from the high levels of 12.8x in fiscal 2018 described previously. With over 150 days cash on hand and COFO at 1.9x in fiscal 2019, the liquidity profile is robust and is thus neutral to the financial profile assessment. COFO was 0.95x in fiscal 2019 without connection fees; the recent rate increases should create much less of a reliance on connection fees for strong coverage.

Fitch's Analytical Stress Test (FAST)

The FAST considers the potential trend of key ratios in a base case and a stress case. The stress case is designed to impose a capital cost increase of 10% above expected levels and evaluate potential variability in projected key ratios. Finally, given the overriding economic uncertainty related to the coronavirus pandemic, Fitch overlaid a sensitized downside scenario that assumes a 4% revenue decline starting in fiscal 2021, with a recovery stretched over the following three years. While the system is not currently experiencing a material revenue decline as a result of the pandemic and corresponding shutdown, Fitch's downside scenario is designed to reflect the potential for major setbacks in containing the virus and the possible re-imposition of lockdowns.

Fitch's scenario considers the district's preliminary unaudited results for fiscal 2020, forecast results for 2021-2024, and latest CIP. Because connection fees were not included in the forecast, Fitch assumes connection fees at the lowest year over the previous five years, which was \$350,000. FAST results show leverage continuing to decline from 2018 levels, ultimately reaching a peak of 5.7x in 2021 before declining to less than 4.0x by the end of the five-year period. Additionally, COFO is expected to be sound, falling in the 2.1x-2.7x in the forward look.

Improvements to net leverage and COFO are based primarily on approved rate increases that are expected to be in excess of operational expenses increases, but debt amortization

also plays a part as no new debt is expected, in accordance with the CIP. Fitch's base case and stress case were not materially different given the low CIP spending.

SOURCES OF INFORMATION

In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from Lumesis.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

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FITCH RATINGS ANALYSTS

Major Parkhurst

Director

Primary Rating Analyst

+1 512 215 3724

Fitch Ratings, Inc.

111 Congress Avenue Suite 2010 Austin 78701

Eva Rippeteau

Director

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Secondary Rating Analyst
+1 212 908 9105

Dennis Pidherny
Managing Director
Committee Chairperson
+1 212 908 0738

MEDIA CONTACTS

Sandro Scenga
New York
+1 212 908 0278
sandro.scenga@thefitchgroup.com

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APPLICABLE CRITERIA

[Public Sector, Revenue-Supported Entities Rating Criteria \(pub. 27 Mar 2020\) \(including rating assumption sensitivity\)](#)

[U.S. Water and Sewer Rating Criteria \(pub. 03 Apr 2020\) \(including rating assumption sensitivity\)](#)

ADDITIONAL DISCLOSURES

[Dodd-Frank Rating Information Disclosure Form](#)

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Yucaipa Valley Water District (CA)

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Date: October 20, 2020

Prepared By: Joseph Zoba, General Manager

Subject: Consideration of Using the Statewide Community Infrastructure Program for the Payment of Sewer Facility Capacity Charges for Belfort Gardens - Assessment District No. 20-01 with the California Statewide Communities Development Authority

Recommendation: Pending

The District utilized Statewide Community Infrastructure Program (SCIP) through the California Statewide Communities Development Authority for the construction of the R-12.4 Reservoir Project. The District staff proposes using the financing mechanism in the future for the construction of the following facilities:

- 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
- R-11 Recycled Water Booster Station - To provide recycled water to Pressure Zone 12
- 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.

While the District has not used this financing mechanism for the payment of development impact fees, the City of Yucaipa developed a policy that allows developers to finance development fees and capacity charges through the SCIP program.

On August 27, 2019, the Board of Directors discussed the concept of using the Statewide Community Infrastructure Program (SCIP) for the financing of water and sewer facility capacity charges [Workshop Memorandum No.19-178]. Following the discussion, the Board of Directors decided to discuss this issue further when a specific project requested the financing mechanism.

The District staff has received a preliminary engineer's report for the Belfort Gardens project in Yucaipa. The Belfort Gardens project is located on 17th Street and would only receive sewer service from the District. This project is proposing to utilize



the SCIP financing program for sewer facility capacity charges and onsite/offsite sewer improvements.

The purpose of this agenda item is to discuss the District's participation in the SCIP financing program for this project.



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PRELIMINARY ENGINEER'S REPORT

("SCIP")

ASSESSMENT DISTRICT NO. 20-01

(BELFORT GARDENS)

CITY OF YUCAIPA | COUNTY OF
SAN BERNARDINO

Beginning Fiscal Year: 2021-2022

Intent Meeting: September 17, 2020

Public Hearing: November 5, 2020

Public Finance
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**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

James Hamill

California Statewide Communities Development Authority



PROFESSIONAL SERVICES

UNDERWRITER

Robert Williams

RBC Capital Markets Corporation

BOND COUNSEL

Patricia Eichar, Esq.

Orrick, Herrington & Sutcliffe LLP

PROGRAM ADMINISTRATOR

Vo Nguyen

BLX Group, LLC

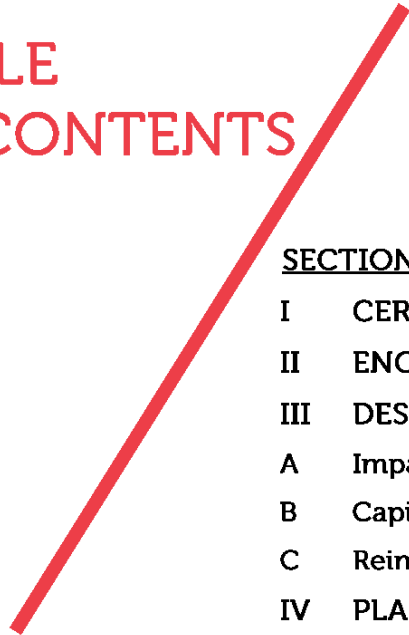
ASSESSMENT ENGINEERING

Nathan D. Perez, Esq.

Stephen A. Runk, P.E.

DTA

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APPENDICES

APPENDIX A ASSESSMENT ROLL



**SECTION I
CERTIFICATES**

I CERTIFICATES

The undersigned respectfully submits the enclosed Engineer’s Report as directed by the Commission of the California Statewide Communities Development Authority.

Date: _____, 2020

DTA

By: _____

Stephen A. Runk, P.E.

License Number: C23473

I HEREBY CERTIFY that the enclosed Engineer’s Report, together with the Assessment and Assessment Diagram thereto attached, was filed with me on the _____ day of _____, 2020.

By: _____

Assistant to Secretary of the Authority,
California Statewide Communities Development
Authority

I HEREBY CERTIFY that the enclosed Engineer’s Report, together with the Assessment and Assessment Diagram thereto attached, was approved and confirmed by the Commission of the California Statewide Communities Development Authority on the _____ day of _____, 2020.

By: _____

Assistant to Secretary of the Authority,
California Statewide Communities Development
Authority

I HEREBY CERTIFY that the enclosed Engineer’s Report, together with the Assessment and Assessment Diagram thereto attached, was recorded in my office on the _____ day of _____, 2020.

By: _____

Superintendent of Streets of the Authority,
California Statewide Communities Development
Authority



**SECTION II
ENGINEER'S REPORT**

II ENGINEER'S REPORT

DTA, Assessment Engineer for the California Statewide Communities Development Authority (the "Authority") Statewide Community Infrastructure Program Assessment District No. 20-01 (Belfort Gardens) City of Yucaipa, County of San Bernardino, hereinafter referred to as "District," makes this report (hereinafter "Engineer's Report" or "Report"), as directed by the Commission of the Authority, in accordance with the Resolution of Intention, Resolution No. _____, and pursuant to Section 10204 of the Streets and Highways Code (Municipal Improvement Act of 1913) and Article XIIIID of the California Constitution, which was added in November 1996 through the passage of Proposition 218 by voters of the State of California.



SECTION III DESCRIPTION OF WORK

III DESCRIPTION OF WORK

The fees and improvements that are the subject of this Report are briefly described as follows:

A Impact Fees

1. City of Yucaipa – Drainage Facilities Fee (Ordinance No. 50 § 3) – A fee collected to pay for the acquisition, expansion, and development of storm drainage improvements.
2. City of Yucaipa – Traffic (Circulation) Fee (Ordinance No. 50 § 3) – A fee collected to pay for public street and thoroughfare improvements required by the City to mitigate the traffic impacts of new development in the City.
3. City of Yucaipa – Park Facilities Fee (Ordinance No. 50 § 3) – A fee collected to provide for the acquisition and development of parks as specified in the City’s Development Fee Program.
4. Yucaipa Valley Water District – Sewer Facilities Fee (Resolution No. 18-2011) – A fee collected to pay for sewer pipelines, manholes, and lift stations necessary to deliver wastewater to a treatment facility.

B Capital Improvements

The following capital improvements located in the City of Yucaipa, California will be funded, or partially funded, by proceeds from this bond issuance.

1. Yucaipa Valley Water District – Sewer Improvements – Funding for 17th Street improvements for the collection of sewage, including, but not limited to, manholes and gravity mainline necessary to meet the project service demands of the Belfort Gardens development.

C Reimbursement for Capital Improvements

Future negotiations and agreements between the City of Yucaipa (“City”) or Other Local Agency and the project developer may outline a mechanism whereby the developer of a “benefited” property would pay the City or Other Local Agency for that property’s share of the costs of certain public facilities. Such payments related to public facilities privately financed by the developer of Belfort Gardens would then be paid, when received by the City or Other Local Agency, to the developer of Belfort Gardens. Such payments related to public facilities financed by the District would be allocated to the parcels within the District in proportion to their respective original assessments as shown in this Report. As pertains to any of those parcels that the developer of Belfort Gardens may sell, those amounts would be paid to the developer of Belfort Gardens. As pertains to any such parcels still owned by the developer of Belfort Gardens, the City or Other Local Agency would use those amounts to partially prepay



SECTION III DESCRIPTION OF WORK

the assessments on those parcels pursuant to Streets and Highways Code Section 8766.5.

Bonds representing unpaid assessments, and bearing interest at a rate not to exceed 12.00% shall be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10, Streets and Highways Code), and the last installment of the bonds shall not mature more than 29 years from the second day of September next succeeding 12 months from their date.

This Report includes the following sections:

Plans and Specifications – Plans and specifications for capital improvements to be constructed. Plans and specifications are a part of this Report whether or not separately bound.

Cost Estimate – An estimate of the cost of the capital improvements.

Assessment Roll – An assessment roll, showing the amount to be assessed against each parcel of real property within this District and the names and addresses of the property owners. An Assessor's Parcel number or other designation describes each parcel. Each parcel is also assigned an "assessment number" that links the Assessment Roll to the Assessment Diagram.

Method of Assessment – A statement of the method by which the Assessment Engineer determined the amount to be assessed against each parcel, based on special benefits to be derived by each parcel from the capital improvements.

Assessment Diagram – A diagram showing all of the parcels of real property to be assessed within this District. The diagram corresponds with the Assessment Roll by assessment number.

Administration/Maximum Annual Administrative Cost Add-On – Proposed maximum annual assessment per parcel for current costs and expenses.

Debt Limitation Report – A debt limitation report showing compliance with Part 7.5 of Division 4 of the Streets and Highways Code.



**SECTION IV
PLANS AND SPECIFICATIONS**

IV PLANS AND SPECIFICATIONS

The plans, specifications, and studies of the capital improvements and impact fees for this District are voluminous and will not be bound in this Report, but by this reference are incorporated as if attached to this Report. The plans and specifications are on file with the Yucaipa Valley Water District, City of Yucaipa, and/or the County of San Bernardino, California.



**SECTION V
COST ESTIMATE**

V COST ESTIMATE

A Summary Cost Estimate

The estimated costs of the fees and capital improvements have been calculated and are shown below along with other bond financing costs. All fee information has been provided to DTA by the Yucaipa Valley Water District, project proponents, the City of Yucaipa, and the SCIP Program Administrator.

Table 1: Summary Cost Estimate

Cost Estimate City of Yucaipa, County of San Bernardino - Belfort Gardens (70 Single Family Units)					
Description	Cost Estimates	Special Benefit Apportioned to Project	Total Amount (\$)	Amounts Pre-Paid by & Reimbursable to Developer	Amount Funded to Agency
Impact Fees					
Drainage Facilities - City	\$122,766.37	100%	\$122,766.37	\$0.00	\$122,766.37
Traffic (Circulation) Facilities - City	\$602,230.30	100%	\$602,230.30	\$0.00	\$602,230.30
Park Facilities - City	\$201,139.40	100%	\$201,139.40	\$0.00	\$201,139.40
Sewer Facilities - YVWD	\$575,470.00	100%	\$575,470.00	\$0.00	\$575,470.00
Impact Fees Subtotal	\$1,501,606.07	N/A	\$1,501,606.07	\$0.00	\$1,501,606.07
Public Improvements					
Sewer Improvements - 17th Street - YVWD	\$200,000.00	95%	\$190,000.00	\$0.00	\$190,000.00
Public Improvements Subtotal	\$200,000.00	N/A	\$190,000.00	\$0.00	\$190,000.00
Developer's Contribution	\$0.00	100%	\$0.00	\$0.00	\$0.00
Cost Estimates Subtotal	\$1,701,606.07	N/A	\$1,691,606.07	\$0.00	\$1,691,606.07
Professional Services					
Assessment Engineer	\$25,600.00	100%	\$25,600.00	\$0.00	\$25,600.00
Appraiser	\$8,500.00	100%	\$8,500.00	\$0.00	\$8,500.00
SCIP Program Administrator	\$5,000.00	100%	\$5,000.00	\$0.00	\$5,000.00
Administration/Expense Fund	\$5,000.00	100%	\$5,000.00	\$0.00	\$5,000.00
Subtotal	\$44,100.00	N/A	\$44,100.00	\$0.00	\$44,100.00
Financing Costs					
Bond Reserve Fund	8.00%		\$172,535.40	-	-
Capitalized Interest	6.00%		\$129,401.55	-	-
Legal	1.50%		\$32,350.39	-	-
Issuer	1.50%		\$32,350.39	-	-
Underwriter	2.50%		\$53,917.31	-	-
Contingency	0.02%		\$431.34	-	-
Subtotal	19.52%		\$420,986.38	-	-
Total Assessment			\$2,156,692.45		

Note: The Drainage Facilities Fee is calculated on a per net acre basis (\$13,417.09 per net acre). The fee calculated within this Engineer's Report assumes 9.15 net acres. This figure is an estimate and subject to change.



**SECTION VI
ASSESSMENT ROLL**

VI ASSESSMENT ROLL

An assessment of the total amount of the costs and expenses of the fees upon the subdivisions of land within the District, in proportion to the estimated special benefit to be received by the subdivisions from the Impact Fees and Capital Improvements, is set forth upon the following Assessment Roll filed with and made part of this Report.

The Assessment Roll, provided below, lists the Assessor’s Parcel numbers within this District by assessment number. The assessment numbers appearing on the Assessment Roll correspond with the subdivisions and parcels of land and their current numbers shown on the Boundary Map. The names and addresses of the property owners are as shown on the last equalized assessment roll for taxes or as known to the Secretary of the Authority.

All parcel information has been provided to DTA by the project proponents, the County of San Bernardino Assessor, and the SCIP Program Administrator.

Table 2: Assessment Roll

Assessment Roll							
City of Yucaipa, County of San Bernardino - Belfort Gardens (70 Single Family Units)							
Assessment No.	Project	Assessor Parcel Number	Assessed Value	Parcel Acreage	Owner & Address	Preliminary Assessment	Final Assessment
1	Belfort Gardens	0301-061-03-0000	\$206,732.00	4.49	Omaha Irvine Investments Group LLC 1517 E. McFadden Ave., Santa Ana, CA 92705	\$1,170,775.91	
2	Belfort Gardens	0301-072-13-0000	\$258,414.00	1.50	Omaha Irvine Investments Group LLC 1517 E. McFadden Ave., Santa Ana, CA 92705	\$61,619.78	
3	Belfort Gardens	0301-072-17-0000	\$149,306.00	3.16	Omaha Irvine Investments Group LLC 1517 E. McFadden Ave., Santa Ana, CA 92705	\$924,296.76	
Total			\$614,452.00	9.15		\$2,156,692.45	



SECTION VII METHOD OF ASSESSMENT

VII METHOD OF ASSESSMENT

A Background

Assessment District jurisprudence requires that assessments levied pursuant to the Municipal Improvement Act of 1913 be based on the “special benefit” properties receive from the Works of Improvement (i.e., Impact Fees and Capital Improvements). However, the law does not specify the method or formula that should be used to apportion the assessments in Assessment District proceedings. In addition, Article XIIIID of the California Constitution, added in November 1996 through the passage of Proposition 218 by voters of the State of California, requires, inter alia, that (i) only special benefits be assessable, (ii) no assessment may exceed the proportional special benefit conferred on the parcel assessed, and (iii) publicly owned parcels shall not be exempt from assessment unless clear and convincing evidence demonstrates that such publicly owned parcels receive no special benefits from the capital improvements for which the assessment is levied.

“Special benefit” is a particular and distinct benefit over and above general benefits conferred on real property located in the District or to the public at large. Importantly, the general enhancement of property value does not constitute special benefit. As such, this Engineer’s Report has been designed to comply with these requirements and incorporate recent California court decisions such as: *Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority (2008)*, *Beutz v. County of Riverside (2010)*, *Golden Hills Neighborhood Association v. City of San Diego (2011)*, and *Concerned Citizens v. West Point Fire Protection District (2011)*.

Methodologically, it is necessary and essential to identify the special benefit that the Impact Fees, Capital Improvements, and related improvements will render to the properties within the District. It is also necessary that the properties receive a special and direct benefit as distinguished from benefit to the general public.

All costs associated with the financing of Impact Fees and Capital Improvements are to be fairly distributed among the lots and parcels within the District based upon the special benefit received by each lot and parcel. Additionally, in compliance with the California Constitution Article XIIIID Section 4, each lot’s and parcel’s assessment may not exceed the reasonable cost of the proportional special benefit conferred upon it. In sum, each of the properties benefiting from the Impact Fees, Capital Improvements, and related improvements proposed for the District will be assessed only for the special benefit conferred on such properties.

The Assessment Engineer is appointed for the purpose of analyzing the facts and determining the method and formula for apportionment of the assessment obligation to the benefited properties. For these proceedings, the Authority has retained the firm of DTA as the Assessment Engineer.

The Assessment Engineer makes his or her recommendation for the method of



SECTION VII METHOD OF ASSESSMENT

apportionment in this Engineer's Report for consideration at the public hearing. The final authority and action rests with the Authority after hearing all testimony and evidence presented at the public hearing and the tabulation of the assessment ballots. Upon conclusion of the public hearing, the Authority must make the final action in determining that the assessment has been made in direct proportion to the special benefit received. Ballot tabulation will then be completed, and if a majority of ballots received, weighted by assessment amount, do not protest the assessment, then the Authority may establish the District.

B Special Benefit

B.1 Development Impact Fees

Impact fees are a form of monetary exaction on new development which must be paid as a condition of development approval. Impact fees are neither taxes nor special assessments, nor are these fees permitted to cover ongoing operations and maintenance costs. Because impact fees are collected during the development approval process, the fees are typically paid by developers, builders, or other property owners that are seeking to develop property. In this manner, developers, builders, and property owners pay their "fair share" of needed capital facilities.

The authority of local governments to impose impact fees on development is derived from their police power to protect the health and welfare of citizens under the California Constitution (Article 11, Section 7). Development impact fees were enacted under Assembly Bill 1600 by the California Legislature in 1987 and codified under California Government Code §66000 *et. seq.*, also referred to as the California Mitigation Fee Act (the "Act" or "AB 1600"). Furthermore, the California Mitigation Fee Act provides a prescriptive guide to establishing and administering impact fees based on constitutional and decisional law. Again, Government Code, §65913.8 precludes the use of development fees to fund maintenance or services, with limited exceptions for very small improvements and certain temporary measures needed by certain special districts.

The use of development impact fees to finance public facilities necessary to accommodate new growth is a concept that has been used by cities, counties, and public agencies throughout California. The rationale for charging impact fees is based on the premise that new development should pay its "fair share" of the costs associated with growth. Notably, certain fees levied for utility systems are considered capital charges for the privilege of connection to the utility system (hookup fees) and are charged under different legal authority. All capital impact fees and connection charges that are being paid to finance capital improvements and included in this Engineer's Report provide direct and special benefit to the properties for which the development impact fees or connection charges are being paid by ultimately allowing for the orderly development of those parcels.

Additionally, it is critical that all fees meet the nexus requirements promulgated



SECTION VII METHOD OF ASSESSMENT

under AB 1600 to ensure that they are clearly justifiable and defensible. In order to impose a fee as a condition for a development project, the underlying methodology must accomplish the following:

- Identify the purpose of the fee.
- Identify the use to which the fee is to be put. If the use is financing public facilities, the facilities must be identified.
- Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.
- Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is being imposed.
 - Implicit in these requirements is a stipulation that a public agency cannot impose a fee to cure existing deficiencies in public facilities or improve public facilities beyond what is required based on the specific impacts of new development.

Accordingly, the finding and allocation of "special benefit" present in this Engineer's Report is also predicated on the AB 1600 Nexus Studies previously developed for each of the fees outlined in Section III, under the principle that the above AB 1600 "fair share" requirements also comprehensively demonstrate 100% "special benefit." These AB 1600 Nexus Studies are voluminous and will not be bound in this Report, but by this reference are incorporated as if attached to this Report. The plans and specifications related to the public improvements funded by these impact and connection fees are on file with the City of Yucaipa, the County of San Bernardino, California, and/or associated public agencies in the region.

B.2 Capital Improvements

The construction of public infrastructure improvements is typically necessary as a condition of approval to develop a property. Where applicable, the developer is installing these public facilities, which are necessary for the ultimate completion of the projects. The capital improvements financed for the development project included within this Report provide direct and special benefit to the project being assessed since they could not be developed with building structures without the installation of the District capital improvements.

1. Sanitary Sewer

The primary determinant of sanitary sewer usage is the applicable per capita generation rates. Because the Belfort Gardens development project consists of all single family detached land use, the relative contribution to total project sewer generation is equal among all lots. It is conceivable, however, that residents from the adjacent neighborhoods might benefit from these capital improvements.



SECTION VII METHOD OF ASSESSMENT

Due to this possible general benefit, a general benefit of 5% has been assigned to the sanitary sewer improvements.

C Apportionment

The assessments for this development will be apportioned on the seventy (70) residential lots indicated on the tentative tract map for the project. The assessments for the District may be subject to further apportionment since the property may experience lot line adjustments and/or re-subdivisions as properties are sold or lots and parcels are created. Upon recordation of subdivision, parcel or lot line adjustment maps, the assessment for the newly created parcels will be apportioned as described on the following pages.

1. Benefiting Properties within the District

At the time this Report was prepared, the development comprising this District consisted of three (3) residential parcels, which encompass a current total acreage of 9.15 acres across the following Assessor's Parcels: 0301-061-03-0000, 0301-072-13-0000, and 0301-072-17-0000.

Each parcel will have certain fees funded through SCIP and will be assessed for such fees financed through the District. If land uses change or the existing parcels are re-subdivided, the assessment may be allocated to each new assessor's parcels in proportion to the original assessment based on the net acreage of each new assessor's parcel.

2. Benefit Analysis

Development Impact Fees

The method of apportionment established for the development reflects the proportional special benefit that each property receives from the levied development impact fees. The impact fees are imposed on a per lot basis and the fees are in turn based on a Nexus Study that also incorporates the principles of strict proportionality and fairness and is required to identify and apportion only direct benefits related to the benefit area defined. The per parcel fee, by definition, is the fair share contribution of the parcel to mitigate the impact of that parcel on the defined public facilities. Therefore, with regard to this assessment, the impact fee component of this assessment is considered to be 100% special benefit.

The assessments for this development will be placed onto the currently existing Assessor's Parcels on which the development is located.

Capital Improvements

The method of apportionment established for the Belfort Gardens development reflects the proportional special benefit that each property receives from the capital improvements. For this residential development, it has been determined that the benefit to each of the seventy (70) single family units is identical and that the most appropriate



SECTION VII METHOD OF ASSESSMENT

allocation of special benefit assessment is to assign to each property an amount equal to the total assessment amount associated with the single family residential property and divided by the total number of approved single family residential units within the District, or one equivalent benefit unit (EBU) for each proposed single family residential unit. The assessments for this development will be placed onto the currently existing Assessor's Parcels on which the development is located.

The construction of the capital improvements associated with the Belfort Gardens development provides a direct and special benefit to the properties in the development, for the ultimate purposes of ingress/egress, access, and utility service. The lots in the development could not be created nor the special benefit enjoyed by the ultimate lot owners without the construction of these capital improvements, which were required in order for the property to be developed.

Because all future lots and parcels within the development which are proposed to have buildings constructed on them benefit from the District improvements, they will be assessed for the portion of the specific costs of the capital improvements that are attributable to them. Lots or areas which are designed as common lots for parking, landscaping, and/or ingress and egress for the site, and which service the lots with building or storage uses within the development and which are not expected to have buildings located on them, will not be assessed.

D Conclusion

In conclusion, it is the Assessment Engineer's opinion that the assessments for the District are allocated in accordance with the direct and special benefit which the land receives from the Works of Improvement, herein defined as Capital Improvements and Impact Fees and identified in Section V, in compliance with the requirements of Article XIII D of the California Constitution.

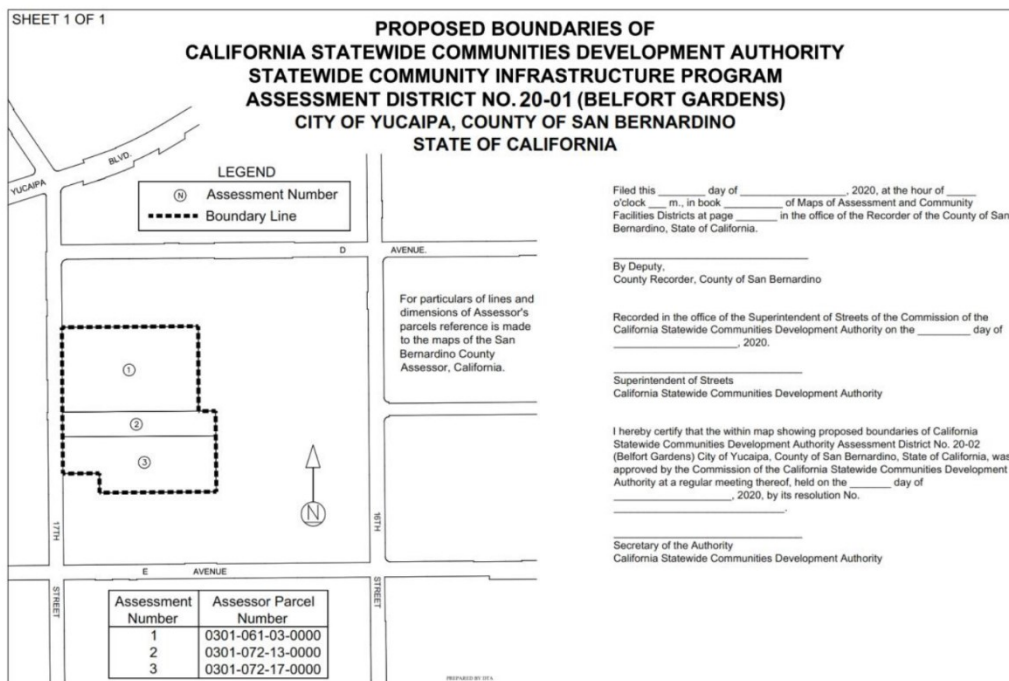


**SECTION VIII
ASSESSMENT DIAGRAM AND
BOUNDARY MAP**

VIII ASSESSMENT DIAGRAM AND BOUNDARY MAP

A Boundary Map showing the District, including the boundaries and dimensions of the parcels, lots, or subdivisions of land within the District as they existed at the time of the passage of the Resolution of Intention, will be filed and recorded at the County of San Bernardino Recorder's office (Document No: _____). Each of the subdivisions of land, parcels, or lots has been given a separate number on the Boundary Map that corresponds with the assessment number shown on the Assessment Roll. The Assessment Diagram will be filed with the Final Engineer's Report at the time of the passage of the Resolution of Formation.

Figure 1: Boundary Map





**SECTION IX
ADMINISTRATION**

IX ADMINISTRATION

In addition to or as a part of the assessment lien levied against each parcel of land within the District, each parcel of land shall also be subject to an annual administrative cost add-on to pay costs incurred by the Authority and not otherwise reimbursed which results from the administration and collection of assessments or from the administration or registration of any bonds and/or reserve or other related funds. The maximum total amount of such annual administrative cost add-on for the District will not exceed 10.00% of the initial annual principal and interest amount, subject to an increase annually by the positive change, if any, in the consumer price index ("CPI") for the San Francisco-Oakland-San Jose area. Each parcel's share of the administrative cost add-on shall be computed based on the parcel's proportionate share of its annual assessment.



**SECTION X
DEBT LIMITATION REPORT**

X DEBT LIMITATION REPORT

(Compliance with Part 7.5 of Division 4 of the Streets and Highways Code)

Pursuant to Sections 2960, 2961 and 10200 of the Streets and Highways Code, the Commission of the California Statewide Communities Development Authority intends to comply with the requirements of the Special Assessment Investigation, Limitations and Majority Protest Act of 1931 by proceeding under Part 7.5 of Division 4 of the Streets and Highways Code.

We are not aware of any prior assessment liens for the properties located within the District.

The total confirmed assessment liens for the District equals \$2,156,692.45.

The County of San Bernardino's assessed value of the parcels within the District totals \$614,452.00.

One-half of the assessed value of the parcels within the District totals \$307,226.00.

The value-to-lien based on the County of San Bernardino's assessed value for all properties located in the District is 0.28 to 1.

An appraisal is being performed by the firm of Integra Realty Resources for the appraised value of the parcels located within the District and will be incorporated into the Final Engineer's Report. The total assessment shall be no greater than one-half of the appraised value and will be reduced if the value in the appraisal is less than \$4,313,384.90.

APPENDIX A

California Statewide Communities Development Authority
(Statewide Community Infrastructure Program)
Assessment District No. 20-01
(Belfort Gardens)
City of Yucaipa, County of San Bernardino



**ASSESSMENT ROLL
(SEE SECTION VI)**



dta

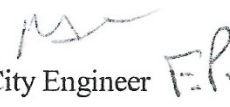
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SAN JOSE, CA 95113
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Public Finance
Public-Private Partnerships
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Clean Energy Bonds

Agenda Item No. 10**CITY OF YUCAIPA
AGENDA REPORT**

TO: Honorable Mayor and City Council

FROM: Raymond A. Casey, City Manager
Fermin Preciado, Director of Public Works/City Engineer 

FOR: City Council Meeting of August 26, 2019

SUBJECT: Statewide Community Infrastructure Program Study Session

RECOMMENDATION:

That the City Council conduct a study session, receive a report related to the Statewide Community Infrastructure Program and provide direction to staff as appropriate.

BACKGROUND:

Cities, counties and special districts have the ability to issue debt obligations or serve as a conduit issuer of private activity bonds to promote economic development and provide funding for critical community infrastructure and/or services. However, many local agencies find that stand-alone financing is costly, and they would prefer not to assume the risk associated with bond financing. The California Statewide Communities Development Authority (“CSCDA”) instituted the Statewide Community Infrastructure Program (“SCIP”) in 2002 to provide California’s local governments with an effective tool for the financing of public benefit projects.

CSCDA is a joint powers authority sponsored by the League of California Cities and the California State Association of Counties. The member agencies of CSCDA include approximately 391 cities and 56 counties throughout California, including the City of Yucaipa.

DISCUSSION:

Cities have limited opportunities, or tools, available to them in their efforts to promote/facilitate economic development opportunities and/or housing developments in their communities. The City of Yucaipa has actively participated in and attended conferences held by the International Council of Shopping Centers; and consistently reached out directly to restaurant franchises and certain retailers in an effort to promote/facilitate economic development in the community.

Other cities have negotiated sales tax sharing deals and/or utilized mello-roos style funding to essentially “buy down” land costs for development. Over the years, the City of Yucaipa has been cautious about negotiating sales tax agreements or approving community facilities districts (particularly for residential housing projects) in our efforts to facilitate economic development and/or housing development in the community. The City has proactively worked on prioritizing infrastructure improvements that are intended to facilitate economic development opportunities in the community. Another tool the City has used to facilitate economic development is the

City Council Meeting of August 26, 2019
Statewide Community Infrastructure Program Study Session
Page 2 of 4

development and implementation of Enhanced Infrastructure Financing Districts (EIFD). Although the City has approved an EIFD for the College Village to help fund infrastructure improvements to support that project, the County of San Bernardino has been slow to approve that financial partnership.

Meanwhile, the State of California is now “demanding” that local agencies do more to facilitate home building in their communities to meet housing demand. The City of Yucaipa has seen only a handful of single family home building permit applications per year over the past several years, with more permit activity occurring in the surrounding area. Based on conversations with building industry representatives, staff believes this financial tool for the payment of development impact fees and/or certain public improvements, required as part of the specific developments, may facilitate economic development opportunities and home building in Yucaipa with very little risk to the City.

The SCIP allows owners of property in participating cities and counties to finance the development impact fees that would be payable by property owners upon receiving land development entitlements or building permits. The program has since been expanded to include financing of public capital improvements directly. The public capital improvements financed must be directly related to a development project as a condition of that specific development. If a property owner chooses to participate, the selected public capital improvements and the development impact fees owed to the City will be financed by the issuance of tax-exempt bonds by CSCDA. CSCDA will impose a special assessment on the owner’s property to repay the portion of the bonds issued to finance the fees paid with respect to the property. With respect to impact fees, the property owner will either pay the impact fees at the time of permit issuance and be reimbursed from the SCIP bond proceeds when the SCIP bonds are issued; or the fees will be funded directly from the proceeds of the SCIP bonds. In the former case, the City is required to pay the fees over to SCIP, and in the latter case, SCIP holds the bond proceeds representing the fees. In both cases the fees are subject to requisition by the City *at any time* to make authorized fee expenditures. But by holding and investing the money until it is spent, SCIP is able to monitor the investment earnings (which come to the City) for federal tax law arbitrage purposes. If the fees are paid by the property owner and bonds are never issued, the fees are returned to the City by SCIP. In this way, the City is never at risk for the receipt of the impact fees. Since its inception, SCIP has financed approximately \$600 million of bonds for local projects.

The benefits to the property owner include:

- Only property owners/builder who choose to participate in the program will have assessments imposed on their property.
- Instead of paying cash for public capital improvements and/or development impact fees, the property owner/builder receives low-cost, long-term tax-exempt financing of those fees, freeing up capital for other purposes.
- The property owner/builder can choose to pay off the special assessments at any time. Because SCIP is a fixed lien assessment, payments will not escalate over time and no property owner is in any way responsible for another property’s assessment.
- For home buyers, paying for the costs of public infrastructure through a special assessment is superior to having those costs “rolled” into the cost of the home. Although the tax bill is higher,

City Council Meeting of August 26, 2019
Statewide Community Infrastructure Program Study Session
Page 3 of 4

the amount of the mortgage is smaller. Moreover, because the special assessment financing is at tax-exempt rates, it can come at a lower cost than mortgage rates.

- Owners of smaller projects, both residential and commercial, can have access to tax-exempt financing of infrastructure. Before the inception of SCIP, only projects large enough to justify the formation of an assessment or communities facilities district had access to tax-exempt financing. SCIP can finance project amounts as low as \$500,000.

The benefits to the City include:

- As in conventional assessment financing, the City is not liable to repay the bonds issued by CSCDA or the assessments imposed on the participating properties.
- CSCDA handles all district formation, district administration, bond issuance and bond administration functions. At its discretion, the local agency can charge an administrative fee to cover staff time taken to review the SCIP application and request for funding.
- Providing tax-exempt financing helps participating cities and counties cushion the impact of rising public capital improvements costs and development impact fees on property owners.
- The availability of financing can encourage developers to pull permits and pay fees in larger blocks, giving the participating city immediate access to revenues for public infrastructure, rather than receiving a trickle of revenues stretched out over time. As part of the entitlement negotiation process, the possibility of tax-exempt financing of fees can be used to encourage a developer to pay fees up front. The City has successfully utilized other sources of funds as a form of a “revolving fund” in order to construct public improvements that have improved quality of life for residents while facilitating economic development which then results in the payment of additional fees to be used for the next economic development opportunity. This funding source could provide yet another opportunity like that.
- In some cases, the special assessments on successful projects can be refinanced through refunding bonds. Savings achieved through refinancing will be directed back to the participating local agency for use on public infrastructure, or credits to property owners, subject to applicable federal tax limitations.
- SCIP is an important tool for developers in determining the overall feasibility of a project and in certain instances the decision to purchase land.

To further understand the SCIP, the following list includes questions asked of CSCDA regarding SCIP and their respective response to those questions:

1. Is an annual report of the development project (assessments/delinquencies/lot splits) provided to the City?

Response: CSCDA does not provide an annual report, however, if a report is requested by the City, CSCDA will provide an annual report upon request. In addition, if there is a default CSCDA notifies the SCIP participating City.

2. When a property is subdivided or split, how is the assessment apportioned (land based/front footage/other)?

Response: Typically land based.

City Council Meeting of August 26, 2019
Statewide Community Infrastructure Program Study Session
Page 4 of 4

3. For Assessment Districts, does CSCDA limit financing to a maximum property tax rate similar to CFDs?

Response: Yes. CSCDA typically limits financing to 1.7% or 1.8%.

A representative from CSCDA will be in attendance at this meeting to provide a detailed presentation of SCIP and answer questions related to the program. Staff is recommending that City Council conduct a study session, receive a report related to SCIP and provide direction to staff as appropriate.

If Council chooses to participate in SCIP, the adoption of a resolution by City Council is required. Attached to this report is a sample resolution with attachments that would be presented to City Council should the City Council direct staff to bring this item back for consideration at a future date.

FISCAL IMPACT:

There is no fiscal impact associated with this Council action.

Attachments: Sample SCIP Resolution

RESOLUTION NO. 2019-**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUCAIPA, STATE OF CALIFORNIA, AUTHORIZING THE CITY TO JOIN THE STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM; AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO ACCEPT APPLICATIONS FROM PROPERTY OWNERS, CONDUCT SPECIAL ASSESSMENT PROCEEDINGS AND LEVY ASSESSMENTS WITHIN THE TERRITORY OF THE CITY OF YUCAIPA; APPROVING FORM OF ACQUISITION AGREEMENT FOR USE WHEN APPLICABLE; AND AUTHORIZING RELATED**

WHEREAS, the California Statewide Communities Development Authority (the "Authority") is a joint exercise of powers authority the members of which include numerous cities and counties in the State of California, including the City of Yucaipa (the "City"); and

WHEREAS, the Authority has established the Statewide Community Infrastructure Program ("SCIP") to allow the financing of certain development impact fees (the "Fees") levied in accordance with the Mitigation Fee Act (California Government Code Sections 66000 and following) and other authority providing for the levy of fees on new development to pay for public capital improvements (collectively, the "Fee Act") through the levy of special assessments pursuant to the Municipal Improvement Act of 1913 (Streets and Highways Code Sections 10000 and following) (the "1913 Act") and the issuance of improvement bonds (the "Local Obligations") under the Improvement Bond Act of 1915 (Streets and Highways Code Sections 8500 and following) (the "1915 Act") upon the security of the unpaid special assessments; and

WHEREAS, SCIP will also allow the financing of certain public capital improvements to be constructed by or on behalf of property owners for acquisition by the City or another public agency (the "Improvements"); and

WHEREAS, the City desires to allow the owners of property being developed within its jurisdiction ("Participating Developers") to participate in SCIP and to allow the Authority to conduct assessment proceedings under the 1913 Act and to issue Local Obligations under the 1915 Act to finance Fees levied on such properties and Improvements, provided that such Participating Developers voluntarily agree to participate and consent to the levy of such assessments; and

WHEREAS, in each year in which eligible property owners within the jurisdiction of the City elect to be Participating Developers, the Authority will conduct assessment proceedings under the 1913 Act and issue Local Obligations under the 1915 Act to finance Fees payable by such property owners and Improvements and, at the conclusion of such proceedings, will levy special assessments on such property within the territory of the City;

WHEREAS, there has been presented to this meeting a proposed form of Resolution of Intention to be adopted by the Authority in connection with such assessment proceedings (the

“ROI”), a copy of which is attached hereto as Exhibit A, and the territory within which assessments may be levied for SCIP (provided that each Participating Developer consents to such assessment) shall be coterminous with the City’s official boundaries of record at the time of adoption of each such ROI (the “Proposed Boundaries”), and reference is hereby made to such boundaries for the plat or map required to be included in this Resolution pursuant to Section 10104 of the Streets and Highways Code; and

WHEREAS, there has also been presented to this meeting a proposed form of Acquisition Agreement (the “Acquisition Agreement”), a copy of which is attached hereto as Exhibit B, to be approved as to form for use with respect to any Improvements to be constructed and installed by a Participating Developer and for which the Participating Developer requests acquisition financing as part of its SCIP application; and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy or collection of assessments or any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administration of the Local Obligations or any other bonds issued in connection with SCIP; and

WHEREAS, pursuant to Government Code Section 6586.5, notice was published at least five days prior to the adoption of this resolution at a public hearing, which was duly conducted by this Council concerning the significant public benefits of SCIP and the financing of the Improvements and the public capital improvements to be paid for with the proceeds of the Fees;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF YUCAIPA HEREBY FINDS, DETERMINES, ORDERS AND RESOLVES AS FOLLOWS: by the City Council of the City of Yucaipa as follows:

Section 1. The City hereby consents to the conduct of special assessment proceedings by the Authority in connection with SCIP pursuant to the 1913 Act and the issuance of Local Obligations under the 1915 Act on any property within the Proposed Boundaries; provided, that

(1) Such proceedings are conducted pursuant to one or more Resolutions of Intention in substantially the form of the ROI; and

(2) The Participating Developers, who shall be the legal owners of such property, execute a written consent to the levy of assessment in connection with SCIP by the Authority and execute an assessment ballot in favor of such assessment in compliance with the requirements of Section 4 of Article XIID of the State Constitution.

Section 2. The City hereby finds and declares that the issuance of bonds by the Authority in connection with SCIP will provide significant public benefits, including without limitation, savings in effective interest rate, bond preparation, bond underwriting and bond issuance costs and the more efficient delivery of local agency services to residential and commercial development within the City.

Section 3. The Authority has prepared and will update from time to time the “SCIP Manual of Procedures” (the “Manual”), and the City will handle Fee revenues and funds for Improvements for properties participating in SCIP in accordance with the procedures set forth in the Manual.

Section 4. The form of Acquisition Agreement presented to this meeting is hereby approved, and the [Mayor] is authorized to execute and the City Clerk is authorized to attest the execution of a completed Acquisition Agreement in substantially said form and pertaining to the Improvements being financed on behalf of the applicable Participating Developer.

Section 5. The appropriate officials and staff of the City are hereby authorized and directed to make SCIP applications available to all property owners who are subject to Fees for new development within the City and/or who are conditioned to install Improvements and to inform such owners of their option to participate in SCIP; provided, that the Authority shall be responsible for providing such applications and related materials at its own expense. The staff persons listed on the attached Exhibit C, together with any other staff persons chosen by the City Manager from time to time, are hereby designated as the contact persons for the Authority in connection with the SCIP program.

Section 6. The appropriate officials and staff of the City are hereby authorized and directed to execute and deliver such closing certificates, requisitions, agreements and related documents, including but not limited to such documents as may be required by Bond Counsel in connection with the participation in SCIP of any districts, authorities or other third-party entities entitled to own Improvements and/or to levy and collect fees on new development to pay for public capital improvements within the jurisdiction of the City, as are reasonably required by the Authority in accordance with the Manual to implement SCIP for Participating Developers and to evidence compliance with the requirements of federal and state law in connection with the issuance by the Authority of the Local Obligations and any other bonds for SCIP. To that end, and pursuant to Treasury Regulations Section 1.150-2, the staff persons listed on Exhibit C, or other staff person acting in the same capacity for the City with respect to SCIP, are hereby authorized and designated to declare the official intent of the City with respect to the public capital improvements to be paid or reimbursed through participation in SCIP.

Section 7. This Resolution shall take effect immediately upon its adoption. The City Clerk is hereby authorized and directed to transmit a certified copy of this resolution to the Secretary of the Authority.

PASSED, APPROVED, AND ADOPTED this ____ day of _____ 2019.

BOBBY DUNCAN, MAYOR

ATTEST:

JENNIFER CRAWFORD
DEPUTY CITY MANAGER/CITY CLERK

Board Reports and Comments



Yucaipa Valley Water District



FACTS ABOUT THE YUCAIPA VALLEY WATER DISTRICT

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

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

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

FY 2019-20 Operating Budget: Water Division - \$14,455,500
Sewer Division - \$12,217,712
Recycled Water Division - \$1,301,447

Number of Services: 13,794 drinking water connections serving 19,243 units
14,104 sewer connections serving 22,774 units
111 recycled water connections serving 460 units

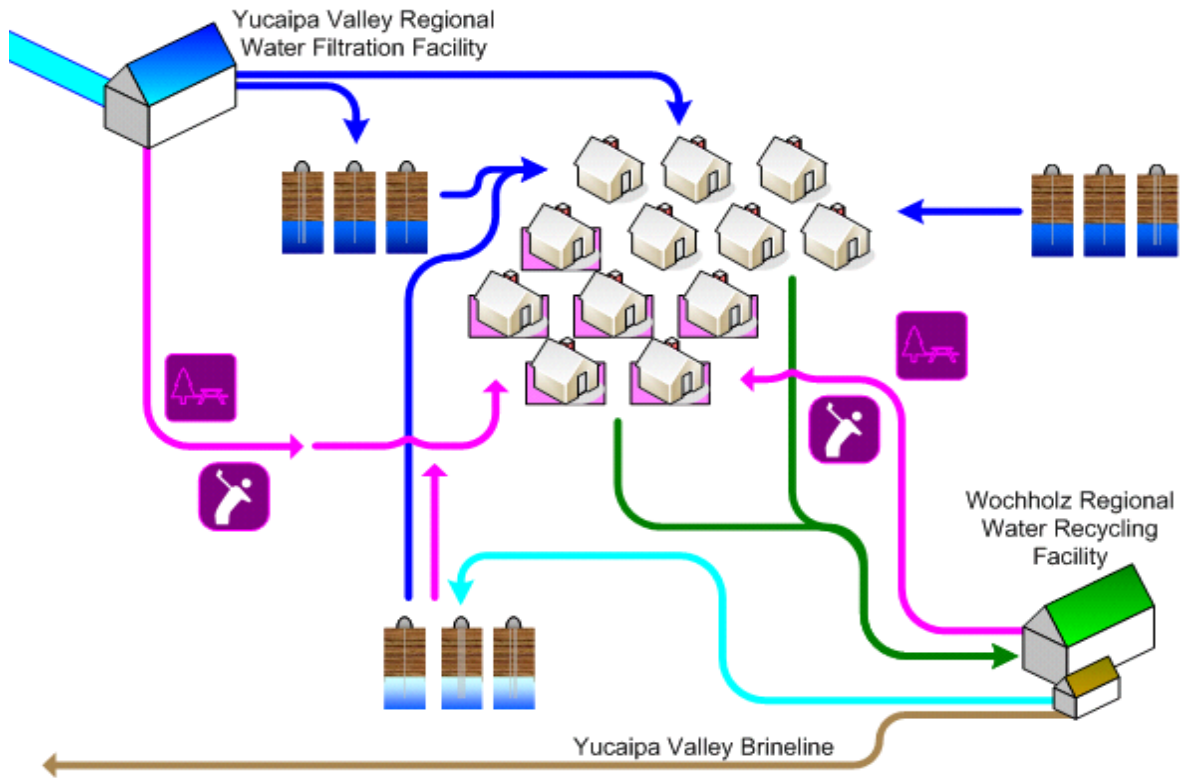
Water System: 223 miles of drinking water pipelines
2,033 fire hydrants
27 reservoirs - 34 million gallons of storage capacity
18 pressure zones
2.958 billion gallon annual drinking water demand
Two water filtration facilities:
- 1 mgd at Oak Glen Surface Water Filtration Facility
- 12 mgd at Yucaipa Valley Regional Water Filtration Facility

Sewer System: 8.0 million gallon treatment capacity - current flow at 3.5 mgd
213 miles of sewer mainlines
4,504 sewer manholes
5 sewer lift stations
1.27 billion gallons of recycled water produced per year

Recycled Water: 22 miles of recycled water pipelines
5 reservoirs - 12 million gallons of storage
0.681 billion gallon annual recycled water demand

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

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



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



	San Bernardino Valley Municipal Water District	San Gorgonio Pass Water Agency
Service Area Size	353 square miles	222 square miles
Table "A" Water Entitlement	102,600 acre feet	17,300 acre feet
Imported Water Rate	\$125.80 / acre foot	\$399 / acre foot
Tax Rates for FY 2019-20	\$0.1425 per \$100	\$0.1775 per \$100
Number of Board Members	Five (5)	Seven (7)
Operating Budget FY 2019-20	\$58,372,000	\$9,551,000

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

- San Bernardino Valley Municipal Water District - Customers in San Bernardino County or City of Yucaipa pay a pass-through amount of \$0.270 per 1,000 gallons.
- San Gorgonio Pass Water Agency - Customers in Riverside County or City of Calimesa pay a pass-through amount of \$0.660 per 1,000 gallons. A proposed rate change to \$0.857 per 1,000 gallons is pending future consideration by YVWD.





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 farmland 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.





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
SGMA	Sustainable Groundwater Management Act
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