



# 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 19, 2021 at 4:00 p.m.

---

**This meeting is available by calling (888) 475-4499  
Meeting ID: 676-950-731#**

**Participate in the meeting online at**  
<https://zoom.us/j/676950731>  
**Passcode: 765589**

**There will be no public physical location  
available to attend this meeting in person.**

---

- 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.
- 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. Adoption of Resolution No. 2021-50 Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency by Governor Newsom on March 4, 2020, and Authorizing Remote Teleconference Meetings of the Legislative Bodies of the Yucaipa Valley Water District for the Period of November 4, 2021 to December 3, 2021 Pursuant to Brown Act Provisions
  - B. Minutes of Meetings
    - 1. Board Meeting – October 5, 2021
  - C. Payment of Bills
    - 1. Approve/Ratify Invoices for Board Awarded Contracts
    - 2. Ratify General Expenses for September 2021

---

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](http://www.yvwd.dst.ca.us)

## V. STAFF REPORT

## VI. DISCUSSION ITEMS

- A. Receipt of the Audited Financial Statements for the Fiscal Year Ending on June 30, 2021 [[Director Memorandum No. 21-164 - Page 21 of 201](#)]  
RECOMMENDED ACTION: That the Board receive and file the audited financial statements.
- B. Presentation of the Unaudited Financial Report for the Period Ending on September 30, 2021 [[Director Memorandum No. 21-165 - Page 82 of 201](#)]  
RECOMMENDED ACTION: That the Board receive and file the unaudited financial report.
- C. Award of a Construction Contract for the Calimesa Recycled Water Conveyance Project [[Director Memorandum No. 21-166 - Page 108 of 201](#)]  
RECOMMENDED ACTION: That the Board authorize the General Manager to award a construction contract for the Calimesa Recycled Water Conveyance Project to Borden Excavating, Inc. for a sum not to exceed \$4,047,174.
- D. Consideration of Administrative Changes to the Sorenson Engineering Class I Significant Industrial User Discharge Permit No. CP-001-03 [[Director Memorandum No. 21-167 - Page 115 of 201](#)]  
RECOMMENDED ACTION: That the Board authorize District Staff to issue the 2021-2023 Sorenson Engineering Class I Significant Industrial User Discharge Permit No. CP-001-03 and grant the request to increase their discharge limitation.
- E. Consideration of the Purchase and Installation of a Highline for Interim Drinking Water Service to Knoll Drive, Yucaipa [[Director Memorandum No. 21-168 - Page 140 of 201](#)]  
RECOMMENDED ACTION: That the Board authorize the General Manager to proceed with the purchase and installation of a highline for a sum not to exceed \$58,262.23.
- F. Public Hearing - Discussion Regarding the Redistricting Process and Opportunity for Initial Public Input [[Director Memorandum No. 21-169 - Page 144 of 201](#)]  
RECOMMENDED ACTION: Pending
- G. Overview of Financial Goals and Formation of a Joint Exercise of Powers Agreement for the Formation of the Yucaipa Valley Water District Financing Authority [[Director Memorandum No. 21-170 - Page 147 of 201](#)]  
RECOMMENDED ACTION: Staff Presentation - No Recommendation.
- H. Consideration of Resolution No. 2021-51 Updating the Calculation for Facility Capacity Charges Related to the Purchase of Permanent Supplemental Water Resources for New Development within Riverside County [[Director Memorandum No. 21-171 - Page 159 of 201](#)]  
RECOMMENDED ACTION: That the Board approve Resolution No. 2021-51.
- I. Consideration of the Proposed Workers' Compensation Insurance Policy Renewal for 2021-22 [[Director Memorandum No. 21-172 - Page 168 of 201](#)]  
RECOMMENDED ACTION: That the Board authorize the General Manager to execute contracts with Redwood F&C Berkshire Hathaway for workers' compensation insurance.
- J. Consideration of Renewing the Cyber Liability Insurance for 2021-22 [[Director Memorandum No. 21-173 - Page 173 of 201](#)]  
RECOMMENDED ACTION: That the Board authorize the General Manager to execute contracts with Alliant Insurance Services for cyber liability insurance.

## VII. BOARD REPORTS & DIRECTOR COMMENTS

**VIII. ANNOUNCEMENTS**

- A. November 2, 2021 at 4:00 p.m. - Board Meeting
- B. November 16, 2021 at 4:00 p.m. - Board Meeting
- C. December 7, 2021 at 4:00 p.m. - Board Meeting
- D. December 21, 2021 at 4:00 p.m. - Board Meeting
- E. **January 4, 2022 at 4:00 p.m. - Meeting Cancelled**
- F. January 18, 2022 at 4:00 p.m. - Board Meeting

**IX. ADJOURNMENT**

# Consent Calendar



Yucaipa Valley Water District



## **RESOLUTION NO. 2021-50**

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE YUCAIPA VALLEY WATER DISTRICT PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR NEWSOM ON MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE YUCAIPA VALLEY WATER DISTRICT FOR THE PERIOD OF NOVEMBER 4, 2021 TO DECEMBER 3, 2021 PURSUANT TO BROWN ACT PROVISIONS**

WHEREAS, the Yucaipa Valley Water District is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the Yucaipa Valley Water District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the District, specifically, a state of emergency has been proclaimed due to an outbreak of respiratory illness due to a novel coronavirus (a disease now known as COVID-19); and

WHEREAS, the San Bernardino County Department of Health has recommended measures to promote social distancing; and

WHEREAS, the Board of Directors has determined that the state of emergency continues to directly impact the ability of the members to meet safely in person; and

WHEREAS, the Board of Directors does hereby find that the current state of emergency with

respect to COVID-19, local official recommendations to promote social distancing, and conditions causing imminent risk to the health and safety of attendees have caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to proclaim a local emergency and ratify the proclamation of state of emergency by the Governor of the State of California; and

WHEREAS, as a consequence of the local emergency, the Board of Directors does hereby find that the legislative bodies of the Yucaipa Valley Water District shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE YUCAIPA VALLEY WATER DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

- Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.
- Section 2. Proclamation of Local Emergency. The Board hereby proclaims that a local emergency now exists throughout the District and declares that meeting in person would not comply with local official recommendations to promote social distancing and would present imminent risk to the health and safety of attendees.
- Section 3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of a State of Emergency, effective as of its issuance date of March 4, 2020
- Section 4. Remote Teleconference Meetings. The General Manager and legislative bodies of the Yucaipa Valley Water District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.
- Section 5. Effective Date of Resolution. This Resolution shall take effect upon its adoption and shall be effective until the earlier of (i) thirty (30) days from the adoption of this Resolution, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the Yucaipa Valley Water District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED AND ADOPTED by the Board of Directors of the Yucaipa Valley Water District, this 19<sup>th</sup> day of October, 2021.

YUCAIPA VALLEY WATER DISTRICT

---

Chris Mann, President Board of Directors

ATTEST:

---

Joseph B. Zoba, General Manager

# MINUTES OF A SPECIAL BOARD MEETING - TELECONFERENCE

October 5, 2021 at 4:00 pm

**Directors Present:**

Chris Mann, President  
Lonni Granlund, Vice President  
Jay Bogh, Director  
Joyce McIntire, Director  
Nyles O’Harra, 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  
Mike Kostelecky, Operations Manager  
Tim Mackamul, Operations Manager  
Steve Molina, Public Works Supervisor  
Matthew Porras, Implementation Manager  
Mike Rivera, Public Works Manager  
Charles Thomas, Operations Manager  
Joseph Zoba, General Manager

**Directors Absent:**

None

**Consulting Staff Present:**

Bryan Brown, Special Counsel  
Steven Graham, Legal Counsel  
Greg Newmark, Special Counsel  
Robert Porr, Fieldman, Rolapp & Associates

**Registered Guests and Others Present:**

Logan Largent, Ortega Strategies Group  
Michelle Lopez, News Mirror  
Larry Smith, San Gorgonio Pass Water Agency

---

This meeting was available for in person attendance as well as 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> using 765589.

---

CALL TO ORDER

The special 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 Jay Bogh, Director Lonni Granlund, Director Chris Mann, Director Joyce McIntire, and Director Nyles O’Harra present.

PUBLIC COMMENTS

None

CONSENT CALENDAR

Director Lonni Granlund moved to approve the consent calendar and Director Nyles O’Harra seconded the motion.

A. Minutes of Meetings

- 1. Board Meeting – September 21, 2021

The motion was approved by the following vote:

- Director Jay Bogh - Yes
- Director Lonni Granlund - Yes
- Director Chris Mann - Yes
- Director Joyce McIntire - Yes
- Director Nyles O’Harra - Yes

STAFF REPORT

Chief Financial Officer Allison Edmisten provided information about the following items:

- On September 27, 2021, Fitch Rating Services reaffirmed the AA municipal bond rating for the 2015 A debt obligation. The District staff is currently preparing plans to refinance the existing water and sewer debt based on favorable cost savings to the District.

General Manager Joseph Zoba reported on the following items:

- The District staff is testing new Aqua Star sewer cleaning equipment from Kaiser AG. The Aqua Star vehicle provides an efficient way to clean the sewer collection system since the system minimizes the time needed to refill the water tanks on the existing cleaning equipment.

DISCUSSION ITEMS:

DM 21-159

CONSIDERATION OF RESOLUTION NO. 2021-49 PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR NEWSOM ON MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE YUCAIPA VALLEY

General Manager Joseph Zoba provided an overview of AB 361 and Resolution No. 2021-49 which would authorize the use of remote teleconference meetings for the period of October 5, 2021 to November 3, 2021.

Director Nyles O’Harra moved that the Board adopt Resolution No. 2021-49.

Director Joyce McIntire seconded the motion.

The motion was approved by the following vote:

- Director Jay Bogh - Yes
- Director Lonni Granlund - Yes
- Director Chris Mann - Yes

WATER DISTRICT FOR THE  
PERIOD OF OCTOBER 5, 2021  
TO NOVEMBER 3, 2021  
PURSUANT TO BROWN ACT  
PROVISIONS

Director Joyce McIntire - Yes  
Director Nyles O’Harra - Yes

DM 21-160

OVERVIEW OF STATEWIDE  
AND LOCAL WATER  
CONSERVATION EFFORTS

General Manager Joseph Zoba provided an overview of the activities by District staff to achieve the 15% water conservation goal established by Governor Newsom in July 2021.

DM 21-161

STATUS UPDATE FOR THE  
REPLACEMENT OF DRINKING  
WATER RESERVOIRS R-17.1.1  
AND R-17.1.2 - YUCAIPA

Implementation Manager Matthew Porrás provided an overview of the pipeline and reservoir construction at the Reservoir R-17.1 complex.

DM 21-162

CONSIDERATION OF A  
DEVELOPMENT AGREEMENT  
NO. 2021-17 FOR SEWER  
SERVICE TO TRACT NO. 18167  
LOCATED AT 34419 – 34443  
AVENUE H AND 13508 – 13530  
4<sup>TH</sup> STREET, YUCAIPA  
(ASSESSOR PARCEL  
NUMBERS 0319-233-12, 0319-  
233-13 AND 0319-233-88)

Administrative Assistant Chelsie Fogus provided an overview of Development Agreement No. 2021-17 for sewer service to Tract No. 18167.

Director Lonni Granlund moved that the Board authorize the Board President to execute Development Agreement No. 2021-17.

Director Nyles O’Harra seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes  
Director Lonni Granlund - Yes  
Director Chris Mann - Yes  
Director Joyce McIntire - Yes  
Director Nyles O’Harra - Yes

DM 21-163

CONSIDERATION OF A  
RESOLUTION RE-INSTATING  
LATE FEES ON UTILITY BILLS

Chief Financial Officer Allison Edmisten provided an overview of the proposed resolution to reinstate fees for delinquent water and sewer customer accounts.

Director Joyce McIntire moved that the Board adopt Resolution No. 2021-48.

Director Lonni Granlund seconded the motion.

The motion was approved by the following vote:

Director Jay Bogh - Yes  
Director Lonni Granlund - Yes  
Director Chris Mann - Yes  
Director Joyce McIntire - Yes  
Director Nyles O'Harra - Yes

BOARD REPORTS AND  
DIRECTOR COMMENTS

None

ANNOUNCEMENTS

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

ADJOURNMENT

The meeting was adjourned at 4:30 p.m.

Respectfully submitted,

---

Joseph B. Zoba, Secretary

(Seal)

Board Awarded Contracts  
Consent Calendar Board Meeting - October 19, 2021

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
Cole Huber LLP	--	*-5-06-54107	--	--	\$0	\$4,500	\$4,500	
APGN Inc. WWTP Secondary Treatment- turbo blowers/bubble diffusers	21-085	03-000-14500 Task #87041	--	\$768,520	\$357,689	\$0	\$357,689	\$410,831
DDB Engineering <b>(R-Reserves)</b> 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) <b>W/S Oper</b> Three Year Contract Extension (exp 12/2021)	13-079 19-052	*-5-06-54109 *5-06-54109	\$90,000 \$270,000	\$360,000	\$300,000	\$7,500	\$307,500	\$52,500
Dudek <b>(S-Operating)</b> <b>2020-2021</b> Max Benefit Monitoring for San Timoteo/Yucaipa Mgmt. Zones	20-038	03-5-06-54109	--	\$52,338	\$50,641	\$0	\$50,641	\$1,697
Dudek <b>(S-Operating)</b> <b>2021-2022</b> Max Benefit Monitoring for San Timoteo/Yucaipa Mgmt. Zones	21-101	03-5-06-54109	--	\$47,764	\$4,894	\$2,101	\$6,995	\$40,769
Dudek <b>(S-Operating)</b> <b>2020-</b> Habitat Monitoring Program (HMP) in San Timoteo Creek	20-037	65-15339 03-5-06-57030	--	\$52,660	\$49,355	\$975	\$50,330	\$2,330
ECORP <b>(W/S Reserves)</b> 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 <b>(W/S Reserves)</b> 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 Injection and Monitoring Well for Aquifer Storage/Beaumont Basin	21-031	03-5-06-54109	--	\$450,818	\$40,446	\$1,300	\$41,746	\$409,072
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
GHD SCADA Master Planning Document for WWTP	21-062	03-506-54109	--	\$78,090	\$20,721	\$0	\$20,721	\$57,369
One Stop Landscape Supply FY 20-21 Sludge Hauling/Reuse <b>(Oper)</b>	--	03-5-02-57031	--	--	\$243,568	\$20,803	\$264,371	



Board Awarded Contracts  
Consent Calendar Board Meeting - October 19, 2021

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
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	\$309,392	\$2,306	\$311,698	\$18,738
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	\$143,561	\$5,684	\$149,245	\$9,508
WWTP - Reverse Osmosis Pilot Study	20-099	03-5-06-54109		\$192,860	\$46,851	\$748	\$47,599	\$145,261
Spiess Construction Reservoir R-17.1.1 & R-17.1.2 Replacement	21-090	02-000-14500 Task #90857	--	\$1,701,725	\$141,215	\$68,290	\$209,505	\$1,492,220
WWTP- Autostrainer Replacement (Sewer Reserves) Pascal Ludwig-\$229,111.00 Forstra Filters -\$152,208.00 Q-Versa- \$28,800.00	20-132	03-13002		\$487,000	\$409,899	\$0	\$409,899	\$77,101
<b>GRAND TOTALS</b>				<b>\$4,801,026</b>	<b>\$2,193,990</b>	<b>\$114,207</b>	<b>\$2,308,197</b>	<b>\$2,838,800</b>

## Check Register - September 2021

<b>Date</b>	<b>Check #</b>	<b>Payee or Description</b>	<b>Amount</b>
09/01/2021	39785	Atkinson, Andelson, Loya, Ruud & Romo	\$ 747.50
09/01/2021	39786	ADS, LLC	\$ 6,210.00
09/01/2021	39787	Aramark Uniform and Career Apparel, LLC	\$ 809.59
09/01/2021	39788	AutoZone Stores LLC	\$ 203.40
09/01/2021	39789	Backflow Apparatus & Valve Co.	\$ 2,499.80
09/01/2021	39790	Best Home Center	\$ 120.57
09/01/2021	39791	Brenntag Pacific, Inc	\$ 24,074.16
09/01/2021	39792	California Municipal Treasurers Associat	\$ 95.00
09/01/2021	39793	California Water Technologies, LLC	\$ 5,676.92
09/01/2021	39794	Commercial Solar Guy	\$ 5,000.00
09/01/2021	39795	ECORP Consulting, Inc.	\$ 4,970.14
09/01/2021	39796	Fastenal Company	\$ 1,386.56
09/01/2021	39797	Forstra Filters, Inc.	\$ 837.13
09/01/2021	39798	Grainger	\$ 787.17
09/01/2021	39799	Haaker Equipment Company	\$ 6,769.76
09/01/2021	39800	Hasa, Inc.	\$ 7,840.47
09/01/2021	39801	Home Depot U.S.A. Inc	\$ 1,173.43
09/01/2021	39802	Houston & Harris PCS, Inc.	\$ 3,946.50
09/01/2021	39803	JW D'Angelo Co.	\$ 860.62
09/01/2021	39804	Leighton Consulting, Inc.	\$ 5,116.50
09/01/2021	39805	Les Schwab Tire Center	\$ 621.03
09/01/2021	39806	Lowe's Companies, Inc.	\$ 746.35
09/01/2021	39807	Max Machinery, Inc.	\$ 1,072.49
09/01/2021	39808	Merit Oil Company	\$ 6,774.96
09/01/2021	39809	Municipal Maintenance Equipment, Inc.	\$ 625.49
09/01/2021	39810	Nalco Company	\$ 12,049.45
09/01/2021	39811	National Business Furniture LLC	\$ 609.89
09/01/2021	39812	NetComp Technologies, Inc.	\$ 1,511.26
09/01/2021	39813	Pollardwater	\$ 516.88
09/01/2021	39814	Redlands-Yucaipa Rentals Inc.	\$ 44.00
09/01/2021	39815	San Bdno. Valley Muni. Water Dist.	\$ 60,706.18
09/01/2021	39816	SB CNTY-Fire Protection District	\$ 2,070.00
09/01/2021	39817	SB CNTY-Solid Waste Mgmt Div	\$ 220.94
09/01/2021	39818	SCCI, Inc.	\$ 350.00
09/01/2021	39819	Steven Enterprises, Inc	\$ 155.15
09/01/2021	39820	Summit Environmental Srvcs, Inc.	\$ 4,690.75
09/01/2021	39821	Superior Automotive Warehouse, Inc	\$ 188.51
09/01/2021	39822	The Gas Company	\$ 78.19
09/01/2021	39823	TPX Communications	\$ 4,500.98
09/01/2021	39824	UPS Store#1504/ Mail Boxes Etc.	\$ 25.00
09/10/2021	39825	California State Disbursement Unit	\$ 628.14
09/10/2021	39826	IBEW Local #1436	\$ 660.00
09/10/2021	39827	WageWorks Inc	\$ 1,686.89
09/13/2021	39828	All American Sewer Tools	\$ 637.59
09/13/2021	39829	Alpine Springs	\$ 90.00
09/13/2021	39830	Applied Membranes, Inc.	\$ 962.09

## Check Register - September 2021

<b>Date</b>	<b>Check #</b>	<b>Payee or Description</b>	<b>Amount</b>
09/13/2021	39831	Aramark Uniform and Career Apparel, LLC	\$ 797.92
09/13/2021	39832	Best Home Center	\$ 36.68
09/13/2021	39833	California Water Environment Association	\$ 192.00
09/13/2021	39834	Caselle, Inc.	\$ 2,870.00
09/13/2021	39835	Clinical Laboratory of San Bernardino	\$ 7,748.00
09/13/2021	39836	Corelogic, Inc.	\$ 330.00
09/13/2021	39837	Coverall North America, Inc.	\$ 805.00
09/13/2021	39838	Crown Ace Hardware - Yucaipa	\$ 37.56
09/13/2021	39839	Epic Pest Management	\$ 85.00
09/13/2021	39840	Freedom Mailing Services	\$ 7,971.25
09/13/2021	39841	Frontier Communications	\$ 172.92
09/13/2021	39842	G&G Environmental Compliance, Inc	\$ 5,573.60
09/13/2021	39843	GLS US	\$ 123.79
09/13/2021	39844	JW D'Angelo Co.	\$ 1,261.49
09/13/2021	39845	Konica Minolta Business Solutions	\$ 478.50
09/13/2021	39846	Koritas Tires Inc.	\$ 10.00
09/13/2021	39847	Krieger & Stewart, Incorporated	\$ 121,639.25
09/13/2021	39848	Merit Oil Company	\$ 8,078.92
09/13/2021	39849	Micro Motion, Inc.	\$ 2,252.50
09/13/2021	39850	NCL Of Wisconsin Inc	\$ 86.79
09/13/2021	39851	NetComp Technologies, Inc.	\$ 770.85
09/13/2021	39852	Nexa	\$ 695.00
09/13/2021	39853	Pacific Coast Landscape & Design, Inc.	\$ 21,000.00
09/13/2021	39854	Q Versa, LLC	\$ 14,705.00
09/13/2021	39855	Reign Industries Inc	\$ 3,950.00
09/13/2021	39856	Separation Processes, Inc.	\$ 7,691.39
09/13/2021	39857	State of California - Department of Just	\$ 64.00
09/13/2021	39858	State Water Resources Control Board	\$ 2,923,668.75
09/13/2021	39859	The Counseling Team International	\$ 300.00
09/13/2021	39860	Time Warner Cable	\$ 1,727.10
09/13/2021	39861	Underground Service Alert Of So. CA	\$ 422.50
09/13/2021	39862	Water Environment Federation	\$ 267.00
09/13/2021	39863	Yucaipa Disposal, Inc.	\$ 2,532.19
09/13/2021	39864	Yucaipa Urgent Care Center	\$ 300.00
09/13/2021	39865	Yucaipa Valley Water District	\$ 70,998.79
09/20/2021	39866	APGN Inc.	\$ 32,517.16
09/20/2021	39867	David L. Wysocki	\$ 1,575.00
09/20/2021	39868	Delta Ventures Inc.	\$ 7,500.00
09/20/2021	39869	Dudek & Associates, Inc	\$ 1,975.00
09/20/2021	39870	Geoscience Support Services, Inc.	\$ 1,435.75
09/20/2021	39871	One Stop Landscape Supply Inc	\$ 21,217.50
09/20/2021	39872	Separation Processes, Inc.	\$ 19,305.29
09/20/2021	39873	Meyers Nave, A Professional Corporation	\$ 40,361.04
09/20/2021	39874	Adler Luis Ribaya	\$ 200.49
09/20/2021	39875	Aqua-Metric Sales Company	\$ 321.50
09/20/2021	39876	Aramark Uniform and Career Apparel, LLC	\$ 1,628.53

## Check Register - September 2021

<b>Date</b>	<b>Check #</b>	<b>Payee or Description</b>	<b>Amount</b>
09/20/2021	39877	AT&T Mobility	\$ 2,148.38
09/20/2021	39878	AutoZone Stores LLC	\$ 92.09
09/20/2021	39879	Bay Alarm Company	\$ 5,557.50
09/20/2021	39880	Beaumont Basin Watermaster	\$ 3,000.00
09/20/2021	39881	Billy Lyon	\$ 1,523.29
09/20/2021	39882	Brenntag Pacific, Inc	\$ 18,568.48
09/20/2021	39883	BSK Associates	\$ 1,025.00
09/20/2021	39884	Cal Pro Contracting, Inc	\$ 437.68
09/20/2021	39885	Clark Pest Control	\$ 118.00
09/20/2021	39886	Cobb's Printing, LLC	\$ 370.66
09/20/2021	39887	Contron Scada Systems	\$ 3,346.33
09/20/2021	39888	Coverall North America, Inc.	\$ 526.00
09/20/2021	39889	Crown Ace Hardware - Yucaipa	\$ 368.64
09/20/2021	39890	Daily Journal Corporation	\$ 1,702.80
09/20/2021	39891	David Wahe	\$ 510.82
09/20/2021	39892	Evoqua Water Technologies LLC	\$ 2,248.85
09/20/2021	39893	Fastenal Company	\$ 1,013.81
09/20/2021	39894	Fedex	\$ 49.21
09/20/2021	39895	Fisher Scientific Co.	\$ 169.77
09/20/2021	39896	Frontier Communications	\$ 46.25
09/20/2021	39897	Geoscience Support Services, Inc.	\$ 1,887.00
09/20/2021	39898	Hach Company	\$ 52.09
09/20/2021	39899	Harrington Ind. Plastic, LLC	\$ 244.56
09/20/2021	39900	Hasa, Inc.	\$ 8,805.96
09/20/2021	39901	Houston & Harris PCS, Inc.	\$ 3,946.50
09/20/2021	39902	Inland Water Works Supply Co.	\$ 4,377.79
09/20/2021	39903	Jason Carlson	\$ 1,000.00
09/20/2021	39904	JW D'Angelo Co.	\$ 3,612.33
09/20/2021	39905	Max Machinery, Inc.	\$ 1,125.79
09/20/2021	39906	Merit Oil Company	\$ 5,444.14
09/20/2021	39907	NetComp Technologies, Inc.	\$ 300.00
09/20/2021	39908	Office Solutions Bsns Products, L	\$ 1,921.75
09/20/2021	39909	Pacific Coast Landscape & Design, Inc.	\$ 475.00
09/20/2021	39910	Polydyne Inc.	\$ 20,777.15
09/20/2021	39911	Quinn Company	\$ 33,980.45
09/20/2021	39912	SB CNTY-Solid Waste Mgmt Div	\$ 31.24
09/20/2021	39913	SCE Rosemead	\$ 911,602.79
09/20/2021	39914	Separation Processes, Inc.	\$ 12,484.25
09/20/2021	39915	Sinclair Rock and Sand Inc.	\$ 4,025.00
09/20/2021	39916	Spectrum Business	\$ 3,668.00
09/20/2021	39917	U.S. POSTAL SERVICE (Hasler)	\$ 2,000.00
09/20/2021	39918	White Cap, LP	\$ 152.21
09/20/2021	39919	Wilbur's	\$ 673.22
09/20/2021	39920	California FAIR Plan	\$ 4,953.00
09/20/2021	39921	Farmers Insurance	\$ 1,405.86
09/20/2021	39922	VOID	\$ -

## Check Register - September 2021

Date	Check #	Payee or Description	Amount
09/20/2021	39923	VOID	\$ -
09/24/2021	39924	California State Disbursement Unit	\$ 628.14
09/24/2021	39925	WageWorks Inc	\$ 1,686.89
09/27/2021	39926	Doug Earnest	\$ 685.14
09/27/2021	39927	Jesse McCartney	\$ 685.14
09/27/2021	39928	Joe DeSalliers	\$ 603.35
09/27/2021	39929	Peggy Little	\$ 685.14
09/27/2021	39930	Robert Wall	\$ 799.13
09/27/2021	39931	WageWorks, Inc.	\$ 191.75
09/27/2021	39932	Aflac	\$ 2,602.23
09/27/2021	39933	Blue Shield of California	\$ 4,083.10
09/27/2021	39934	Nippon Life Insurance Co	\$ 2,772.61
09/27/2021	39935	Standard Dental Insurance Co	\$ 1,309.12
09/27/2021	39936	Standard Insurance Vision Plan	\$ 329.56
09/27/2021	39937	Western Dental Services Inc	\$ 230.92
09/27/2021	39938	American Melt Blown & Filtration Inc.	\$ 3,650.00
09/27/2021	39939	Aqua-Metric Sales Company	\$ 15,792.70
09/27/2021	39940	Aramark Uniform and Career Apparel, LLC	\$ 806.53
09/27/2021	39941	Avista Technologies, Inc.	\$ 6,935.90
09/27/2021	39942	Brenntag Pacific, Inc	\$ 10,310.53
09/27/2021	39943	Center Electric Services, Inc.	\$ 1,080.00
09/27/2021	39944	Charles P. Crowley Company, Inc.	\$ 18,009.15
09/27/2021	39945	Clinical Laboratory of San Bernardino	\$ 4,653.50
09/27/2021	39946	Crestline Specialties, Inc.	\$ 5,676.74
09/27/2021	39947	ECORP Consulting, Inc.	\$ 18,147.96
09/27/2021	39948	Evoqua Water Technologies LLC	\$ 332.12
09/27/2021	39949	GHD Inc	\$ 7,854.08
09/27/2021	39950	Grainger	\$ 629.11
09/27/2021	39951	Home Depot U.S.A. Inc	\$ 893.33
09/27/2021	39952	Houston & Harris PCS, Inc.	\$ 3,946.50
09/27/2021	39953	JW D'Angelo Co.	\$ 20,664.02
09/27/2021	39954	Les Schwab Tire Center	\$ 2,427.36
09/27/2021	39955	Merit Oil Company	\$ 6,611.38
09/27/2021	39956	Michael Jones	\$ 385.00
09/27/2021	39957	Pro-Pipe & Supply, Inc.	\$ 127.99
09/27/2021	39958	Quadient Leasing USA, Inc	\$ 353.07
09/27/2021	39959	Redline	\$ 29,558.54
09/27/2021	39960	S & J Supply Co., Inc	\$ 3,543.90
09/27/2021	39961	SB CNTY-Fire Protection District	\$ 2,408.00
09/27/2021	39962	SCCI, Inc.	\$ 350.00
09/27/2021	39963	Smarthire	\$ 62.00
09/27/2021	39964	Spectrum Business	\$ 2,649.00
09/27/2021	39965	Yucaipa Urgent Care Center	\$ 370.00
			<b><u>\$ 4,776,318.70</u></b>

## Check Register - September 2021

<b>Date</b>	<b>Check #</b>	<b>Payee or Description</b>	<b>Amount</b>
09/10/2021	electronic pmt	DIRECT DEPOSIT TOTAL	\$ 178,163.66
09/10/2021	electronic pmt	CalPERS 457 & Loan	\$ 29,339.40
09/10/2021	electronic pmt	CalPERS Retirement	\$ 33,936.71
09/10/2021	electronic pmt	EDD - State of California	\$ 15,203.44
09/10/2021	electronic pmt	IRS	\$ 77,640.55
09/10/2021	electronic pmt	VOYA 457 Retirement Plan	\$ 4,602.81
09/24/2021	electronic pmt	DIRECT DEPOSIT TOTAL	\$ 154,954.93
09/24/2021	electronic pmt	CalPERS 457 & Loan	\$ 26,799.76
09/24/2021	electronic pmt	CalPERS Retirement	\$ 33,949.32
09/24/2021	electronic pmt	EDD - State of California	\$ 12,463.35
09/24/2021	electronic pmt	IRS	\$ 64,431.26
09/24/2021	electronic pmt	VOYA 457 Retirement Plan	\$ 3,759.74
09/27/2021	electronic pmt	CalPERS Health Insurance	\$ 93,284.88
			<b><u>\$ 728,529.81</u></b>

# Staff Report



Yucaipa Valley Water District

# Discussion Items







Date: October 19, 2021

Task: N/A

Prepared By: Allison M. Edmisten, Chief Financial Officer

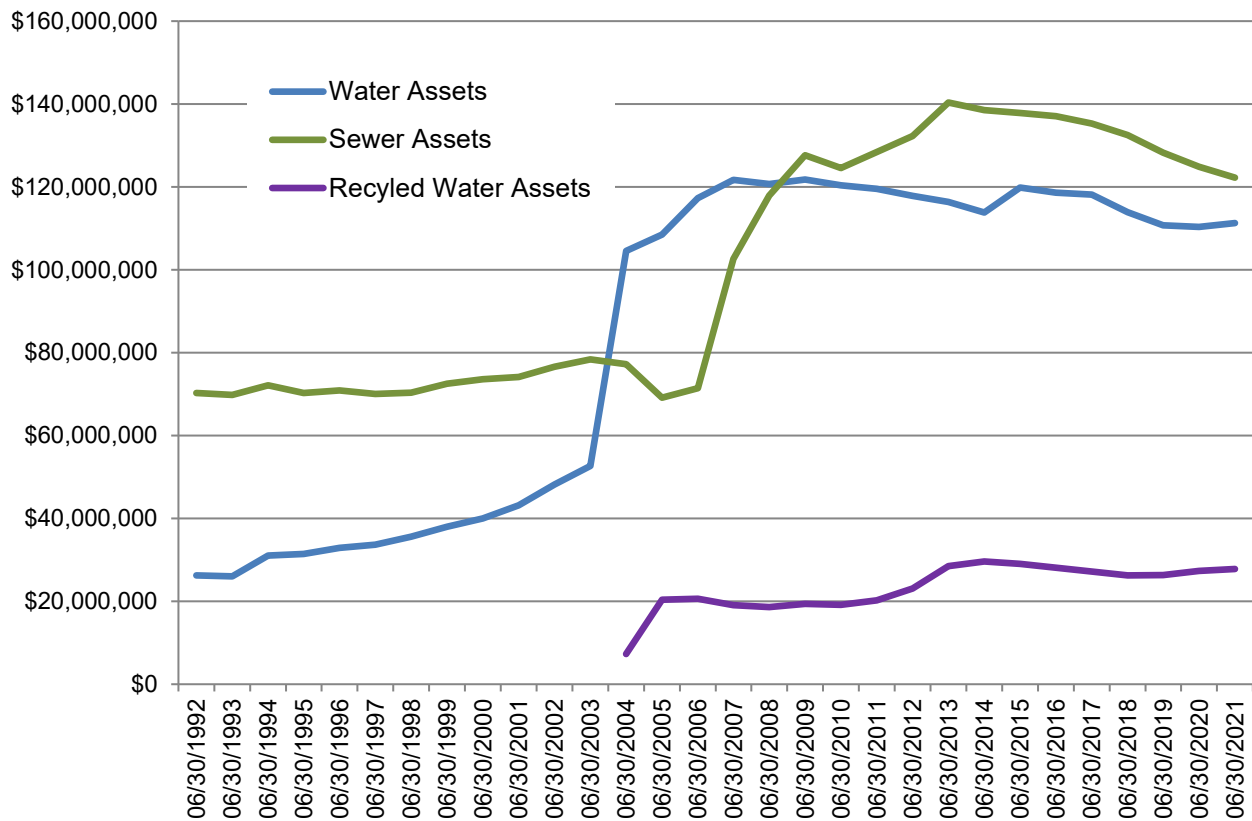
Subject: Receipt of the Audited Financial Statements for the Fiscal Year Ending on June 30, 2021

Recommendation: That the Board receive and file the audited financial statements.

The certified public accounting firm of Davis Farr, LLP has completed the financial audit for the fiscal year ending on June 30, 2021.

A representative from Davis Farr, LLP will attend the board meeting to provide an overview of the audited financial documents and answer questions about the report.

Total Assets by District Enterprise





12770 Second Street, Yucaipa, California 92399

# Annual Financial Statements

for the

Fiscal Year Ending June 30, 2021

---

**Board of Directors**

---

Chris Mann

Division 1

Nyles O'Harra

Division 2

Jay Bogh

Division 3

Lonni Granlund

Division 4

Joyce McIntire

Division 5

**Financial Audit Preparation Team:**

Allison M. Edmisten, Chief Financial Officer

Matthew Porras, Implementation Manager

Denise Howard, Purchasing Agent

Erin Anton, Administrative Supervisor

Tysa Baeumel, Administrative Clerk IV

Sara Onate, Administrative Clerk IV



**Yucaipa Valley Water District  
Basic Financial Statements  
Year Ended June 30, 2021**

**Table of Contents**

Transmittal Letter	i
Independent Auditors' Report	1
Management's Discussion and Analysis	5
Basic Financial Statements	
Proprietary Funds	
Statement of Net Position	12
Statement of Revenues, Expenses and Changes in Net Position	13
Statement of Cash Flows	14
Fiduciary Fund	
Statement of Fiduciary Net Position	16
Statement of Changes in Fiduciary Net Position	17
Notes to the Basic Financial Statements	19
Required Supplementary Information	45
Schedule of the District's Proportionate Share of Net Pension Liability – Last Ten Years	46
Schedule of the District's Proportionate Contributions to the Pension Plan – Last Ten Years	47
Schedule of Changes in Total OPEB Liability and Related Ratios – Last Ten Years	48





## Yucaipa Valley Water District

12770 Second Street • Post Office Box 730 • Yucaipa, California 92399-0730  
(909) 797-5117 • Fax: (909) 797-6381 • [www.yvwd.us](http://www.yvwd.us)

### INTRODUCTION

It is my pleasure to provide the following financial report for Yucaipa Valley Water District ("District") for the fiscal year ended on June 30, 2021. The financial report was prepared by District staff following guidelines set forth by the Governmental Accounting Standards Board.

The District is ultimately responsible for both the accuracy of the data and the completeness and the fairness of presentation, including all disclosures in this financial report. We believe that the data presented is accurate in all material respects. This report is designed in a manner that we believe necessary to enhance your understanding of the District's financial position and activities.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview and analysis to accompany the financial statements in the form of the Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

This report is organized into the following sections: (1) Transmittal Letter and District Overview; (2) Management Discussion & Analysis; (3) Audited Financial Statements and (4) Required Supplementary Information. The first section provides the reader with a general overview of the District. The Management Discussion & Analysis section offers a summary of significant financial results. The Audited Financial Statements section includes the Independent Auditors' Report. The Required Supplementary section provides information and schedules to supplement the basic financial statements.

### OVERVIEW OF THE DISTRICT

The Yucaipa Valley Water District is made up of a proactive group of elected officials and employees dedicated to providing reliable drinking water, recycled water and sewer service in an efficient, cost effective manner that provides a high level of customer satisfaction. On May 1, 2002, the Board of Directors adopted the following mission statement to clearly reflect the vision and principles that guide elected officials and employees of the District.

Yucaipa Valley Water District is committed to professionally managing the precious potable drinking water, sewer and recycled water resources of the Yucaipa Valley in a reliable, efficient and cost-effective manner in order to provide the finest service to our customers, both present and future.

We are entrusted to serve the public for the benefit of the community.



Yucaipa Valley Water District

Page i

We believe in responsive, innovative and aggressive service, and take pride in getting the job done right the first time.

We encourage a work environment that fosters professionalism, creativity, teamwork and personal accountability.

We treat our customers and one another with fairness, dignity, respect and compassion and exhibit the utmost integrity in all we do.

We believe in enhancing the environment by following a general philosophy of eliminating waste and maximizing recycling and reuse of our natural resources.

We are committed to using the following operating principles as a guide to accomplishing our mission:

- We are proactive in our approach to issues.
- We are committed to integrity and consistently high ethical standards in all our business dealings.
- We use the strategic planning process to focus our efforts and minimize our crisis management mode.
- We make informed, rational and objective decisions.
- We aggressively pursue technological solutions to improve operations.
- We are inclusive in our decision making and delegate responsibility whenever possible.
- We design our services around customer wants and needs to the degree possible within our financial and regulatory constraints.
- We cultivate widespread commitment to common goals.

We believe our success depends on every employee knowing and sharing these values and principles.

This financial report is a reflection of the District's commitment to professionally manage the precious potable drinking water, sewer and recycled water resources and infrastructure of the Yucaipa Valley in a reliable, efficient, and cost-effective manner in order to provide the finest service to our customers, both present and future.

To meet the mission of the District, the Board of Directors and staff members continue to proactively focus on water quality issues, water supply issues, infrastructure deficiencies, maintenance of existing systems and compliance with increasingly stringent regulatory requirements.

### **Historical Background**

The District was formed as part of reorganization, pursuant to the Reorganization Act of 1965, being Division I of Title 6 of the Government Code of the State of California. This reorganization consisted of the formation of the District, dissolution of the Calimesa Water District and formation of Improvement District No. 1 of the District as successor-in-interest, and dissolution of Improvement District "A" of the San Bernardino Valley Municipal Water District and the formation of Improvement District "A" of the District as successor-in-interest. On September 14, 1971, the Secretary



of State of the State of California certified and declared the formation of the Yucaipa Valley County Water District. The District operates under the County Water District Law, being Division 12, section 30000 of the State of California Water Code. Although the immediate function of the District was to provide water service, the District has assumed responsibility for providing recycled water and sewer service in Yucaipa Valley.

The District is located about 70 miles east of Los Angeles and 20 miles southeast of San Bernardino in the foothills of the San Bernardino Mountains and provides water, sewer, and recycled water services.

As of June 30, 2021, the District provided service to 14,575 water connections (19,454 units), 14,722 sewer connections (21,829 units) and 751 recycled water connections (879 units).

Customer Type	Drinking Water Enterprise		Sewer Enterprise		Recycled Water Enterprise	
	Number of Service Connections	Water Service Units (WSUs)	Number of Service Connections	Sewer Service Units (SSUs)	Number of Service Connections	Recycled Service Units (RSUs)
Single Family	12,585	12,499	10,926	10,926	621	354
Multiple Units	504	5,496	468	5,497	2	4
Commercial	239	675	230	230	3	13
Institutional	84	434	57	72	3	22
Industrial	14	31	3	3	1	33
Irrigation	118	301	4	4	108	440
Fire Detectors	1,013	--	--	--	--	--
Construction Wtr	18	18	--	--	13	13
Sewer Only	--	--	3,034	5,097	--	--
<b>Total</b>	<b>14,575</b>	<b>19,454</b>	<b>14,722</b>	<b>21,829</b>	<b>751</b>	<b>879</b>

### **Land and Land Use**

The altitude of the District rises from about 2,000 feet above sea level at the western end of the valley to about 5,000 feet at the eastern end, with average elevation of roughly 2,650 feet. The topography of the area is characterized by rolling hills separated by deeply entrenched stream beds, namely, the Yucaipa and Wilson Creeks. The District includes the incorporated cities of Yucaipa and Calimesa which are in San Bernardino and Riverside Counties respectively.

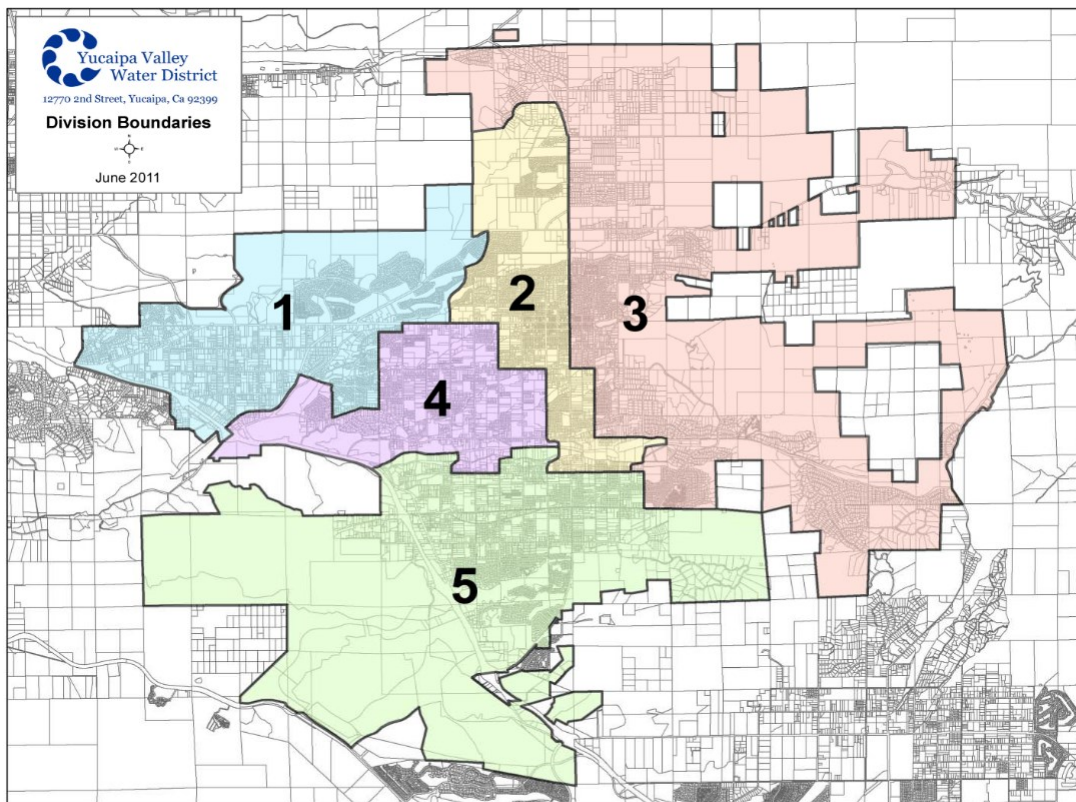
The District projects that the undeveloped land within its boundaries will continue to be developed consistent with the general plans as provided by the City of Yucaipa and the City of Calimesa. The projected population of the District in the year 2060 will be approximately 94,800, which reflects build-out of the City of Yucaipa, City of Calimesa, and the Oak Valley development. Although approximately 49.8% of the land within the boundaries of the District is currently undeveloped, less than 1% of District water sales are to agricultural water users.



**Governance and Management**

The District is governed by a 5-member board of directors (the "Board"), the members of which are elected from five separate divisions of the District to staggered 4-year terms. The current Board members, the expiration dates of their terms and their occupations are set forth below.

Member of the Board of Directors	Division	Initial Date of Service	Expiration of Term	Occupation
Chris Mann, President	One	12/02/2016	2024	City Manager
Nyles O’Harra, Director	Two	07/13/2021	2022	Qualified Stormwater Inspector
Jay Bogh, Director	Three	09/07/2005	2022	Building Firm Manager
Lonni Granlund, Vice President	Four	12/05/2008	2024	Real Estate Broker
Joyce McIntire, Director	Five	12/07/2018	2022	Retired School District Employee

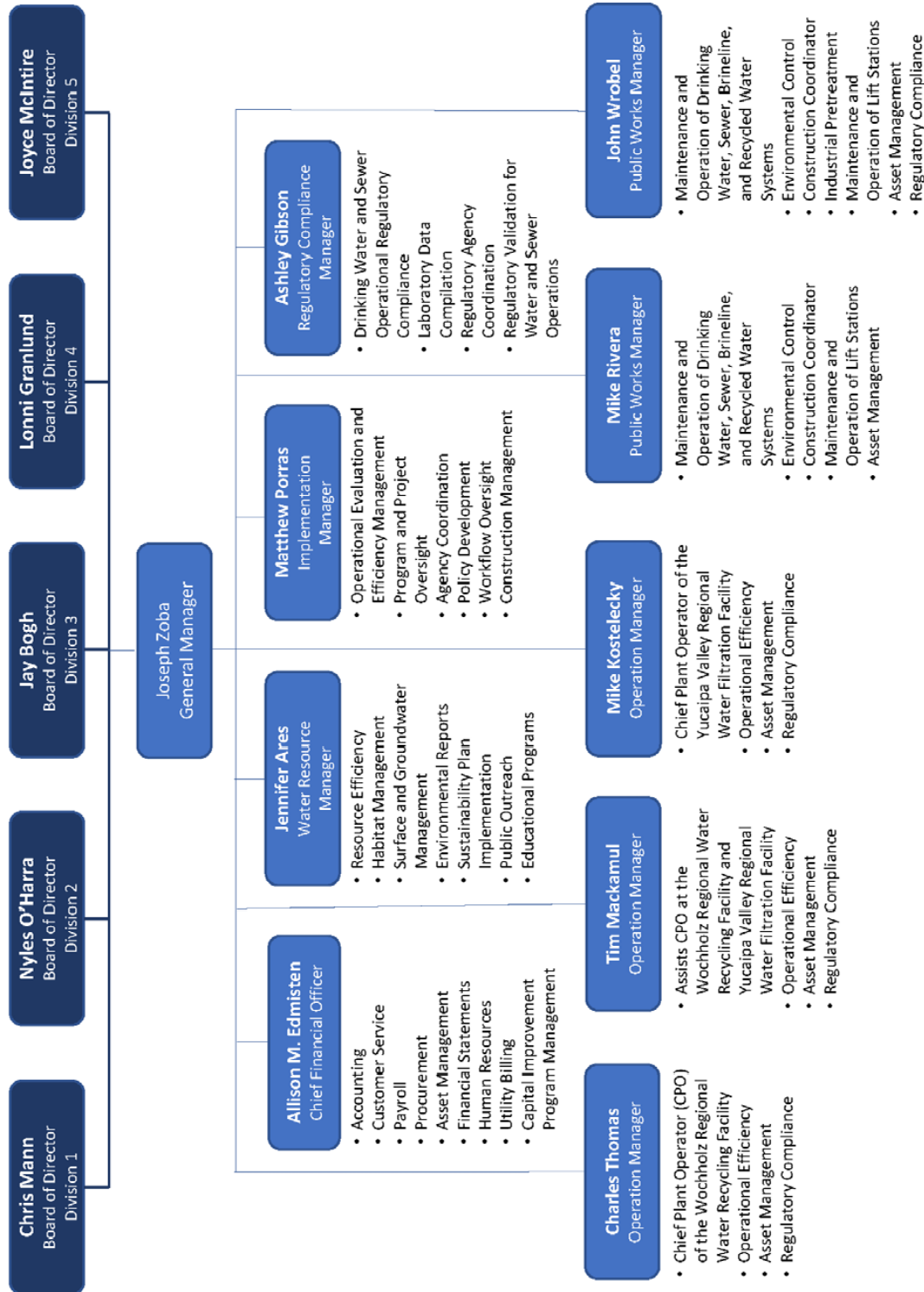




The following individuals have served as President of the Board since the District was created in 1971.

<b>Yucaipa Valley Water District Presidents of the Board</b>	
October 1971 to November 1973	Harold Lockwood
December 1973 to November 1975	Hank Wochholz
December 1975 to October 1977	Geno Gasponi
November 1977 to November 1979	Eve Kraft
December 1979 to December 1983	Pete Squires
January 1984 to December 1987	Fred Childs
January 1988 to November 1989	George Sardeson
November 1989 to December 1991	Hank Wochholz
January 1992 to November 1993	David Lesser
December 1993 to December 1995	Conrad Nelson
December 1995 to December 1998	Steve Copelan
January 1999 to November 2002	Conrad Nelson
December 2002 to December 2006	Bruce Granlund
December 2006 to December 2008	Tom Shalhoub
December 2008 to December 2012	Jay Bogh
January 2013 to December 2014	Bruce Granlund
December 2014 to December 2016	Lonni Granlund
December 2016 to January 2019	Jay Bogh
January 2019 to Present	Chris Mann

Day-to-day management of the District is delegated to the General Manager who works closely with an executive team who ultimately oversee all of the District's services and functions. See below for an organizational chart of the District's management team.

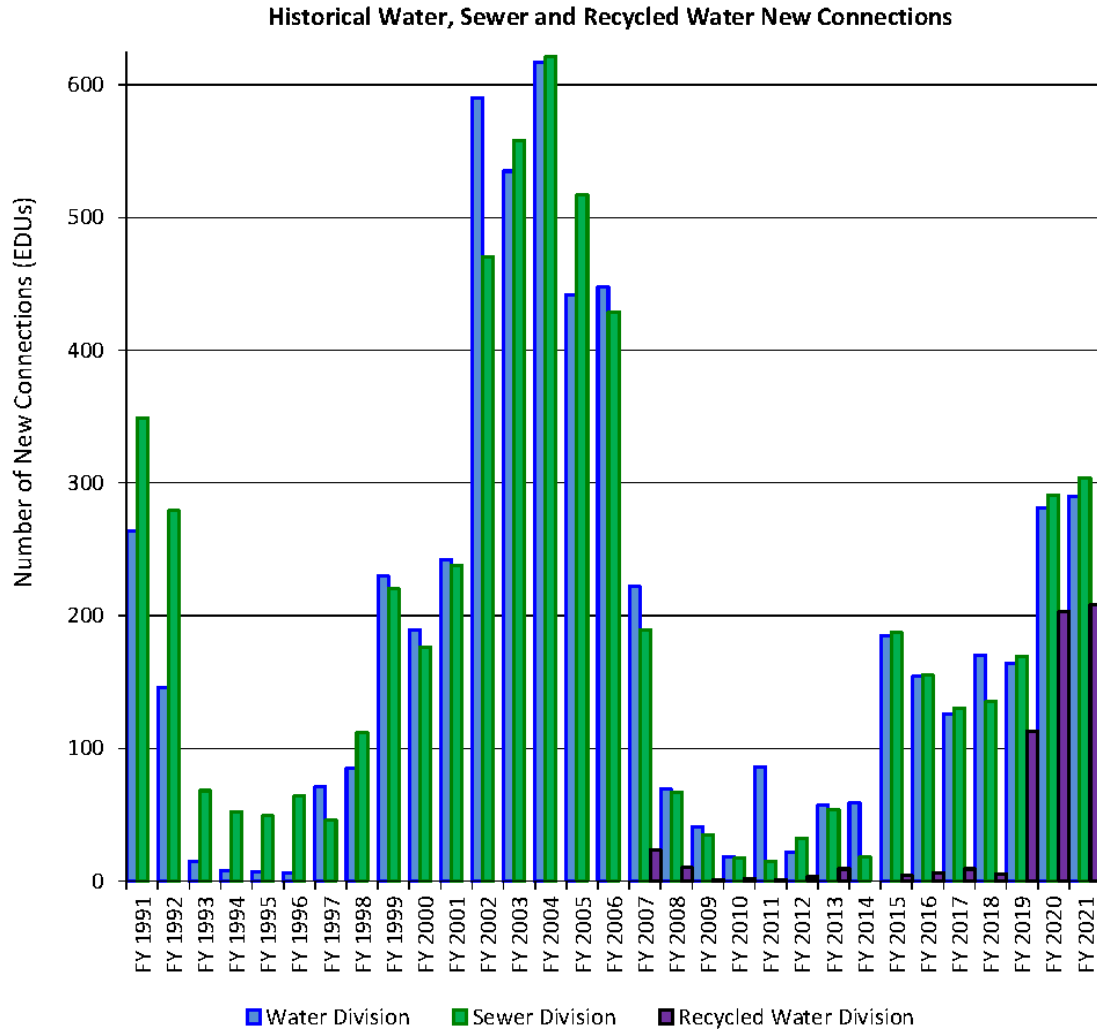


## DEVELOPMENT ACTIVITY WITHIN THE DISTRICT

### **Facility Capacity Charges - Fiscal Year 2021**

During this fiscal year, the District added 290 water connections, 304 sewer connections, and 208 recycled water connections. When compared to the development activity in the prior year, the District had 3.2% more water connections, 4.5% more sewer connections, and 2.5% more recycled water connections.

<b>Fiscal Year</b>	<b>New Water Connections</b>	<b>New Sewer Connections</b>	<b>New Recycled Water Connections</b>
2009	41	35	1
2010	18	17	2
2011	86	15	1
2012	22	32	3
2013	57	54	9
2014	59	18	0
2015	185	187	4
2016	154	155	6
2017	126	130	9
2018	170	135	5
2019	164	169	113
2020	281	291	203
2021	290	304	208



## MAJOR INITIATIVES AND CONTROLS

### Sustainability Initiative

California’s water supply continues to be a concern due to projected population increases and limited capabilities to convey water throughout the state. On August 20, 2008 the Board of Directors adopted a *Strategic Plan for a Sustainable Future - The Integration and Preservation of Resources*. The purpose of this document was to document the proactive steps taken by the Yucaipa Valley Water District to improve the social, economic and environmental sustainability of our community. These actions have included the purchase of valuable watershed properties, protection of local water supplies and management of environmental corridors. While the decisions to embark on these actions have been generally unrelated, a look back in time indicates



that the District has been progressing towards a more independent, flexible and sustainable future.

---

*"The nation behaves well if it treats the natural resources as assets which it must turn over to the next generation increased, and not impaired in value."*

**- Theodore Roosevelt**

---

The proactive steps taken by the District to protect and conserve our resources have been based on the concepts that: (1) resources are not limitless and therefore need to be conserved, nurtured and renewed; and (2) resources that are used to generate short-term gains result in an inefficient and inequitable consumption of resources that are not beneficial for a long-

term strategy. Both of these concepts help to guide the District to make decisions that are conservative, careful and conscious of the role we currently play in a long-term strategy to protect the community.

The purpose of pursuing a sustainability plan is twofold. First and foremost, the sustainability plan has been designed to establish the policies and guidelines necessary to protect and preserve the natural resources entrusted to the District for our customers. It is our business to maximize the use of our limited natural resources for the long-term economic growth and expansion of the local economy. In the arid southwest, the basic fuel to create and maintain a local economy is water. Secondly, the sustainability policy has been designed to provide a means to measure performance of the organization. While performance monitoring or benchmarking is not normally associated with sustainability, this document has been created

---

*"Sustainable development is . . . development that meets the needs of the present without compromising the ability of further generations to meet their own needs."*

**World Commission on Environment and Development, *Our Common Future*, 1987**

---

with the intention that the goals and reporting requirements are designed around performance management across a wide range of disciplines.

With the use of this document the District is better equipped to:

- Identify the key challenges over the next five decades and assess the goals to overcome these challenges;
- Deal with the challenges of the future in a transparent manner involving stakeholders;
- Identify and manage risk in a reasonable and prudent manner with information, data and resources necessary to minimize the potential costs associated with certain scenarios; and
- Embark on a program to ensure that the generations that follow are provided with the necessary tools and resources to grow the community as the prior generation has done for us.

The implementation of this initiative will come about largely with the return of new development. However, the District has enacted additional measures for existing customers which largely involves the purchase of imported water to offset groundwater production by 15% beginning in January 2010.

**Internal Control Structure**

District management is responsible for the establishment and maintenance of the internal control structure that ensures the assets of the District are protected from loss, theft or misuse. The internal control structure also ensures adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The District's internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

**Budgetary Control**

The District's Board of Directors annually adopts an operating and capital budget prior to the new fiscal year. The budget authorizes and provides the basis for reporting and control of financial operations and accountability for the District's enterprise operations and capital projects. Budget adjustments are presented to the Board semi-annually for items that were not initially anticipated. The budget and reporting steps taken by the District are consistent with generally accepted accounting principles with monthly reporting of public documents for complete transparency and disclosure.

**Investment Policy**

The Board of Directors adopts an investment policy annually that conforms to state law, District ordinance and resolutions, and prudent money management. The District is extremely conservative in our approach to investing to maximize safety and protection of public funds.

**Audit and Financial Reporting**

State law and bond covenants require the District to obtain an annual audit of its financial statements by an independent certified public accountant. The accounting firm of Davis Farr, LLP has conducted the audit of the District's financial statements. Their unmodified Independent Auditors' Report is attached.

# Independent Auditor's Report





**Davis Farr LLP**  
18201 Von Karman Avenue | Suite 1100 | Irvine, CA 92612  
Main: 949.474.2020 | Fax: 949.263.5520

### **Independent Auditor's Report**

Board of Directors  
Yucaipa Valley Water District  
Yucaipa, California

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of Yucaipa Valley Water District (District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of Yucaipa Valley Water District, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As described further in Note 11 to the financial statements, during the year ended June 30, 2021, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 84: *Fiduciary Activities* resulting in a prior period adjustment. Our opinion is not modified with respect to this matter.

**Report on Summarized Comparative Information**

We have previously audited the District's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 3, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis, Schedule of the District's Proportionate Share of the Net Pension Liability – Last Ten Years, Schedule of the District's Proportionate Contributions to the Pension Plan – Last Ten Years, and the Schedule of Changes in Total OPEB Liability and Related Ratios – Last Ten Years*, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The letter of transmittal is presented for the purpose of additional analysis and is not a required part of the financial statements. The letter of transmittal has not been subjected to the auditing procedures

applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2021 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Irvine, California  
October 14, 2021

# Management's Discussion & Analysis



This section of the Yucaipa Valley Water District's comprehensive annual financial report presents a discussion and analysis of the District's financial performance during the fiscal years ending June 30, 2020 and June 30, 2021. Please read it in conjunction with the transmittal letter at the front of this report and the District's basic financial statements following this section.

Yucaipa Valley Water District's financial statements consist of three enterprise funds: Water fund, Sewer fund, and Recycled water fund.

### FINANCIAL HIGHLIGHTS

Based on the financial information for the fiscal year ending on June 30, 2021, the following financial highlights are noted for the Yucaipa Valley Water District.

- The District's net position increased 0.80% to \$192,623,460.
- The District's total revenues increased 16.87% to \$30,503,540.
- The District's total expenses increased 2.07% to \$35,246,991.
- The capital contributions to the District totaled \$6,280,139 for the fiscal year.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Yucaipa Valley Water District's basic financial statements. The District's basic financial statements are comprised of three components: Financial Statements, Notes to the Financial Statements, and Required Supplementary Information.

***The District's Basic Financial Statements*** are comprised of the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, and Statement of Cash Flows.

The *Statement of Net Position* presents information on all District assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference reported as *Net Position*. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how Net Position changed during the fiscal year.

The *Statement of Cash Flows* presents information about the cash receipts and cash payments of the District during the fiscal year. When used with related disclosures and information in the other financial statements, the information provided in these statements should help financial report users assess the District's ability to generate future net cash flows, its ability to meet its obligations as they come due and its need for external financing. It also provides insight into the reasons for differences between operating income and associated cash receipts and payments; and the effects on the District's financial position



of its cash and its non-cash investing, capital and related financing transactions during the year.

**Notes to the Basic Financial Statements** provide additional information that is essential to a full understanding of the data provided in the District's financial statements. The notes are included immediately following the financial statements within this report.

## FINANCIAL ANALYSIS - STATEMENT OF NET POSITION

The following table summarizes the changes in the Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position as of June 30, 2021.

<b>Statement of Net Position</b>				
	2021	2020	Change	% Change
<b>Assets</b>				
Current assets	\$ 21,972,504	\$ 16,763,792	\$ 5,208,712	31.07%
Noncurrent assets	239,240,045	245,737,173	(6,497,128)	-2.64%
<b>Total Assets</b>	<b>261,212,549</b>	<b>262,500,965</b>	<b>(1,288,416)</b>	<b>-0.49%</b>
<b>Deferred Outflow of Resources</b>				
Deferred amounts related to pensions	1,232,489	1,577,203	(344,714)	-21.86%
Deferred amounts related to OPEB	75,062	72,528	2,534	N/A
<b>Total Deferred Outflows</b>	<b>1,307,551</b>	<b>1,649,731</b>	<b>(342,180)</b>	<b>-20.74%</b>
<b>Total Assets and Deferred Outflow of Resources</b>	<b>262,520,100</b>	<b>264,150,696</b>	<b>(1,630,596)</b>	<b>-0.62%</b>
<b>Liabilities</b>				
Current liabilities	7,989,306	7,341,472	647,834	8.82%
Long-term liabilities	61,322,083	65,198,362	(3,876,279)	-5.95%
<b>Total Liabilities</b>	<b>69,311,389</b>	<b>72,539,834</b>	<b>(3,228,445)</b>	<b>-4.45%</b>
<b>Deferred Inflow of Resources</b>				
Deferred amounts related to pensions	563,265	477,675	85,590	17.92%
Deferred amounts related to OPEB	21,986	46,415	(24,429)	N/A
<b>Total Deferred Inflow of Resources</b>	<b>585,251</b>	<b>524,090</b>	<b>61,161</b>	<b>11.67%</b>
<b>Net Position</b>				
Net Investment in capital assets	179,519,636	181,280,953	(1,761,317)	-0.97%
Restricted for:				
Capital projects	3,708,347	3,133,197	575,150	18.36%
Unrestricted	9,395,477	6,672,622	2,722,855	40.81%
<b>Total Net Position</b>	<b>192,623,460</b>	<b>191,086,772</b>	<b>1,536,688</b>	<b>0.80%</b>
<b>Total Liabilities, Deferred Inflow and Net Position</b>	<b>\$ 262,520,100</b>	<b>\$ 264,150,696</b>	<b>\$ (1,630,596)</b>	<b>-0.62%</b>

**Statement of Net Position** – The District's net position increased between fiscal years 2019-20 and 2020-21, increasing from \$191,086,772 to \$192,623,460. The change can be seen in the condensed Statement of Net Position above as a \$1,536,688 increase in net position.

The increase in current assets is from all three funds, water, sewer and recycled water as a result of an increase in cash and investments from the February 2020 approved rate study which resulted from increased revenues in all funds.

The decrease in net capital water, sewer and recycled assets is primarily attributed to the depreciation expenses for the year.



## FINANCIAL ANALYSIS - STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The following table summarizes changes in Net Position for the year ended June 30, 2021.

### Statement of Revenues, Expenses and Changes in Net Position

	2021	2020	Change	% Change
Operating Revenues				
Current services	\$ 26,416,760	\$ 22,201,910	\$ 4,214,850	18.98%
Interfund services provided	-	-	-	N/A
Other revenues	2,995	20,325	(17,330)	-85.26%
<b>Total Operating Revenues</b>	<b>26,419,755</b>	<b>22,222,235</b>	<b>4,197,520</b>	<b>18.89%</b>
Non-Operating Revenues				
Interest income	63,578	217,763	(154,185)	-70.80%
Property taxes	3,890,824	3,647,487	243,337	6.67%
Other income	129,383	14,913	114,470	767.59%
<b>Total Non-Operating Revenues</b>	<b>4,083,785</b>	<b>3,880,163</b>	<b>203,622</b>	<b>5.25%</b>
<b>Total Revenues</b>	<b>30,503,540</b>	<b>26,102,398</b>	<b>4,401,142</b>	<b>16.86%</b>
Operating Expenses				
Salaries and employee benefits	10,946,755	10,877,870	68,885	0.63%
Electrical power	3,630,553	2,464,307	1,166,246	47.33%
Water purchases	763,989	821,739	(57,750)	-7.03%
Maintenance and repairs	2,998,173	3,376,668	(378,495)	-11.21%
Operating expenses	5,681,304	5,903,707	(222,403)	-3.77%
<b>Operating Expenses before Depreciation</b>	<b>24,020,774</b>	<b>23,444,291</b>	<b>576,483</b>	<b>2.46%</b>
Depreciation	9,493,458	9,272,656	220,802	2.38%
<b>Total Operating Expenses</b>	<b>33,514,232</b>	<b>32,716,947</b>	<b>797,285</b>	<b>2.44%</b>
Non-Operating Expenses				
Interest expense	1,635,057	1,767,883	(132,826)	-7.51%
Loss on asset disposal	97,702	54,915	42,787	N/A
<b>Total Non-Operating Expenses</b>	<b>1,732,759</b>	<b>1,822,798</b>	<b>(90,039)</b>	<b>-4.94%</b>
<b>Total Expenses</b>	<b>35,246,991</b>	<b>34,539,745</b>	<b>707,246</b>	<b>2.05%</b>
Income (Loss) Before Contributions	\$ (4,743,451)	\$ (8,437,347)	\$ 3,693,896	-43.78%
Contributions:				
Capital contributions	6,280,139	6,653,688	(373,549)	-5.61%
Changes in Net Position	1,536,688	(1,783,659)	3,320,347	-186.15%
Net Position at Beginning of Year, as restated	191,086,772	192,870,431	(1,783,659)	-0.92%
<b>Ending Net Position</b>	<b>\$ 192,623,460</b>	<b>\$ 191,086,772</b>	<b>\$ 1,536,688</b>	<b>0.80%</b>

The Statement of Revenues, Expenses and Changes in Net Position provides the nature and source of these changes. As can be seen in the preceding table, the loss before capital contributions of \$4,743,451 and capital contributions of \$6,280,139 offset the increase in Net Position of \$1,536,688 in Fiscal Year 2021.

All funds (water, sewer and recycled water) experienced an increase in revenue as a result of the approved rate study. In addition, all funds had slight increases in operating expenses as a result of an increase in costs for salaries and benefits and electrical expenses. The water fund experienced a decrease in costs for maintenance and repairs as a result of more one-time costs including paving in 2019-20. Property taxes were also higher in fiscal year 2020-21 than in the prior year.

### **CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY**

At the end of Fiscal Year 2021, the District had invested \$235,531,698 in a broad range of capital assets as shown below.

#### **Schedule of Capital Assets**

	2021	2020	Change	% Change
Capital assets not being depreciated				
Land and easements	\$ 6,868,062	\$ 6,647,969	\$ 220,093	3.31%
Water rights	9,752,018	10,018,878	(266,860)	-2.66%
Construction in progress	2,883,919	2,382,739	501,180	21.03%
Total capital assets not being depreciated	<u>19,503,999</u>	<u>19,049,586</u>	<u>454,413</u>	<u>2.39%</u>
Capital assets being depreciated				
Structures and improvements	358,854,373	356,645,862	2,208,511	0.62%
Equipment	7,083,119	6,821,481	261,638	3.84%
Total capital assets being depreciated	<u>365,937,492</u>	<u>363,467,343</u>	<u>2,470,149</u>	<u>0.68%</u>
Total accumulated depreciation	<u>(149,909,793)</u>	<u>(140,806,116)</u>	<u>(9,103,677)</u>	<u>6.47%</u>
Total capital assets being depreciated, net	216,027,699	222,661,227	(6,633,528)	-2.98%
<b>Total Capital Assets, Net</b>	<b><u>\$ 235,531,698</u></b>	<b><u>\$ 241,710,813</u></b>	<b><u>\$ (6,179,115)</u></b>	<b><u>-2.56%</u></b>

As of June 30, 2021, land increased by \$220,093 in the water fund due to a property purchase near the district administration building. Water rights decreased in the water fund as a result of a court decision to account for water rights at the time of use, not when acquired. Construction in progress increased \$501,180, Structures and Improvements increased \$2,208,511 and Equipment increased \$261,638 amongst the water, sewer and recycled water funds combined. In the water fund, these projects and additions include reservoir replacements, automatic meter installations, skid steer and trailer, water mainline in Wildwood Canyon, pipelines in Bella Vista, vehicle purchases and fire hydrants, pipelines,



and other services. In the sewer fund, these projects and additions include the solar at the wastewater treatment plant, the bore and jack under the 10 freeway, microfiltration and reverse osmosis and replacement of blowers at the wastewater treatment plant. In the Recycled Water fund, this includes recycled meter sets and various recycled water pipelines.

Additional information on the District's capital assets can be found in Note 3 of this report.

Long-term obligations, including the current portion, total \$58,501,283 as of June 30, 2021, a decrease of \$4,240,735 from \$62,742,018 as of June 30, 2020. The long-term obligations were comprised of compensated absences, water revenue bonds and sewer fund state revolving fund (SRF) loans for the Wochholz Regional Water Recycling plant expansion, Regional Brineline Extension, (WISE) Wochholz Improved Salinity Effluent Project, Non-Potable Reservoir NR-10.3.1 project and the Crow Street Recycled Project.

<b>Schedule of Liabilities</b>					
	2021	2020	Change	% Change	Due Within One Year
2015 Refunding Revenue Bonds	\$ 24,220,000	\$ 25,450,000	\$(1,230,000)	-4.83%	\$ 1,290,000
Unamortized premium	2,328,320	2,498,685	(170,365)	-6.82%	170,365
Total Certificates of Participation	<u>26,548,320</u>	<u>27,948,685</u>	<u>(1,400,365)</u>	<u>-5.01%</u>	<u>1,460,365</u>
State Revolving Fund Loan - 2006	21,052,777	23,414,498	(2,361,721)	-10.09%	2,418,419
State Revolving Fund Loan - 2010	6,580,156	7,039,366	(459,210)	-6.52%	471,609
State Revolving Fund Loan - 2013 Wise	1,935,247	2,074,852	(139,605)	-6.73%	142,676
State Revolving Fund Loan - 2013 R-10.3	567,013	607,916	(40,903)	-6.73%	41,803
State Revolving Fund Loan - 2013 Crow	221,712	237,706	(15,994)	-6.73%	16,346
Total State Revolving Fund Loans	<u>30,356,905</u>	<u>33,374,338</u>	<u>(3,017,433)</u>	<u>-9.04%</u>	<u>3,090,853</u>
Compensated absences	1,596,058	1,418,995	177,063	12.48%	528,483
<b>Total Long-term Liabilities</b>	<b><u>\$ 58,501,283</u></b>	<b><u>\$ 62,742,018</u></b>	<b><u>\$ (4,240,735)</u></b>	<b><u>-6.76%</u></b>	<b><u>5,079,701</u></b>

Additional information on the District's long-term obligations can be found in Note 4 of this report.

### Requests for Information

This financial report is designed to provide a general overview of the financial position of the Yucaipa Valley Water District for all those with an interest in the government's finances.

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Allison M. Edmisten, Chief Financial Officer at 12770 Second Street, Yucaipa, California 92399.





# Financial Statements



## YUCAIPA VALLEY WATER DISTRICT

## Statement of Net Position

June 30, 2021

(with comparative information for prior year)

	Water	Sewer	Recycled Water	Eliminations	2021	2020
<b>Assets:</b>						
<b>Current Assets:</b>						
Cash and investments (Note 2)	\$ 4,762,023	5,963,848	2,981,146	-	13,707,017	9,685,775
Accounts receivable, net	1,662,311	1,356,048	173,251	(66,707)	3,124,903	2,597,317
Taxes and assessments receivable	74,831	-	-	-	74,831	74,211
Interest receivable	3,640	3,640	809	-	8,089	29,884
Materials and supplies inventory	1,762,995	-	-	-	1,762,995	1,594,285
Water inventory	2,049,898	-	-	-	2,049,898	2,049,898
Prepayments and deposits	1,182,476	61,889	406	-	1,244,771	732,422
<b>Total Current Assets</b>	<b>11,498,174</b>	<b>7,385,425</b>	<b>3,155,612</b>	<b>(66,707)</b>	<b>21,972,504</b>	<b>16,763,792</b>
<b>Noncurrent Assets:</b>						
Restricted investments (Note 2)	293,146	893,163	2,522,038	-	3,708,347	4,026,360
Capital assets not being depreciated (Note 3)	7,358,187	11,679,499	466,313	-	19,503,999	19,049,586
Capital assets being depreciated, net (Note 3)	92,092,616	102,300,325	21,634,758	-	216,027,699	222,661,227
<b>Total Noncurrent Assets</b>	<b>99,743,949</b>	<b>114,872,987</b>	<b>24,623,109</b>	<b>-</b>	<b>239,240,045</b>	<b>245,737,173</b>
<b>Total Assets</b>	<b>111,242,123</b>	<b>122,258,412</b>	<b>27,778,721</b>	<b>(66,707)</b>	<b>261,212,549</b>	<b>262,500,965</b>
<b>Deferred Outflow of Resources:</b>						
Deferred amounts related to pensions (Note 6)	657,082	440,403	135,004	-	1,232,489	1,577,203
Deferred amounts related to OPEB (Note 7)	47,766	13,648	13,648	-	75,062	72,528
<b>Total Deferred Outflow of Resources</b>	<b>704,848</b>	<b>454,051</b>	<b>148,652</b>	<b>-</b>	<b>1,307,551</b>	<b>1,649,731</b>
<b>Liabilities:</b>						
<b>Current Liabilities:</b>						
Accounts payable and accrued liabilities	788,839	432,892	21,060	(66,707)	1,176,084	676,171
Customer deposits	100,060	-	-	-	100,060	106,690
Developer/construction deposits	303,932	-	-	-	303,932	266,035
Accrued payroll	257,744	169,345	49,072	-	476,161	446,936
Accrued interest payable	343,954	509,414	-	-	853,368	931,176
<b>Current portion of long-term liabilities:</b>						
Compensated absences (Note 4)	282,257	188,389	57,837	-	528,483	496,649
Certificates of participation (Note 4)	1,460,365	-	-	-	1,460,365	1,400,365
State revolving fund loans (Note 4)	-	3,090,853	-	-	3,090,853	3,017,450
<b>Total Current Liabilities</b>	<b>3,537,151</b>	<b>4,390,893</b>	<b>127,969</b>	<b>(66,707)</b>	<b>7,989,306</b>	<b>7,341,472</b>
<b>Long-Term Liabilities:</b>						
Compensated absences (Note 4)	610,298	349,864	107,413	-	1,067,575	922,346
Certificates of participation (Note 4)	25,087,955	-	-	-	25,087,955	26,548,320
State revolving fund loans (Note 4)	-	27,266,052	-	-	27,266,052	30,356,888
Net pension liability (Note 6)	3,821,908	2,561,596	785,247	-	7,168,751	6,668,450
OPEB liability (Note 7)	465,660	133,045	133,045	-	731,750	702,358
<b>Total Long-Term Liabilities</b>	<b>29,985,821</b>	<b>30,310,557</b>	<b>1,025,705</b>	<b>-</b>	<b>61,322,083</b>	<b>65,198,362</b>
<b>Total Liabilities</b>	<b>33,522,972</b>	<b>34,701,450</b>	<b>1,153,674</b>	<b>(66,707)</b>	<b>69,311,389</b>	<b>72,539,834</b>
<b>Deferred Inflow of Resources:</b>						
Deferred amounts related to pensions (Note 6)	300,296	201,270	61,699	-	563,265	477,675
Deferred amounts related to OPEB (Note 7)	13,992	3,997	3,997	-	21,986	46,415
<b>Total Deferred Inflow of Resources</b>	<b>314,288</b>	<b>205,267</b>	<b>65,696</b>	<b>-</b>	<b>585,251</b>	<b>524,090</b>
<b>Net Position:</b>						
Net investment in capital assets	72,902,483	84,516,082	22,101,071	-	179,519,636	181,280,953
<b>Restricted for:</b>						
Capital projects	293,146	893,163	2,522,038	-	3,708,347	3,133,197
Unrestricted	4,914,082	2,396,501	2,084,894	-	9,395,477	6,672,622
<b>Total Net Position</b>	<b>\$ 78,109,711</b>	<b>87,805,746</b>	<b>26,708,003</b>	<b>-</b>	<b>192,623,460</b>	<b>191,086,772</b>

See accompanying notes to the basic financial statements.

Page 12

## YUCAIPA VALLEY WATER DISTRICT

## Statement of Revenues, Expenses and Changes in Net Position

Year ended June 30, 2021  
(with comparative information for prior year)

	Water	Sewer	Recycled Water	Eliminations	2021	2020
Operating Revenues:						
Charges for current services	\$ 13,139,931	12,198,219	1,689,559	(610,949)	26,416,760	22,201,910
Interfund services provided	206,550	-	-	(206,550)	-	-
Other revenues	655	2,340	-	-	2,995	20,325
Total Operating Revenues	<u>13,347,136</u>	<u>12,200,559</u>	<u>1,689,559</u>	<u>(817,499)</u>	<u>26,419,755</u>	<u>22,222,235</u>
Operating Expenses:						
Salaries and employee benefits	5,502,456	4,226,956	1,217,343	-	10,946,755	10,877,870
Electrical power	2,437,128	1,694,683	109,691	(610,949)	3,630,553	2,464,307
Water purchases	763,989	-	-	-	763,989	821,739
Administrative services	559,726	638,551	37,994	(206,550)	1,029,721	884,103
Operating supplies	199,894	842,463	3,789	-	1,046,146	1,039,362
Maintenance and repairs	2,061,401	876,823	59,949	-	2,998,173	3,376,668
Crystal Creek Water Treatment	719,292	-	-	-	719,292	594,408
Brineline charges	-	220,678	-	-	220,678	426,732
Depreciation	3,813,681	4,627,946	1,051,831	-	9,493,458	9,272,656
Insurance	114,588	154,159	24,537	-	293,284	288,188
Professional fees	1,011,588	820,266	43,894	-	1,875,748	2,226,197
Other	131,758	364,459	218	-	496,435	444,717
Total Operating Expenses	<u>17,315,501</u>	<u>14,466,984</u>	<u>2,549,246</u>	<u>(817,499)</u>	<u>33,514,232</u>	<u>32,716,947</u>
Operating Income (Loss)	<u>(3,968,365)</u>	<u>(2,266,425)</u>	<u>(859,687)</u>	<u>-</u>	<u>(7,094,477)</u>	<u>(10,494,712)</u>
Non-Operating Revenues (Expenses):						
Investment income	29,334	28,018	6,226	-	63,578	217,763
Property taxes	3,590,738	300,086	-	-	3,890,824	3,647,487
Other income	101,489	-	27,894	-	129,383	14,913
Interest expense	(871,573)	(763,484)	-	-	(1,635,057)	(1,767,883)
Loss on asset disposal	(76,655)	(21,047)	-	-	(97,702)	(54,915)
Total Non-Operating Revenues (Expenses)	<u>2,773,333</u>	<u>(456,427)</u>	<u>34,120</u>	<u>-</u>	<u>2,351,026</u>	<u>2,057,365</u>
Income (Loss) Before Capital Contributions	<u>(1,195,032)</u>	<u>(2,722,852)</u>	<u>(825,567)</u>	<u>-</u>	<u>(4,743,451)</u>	<u>(8,437,347)</u>
Capital Contributions:						
Capacity and other fees	<u>2,381,944</u>	<u>2,763,096</u>	<u>1,135,099</u>	<u>-</u>	<u>6,280,139</u>	<u>6,653,688</u>
Changes in Net Position	<u>1,186,912</u>	<u>40,244</u>	<u>309,532</u>	<u>-</u>	<u>1,536,688</u>	<u>(1,783,659)</u>
Net Position at Beginning of Year	<u>76,922,799</u>	<u>87,765,502</u>	<u>26,398,471</u>	<u>-</u>	<u>191,086,772</u>	<u>192,870,431</u>
Net Position at End of Year	<u>\$ 78,109,711</u>	<u>87,805,746</u>	<u>26,708,003</u>	<u>-</u>	<u>192,623,460</u>	<u>191,086,772</u>

See accompanying notes to the basic financial statements.

**YUCAIPA VALLEY WATER DISTRICT**  
**Statement of Cash Flows**  
**Year ended June 30, 2021**  
**(with comparative information for prior year)**

	Water	Sewer	Recycled Water	2021	2020
<b>Cash Flows from Operating Activities:</b>					
Receipts from customers	\$ 12,763,257	12,042,612	1,681,256	26,487,125	22,641,204
Receipts from interfund services provided	206,550	-	-	206,550	210,000
Payments to suppliers	(7,905,987)	(5,552,625)	(273,429)	(13,732,041)	(13,168,555)
Employment related payments	(4,848,653)	(3,857,732)	(1,101,048)	(9,807,433)	(9,532,162)
<b>Net Cash Provided by/(used for) Operating Activities</b>	<u>215,167</u>	<u>2,632,255</u>	<u>306,779</u>	<u>3,154,201</u>	<u>150,487</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Capital contributions	2,521,330	2,763,096	1,135,099	6,419,525	6,375,850
Cash paid for capital assets	(2,614,893)	(965,064)	(163,348)	(3,743,305)	(5,416,807)
Principal paid on capital debt	(1,230,000)	(3,017,433)	-	(4,247,433)	(4,286,141)
Interest paid on capital debt	(1,065,263)	(817,713)	-	(1,882,976)	(1,834,383)
<b>Net Cash Provided by/(used for) Capital and Related Financing Activities</b>	<u>(2,388,826)</u>	<u>(2,037,114)</u>	<u>971,751</u>	<u>(3,454,189)</u>	<u>(5,161,481)</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>					
Property taxes received	3,590,118	300,086	-	3,890,204	3,634,289
<b>Net Cash Provided by/(used for) Non-Capital Financing Activities</b>	<u>3,590,118</u>	<u>300,086</u>	<u>-</u>	<u>3,890,204</u>	<u>3,634,289</u>
<b>Cash Flows from Investing Activities:</b>					
Interest and dividends	39,142	37,826	36,045	113,013	244,234
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	1,455,601	933,053	1,314,575	3,703,229	(1,132,471)
Cash and cash equivalents at beginning of year	3,599,568	5,923,958	4,188,609	13,712,135	14,844,606
Cash and cash equivalents at end of year	<u>\$ 5,055,169</u>	<u>6,857,011</u>	<u>5,503,184</u>	<u>17,415,364</u>	<u>13,712,135</u>
<b>Reconciliation of Statement of Net Position:</b>					
Cash and investments	\$ 4,762,023	5,963,848	2,981,146	13,707,017	9,685,775
Restricted cash and investments - Noncurrent	293,146	893,163	2,522,038	3,708,347	4,026,360
<b>Total Cash and Cash Equivalents</b>	<u>\$ 5,055,169</u>	<u>6,857,011</u>	<u>5,503,184</u>	<u>17,415,364</u>	<u>13,712,135</u>

See accompanying notes to the basic financial statements.

**YUCAIPA VALLEY WATER DISTRICT**  
**Statement of Cash Flows (Continued)**  
**Year ended June 30, 2021**  
**(with comparative information for prior year)**

	Water	Sewer	Recycled Water	2021	2020
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Operating Income (loss)	\$ (3,968,365)	(2,266,425)	(859,687)	(7,094,477)	(10,494,712)
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	3,813,681	4,627,946	1,051,831	9,493,458	9,272,656
Changes in assets and liabilities:					
Receivables, net	(370,699)	(157,947)	(8,303)	(536,949)	(123,635)
Material and supplies inventory	(168,710)	-	-	(168,710)	(431,888)
Prepayments and deposits	(156,843)	(23,840)	(406)	(181,089)	517,104
Accounts payable and accrued liabilities	418,930	83,297	7,049	509,276	74,354
Customer deposits	(6,630)	-	-	(6,630)	(9,100)
Accrued payroll	20,171	5,006	4,048	29,225	172,721
Compensated absences	135,947	31,246	9,870	177,063	185,432
Net pension liability	266,728	178,772	54,801	500,301	492,363
OPEB liability	18,704	5,344	5,344	29,392	(60,276)
Change in deferred outflows of resources related to pensions	183,779	123,176	37,759	344,714	221,566
Change in deferred outflows of resources related to OPEB	(1,612)	(461)	(461)	(2,534)	(4,449)
Change in deferred inflows of resources related to pensions	45,631	30,583	9,376	85,590	291,936
Change in deferred inflows of resources related to OPEB	(15,545)	(4,442)	(4,442)	(24,429)	46,415
 Net Cash Provided by/(Used for) Operating Activities	 <u>\$ 215,167</u>	 <u>2,632,255</u>	 <u>306,779</u>	 <u>3,154,201</u>	 <u>150,487</u>

There were no significant noncash investing and financing activities for the years ended June 30, 2021 and 2020.

See accompanying notes to the basic financial statements.

Page 15

**YUCAIPA VALLEY WATER DISTRICT**

**Statement of Fiduciary Net Position**

**Fiduciary Fund**

**June 30, 2021**

	SCIP R-12.4 Reservoir <u>Custodial Fund</u>
Assets:	
Cash and cash equivalents (Note 2)	\$ <u>892,404</u>
Net Position:	
Restricted for Bondholders	\$ <u>892,404</u>

See accompanying notes to the basic financial statements.

**YUCAIPA VALLEY WATER DISTRICT**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Fund**  
**Year ended June 30, 2021**

	SCIP R-12.4 Reservoir Custodial Fund
<b>Additions:</b>	
Tax assessments	\$ 396,058
Investment income	139
Total additions	396,197
<b>Deductions:</b>	
Administrative costs	37,961
Principal paid	190,000
Interest paid	624,900
Total deductions	852,861
Change in Net Position	(456,664)
Net Position at Beginning of Year, as restated (Note 11)	1,349,068
Net Position at End of Year	\$ 892,404

See accompanying notes to the basic financial statements.

# Notes to the Financial Statements





**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(1) Summary of Significant Accounting Policies**

(a) Reporting Entity

Yucaipa Valley Water District (the District) is a special-purpose government district providing water distribution and sewer collection and treatment for consumers within its service area. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), as applied to enterprise funds. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

(b) Basis of Presentation

The District has the following major proprietary funds:

- Water – This fund accounts for the activities of the District's drinking water supply system.
- Sewer – This fund accounts for the activities of the District's sewage treatment plant, pumping stations, and collection systems.
- Recycled Water – This fund accounts for the activities of the District's recycled water supply system.

The SCIP R-12.4 Reservoir custodial fund utilizes the accrual basis of accounting for reporting its assets and liabilities. This fund is used to account for receipts and disbursements associated with Assessment District AD-14-01, which is administered by, but is not the liability of, the District.

(c) Basis of Accounting

Proprietary fund financial statements are reported using the *economic resources measurement focus* and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes apply. Property taxes are collected for the District by the Counties of San Bernardino and Riverside. Revenue from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the District's enterprise funds are charges to customers for sales and services. Operating expenses include the costs of sales and services, the costs of employee benefits, maintenance of capital assets, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.



**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(1) Summary of Significant Accounting Policies**

The fiduciary funds are custodial in nature and uses the accrual basis of accounting. The District reports custodial funds used to account for an assessment district that was formed to finance the construction and installation of a reservoir that will service properties located within the assessment district.

**(d) Capital Assets**

Capital assets purchased or constructed are carried at cost. Constructed costs include labor and materials. Repairs, maintenance, and minor replacements of property are charged to expense. Capitalization threshold is \$5,000.

Contributed assets are stated at acquisition value at the time received by the District. Depreciation is calculated on the straight-line method over the following estimated useful lives of the assets:

Structures and improvements	10 - 50 years
Equipment	4 - 10 years

**(e) Restricted Investments**

Various resources of the District are limited as to their use by law or by debt covenants and are classified on the balance sheet as restricted investments. Undisbursed debt proceeds are restricted for repayment of the debt and project costs. Also, fees imposed on new real estate development are restricted by law for the construction of capital improvements which benefit the development projects.

**(f) Inventories**

Material and supplies inventory consists primarily of materials used in the construction and maintenance of the water system and is valued at the lower of cost, using the average cost method, or market. Inventory uses the consumption method whereby they are reported as an asset and expensed as they are consumed.

Water inventory consists of native groundwater and purchased water holdings in the USGS Well. Water inventory is valued at cost using the first-in/first-out (FIFO) method.

**(g) Cash and Cash Equivalents**

All cash and investments are held in the District's cash management pool. The District considers all highly liquid investments with a maturity of three months or less to be cash equivalents. Therefore, for purposes of the statement of cash flows, the District considers the entire pooled cash and investment balance to be cash and cash equivalents.



**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(1) Summary of Significant Accounting Policies (Continued)**

(h) Investments

Investments are reported at fair value, which is the amount at which financial instruments could be exchanged in a current transaction between willing parties. Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset’s fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Management reviews investments for events that might affect fair value measurements of investments on a monthly basis. The evaluation is performed at the lowest level of identifiable unit of account.

(i) Fair Value Hierarchy

The district categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. As of June 30, 2021, the District had no investments with recurring fair value measurements. In determining fair value, the District’s custodians use various methods including market and income approaches. Based on these approaches, the District’s custodians utilize certain assumptions that market participates would use in pricing the asset or liability. The District’s custodians utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

Various inputs are used in determining the value of the District’s investments and other financial instruments. The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. These inputs are summarized in the three broad levels: Level 1 – quoted prices in active markets for identical investments, Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.) and Level 3 – significant unobservable inputs (including the District’s own assumptions in determining the fair value of instruments).

(j) Property tax

Under California law, property taxes are assessed and collected by the counties up to 1 percent of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to entities based on complex formulas. The property tax calendar for San Bernardino and Riverside County is as follows:

Lien date	January 1
Levy date	July 1
Due date	November 1 and February 1
Collection dates	December 10 and April 10



**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(1) Summary of Significant Accounting Policies (Continued)**

(k) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(l) Uncollectible Accounts

The District provides an allowance for doubtful accounts for all accounts deemed uncollectible. As of June 30, 2021, this allowance was estimated at \$22,118 in the Water Fund and \$16,500 in the Sewer Fund.

(m) Credit/Market Risk

The District provides water, sewer, and recycled water services to local residential and commercial customers. As part of normal operating practices, credit is granted to local customers, on an unsecured basis.

(n) Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

(o) Net Position

*Net investment in capital assets* consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets.

*Restricted net position* consists of those restricted assets reduced by liabilities related to those assets.

*Unrestricted net position* is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment of capital assets or the restricted component of net position.

(p) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS.

**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(1) Summary of Significant Accounting Policies (Continued)**

For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	June 30, 2019 to June 30, 2020

**(q) Other Post-Employment Benefits**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, and information about the plan (OPEB Plan), have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms.

Generally accepted accounting principles require that the reported results must pertain to the liability information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	June 30, 2019 to June 30, 2020

**(r) Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net positions that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The District has two items that qualify for reporting in this category, deferred outflows related to pensions and OPEB.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow (revenue) until that time. The District has two items that qualify for reporting in this category, deferred inflow related to pensions and OPEB.

**(s) Comparative Financial Statements**

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with generally accepted accounting principles.

**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(1) Summary of Significant Accounting Policies (Continued)**

Accordingly, such information should be read in conjunction with the government’s prior year financial statements, from which selected financial data was derived. The District has reclassified certain prior year information to conform with current year presentations.

**(2) Cash and Investments**

Cash and investments are classified as the accompanying financial statements as follows:

Statement of Net Position	
Cash and investments	\$ 13,707,017
Restricted investments - non-current	3,708,347
Statement of Fiduciary Assets and Liabilities	
Cash and cash equivalents	892,404
Total Cash and Investments	<u>\$ 18,307,768</u>

Cash and investments as of June 30, 2021, consist of the following:

Cash	\$ 4,776,059
Investments	<u>13,531,709</u>
Total Cash and Investments	<u>\$ 18,307,768</u>

***Investments Authorized by the District’s Investment Policy***

The table below identifies the investment types that are authorized for the Yucaipa Valley Water District by the California Government Code and the District’s policy, whichever is more restricted. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the District, rather than the general provisions of the Districts investment policy.

Authorized Investments	Maximum Maturity	Percentage of Portfolio	Investment in One Issuer
U.S. Treasury Securities	5 years	70%	None
U.S. Treasury Obligations	5 years	None	None
Commercial Paper	270 days	40%	10%
Bankers' Acceptances	180 days	40%	30%
Bank Demands	N/A	5%	None

**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(2) Cash and Investments (Continued)**

<u>Authorized Investments</u>	<u>Maximum Maturity</u>	<u>Percentage of Portfolio</u>	<u>Investment in One Issuer</u>
Repurchase Agreements	365 days	None	None
Money Market Mutual Funds	N/A	20%	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Managed Pools	N/A	None	20%
Placement Certificates of Deposits	5 years	30%	None

***Investments Authorized by Debt Agreements***

Investment of debt proceeds held by the bond trustee is governed by provisions of debt agreement, rather than the general provisions of the California Government Code or the District’s investment policy. The table below identifies the investment types that are authorized for investment held by bond trustee. The table also identifies certain provisions of debt agreement that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investments</u>	<u>Maximum Maturity</u>	<u>Percentage of Portfolio</u>	<u>Investment in One Issuer</u>
U.S. Treasury Securities	None	None	None
U.S Agency Securities	None	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Repurchase Agreements	365 days	None	None
Negotiable Certificates of Deposit	None	30%	None
Money Market Mutual Funds	None	None	None

***Interest Rate Risk***

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District’s investments to market interest rate fluctuations are provided by the following table that shows the distribution of the District’s investments by maturity as of June 30, 2021.

**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(2) Cash and Investments (Continued)**

Investment Type	Total	Remaining Maturity (in Months) 12 Months or Less
LAIF	\$ 13,531,709	13,531,709

***Credit Risk***

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Presented below is the minimum rating required by (where applicable) the California Government Code or the District’s Investment Policy, or debt agreements, and the S&P ratings as of June 30, 2021 for each investment type.

The District’s rating as of the year ended June 30, 2021 for each investment type are as follows:

Investment Type	Total	Minimum Legal Rating	Not Rated
LAIF	\$ 13,531,709	N/A	13,531,709

***Custodial Credit Risk***

Custodial credit risk for *deposits* is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in possession of another party. The California Government Code and the District’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured deposits.





**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(2) Cash and Investments (Continued)**

***Investment in State Investment Pool***

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF is not registered with the Securities and Exchange Commission and is not rated. Deposits and withdrawals to and from LAIF are transferred on the basis of \$1 and not fair value. Accordingly, under the fair value hierarchy, LAIF is based on inputs not categorized as Level 1, Level 2, or Level 3. This external pool has no limitations or restrictions on participant withdrawals.

**(3) Capital Assets**

Capital assets are as follows for the year ended June 30, 2021:

Water Fund	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Capital assets not being depreciated:				
Land and easements	\$ 4,866,245	220,093	-	5,086,338
Water rights	764,200	64,400	(331,260)	497,340
Construction in progress	<u>1,677,545</u>	<u>1,703,197</u>	<u>(1,606,233)</u>	<u>1,774,509</u>
Total capital assets not being depreciated	<u>7,307,990</u>	<u>1,987,690</u>	<u>(1,937,493)</u>	<u>7,358,187</u>
Capital assets being depreciated:				
Structures and improvements	144,710,764	1,836,460	(325,162)	146,222,062
Equipment	<u>5,081,493</u>	<u>396,976</u>	<u>(112,021)</u>	<u>5,366,448</u>
Total capital assets being depreciated	<u>149,792,257</u>	<u>2,233,436</u>	<u>(437,183)</u>	<u>151,588,510</u>
Less accumulated depreciation:				
Structures and improvements	(51,871,025)	(3,565,516)	248,507	(55,188,034)
Equipment	<u>(4,171,716)</u>	<u>(248,165)</u>	<u>112,021</u>	<u>(4,307,860)</u>
Total accumulated depreciation	<u>(56,042,741)</u>	<u>(3,813,681)</u>	<u>360,528</u>	<u>(59,495,894)</u>
Total capital assets being depreciated, net	<u>93,749,516</u>	<u>(1,580,245)</u>	<u>(76,655)</u>	<u>92,092,616</u>
Water Fund capital assets, net	<u>\$ 101,057,506</u>	<u>407,445</u>	<u>(2,014,148)</u>	<u>99,450,803</u>

Depreciation expense was \$3,813,681 for the year ended June 30, 2021.

**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(3) Capital Assets (Continued)**

Sewer Fund	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Capital assets not being depreciated:				
Land and easements	\$ 1,781,724	-	-	1,781,724
Water rights	9,254,678	-	-	9,254,678
Construction in progress	282,421	360,676	-	643,097
Total capital assets not being depreciated	<u>11,318,823</u>	<u>360,676</u>	<u>-</u>	<u>11,679,499</u>
Capital assets being depreciated:				
Structures and improvements	180,208,073	604,388	(26,983)	180,785,478
Equipment	1,592,988	-	(23,317)	1,569,671
Total capital assets being depreciated	<u>181,801,061</u>	<u>604,388</u>	<u>(50,300)</u>	<u>182,355,149</u>
Less accumulated depreciation:				
Structures and improvements	(74,055,710)	(4,609,108)	5,936	(78,658,882)
Equipment	(1,400,421)	(18,838)	23,317	(1,395,942)
Total accumulated depreciation	<u>(75,456,131)</u>	<u>(4,627,946)</u>	<u>29,253</u>	<u>(80,054,824)</u>
Total capital assets being depreciated, net	<u>106,344,930</u>	<u>(4,023,558)</u>	<u>(21,047)</u>	<u>102,300,325</u>
Sewer Fund capital assets, net	<u>\$ 117,663,753</u>	<u>(3,662,882)</u>	<u>(21,047)</u>	<u>113,979,824</u>

Depreciation expense was \$4,627,946 for the year ended June 30, 2021.

Recycled Water Fund	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Capital assets not being depreciated:				
Construction in progress	\$ 422,773	66,949	(23,409)	466,313
Total capital assets not being depreciated	<u>422,773</u>	<u>66,949</u>	<u>(23,409)</u>	<u>466,313</u>
Capital assets being depreciated:				
Structures and improvements	31,727,025	119,808	-	31,846,833
Equipment	147,000	-	-	147,000
Total capital assets being depreciated	<u>31,874,025</u>	<u>119,808</u>	<u>-</u>	<u>31,993,833</u>
Less accumulated depreciation:				
Structures and improvements	(9,204,344)	(1,037,131)	-	(10,241,475)
Equipment	(102,900)	(14,700)	-	(117,600)
Total accumulated depreciation	<u>(9,307,244)</u>	<u>(1,051,831)</u>	<u>-</u>	<u>(10,359,075)</u>
Total capital assets being depreciated, net	<u>22,566,781</u>	<u>(932,023)</u>	<u>-</u>	<u>21,634,758</u>
Recycled Water Fund capital assets, net	<u>\$ 22,989,554</u>	<u>(865,074)</u>	<u>(23,409)</u>	<u>22,101,071</u>

Depreciation expense was \$1,051,831 for the year ended June 30, 2021.

**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(4) Changes in Long-Term Liabilities**

A summary of changes in long-term liabilities balances for the fiscal year ended June 30, 2021.

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021	Due Within One Year
2015 Refunding Revenue Bonds	\$ 25,450,000	-	(1,230,000)	24,220,000	1,290,000
Unamortized premium	2,498,685	-	(170,365)	2,328,320	170,365
Total Certificates of Participation	27,948,685	-	(1,400,365)	26,548,320	1,460,365
State Revolving Fund Loan - 2006	23,414,498	-	(2,361,721)	21,052,777	2,418,419
State Revolving Fund Loan - 2010	7,039,366	-	(459,210)	6,580,156	471,609
State Revolving Fund Loan - 2013 Wise	2,074,852	-	(139,605)	1,935,247	142,676
State Revolving Fund Loan - 2013 R-10.3	607,916	-	(40,903)	567,013	41,803
State Revolving Fund Loan - 2013 Crow	237,706	-	(15,994)	221,712	16,346
Total State Revolving Fund Loans	33,374,338	-	(3,017,433)	30,356,905	3,090,853
Compensated absences	1,418,995	1,348,352	(1,171,289)	1,596,058	528,483
Total Long-term Liabilities	\$62,742,018	1,348,352	(5,589,087)	58,501,283	5,079,701

***Refunding Revenue Bonds Series 2015A***

In 2015, the District sold certificates of participation in the amount of \$30,810,000 to refund the 2004 Certificates of Participation and to pay delivery costs of the certificates. Certificates began maturing on September 1, 2015 with semi-annual interest payments due March 1 and September 1 at various interest rates from 3.00 to 5.00 percent. Principal payments are due annually September 1 at various amounts from \$980,000 to \$2,240,000. The final principal payment of the certificates is scheduled for September 1, 2034. The bonds are subject to optional redemption as a whole or in part on any date in order of maturity as directed by the District. The District has covenanted to provide certain financial information and operating data annually not later than 270 days following the end of the fiscal year. The District has pledged all revenues and amounts legally available to repay the bond.

Maturities of the revenue refunding bonds are as follows:

Fiscal Year Ending	2015 Refunding Revenue Bonds Series A		
	Principal	Interest	Total
2022	\$ 1,290,000	1,006,062	2,296,062
2023	1,335,000	960,237	2,295,237
2024	1,390,000	903,462	2,293,462
2025	1,455,000	832,337	2,287,337
2026	1,535,000	759,587	2,294,587
2027-2031	8,790,000	2,675,517	11,465,517
2032-2035	8,425,000	752,966	9,177,966
Total	\$ 24,220,000	7,890,168	32,110,168



**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(4) Changes in Long-Term Liabilities (Continued)**

***State Revolving Fund Loan - 2006***

In August 2006, the District entered into a loan agreement with the State of California Water Resources Control Board to provide funding for the expansion and modification of the Henry N. Wochholz Wastewater Treatment Plant. The maximum amount of \$44,748,356 has been drawn. The loan accrues interest at a rate of 2.4 percent annually. Principal and interest payments are due in 20 annual installments. The first payment occurred in September 2009. The District has pledged all revenues and amounts legally available to repay the loan.

Fiscal Year Ending	2006 State Revolving Fund Loan		
	Principal	Interest	Total
2022	\$ 2,418,419	505,267	2,923,669
2023	2,476,444	447,225	2,923,669
2024	2,535,878	387,791	2,923,669
2025	2,596,740	326,929	2,923,669
2026	2,659,061	264,608	2,923,669
2027-2029	8,366,235	669,379	9,035,614
Total	\$ 21,052,777	2,601,199	23,653,959

***State Revolving Fund Loan - 2010***

In June 2010, the District entered into a loan agreement with the State of California Water Resources Control Board (SWRCB) to provide the funding for the construction of the Regional Brineline Extension Project. The maximum amount of \$9,752,100 has been drawn plus interest accrued during the period of construction of \$183,714. The loan accrues interest at a rate of 2.7 percent annually. Principal and interest payments are due in 20 annual installments. In accordance with Amendment No. 1 of the loan agreement, the first payment occurred in December 2013. The District has pledged all revenues and amounts legally available to repay the loan.

Fiscal Year Ending	2010 State Revolving Fund Loan		
	Principal	Interest	Total
2022	\$ 471,609	177,665	649,274
2023	484,343	164,931	649,274
2024	497,420	151,854	649,274
2025	510,850	138,424	649,274
2026	524,643	124,631	649,274
2027-2031	2,843,503	402,867	3,246,370
2032-2033	1,247,788	50,761	1,298,548
Total	\$ 6,580,156	1,211,133	7,791,288

**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(4) Changes in Long-Term Liabilities (Continued)**

***State Revolving Fund Loan – 2013 (Wise)***

In December 2011, the District entered into a loan agreement (Wise) with the State of California Water Resources Control Board (SWRCB) to provide the funding for Recycled Water Fund projects. The maximum amount of the loan is \$2,988,364. The loan accrues interest at a rate of 2.2 percent annually. Principal and interest payments are due in 20 annual installments. The first payment occurred in March 2014. The District has pledged all revenues and amounts legally available to repay the loan.

Fiscal Year Ending	2013 (Wise) State Revolving Fund Loan		
	Principal	Interest	Total
2022	\$ 142,676	42,575	185,251
2023	145,815	39,436	185,251
2024	149,023	36,228	185,251
2025	152,301	32,950	185,251
2026	155,652	29,599	185,251
2027-2031	831,159	95,096	926,255
2032-2033	<u>358,621</u>	<u>11,881</u>	<u>370,502</u>
Total	<u>\$ 1,935,247</u>	<u>287,765</u>	<u>2,223,012</u>

***State Revolving Fund Loan – 2013 (R-10.3)***

In December 2011, the District entered into a loan agreement (R-10.3) with the State of California Water Resources Control Board (SWRCB) to provide the funding for Recycled Water Fund projects. The maximum amount of the loan is \$871,570. The loan accrues interest at a rate of 2.2 percent annually. Principal and interest payments are due in 20 annual installments. The first payment occurred in March 2014. The District has pledged all revenues and amounts legally available to repay the loan.

Fiscal Year Ending	2013 (R-10.3) State Revolving Fund Loan		
	Principal	Interest	Total
2022	\$ 41,803	12,474	54,277
2023	42,723	11,554	54,277
2024	43,663	10,614	54,277
2025	44,623	9,654	54,277
2026	45,605	8,672	54,277
2027-2031	243,522	27,863	271,385
2032-2033	<u>105,074</u>	<u>3,480</u>	<u>108,554</u>
Total	<u>\$ 567,013</u>	<u>84,311</u>	<u>651,324</u>



**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(4) Changes in Long-Term Liabilities (Continued)**

**State Revolving Fund Loan – 2013 (Crow)**

In December 2011, the District entered into a loan agreement (Crow Street) with the State of California Water Resources Control Board (SWRCB) to provide the funding for Recycled Water Fund projects. The District received the amount of \$310,179. The loan accrues interest at a rate of 2.2 percent annually on amounts drawn. Repayment will be made in 20 annual installments. The first payment occurred in March 2016. The District has pledged all revenues and amounts legally available to repay the loan.

Fiscal Year Ending	2013 (Crow) State Revolving Fund Loan		
	Principal	Interest	Total
2022	\$ 16,346	4,877	21,223
2023	16,705	4,518	21,223
2024	17,073	4,150	21,223
2025	17,448	3,775	21,223
2026	17,832	3,391	21,223
2027-2031	95,221	10,894	106,115
2032-2033	41,087	1,359	42,446
Total	\$ 221,712	32,964	254,676

**(5) Revenue Pledged**

The District has pledged future water fund revenues, net of specified operating expenses, to repay \$30,810,000 in refunding revenue bonds (2015 bonds) as disclosed in Note 4. Net revenues are defined as operating income, less specified operating expenses, plus specified non-operating income. The 2015 bonds refunded the 2004 Certificates of Participation (COP). Proceeds from the COPs provided financing for the construction of the Yucaipa Valley Regional Water Filtration Facility (YVRWFF). The 2015 bonds are payable through 2035. Net revenues are anticipated to equal at least 110 percent of annual principal and interest payments.

The total principal and interest remaining to be paid on the 2015 bonds is \$32,110,168. Principal and interest paid for the current year was \$2,292,612 and total net revenues were \$5,800,836. For the state revolving fund loans recorded in the Sewer Fund, the District has pledged all revenues and amounts legally available to repay the loans.

**(6) Defined Benefit Pension Plan**

**General Information about the Pension Plans**

Plan Description

All qualified permanent and probationary employees are eligible to participate in the District’s Miscellaneous Employee Pension Plan (“Plan”), a cost-sharing multiple employer



**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(6) Defined Benefit Pension Plan (Continued)**

defined benefit pension plan administered by the California Public Employees’ Retirement System (“CalPERS”).

Benefit provisions under the Plan are established by State statute and may be amended by the District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information. These reports can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plan operates under the provisions of the California Public Employees’ Retirement Law (“PERL”), the California Public Employees’ Pension Reform Act of 2013 (“PEPRA”), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plans’ authority to establish and amend the benefit terms are set by the PERL and PEPRA and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plan’s provisions and benefits in effect at June 30, 2021 are summarized as follows:

	Miscellaneous Plans	
	Classic Tier 1	PEPRA Tier 2
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 60	2% @ 60
Benefit vesting schedule	5 years of service	5 years of service
Benefits payments	monthly for life	monthly for life
Retirement age	60	62
Monthly benefits, as a % of eligible compensation	2.000%	2.000%
Required employee contribution rates	7.000%	6.750%
Required employer contribution rates	8.563%	6.985%



**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(6) Defined Benefit Pension Plan (Continued)**

*Members covered by Benefit Terms*

At June 30, 2019 (Valuation Date), the following members were covered by the benefit terms:

Plan Members	Miscellaneous Plans		Total
	Classic Tier 1	PEPRA Tier 2	
Active members	31	41	72
Transferred and terminated members	63	5	68
Retired members and beneficiaries	50	-	50
Total plan members	<u>144</u>	<u>46</u>	<u>190</u>

*Contribution Description*

Section 20814(c) of the California PERL requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by the Miscellaneous risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability.

*Actuarial Methods and Assumptions Used to Determine Total Pension Liability*

For the measurement period ending June 30, 2020 (the measurement date) the total pension liability was determined by rolling forward the June 30, 2019 total pension liability determined in the June 30, 2019 valuation. The June 30, 2020 pension liability was based on the following actuarial methods and assumptions.

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds.
Post Retirement Benefit Increase	Contract COLA up to 2.5% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.5% thereafter





**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(6) Defined Benefit Pension Plan (Continued)**

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the test revealed that the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained on CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund.

The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class.

**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(6) Defined Benefit Pension Plan (Continued)**

<u>Investment Type<sup>1</sup></u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10<sup>2</sup></u>	<u>Real Return Years 11+<sup>3</sup></u>
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
	<u>100.00%</u>		

<sup>1</sup> In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities

<sup>2</sup> An expected inflation of 2.00% used for this period.

<sup>3</sup> An expected inflation of 2.92% used for this period.

Allocation of Net Pension Liability and Pension Expense to Individual Employers

The following table shows the District's proportionate share of the net pension liability over the measurement period.

The proportion of the net pension liability was based on a projection of the District's long term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability for the plan as of June 30, 2020 and 2021 was as follows:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(c) = (a) - (b)</u>
Balance at June 30, 2020	\$ 32,308,594	25,640,144	6,668,450
Balance at June 30, 2021	<u>34,351,946</u>	<u>27,183,195</u>	<u>7,168,751</u>
Net changes during 2020-21	<u>\$ 2,043,352</u>	<u>1,543,051</u>	<u>500,301</u>

	<u>Percentage Share of Risk Pool</u>		
	<u>Fiscal Year Ending June 30, 2021</u>	<u>Fiscal Year Ending June 30, 2020</u>	<u>Change Increase/ (Decrease)</u>
<u>Measurement Date</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	
Percentage of Risk Pool			
Net Pension Liability	0.16995%	0.16652%	0.00343%



**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(6) Defined Benefit Pension Plan (Continued)**

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plan as of the Measurement Date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount that is 1 percentage-point lower (6.15 percent) or 1 percentage point higher (8.15 percent) than the current rate:

Plan Type	Plan's Net Pension Liability		
	Discount Rate - 1% Rate 6.15%	Current Discount Rate 7.15%	Discount Rate + 1% Rate 8.15%
Miscellaneous Plan	\$ 11,740,157	7,168,751	3,391,542

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, actuarial gains and losses related to changes in total pension liability and fiduciary net pension are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings	5-year straight-line amortization
All other amounts	Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

Deferred outflows of resources and deferred inflows of resources relating to Differences Between Expected and Actual Experience, Changes of Assumptions and employer-specific amounts should be amortized over the EARSL of members provided with pensions through the Plan. The EARSL for the Plan for the measurement date ending June 30, 2019 is 3.8 years, which was obtained by dividing the total service years of 530,470 (the sum of remaining service lifetimes of the active employees) by 140,593 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to zero. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(6) Defined Benefit Pension Plan (Continued)**

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2021, the District recognized a pension expense of \$1,590,226 for the Plan. As of June 30, 2021, the District reports deferred outflows of resources and deferred inflows of resources related to pensions as follows:

Account Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made after the measurement date	\$ 493,241	-
Adjustment due to differences in proportions	-	512,135
Differences between expected and actual experience	369,427	-
Differences between projected and actual earnings on pension plan investments	212,959	-
Change in employer's proportion	156,862	-
Changes in assumptions	-	51,130
Total Deferred Outflows/(Inflows) of Resources	<u>\$ 1,232,489</u>	<u>563,265</u>

\$493,241 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2022. Other amounts reported as deferred outflows and deferred inflows of resources in the previous chart will be recognized in future pension expense as follows:

Amortization Period Fiscal Year Ended June 30	Deferred Outflows/(Inflows) of Resources
2022	\$ (58,713)
2023	68,987
2024	63,567
2025	<u>102,142</u>
Total	<u>\$ 175,983</u>

**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(7) Other Post-Employment Benefits (OPEB)**

***General Information about the OPEB Plan***

Plan Description

The District sponsors healthcare coverage under the California Public Employees Medical and Hospital Care Act ("PEMHCA"), commonly referred to as PERS Health. PEMHCA provides insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options.

Benefits Provided

The District pays the retired employee's medical premium until the age of 65, with the requirement that the employee is vested with ten (10) years of regular, uninterrupted service and is at least 55 years of age at retirement. Employees hired after July 1, 1999 are not eligible for any retiree medical benefits. The District CalPERS PEMHCA administrative fee, or 0.27% of premium.

Plan Membership

At June 30, 2019, membership consisted of the following:

Active members	7
Inactive plan members or beneficiaries currently receiving benefit payments	8
Total plan members	15

Contributions

The contribution requirements of Plan members and the District are established and amended by the District. The required contribution is based on projected pay-as-you-go financing requirements.

***Total OPEB Liability***

The District's Total OPEB liability was measured as of June 30, 2020 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of June 30, 2019.

Actuarial Assumptions

The Total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:



**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(7) Other Post-Employment Benefits (OPEB) (Continued)**

Actuarial Cost Method	Entry Age, Level Percent of Pay
Actuarial Assumptions:	
Recognition of deferred inflows and outflows of resources	Closed period equal to the average of the expected remaining service lives of all employees provided with OPEB
Salary increases	3.00 percent
Inflation rate	3.00 percent
Healthcare cost trend rate	6.00 percent for 2019; 5.90 percent for 2020; 5.80 percent for 2021; 5.70 percent for 2022 and decreasing 0.10 percent per year to an ultimate rate of 5.00 percent for 2029 and later years.

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Actuarial assumptions used in the June 30, 2019 valuation were based on a review of Plan experience during the period of July 1, 2017 to June 30, 2019.

Discount Rate

The discount rate used to measure the Total OPEB liability was 2.45 percent. The discount rate is based on a 20-year tax exempt general obligation municipal bond with an average rating of AA/A or higher. The District's Total OPEB liability is based on these requirements and the following information:

<u>Reporting Date</u>	<u>Measurement Date</u>	<u>Long-Term Expected Return of Plan Investments (if any)</u>	<u>Fidelity GO AA 20 Years Municipal Index</u>	<u>Discount Rate</u>
June 30, 2021	June 30, 2020	4.00%	2.45%	2.45%



**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(7) Other Post-Employment Benefits (OPEB) (Continued)**

Schedule of Changes in Total OPEB Liability (June 30, 2019 to June 30, 2020)

Total OPEB Liability	
Service Cost	\$ 6,862
Interest	21,488
Changes of benefit terms	-
Difference between expected and actual experience	-
Changes of assumptions	46,810
Benefit payments <sup>1</sup>	<u>(45,768)</u>
Net Change in total OPEB Liability	29,392
Total OPEB Liability - June 30, 2019 (a)	<u>702,358</u>
Total OPEB Liability - June 30, 2020 (b)	<u>\$ 731,750</u>

<sup>1</sup> Amount includes any implicit subsidy associated with benefits paid.

Sensitivity of the Total OPEB liability to changes in the discount rate

The following presents the Total OPEB liability, as well as what the Total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage-point higher than the current discount rate:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	1.45%	2.45%	3.45%
Total OPEB liability \$	811,076	731,750	664,626

Sensitivity of the Total OPEB liability to changes in the healthcare cost trend rates

The following presents the Total OPEB liability, as well as what the Total OPEB liability would be if it were calculated using a discount rate that 1-percentage point lower or 1-percentage-point higher than the current discount rate:

	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
	(4.90% decreasing to 4.00%)	(5.90% decreasing to 5.00%)	(6.90% decreasing to 6.00%)
Total OPEB liability \$	655,391	731,750	822,096

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The District's OPEB expense was \$48,215 for the fiscal year ended June 30, 2021. As of fiscal year ended June 30, 2021, the District's deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources are:



**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(7) Other Post-Employment Benefits (OPEB) (Continued)**

<u>Account Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	21,986
Changes in assumptions or other inputs	42,475	-
Contributions subsequent to measurement date	<u>32,587</u>	<u>-</u>
		-
Total	<u>\$ 75,062</u>	<u>21,986</u>

The \$32,587 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2020 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2022. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follow:

<u>Fiscal Year Ended June 30</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2022	\$ 11,127
2023	<u>9,362</u>
Total	<u>\$ 20,489</u>

**(8) Commitments and Contingencies**

Construction Contracts

The District has entered into contracts for various services and projects that will require payments in future fiscal years. At June 30, 2021, the District had capital projects under construction with an estimated cost to complete of approximately \$3,156,027.

Litigation

In the ordinary course of operations, the District is subject to claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, if any, will not materially affect its financial condition.

**(9) Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended June 30, 2021, the District purchased insurance through various commercial carriers to cover these risks with various limits as follows:





**YUCAIPA VALLEY WATER DISTRICT**  
**Notes to the Basic Financial Statements**  
**Year ended June 30, 2021**

**(9) Risk Management (Continued)**

Auto: A combined single limit of \$1,000,000.

Crime: Coverage limit of \$250,000.

Cyber Liability: Coverage limit of \$3,000,000.

Environmental Legal Liability: Coverage limit of \$3,000,000.

Excess: Coverage limit of \$10,000,000.

General Liability: Coverage limit of \$1,000,000 with an aggregate limit of \$3,000,000.

Public Officials and Management Liability: Coverage limit of \$1,000,000 with an aggregate limit of \$3,000,000.

Real Property & Business Personal Property: Coverage limit of \$99,902,731.

The District has had no settled claims resulting from these risks that exceeded its commercial coverage in any of the past three fiscal year and there were no reductions in the District's insurance coverage during the years ending June 30, 2021. Liabilities are recorded when it is probable that a loss has been incurred, and the amount of the loss can be reasonably estimated net of the respective insurance coverage. Liabilities include an amount for claims that have been incurred but not reported (IBNR).

**(10) Assessment District**

The District acts in a fiduciary capacity for an Assessment District that was formed to finance the construction and installation of a reservoir that will service properties located within the assessment district. The bonds issued by the assessment district are payable solely from the revenues of annual special taxes levied against land within the district and do not constitute an indebtedness of the Yucaipa Valley Water District. Yucaipa Valley Water District is not liable for the bonds, but acts as an agent for the bondholders. Since the District is acting in an agency capacity, the assets and liabilities of the assessment district have been excluded from the District's statement of net position. The amount outstanding on the bonds on June 30, 2021 was \$9,900,000.

**(11) Prior Period Adjustment**

During the year ended June 30, 2021, the District implemented GASB 84 related to Fiduciary Activities, resulting in an increase to the SCIP R-12.4 Reservoir Custodial Fund's beginning Net Position of \$1,349,068.

## Required Supplementary Information



**YUCAIPA VALLEY WATER DISTRICT  
Required Supplementary Information**

**Schedule of the District's Proportionate Share of the Net Pension Liability - Last Ten Years\***

**Year ended June 30, 2021**

Measurement Date	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Proportion of the collective net pension liability	0.06589%	0.06508%	0.64090%	0.06580%	0.06547%	0.06295%	0.07950%
Proportionate share of the collective net pension liability	\$ 7,168,751	6,668,450	6,176,087	6,525,230	5,665,084	4,320,667	4,947,010
Covered payroll	5,180,114	5,478,278	4,973,515	5,752,996	5,611,132	5,411,972	5,245,090
Proportionate share of the collective net pension liability as a percentage of covered payroll	138.39%	121.73%	124.18%	113.42%	100.96%	79.84%	94.32%
Plan fiduciary net position as a percentage of the total pension liability	379.19%	384.50%	391.90%	73.31%	73.31%	73.31%	73.31%

\* - Fiscal year 2015 was the first year of implementation.

Notes to schedule:

Summary of Changes of Benefits or Assumptions:

Benefit Changes: There were no changes to benefit terms that applied to all members of the Public Agency Pool. However, individual employers in the Plan may have provided a benefit improvement to their employees by granting Two Years Additional Service Credit to members retiring during a specified time period (a.k.a Golden Handshakes).

Changes in Assumptions: None in 2020 or 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to CalPERS Experience Study and Review of Actuarial Assumptions December 2017. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent.

**YUCAIPA VALLEY WATER DISTRICT  
Required Supplementary Information**

**Schedule of the District's Proportionate Contributions to the Pension Plan - Last Ten Years\***

**Year ended June 30, 2021**

	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
Actuarially determined contribution	\$ 493,241	659,622	919,668	752,731	697,729	882,127	570,529
Contribution in relation to the actuarially determined contribution	<u>493,241</u>	<u>659,622</u>	<u>919,668</u>	<u>752,731</u>	<u>697,729</u>	<u>882,127</u>	<u>570,529</u>
Contribution deficiency (excess)	\$ -	-	-	-	-	-	-
District's covered payroll	\$ 5,799,061	5,180,114	5,478,278	4,973,515	5,752,996	5,611,132	5,411,972
Contributions as a percentage of covered payroll	8.51%	12.73%	16.79%	15.13%	12.13%	15.72%	10.54%

\* - Fiscal year 2015 was the first year of implementation.

Notes to schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for the fiscal year ended June 30, 2021 were from the June 30, 2018 public agency valuations.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	Level of Percent of Payroll
Actuarial Assumptions:	
Discount Rate	7.00%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Retirement Age	The probabilities of Retirement are based on the 2010 CalPERS Experience study for the period from 1997 to 2007.
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increases	Contract COLA up to 2.75% until Purchasing Power Protection Floor on Purchasing Power applies, 2.75% thereafter

The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Changes in Assumptions: At its December 2016 meeting, the CalPERS Board of Administration lowered the discount rate from 7.50 percent to 7.00 percent using a three-year phase-in beginning with the June 30, 2016 valuations. The minimum employer percent to 7.00 percent using a three-year phase-in beginning with the June 30, 2016 valuations. The minimum employer contributions for Fiscal Year 2019-20 determined in this valuation were calculated using a discount rate of 7.25 percent.

On December 19, 2017 the CalPERS Board of Administration adopted new actuarial assumptions based on the recommendations in the December 2017 CalPERS Experience Study and Review of Actuarial Assumptions. This study reviewed the retirement rates, termination rates, mortality rates, rates of salary increases and inflation assumption for Public Agencies. In addition, the Board adopted a new asset portfolio as part of its Asset Liability Management. The new asset mix supports a 7.00 percent discount rate. The reduction of the inflation assumption will be implemented in two steps in conjunction with the decrease in the discount rate. For June 30, 2017 valuation an inflation rate of 2.625 percent will be used and a rate of 2.50 percent in the following valuation.

**YUCAIPA VALLEY WATER DISTRICT**

**Required Supplementary Information**

**Schedule of Changes in Total OPEB Liability and Related Ratios - Last 10 Years\***

**Year ended June 30, 2021**

Measurement Date	<u>6/30/2020</u>	<u>6/30/2019</u>
<b>Total OPEB Liability</b>		
Service cost	\$ 6,862	5,691
Interest on the Total OPEB liability	21,488	26,592
Difference between expected and actual experience	-	(70,844)
Changes in assumptions	46,810	46,365
Benefit payments	<u>(45,768)</u>	<u>(68,079)</u>
Net change in Total OPEB liability	29,392	(60,275)
Total OPEB liability - beginning	<u>702,358</u>	<u>762,633</u>
Total OPEB liability - ending (a)	<u>\$ 731,750</u>	<u>702,358</u>
Plan fiduciary net position as a percentage of the Total OPEB liability	0.00%	0.00%
Covered-employee payroll	\$ 736,531	1,041,057
Total OPEB liability as a percentage of covered-employee payroll	99.35%	67.47%

\*Future years' information will be displayed up to 10 years as information becomes available



Date: October 19, 2021

Task: N/A

Prepared By: Allison M. Edmisten, Chief Financial Officer

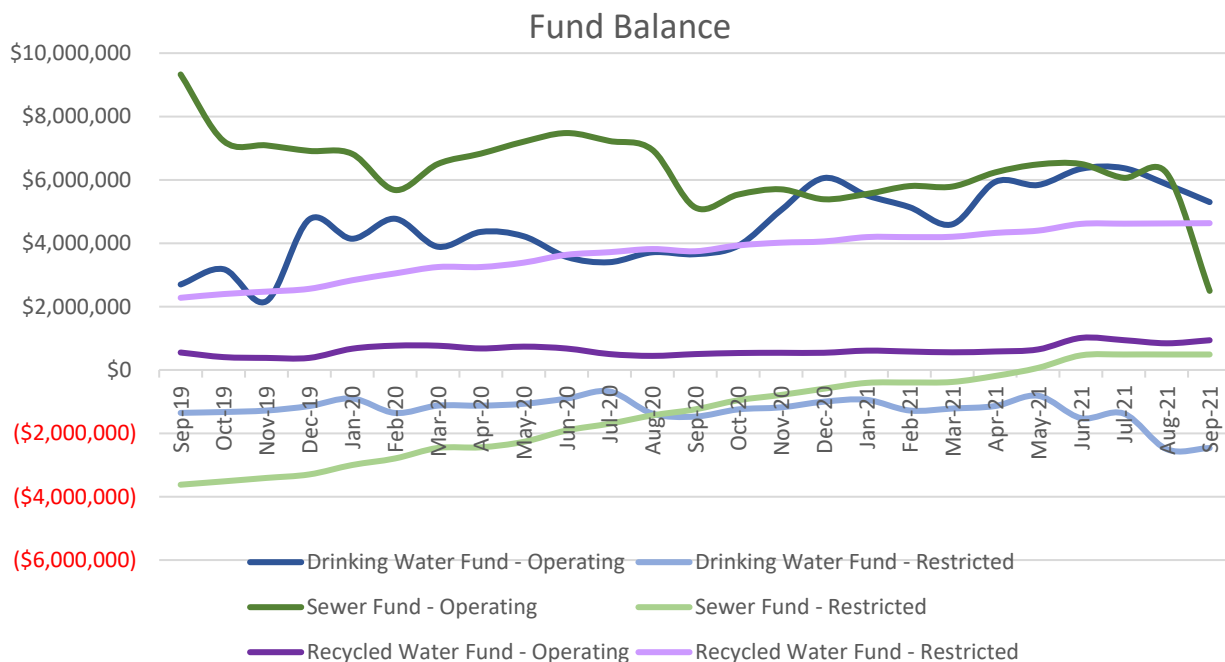
Subject: Presentation of the Unaudited Financial Report for the Period Ending on September 30, 2021

Recommendation: That the Board receive and file the unaudited financial report.

The following unaudited financial report has been prepared by the Administrative Department for your review. Please remember that the following financial information has not been audited.

Cash Fund Balance and Cash Flow Reports

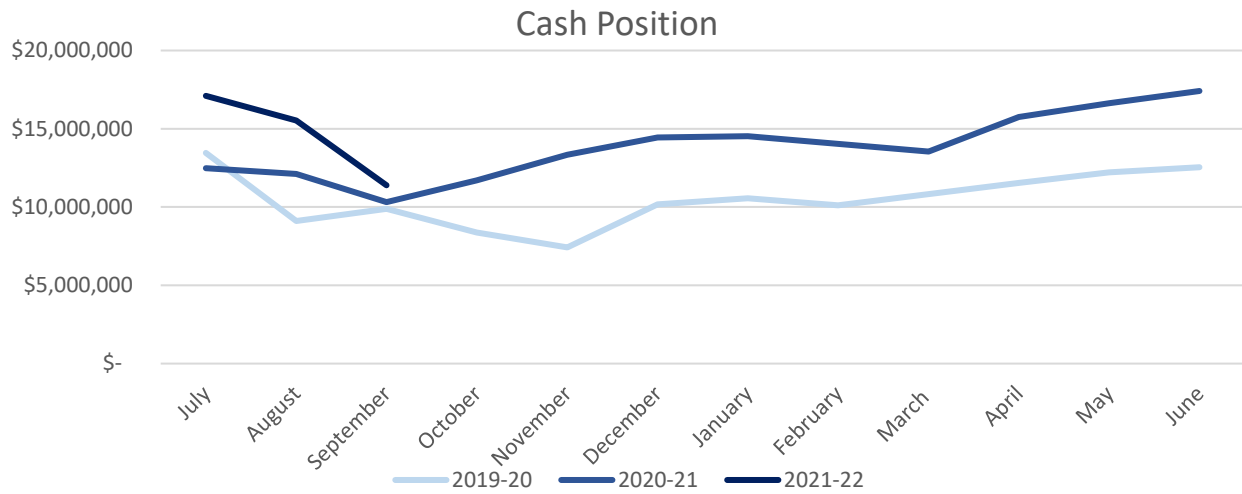
The Cash Fund Balance Report provides a summary of how the total amount of funds maintained by financial institutions is distributed throughout the enterprise and non-enterprise funds of the District. A summary of the report is as follows:



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

### Cash Fund Balance Report - September 2021

Water Division		GL#	Balance
Restricted	ID 1 Construction Funds	02-000-10216	\$ 293,145.85
	ID 2 Construction Funds	02-000-10217	\$ -
	FCC - Debt Service YVRWFF Phase I	02-000-10401	\$ (7,773,224.79)
	FCC - Future YVRWFF Phase II & III	02-000-10403	\$ 718,787.74
	FCC - Recycled System	02-000-10410	\$ (402,897.51)
	FCC - Booster Pumping Plants	02-000-10411	\$ 1,096,920.09
	FCC - Pipeline Facilities	02-000-10412	\$ 1,439,576.16
	FCC - Water Storage Reservoirs	02-000-10413	\$ 1,721,320.65
	FCC - Excess Drinking Water	02-000-10414	\$ 443,063.69
Subtotal Restricted Funds			\$ (2,463,308.12)
Operating	Infrastructure Reserves	02-000-10311	\$ 3,283,402.80
	Sustainability Fund	02-000-10313	\$ 132,978.16
	Rate Stabilization Fund	02-000-10314	\$ 500,209.14
	Supplemental Water Fund - San Bernardino	02-000-10315	\$ 1,485,966.84
	Supplemental Water Fund - Riverside	02-000-10316	\$ 957,902.07
	Operating Funds:		\$ (1,062,218.74)
Subtotal Operating Funds			\$ 5,298,240.27
<b>Total Water Division</b>			<b>\$ 2,834,932.15</b>
Sewer Division		GL#	Balance
Restricted	SRF Reserve Fund - Brineline	03-000-10218	\$ 637,449.00
	SRF Reserve Fund - WISE	03-000-10219	\$ 184,928.00
	SRF Reserve Fund - R 10.3	03-000-10220	\$ 51,531.00
	SRF Reserve Fund - Crow St	03-000-10221	\$ 19,255.00
	FCC - Debt Service WWTP Expansion & Upgrade	03-000-10405	\$ 4,327,206.00
	FCC - Future WWTP Expansion	03-000-10407	\$ 3,153,109.91
	FCC - Sewer Interceptors	03-000-10415	\$ (453,444.39)
	FCC - Lift Stations	03-000-10416	\$ 514,064.23
	FCC - Effluent Disposal Facilities	03-000-10417	\$ (1,055,156.54)
FCC - Salt Mitigation Facilities	03-000-10418	\$ (6,890,688.51)	
Subtotal Restricted Funds			\$ 488,253.70
Operating	Project Fund - Encumbered	03-000-10215	\$ 1,400,805.00
	Infrastructure Reserves	03-000-10311	\$ 3,983,021.16
	Rate Stabilization Fund	03-000-10314	\$ 1,464,394.90
	Operating Funds:		\$ (4,352,188.83)
Subtotal Operating Funds			\$ 2,496,032.23
<b>Total Wastewater Division</b>			<b>\$ 2,984,285.93</b>
Recycled Water Division		GL#	Balance
Restricted	FCC - Recycled System	04-000-10410	\$ 426,750.57
	FCC - Booster Pumping Plants	04-000-10411	\$ 292,858.50
	FCC - Pipeline Facilities	04-000-10412	\$ 2,088,860.81
	FCC - Water Storage Reservoirs	04-000-10413	\$ 1,754,632.47
	FCC - Excess Recycled Water	04-000-10414	\$ 69,585.27
Subtotal Restricted Funds			\$ 4,632,687.62
Oper	Infrastructure Reserves	04-000-10311	\$ 467,083.47
	Operating Funds:		\$ 470,935.80
Subtotal Operating Funds			\$ 938,019.27
<b>Total Recycled Water Division</b>			<b>\$ 5,570,706.89</b>
<b>DISTRICT TOTAL</b>			<b>\$ 11,389,924.97</b>

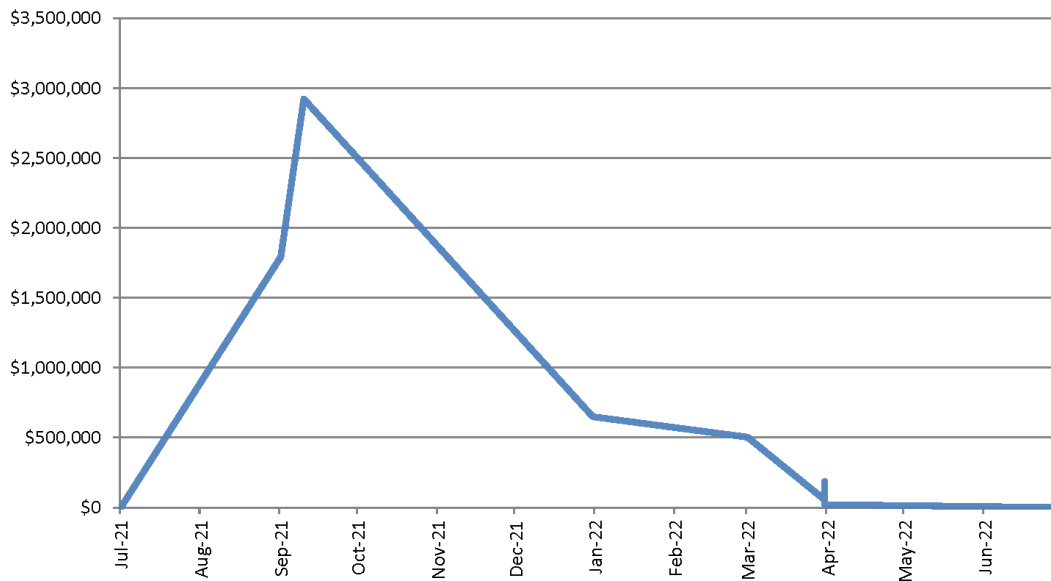


The Cash Flow Report provides a list of the debt service payment due dates and amounts as well as the cash flow requirements for debt service for each month of the fiscal year.

### Cash Flow Report for Fiscal Year 2021-22

Financial Obligations for Fiscal Year 2021-22				
Due Date	Fund	Description	Term of Obligation	Amount
9/1/2021	Water	2015A Bond Payment - YVRWFF	2015-2034	\$ 1,793,032.00
9/10/2021	Sewer	SRF Payment - WRWRF	2009-2028	\$ 2,923,668.75
12/31/2021	Sewer	SRF Payment - Yucaipa Regional Brineline	2013-2032	\$ 649,273.50
3/1/2022	Water	2015A Bond Payment - YVRWFF	2015-2034	\$ 503,032.00
3/31/2022	Sewer	SRF Payment - Recycled Reservoir R-10.3	2014-2033	\$ 54,277.31
3/31/2022	Sewer	SRF Payment - Desalinization at WRWRF	2014-2033	\$ 185,251.30
3/31/2022	Sewer	SRF Payment - Crow Street/Recycled Booster B-12.1	2016-2035	\$ 21,223.27
		<b>Total</b>		<b>\$ 6,129,758.13</b>

#### Payment Schedule and Cash Flow Requirements for Fiscal Year 2021-22





### Cash Disbursement Report

The cash disbursement report lists each check and electronic payment processed during the month. All payments are reviewed by District staff for accuracy and completeness, checks are usually signed by the General Manager and one Director but may be signed by two Directors. The Chief Financial Officer will make any check, payment, invoice or supporting documentation available for review to any board member upon request.

#### Check Register - September 2021

Date	Check #	Payee or Description	Amount
9/1/2021	39785	Atkinson, Andelson, Loya, Ruud & Romo	\$ 747.50
9/1/2021	39786	ADS, LLC	\$ 6,210.00
9/1/2021	39787	Aramark Uniform and Career Apparel, LLC	\$ 809.59
9/1/2021	39788	AutoZone Stores LLC	\$ 203.40
9/1/2021	39789	Backflow Apparatus & Valve Co.	\$ 2,499.80
9/1/2021	39790	Best Home Center	\$ 120.57
9/1/2021	39791	Brenntag Pacific, Inc	\$ 24,074.16
9/1/2021	39792	California Municipal Treasurers Associat	\$ 95.00
9/1/2021	39793	California Water Technologies, LLC	\$ 5,676.92
9/1/2021	39794	Commercial Solar Guy	\$ 5,000.00
9/1/2021	39795	ECORP Consulting, Inc.	\$ 4,970.14
9/1/2021	39796	Fastenal Company	\$ 1,386.56
9/1/2021	39797	Forstra Filters, Inc.	\$ 837.13
9/1/2021	39798	Grainger	\$ 787.17
9/1/2021	39799	Haaker Equipment Company	\$ 6,769.76
9/1/2021	39800	Hasa, Inc.	\$ 7,840.47
9/1/2021	39801	Home Depot U.S.A. Inc	\$ 1,173.43
9/1/2021	39802	Houston & Harris PCS, Inc.	\$ 3,946.50
9/1/2021	39803	JW D'Angelo Co.	\$ 860.62
9/1/2021	39804	Leighton Consulting, Inc.	\$ 5,116.50
9/1/2021	39805	Les Schwab Tire Center	\$ 621.03
9/1/2021	39806	Lowe's Companies, Inc.	\$ 746.35
9/1/2021	39807	Max Machinery, Inc.	\$ 1,072.49
9/1/2021	39808	Merit Oil Company	\$ 6,774.96
9/1/2021	39809	Municipal Maintenance Equipment, Inc.	\$ 625.49
9/1/2021	39810	Nalco Company	\$ 12,049.45
9/1/2021	39811	National Business Furniture LLC	\$ 609.89
9/1/2021	39812	NetComp Technologies, Inc.	\$ 1,511.26
9/1/2021	39813	Pollardwater	\$ 516.88
9/1/2021	39814	Redlands-Yucaipa Rentals Inc.	\$ 44.00
9/1/2021	39815	San Bdn. Valley Muni. Water Dist.	\$ 60,706.18
9/1/2021	39816	SB CNTY-Fire Protection District	\$ 2,070.00
9/1/2021	39817	SB CNTY-Solid Waste Mgmt Div	\$ 220.94
9/1/2021	39818	SCCI, Inc.	\$ 350.00
9/1/2021	39819	Steven Enterprises, Inc	\$ 155.15
9/1/2021	39820	Summit Environmental Srvcs, Inc.	\$ 4,690.75

**Check Register - September 2021**

<b>Date</b>	<b>Check #</b>	<b>Payee or Description</b>	<b>Amount</b>
9/1/2021	39821	Superior Automotive Warehouse, Inc	\$ 188.51
9/1/2021	39822	The Gas Company	\$ 78.19
9/1/2021	39823	TPX Communications	\$ 4,500.98
9/1/2021	39824	UPS Store#1504/ Mail Boxes Etc.	\$ 25.00
9/10/2021	39825	California State Disbursement Unit	\$ 628.14
9/10/2021	39826	IBEW Local #1436	\$ 660.00
9/10/2021	39827	WageWorks Inc	\$ 1,686.89
9/13/2021	39828	All American Sewer Tools	\$ 637.59
9/13/2021	39829	Alpine Springs	\$ 90.00
9/13/2021	39830	Applied Membranes, Inc.	\$ 962.09
9/13/2021	39831	Aramark Uniform and Career Apparel, LLC	\$ 797.92
9/13/2021	39832	Best Home Center	\$ 36.68
9/13/2021	39833	California Water Environment Association	\$ 192.00
9/13/2021	39834	Caselle, Inc.	\$ 2,870.00
9/13/2021	39835	Clinical Laboratory of San Bernardino	\$ 7,748.00
9/13/2021	39836	Corelogic, Inc.	\$ 330.00
9/13/2021	39837	Coverall North America, Inc.	\$ 805.00
9/13/2021	39838	Crown Ace Hardware - Yucaipa	\$ 37.56
9/13/2021	39839	Epic Pest Management	\$ 85.00
9/13/2021	39840	Freedom Mailing Services	\$ 7,971.25
9/13/2021	39841	Frontier Communications	\$ 172.92
9/13/2021	39842	G&G Environmental Compliance, Inc	\$ 5,573.60
9/13/2021	39843	GLS US	\$ 123.79
9/13/2021	39844	JW D'Angelo Co.	\$ 1,261.49
9/13/2021	39845	Konica Minolta Business Solutions	\$ 478.50
9/13/2021	39846	Koritas Tires Inc.	\$ 10.00
9/13/2021	39847	Krieger & Stewart, Incorporated	\$ 121,639.25
9/13/2021	39848	Merit Oil Company	\$ 8,078.92
9/13/2021	39849	Micro Motion, Inc.	\$ 2,252.50
9/13/2021	39850	NCL Of Wisconsin Inc	\$ 86.79
9/13/2021	39851	NetComp Technologies, Inc.	\$ 770.85
9/13/2021	39852	Nexa	\$ 695.00
9/13/2021	39853	Pacific Coast Landscape & Design, Inc.	\$ 21,000.00
9/13/2021	39854	Q Versa, LLC	\$ 14,705.00
9/13/2021	39855	Reign Industries Inc	\$ 3,950.00
9/13/2021	39856	Separation Processes, Inc.	\$ 7,691.39
9/13/2021	39857	State of California - Department of Just	\$ 64.00
9/13/2021	39858	State Water Resources Control Board	\$ 2,923,668.75
9/13/2021	39859	The Counseling Team International	\$ 300.00
9/13/2021	39860	Time Warner Cable	\$ 1,727.10
9/13/2021	39861	Underground Service Alert Of So. CA	\$ 422.50
9/13/2021	39862	Water Environment Federation	\$ 267.00
9/13/2021	39863	Yucaipa Disposal, Inc.	\$ 2,532.19
9/13/2021	39864	Yucaipa Urgent Care Center	\$ 300.00
9/13/2021	39865	Yucaipa Valley Water District	\$ 70,998.79

**Check Register - September 2021**

<b>Date</b>	<b>Check #</b>	<b>Payee or Description</b>	<b>Amount</b>
9/20/2021	39866	APGN Inc.	\$ 32,517.16
9/20/2021	39867	David L. Wysocki	\$ 1,575.00
9/20/2021	39868	Delta Ventures Inc.	\$ 7,500.00
9/20/2021	39869	Dudek & Associates, Inc	\$ 1,975.00
9/20/2021	39870	Geoscience Support Services, Inc.	\$ 1,435.75
9/20/2021	39871	One Stop Landscape Supply Inc	\$ 21,217.50
9/20/2021	39872	Separation Processes, Inc.	\$ 19,305.29
9/20/2021	39873	Meyers Nave, A Professional Corporation	\$ 40,361.04
9/20/2021	39874	Adler Luis Ribaya	\$ 200.49
9/20/2021	39875	Aqua-Metric Sales Company	\$ 321.50
9/20/2021	39876	Aramark Uniform and Career Apparel, LLC	\$ 1,628.53
9/20/2021	39877	AT&T Mobility	\$ 2,148.38
9/20/2021	39878	AutoZone Stores LLC	\$ 92.09
9/20/2021	39879	Bay Alarm Company	\$ 5,557.50
9/20/2021	39880	Beaumont Basin Watermaster	\$ 3,000.00
9/20/2021	39881	Billy Lyon	\$ 1,523.29
9/20/2021	39882	Brenntag Pacific, Inc	\$ 18,568.48
9/20/2021	39883	BSK Associates	\$ 1,025.00
9/20/2021	39884	Cal Pro Contracting, Inc	\$ 437.68
9/20/2021	39885	Clark Pest Control	\$ 118.00
9/20/2021	39886	Cobb's Printing, LLC	\$ 370.66
9/20/2021	39887	Contron Scada Systems	\$ 3,346.33
9/20/2021	39888	Coverall North America, Inc.	\$ 526.00
9/20/2021	39889	Crown Ace Hardware - Yucaipa	\$ 368.64
9/20/2021	39890	Daily Journal Corporation	\$ 1,702.80
9/20/2021	39891	David Wahe	\$ 510.82
9/20/2021	39892	Evoqua Water Technologies LLC	\$ 2,248.85
9/20/2021	39893	Fastenal Company	\$ 1,013.81
9/20/2021	39894	Fedex	\$ 49.21
9/20/2021	39895	Fisher Scientific Co.	\$ 169.77
9/20/2021	39896	Frontier Communications	\$ 46.25
9/20/2021	39897	Geoscience Support Services, Inc.	\$ 1,887.00
9/20/2021	39898	Hach Company	\$ 52.09
9/20/2021	39899	Harrington Ind. Plastic, LLC	\$ 244.56
9/20/2021	39900	Hasa, Inc.	\$ 8,805.96
9/20/2021	39901	Houston & Harris PCS, Inc.	\$ 3,946.50
9/20/2021	39902	Inland Water Works Supply Co.	\$ 4,377.79
9/20/2021	39903	Jason Carlson	\$ 1,000.00
9/20/2021	39904	JW D'Angelo Co.	\$ 3,612.33
9/20/2021	39905	Max Machinery, Inc.	\$ 1,125.79
9/20/2021	39906	Merit Oil Company	\$ 5,444.14
9/20/2021	39907	NetComp Technologies, Inc.	\$ 300.00
9/20/2021	39908	Office Solutions Bsns Products, L	\$ 1,921.75
9/20/2021	39909	Pacific Coast Landscape & Design, Inc.	\$ 475.00
9/20/2021	39910	Polydyne Inc.	\$ 20,777.15

### Check Register - September 2021

Date	Check #	Payee or Description	Amount
9/20/2021	39911	Quinn Company	\$ 33,980.45
9/20/2021	39912	SB CNTY-Solid Waste Mgmt Div	\$ 31.24
9/20/2021	39913	SCE Rosemead	\$ 911,602.79
9/20/2021	39914	Separation Processes, Inc.	\$ 12,484.25
9/20/2021	39915	Sinclair Rock and Sand Inc.	\$ 4,025.00
9/20/2021	39916	Spectrum Business	\$ 3,668.00
9/20/2021	39917	U.S. POSTAL SERVICE (Hasler)	\$ 2,000.00
9/20/2021	39918	White Cap, LP	\$ 152.21
9/20/2021	39919	Wilbur's	\$ 673.22
9/20/2021	39920	California FAIR Plan	\$ 4,953.00
9/20/2021	39921	Farmers Insurance	\$ 1,405.86
9/20/2021	39922	VOID	\$ -
9/20/2021	39923	VOID	\$ -
9/24/2021	39924	California State Disbursement Unit	\$ 628.14
9/24/2021	39925	WageWorks Inc	\$ 1,686.89
9/27/2021	39926	Doug Earnest	\$ 685.14
9/27/2021	39927	Jesse McCartney	\$ 685.14
9/27/2021	39928	Joe DeSalliers	\$ 603.35
9/27/2021	39929	Peggy Little	\$ 685.14
9/27/2021	39930	Robert Wall	\$ 799.13
9/27/2021	39931	WageWorks, Inc.	\$ 191.75
9/27/2021	39932	Aflac	\$ 2,602.23
9/27/2021	39933	Blue Shield of California	\$ 4,083.10
9/27/2021	39934	Nippon Life Insurance Co	\$ 2,772.61
9/27/2021	39935	Standard Dental Insurance Co	\$ 1,309.12
9/27/2021	39936	Standard Insurance Vision Plan	\$ 329.56
9/27/2021	39937	Western Dental Services Inc	\$ 230.92
9/27/2021	39938	American Melt Blown & Filtration Inc.	\$ 3,650.00
9/27/2021	39939	Aqua-Metric Sales Company	\$ 15,792.70
9/27/2021	39940	Aramark Uniform and Career Apparel, LLC	\$ 806.53
9/27/2021	39941	Avista Technologies, Inc.	\$ 6,935.90
9/27/2021	39942	Brenntag Pacific, Inc	\$ 10,310.53
9/27/2021	39943	Center Electric Services, Inc.	\$ 1,080.00
9/27/2021	39944	Charles P. Crowley Company, Inc.	\$ 18,009.15
9/27/2021	39945	Clinical Laboratory of San Bernardino	\$ 4,653.50
9/27/2021	39946	Crestline Specialties, Inc.	\$ 5,676.74
9/27/2021	39947	ECORP Consulting, Inc.	\$ 18,147.96
9/27/2021	39948	Evoqua Water Technologies LLC	\$ 332.12
9/27/2021	39949	GHD Inc	\$ 7,854.08
9/27/2021	39950	Grainger	\$ 629.11
9/27/2021	39951	Home Depot U.S.A. Inc	\$ 893.33
9/27/2021	39952	Houston & Harris PCS, Inc.	\$ 3,946.50
9/27/2021	39953	JW D'Angelo Co.	\$ 20,664.02
9/27/2021	39954	Les Schwab Tire Center	\$ 2,427.36
9/27/2021	39955	Merit Oil Company	\$ 6,611.38

**Check Register - September 2021**

<b>Date</b>	<b>Check #</b>	<b>Payee or Description</b>	<b>Amount</b>
9/27/2021	39956	Michael Jones	\$ 385.00
9/27/2021	39957	Pro-Pipe & Supply, Inc.	\$ 127.99
9/27/2021	39958	Quadient Leasing USA, Inc	\$ 353.07
9/27/2021	39959	Redline	\$ 29,558.54
9/27/2021	39960	S & J Supply Co., Inc	\$ 3,543.90
9/27/2021	39961	SB CNTY-Fire Protection District	\$ 2,408.00
9/27/2021	39962	SCCI, Inc.	\$ 350.00
9/27/2021	39963	Smarthire	\$ 62.00
9/27/2021	39964	Spectrum Business	\$ 2,649.00
9/27/2021	39965	Yucaipa Urgent Care Center	\$ 370.00
			<b>\$ 4,776,318.70</b>
9/10/2021	electronic pmt	DIRECT DEPOSIT TOTAL	\$ 178,163.66
9/10/2021	electronic pmt	CalPERS 457 & Loan	\$ 29,339.40
9/10/2021	electronic pmt	CalPERS Retirement	\$ 33,936.71
9/10/2021	electronic pmt	EDD - State of California	\$ 15,203.44
9/10/2021	electronic pmt	IRS	\$ 77,640.55
9/10/2021	electronic pmt	VOYA 457 Retirement Plan	\$ 4,602.81
9/24/2021	electronic pmt	DIRECT DEPOSIT TOTAL	\$ 154,954.93
9/24/2021	electronic pmt	CalPERS 457 & Loan	\$ 26,799.76
9/24/2021	electronic pmt	CalPERS Retirement	\$ 33,949.32
9/24/2021	electronic pmt	EDD - State of California	\$ 12,463.35
9/24/2021	electronic pmt	IRS	\$ 64,431.26
9/24/2021	electronic pmt	VOYA 457 Retirement Plan	\$ 3,759.74
9/27/2021	electronic pmt	CalPERS Health Insurance	\$ 93,284.88
			<b>\$ 728,529.81</b>

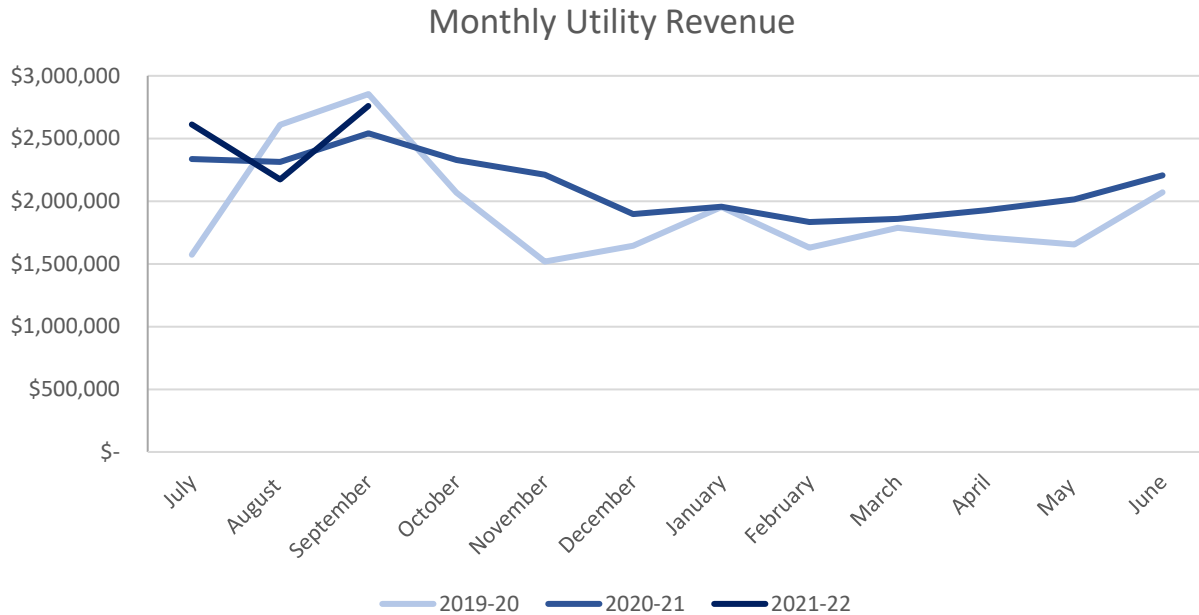
Fiscal Year 2021-22 Reserve Transfers									
					Reserve Account - 10311				
Transfer Date	DM #	DM Date	Project	Description	Water	Sewer	Recycled	Transfer #	Resolution
7/29/2021	18-232	10/9/2018	1	AMI Project	\$ 24,453				
		8/3/2021	2	STIP		\$ 759,686		1	2021-44
9/30/2021	21-999	9/21/2021	3	Deionized Water System		\$ 9,707		2	2021-47
Total Transfers from Reserves					\$ (24,453)	\$ (769,393)	\$ -		
<b>Beginning Balance @ 7/1/21</b>					<b>\$ 2,667,395</b>	<b>\$ 3,992,727</b>	<b>\$ 431,054</b>		
Contribution to Reserves 2021-22					\$ 1,607,457	\$ -	\$ 74,755		
<b>Ending Balance @ 6/30/22</b>					<b>\$ 4,250,399</b>	<b>\$ 3,223,334</b>	<b>\$ 505,809</b>		

Summary of Projects		
Project	Description	Total Reserves Transfer
1	AMI Project	\$ 1,439,143
2	STIP	\$ 1,528,206
3	Deionized Water System	\$ 9,707

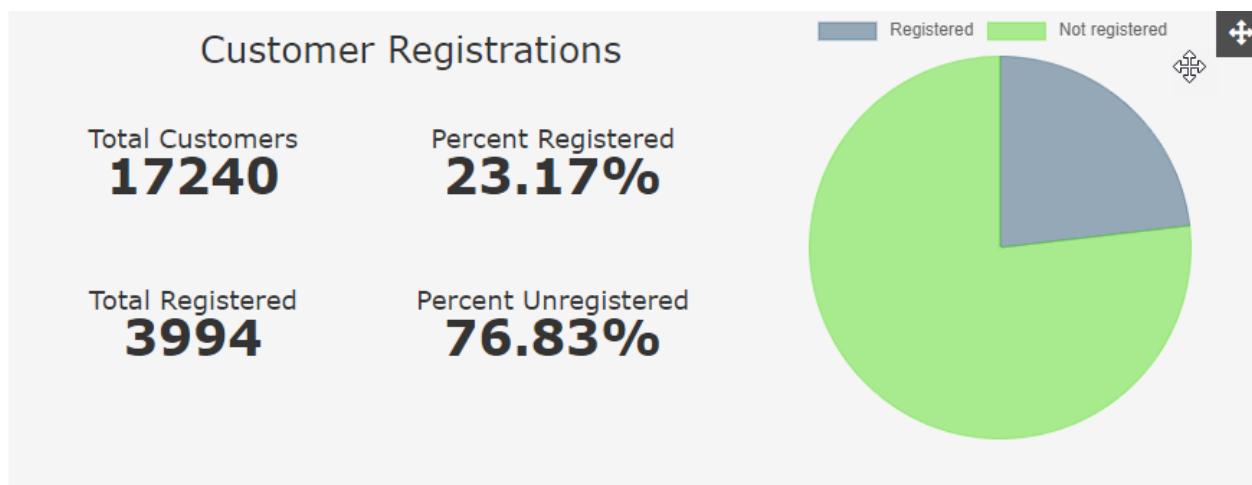
Began in 2019-21 (Project #3 in 2019-20 and #4 in 2020-21)  
 Began in 2020-21 (Project #22 in prior year)

### Financial Account Information

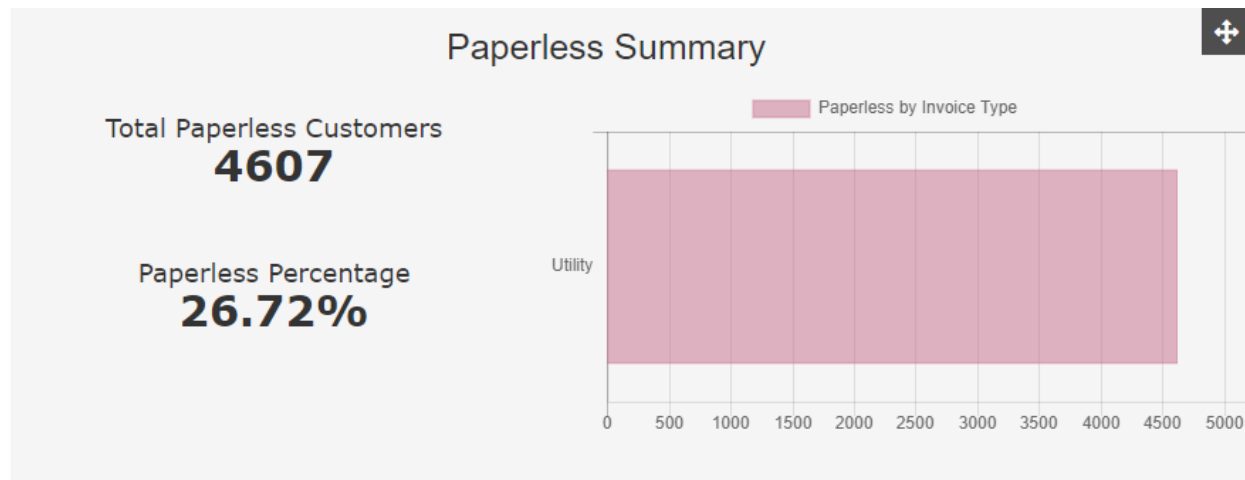
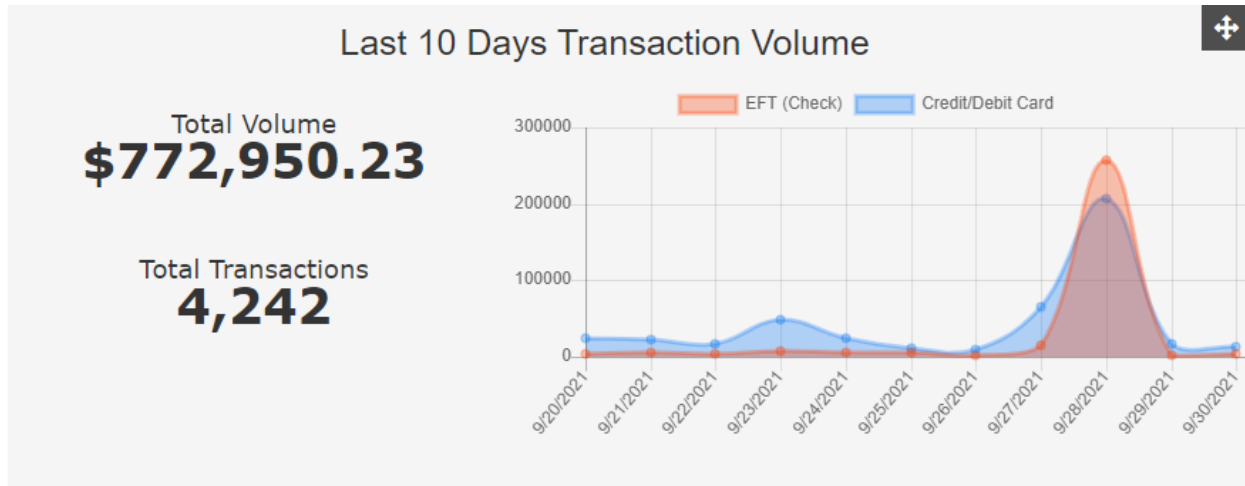
The District currently deposits all revenue received via mail or in person into the Deposit Checking account. All revenue received through Invoice Cloud is also deposited into the Deposit Checking account. The General Checking account is used as a sole processing account for all District checks and electronic payroll. The Investment Checking account is used for the purchase and redemption of US treasury notes and bills and for the transfer of LAIF funds. The US treasury notes and bills are booked at cost.



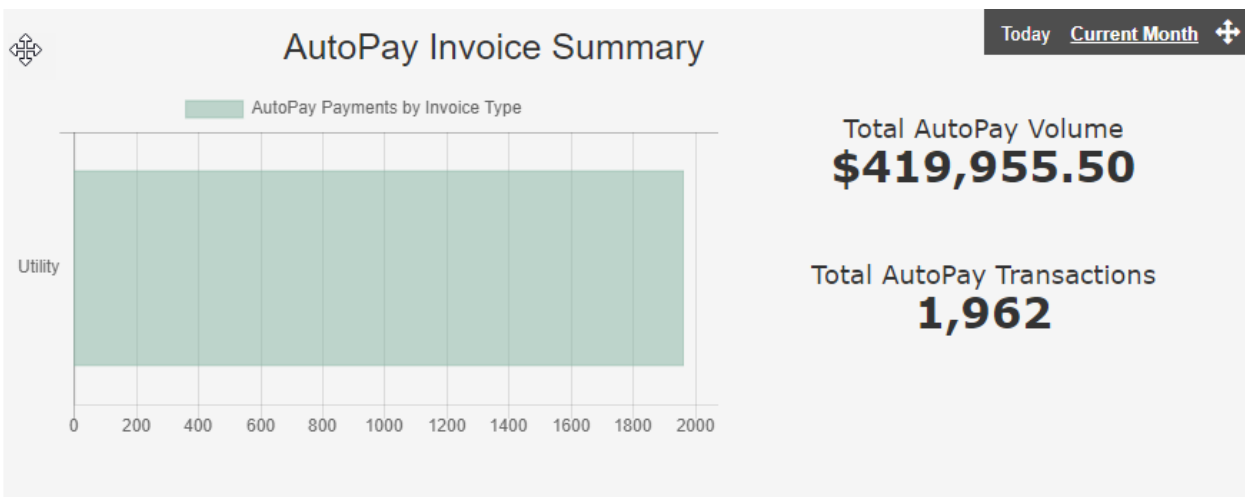
**Invoice Cloud:** Invoice Cloud is a third-party vendor the District utilizes to process credit card payments, echecks, online payments from customers, as well as phone payments processed without a live customer service representative.



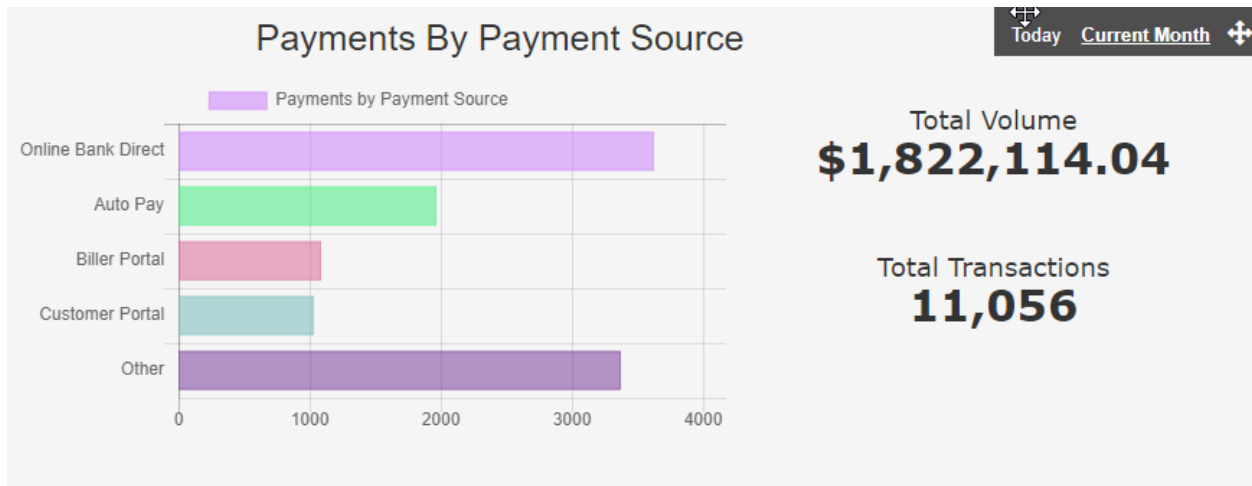
*Compared to 7,278 customers enrolled on Xpress Bill Pay*



*Compared to 2,455 on Xpress Bill Pay and 3,294 on Invoice Cloud last month*







We are continuing to work on building reports through Invoice Cloud for Auto Pay Customers as well as payments by payment source for the most recent month end.

**Investment Summary**

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

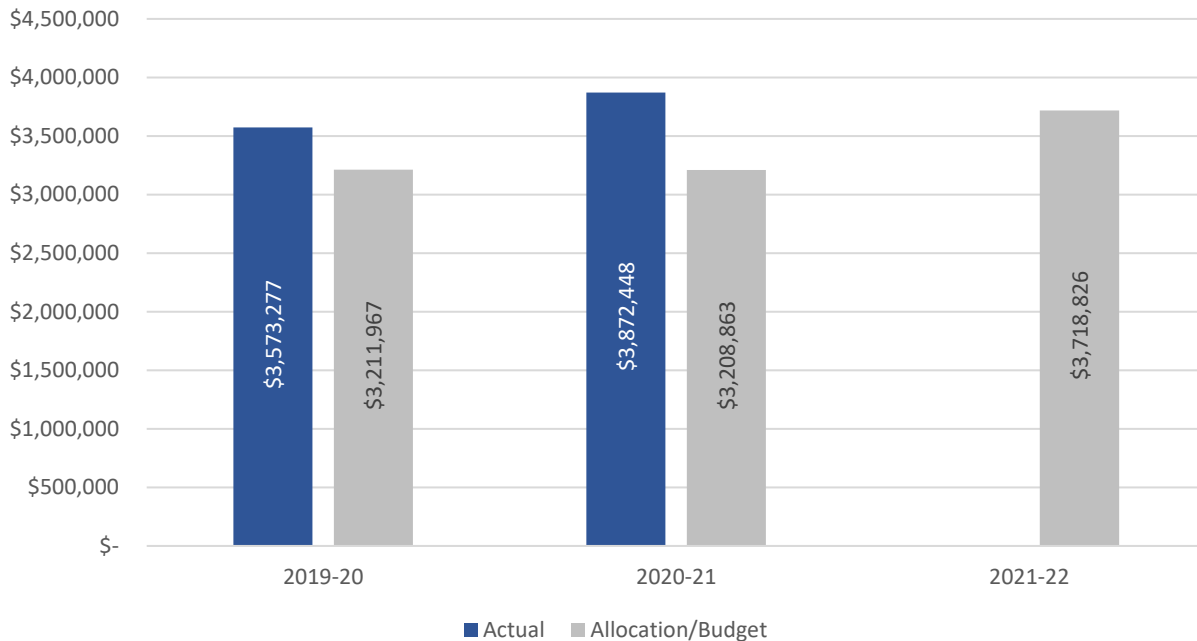
Separate pooled money investment reports prepared by the State of California are maintained by the District and available for review. The LAIF investment account is a pooled money account administered by the State of California. Additional information on the LAIF account is provided below in the investment summary report.

Investment Policy Disclosure - The District is currently compliant with the portfolio of its Investment Policy and State law. The District is using Sandy Gage with Merrill Lynch Wealth Management (Bank of America Corporation) for Treasury investments. The District expects to meet its expenditure requirements for the next six months.

Summary of Property Tax Revenue:

Current Month	Year-to-Date	Budget Amount	Percentage
Property Taxes	\$ 0	\$ 3,718,826	0%

Property Taxes - Actual vs. Budget

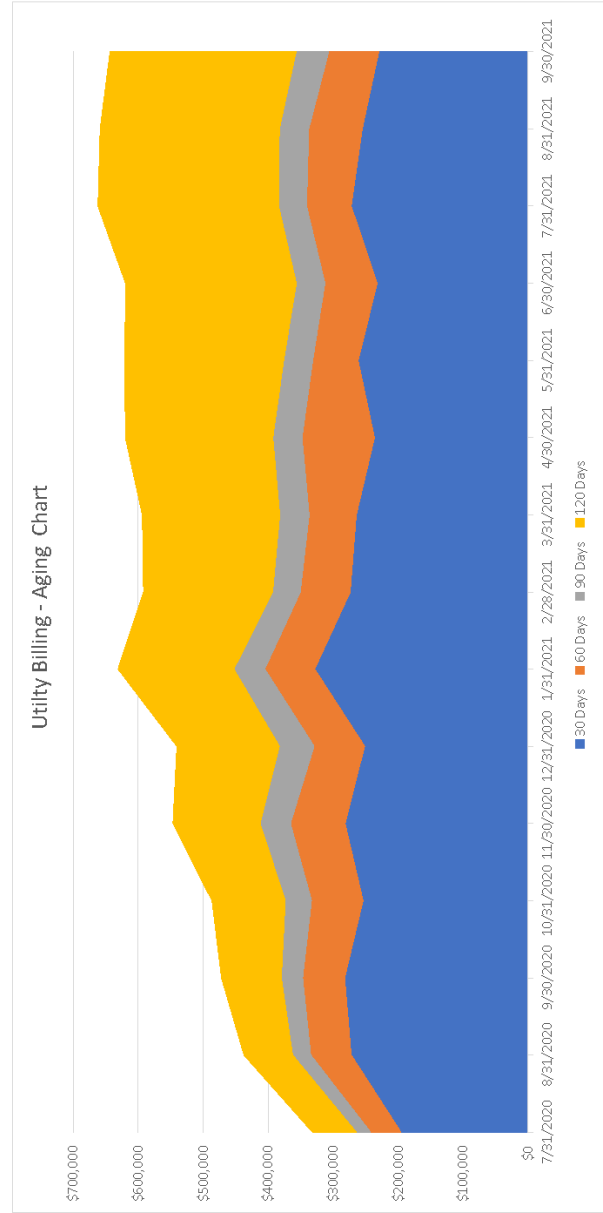
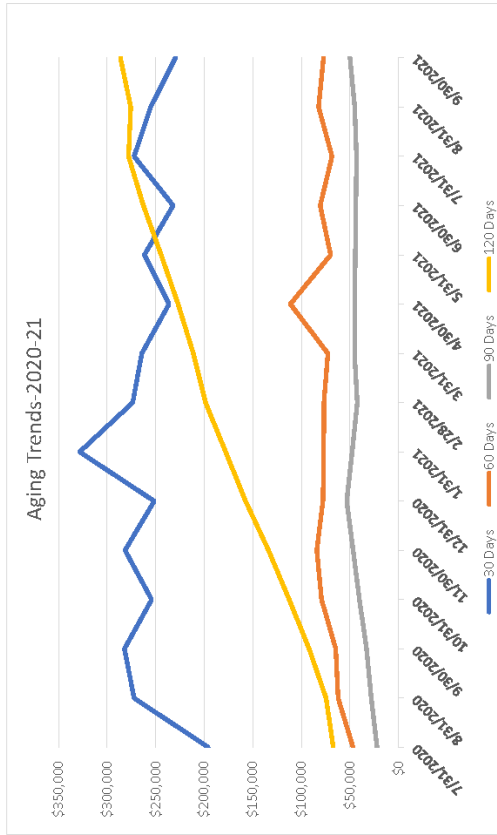


**Management Discussion**

This section is included in the monthly unaudited report to discuss items of importance that may have a financial impact on the District.

- The District continues to track the aging trends for Utility Receivables as a result of COVID-19 (see below).
- The annual financial audit will be presented to the Board October 19<sup>th</sup>.
- The District is currently in the process of ordering the large meters that will be replaced as part of the \$75,000 grant that was received.
- The District received a \$75,000 grant for Basin Groundwater Monitoring Project
- District staff are currently working with Fieldman Rolapp on potential refinancing of debt.
- The Finance group currently has job openings for front counter staff which are anticipated to be filled in November.

Average Pre-Covid	30 Days	60 Days	90 Days	120 Days
	<b>\$281,219</b>	<b>\$41,173</b>	<b>\$20,379</b>	<b>\$27,505</b>
7/31/2020	\$195,647	\$46,783	\$22,104	\$67,157
8/31/2020	\$272,158	\$62,221	\$28,092	\$74,515
9/30/2020	\$282,140	\$64,710	\$32,923	\$92,047
10/31/2020	\$254,095	\$79,254	\$40,271	\$112,550
11/30/2020	\$281,588	\$84,120	\$46,659	\$133,952
12/31/2020	\$251,518	\$77,823	\$63,354	\$157,520
1/31/2021	\$328,326	\$76,941	\$47,697	\$177,885
2/28/2021	\$273,713	\$76,804	\$42,494	\$198,653
3/31/2021	\$264,232	\$72,780	\$45,237	\$211,265
4/30/2021	\$236,321	\$111,345	\$45,143	\$226,884
5/31/2021	\$261,588	\$69,879	\$44,439	\$244,473
6/30/2021	\$231,995	\$80,694	\$43,964	\$262,736
7/31/2021	\$272,143	\$68,549	\$43,212	\$277,842
8/31/2021	\$255,242	\$82,352	\$45,061	\$275,665
9/30/2021	\$229,578	\$77,198	\$50,060	\$286,358
<b>Average Post Covid</b>	<b>\$264,156</b>	<b>\$74,271</b>	<b>\$36,975</b>	<b>\$143,544</b>
<b>% Increase</b>	<b>-6.07%</b>	<b>80.39%</b>	<b>81.44%</b>	<b>421.88%</b>



## Investment Summary - September 2021

### LOCAL AGENCY INVESTMENT FUND

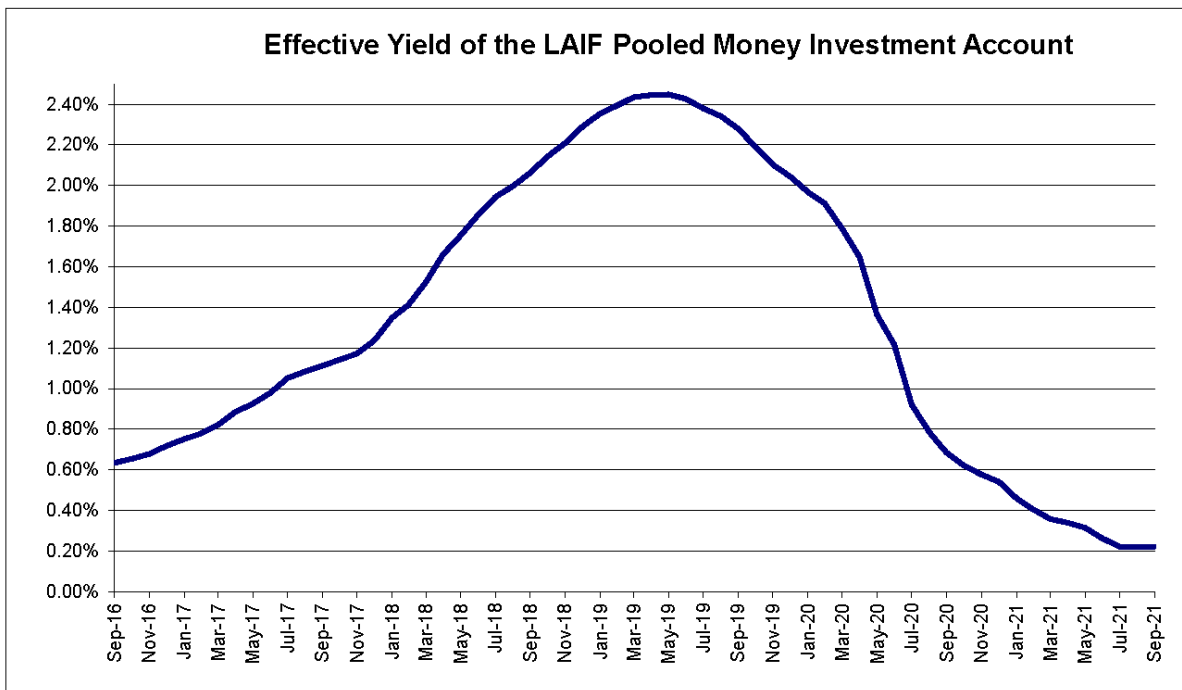
PERIOD	TOTAL WITHDRAWAL AMOUNT	TOTAL DEPOSIT AMOUNT	ACCRUED INTEREST (QUARTERLY)	ENDING BALANCE
July 31, 2021	\$ -	\$ -	\$ 10,522.50	\$ 13,541,108.95
August 31, 2021	\$ (2,300,000.00)	\$ -	\$ -	\$ 11,241,108.95
September 30, 2021	\$ (1,000,000.00)	\$ -	\$ -	\$ 10,241,108.95
October 31, 2021	\$ -	\$ -	\$ -	\$ 10,241,108.95
November 30, 2021	\$ -	\$ -	\$ -	\$ 10,241,108.95
December 31, 2021	\$ -	\$ -	\$ -	\$ 10,241,108.95
January 31, 2022	\$ -	\$ -	\$ -	\$ 10,241,108.95
February 28, 2022	\$ -	\$ -	\$ -	\$ 10,241,108.95
March 31, 2022	\$ -	\$ -	\$ -	\$ 10,241,108.95
April 30, 2022	\$ -	\$ -	\$ -	\$ 10,241,108.95
May 31, 2022	\$ -	\$ -	\$ -	\$ 10,241,108.95
June 30, 2022	\$ -	\$ -	\$ -	\$ 10,241,108.95

**L.A.I.F. INCOME SUMMARY**

**CURRENT QUARTER    FY YEAR-TO-DATE**

INCOME RECEIVED

\$ -                      \$ 10,522.50



**Fiscal Year 2021-22 Detail Budget Status**

The revenue and expense budget status for the 2021-22 Fiscal Year is provided for your review.

**Questions or Comments**

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

<b>Summary of Revenue Budget</b>				
<b>As of September 30, 2021 (25% of Budget Cycle)</b>				
<b>Division</b>	<b>Current Month</b>	<b>Year-to-Date</b>	<b>Budget Amount</b>	<b>Percentage</b>
Water	\$ 1,370,596	\$ 4,243,854	\$ 17,274,066	24.57%
Sewer	\$ 1,057,775	\$ 3,168,608	\$ 13,136,249	24.12%
Recycled Water	\$ 181,174	\$ 527,037	\$ 1,357,175	38.83%
<b>District Revenue</b>	<b>\$ 2,609,545</b>	<b>\$ 7,939,499</b>	<b>\$ 31,767,490</b>	<b>24.99%</b>

<b>Summary of Water Budget vs. Expenses</b>				
<b>As of September 30, 2021 (25% of Budget Cycle)</b>				
<b>Department</b>	<b>Current Month</b>	<b>Year-to-Date</b>	<b>Budget Amount</b>	<b>Percentage</b>
Water Resources	\$ 450,821	\$ 1,255,863	\$ 5,500,564	22.83%
Public Works	\$ 189,722	\$ 697,795	\$ 3,334,949	20.92%
Administration	\$ 175,754	\$ 692,063	\$ 2,736,004	25.29%
Long Term Debt	\$ -	\$ 1,805,931	\$ 2,296,063	78.65%
Asset Acquisition	\$ -	\$ -	\$ 3,406,486	0.00%
<b>TOTAL</b>	<b>\$ 816,297</b>	<b>\$ 4,451,651</b>	<b>\$ 17,274,066</b>	<b>25.77%</b>

<b>Summary of Sewer Budget vs. Expenses</b>				
<b>As of September 30, 2021 (25% of Budget Cycle)</b>				
<b>Department</b>	<b>Current Month</b>	<b>Year-to-Date</b>	<b>Budget Amount</b>	<b>Percentage</b>
Treatment	\$ 347,812	\$ 851,358	\$ 4,643,308	18.34%
Administration	\$ 196,122	\$ 1,014,388	\$ 2,579,815	39.32%
Environmental Control	\$ 107,484	\$ 331,013	\$ 1,394,057	23.74%
Long Term Debt	\$ -	\$ -	\$ 3,998,869	0.00%
Asset Acquisition	\$ -	\$ -	\$ 520,200	0.00%
<b>TOTAL</b>	<b>\$ 651,418</b>	<b>\$ 2,196,760</b>	<b>\$ 13,136,249</b>	<b>16.72%</b>

<b>Summary of Recycled Water Budget vs. Expenses</b>				
<b>As of September 30, 2021 (25% of Budget Cycle)</b>				
<b>Department</b>	<b>Current Month</b>	<b>Year-to-Date</b>	<b>Budget Amount</b>	<b>Percentage</b>
Administration	\$ 100,219	\$ 293,540	\$ 1,357,175	21.63%
<b>TOTAL</b>	<b>\$ 100,219</b>	<b>\$ 293,540</b>	<b>\$ 1,357,175</b>	<b>21.63%</b>

<b>District Expenses</b>	<b>\$ 1,567,934</b>	<b>\$ 6,941,951</b>	<b>\$ 31,767,490</b>	<b>21.85%</b>
--------------------------	---------------------	---------------------	----------------------	---------------

FY 2021-22 Water Revenue					
G/L ACCOUNT#	DESCRIPTION	BUDGET	Sept '21	Year to Date	%
02-400-40010	Sales-Water & Non Potable	\$ 5,940,677	\$ 827,446	\$ 2,516,906	42.37%
02-400-40011	Sales-Construction Water	\$ 104,040	\$ 1,987	\$ 14,552	13.99%
02-400-40012	Sales-Imported Water-SGPWA	\$ 265,225	\$ 31,311	\$ 105,751	39.87%
02-400-40013	Sales-Imported Water-MUNI	\$ 901,765	\$ 96,207	\$ 291,690	32.35%
02-400-40014	Sales-Disc (Multi Unit) Commdy	\$ (110,000)	\$ (11,896)	\$ (35,921)	32.66%
02-400-40015	Sales-Wholesale Water	\$ 212,180	\$ 20,100	\$ 58,232	27.44%
02-400-40016	Sales-Establish Service Fee	\$ 6,242	\$ -	\$ 100	1.60%
02-400-40017	Sales-Excess Drinking Water	\$ 587,062	\$ 37,720	\$ 116,622	19.87%
02-400-40018	Sales-Infrastructure	\$ 1,399,377	\$ 193,886	\$ 588,441	42.05%
02-400-41000	Sales-Service Demand Charges	\$ 4,017,585	\$ 336,513	\$ 1,007,593	25.08%
02-400-41001	Sales-Fire Srv Standby Fees	\$ 41,616	\$ 5,428	\$ 16,242	39.03%
02-400-41003	Sales-Const Water Minimum Chg	\$ 5,202	\$ 258	\$ 823	15.82%
02-400-41005	Sales-Disc (Multi Units)-SC	\$ (121,838)	\$ (12,556)	\$ (37,360)	30.66%
02-400-41010	Unauthorized Use of Water Chrg	\$ 2,081	\$ 500	\$ 500	24.03%
02-400-41110	Meter/Lateral Installation	\$ 104,040	\$ -	\$ 2,793	2.68%
02-400-41112	Fire Flow Test Fees	\$ 4,682	\$ 900	\$ 1,800	38.45%
02-400-41113	Disconnect & Reconnect Fees	\$ 106,090	\$ -	\$ -	0.00%
02-400-41121	Delinquent Payment Charges	\$ 143,222	\$ -	\$ -	0.00%
02-400-41124	Bad Debt Write-Off & Recovery	\$ (20,808)	\$ -	\$ -	0.00%
02-421-42122	Revenue - Other, Operating	\$ -	\$ -	\$ 145	N/A
02-421-42123	Admin, Management & Acctg Fees	\$ 210,681	\$ 17,557	\$ 52,670	25.00%
02-430-43010	Interest Earned	\$ 25,000	\$ -	\$ -	0.00%
02-431-43110	Property Tax - Unsecured	\$ -	\$ -	\$ -	N/A
02-431-43120	Property Tax - Secured	\$ 3,346,943	\$ -	\$ -	0.00%
02-431-43130	Tax Collection - Prior	\$ -	\$ -	\$ -	N/A
02-431-43140	Taxes - Other	\$ -	\$ -	\$ -	N/A
02-491-49110	Rental Income	\$ 3,001	\$ -	\$ -	0.00%
02-491-49150	Revenue - Misc Non-Operating	\$ 25,001	\$ (174,766)	\$ (457,725)	-1830.83%
	<b>WATER OPERATING REVENUE</b>	<b>\$ 17,199,066</b>	<b>\$ 1,370,596</b>	<b>\$ 4,243,854</b>	<b>24.67%</b>
	Transfer - Reserve Fund	\$ -	\$ -	\$ -	
02-480-48002	Grants	\$ 75,000	\$ -	\$ -	0.00%
02-480-48901	Contrib Cap-Capacity Fees	\$ -	\$ -	\$ 119,289	N/A
02-480-48902	Contrib Cap-Sustainability	\$ -	\$ -	\$ 881	N/A
	<b>TOTAL WATER REVENUE</b>	<b>\$ 17,274,066</b>	<b>\$ 1,370,596</b>	<b>\$ 4,364,024</b>	<b>25.26%</b>

**NOTE: Plan check & inspection fees to 02-42122**

FY 2021-22 Sewer Revenue					
G/L ACCOUNT#	DESCRIPTION	BUDGET	Sept '21	Year to Date	%
03-400-40016	Sales-Establish Service Fee	\$ 520	\$ -	\$ -	0.00%
03-400-41000	Sales-Sewer Charges	\$ 12,750,661	\$ 1,075,413	\$ 3,206,789	25.15%
03-400-41005	Sales-Disc (Multi Units)-SC	\$ (200,000)	\$ (17,639)	\$ (52,611)	26.31%
03-400-41110	Meter/Lateral Installation	\$ 15,075	\$ -	\$ 2,500	16.58%
03-400-41121	Penalty - Late Charges	\$ 127,513	\$ -	\$ -	0.00%
03-400-41124	Bad Debt Write-Off & Recovery	\$ (15,150)	\$ -	\$ -	0.00%
03-400-41131	Front Footage Fees	\$ 56,106	\$ -	\$ 11,750	20.94%
03-421-42122	Revenue - Other, Operating	\$ 2,040	\$ -	\$ 180	8.82%
03-430-43010	Interest Earned	\$ 25,000	\$ -	\$ -	0.00%
03-431-43110	Property Tax - Unsecured	\$ -	\$ -	\$ -	N/A
03-431-43120	Property Tax - Secured	\$ 371,883	\$ -	\$ -	0.00%
03-431-43130	Tax Collection - Prior	\$ -	\$ -	\$ -	N/A
03-431-43140	Taxes - Other	\$ -	\$ -	\$ -	N/A
03-491-49150	Revenue - Misc Non-Operating	\$ 2,601	\$ -	\$ -	0.00%
	<b>SEWER OPERATING REVENUE</b>	<b>\$ 13,136,249</b>	<b>\$ 1,057,775</b>	<b>\$ 3,168,608</b>	<b>24.12%</b>
03-480-48002	Grants	\$ -	\$ -	\$ -	N/A
03-480-48901	Contrib Cap-Capacity Fees	\$ -	\$ -	\$ 27,951	N/A
03-480-48905	Contrib Cap-Infrastructure	\$ -	\$ -	\$ 3,600	N/A
	<b>TOTAL SEWER REVENUE</b>	<b>\$ 13,136,249</b>	<b>\$ 1,057,775</b>	<b>\$ 3,200,159</b>	<b>24.36%</b>

FY 2021-22 Recycled Revenue					
G/L ACCOUNT#	DESCRIPTION	BUDGET	Sept '21	Year to Date	%
04-400-40010	Sales-Water & Non Potable	\$ 1,000,000	\$ 143,839	\$ 413,782	41.38%
04-400-40011	Sales-Construction Water	\$ 10,180	\$ -	\$ -	0.00%
04-400-40017	Sales-Excess Drinking Water	\$ 25,000	\$ 6,957	\$ 21,789	87.16%
04-400-40018	Sales-Infrastructure	\$ 74,755	\$ 11,858	\$ 36,029	48.20%
04-400-41000	Sales-Service Demand Charges	\$ 188,897	\$ 18,328	\$ 54,627	28.92%
04-400-41003	Sales-Const Water Minimum Chg	\$ 823	\$ 193	\$ 519	63.11%
04-400-41110	Meter/Lateral Installation	\$ 50,000	\$ -	\$ -	0.00%
04-400-41121	Penalty - Late Charges	\$ 2,010	\$ -	\$ -	0.00%
04-400-41122	Revenue - Other, Operating	\$ 510	\$ -	\$ 291	57.04%
04-430-43010	Interest Earned	\$ 5,000	\$ -	\$ -	0.00%
04-431-43110	Property Tax - Unsecured	\$ -	\$ -	\$ -	N/A
04-431-43120	Property Tax - Secured	\$ -	\$ -	\$ -	N/A
04-431-43130	Tax Collection - Prior	\$ -	\$ -	\$ -	N/A
04-431-43140	Taxes - Other	\$ -	\$ -	\$ -	N/A
04-491-49150	Revenue-Misc Non-Operating	\$ -	\$ -	\$ -	N/A
	<b>RECYCLED OPERATING REVENUE</b>	<b>\$ 1,357,175</b>	<b>\$ 181,174</b>	<b>\$ 527,037</b>	<b>38.83%</b>
04-480-48002	Grants	\$ -	\$ -	\$ -	N/A
04-480-48901	Contrib Cap-Capacity Fees	\$ -	\$ -	\$ -	N/A
	<b>TOTAL RECYCLED REVENUE</b>	<b>\$ 1,357,175</b>	<b>\$ 181,174</b>	<b>\$ 527,037</b>	<b>38.83%</b>



FY 2021-22 Water Expenses					
G/L ACCOUNT #	DESCRIPTION	BUDGET	Sept '21	Year to Date	%
02-501-50009	Labor - Overtime	\$ 49,944	\$ 6,726	\$ 12,840	25.71%
02-501-50010	Labor	\$ 1,046,041	\$ 80,897	\$ 253,978	24.28%
02-501-50011	Labor - Credit	\$ -	\$ -	\$ -	N/A
02-501-50013	Benefits-FICA	\$ 100,270	\$ 7,227	\$ 21,882	21.82%
02-501-50014	Benefits-Life Insurance	\$ 3,863	\$ 133	\$ 406	10.51%
02-501-50016	Benefits-Health & Def Comp	\$ 212,989	\$ 20,378	\$ 60,807	28.55%
02-501-50017	Benefits-Disability Insurance	\$ 23,332	\$ 1,362	\$ 4,042	17.32%
02-501-50019	Benefits-Workers Compensation	\$ 69,237	\$ -	\$ 3,815	5.51%
02-501-50021	Benefits-PERS Employee	\$ -	\$ -	\$ -	N/A
02-501-50022	Benefits-PERS Employer	\$ 77,054	\$ 5,693	\$ 17,162	22.27%
02-501-50023	Benefits-Uniforms	\$ 5,346	\$ 173	\$ 417	7.80%
02-501-50024	Benefits-Vacation & Sick Pay	\$ -	\$ -	\$ -	N/A
02-501-50025	Benefits-Boots & Incentives	\$ 8,700	\$ -	\$ -	0.00%
02-501-51003	R&M - Structures	\$ 312,120	\$ 9,795	\$ 26,797	8.59%
02-501-51011	R&M - Valves	\$ 20,808	\$ -	\$ 12,904	62.02%
02-501-51115	Laboratory Supplies	\$ 2,601	\$ -	\$ -	0.00%
02-501-51140	General Supplies & Expenses	\$ 16,000	\$ 252	\$ 3,842	24.01%
02-501-51210	Power Purchases	\$ 1,750,000	\$ 216,199	\$ 483,346	27.62%
02-501-51211	Electricity & Fuel	\$ 5,202	\$ 329	\$ 788	15.15%
02-501-51316	Supplemental Source of Supply	\$ 1,096,608	\$ 73,543	\$ 226,239	20.63%
02-501-54012	Education & Training	\$ 7,303	\$ -	\$ -	0.00%
02-501-54019	Licenses & Permits	\$ 67,626	\$ -	\$ -	0.00%
02-501-54025	Telephone & Internet	\$ 3,300	\$ 284	\$ 588	17.82%
02-501-54110	Laboratory Services	\$ 50,000	\$ -	\$ 12,402	24.80%
02-501-57040	YVRWFF-Crystal Creek Exp	\$ 572,220	\$ 34,557	\$ 113,607	19.85%
	<b>WATER RESOURCE TOTALS</b>	<b>\$ 5,500,564</b>	<b>\$ 450,821</b>	<b>\$ 1,255,863</b>	<b>22.83%</b>
02-503-50009	Labor - Overtime	\$ 64,914	\$ 4,511	\$ 16,322	25.14%
02-503-50010	Labor	\$ 1,651,642	\$ 124,002	\$ 354,252	21.45%
02-503-50011	Labor - Credit	\$ -	\$ (1,781)	\$ (1,781)	N/A
02-503-50013	Benefits-FICA	\$ 166,099	\$ 10,355	\$ 29,828	17.96%
02-503-50014	Benefits-Life Insurance	\$ 7,773	\$ 258	\$ 793	10.21%
02-503-50016	Benefits-Health & Def Comp	\$ 451,925	\$ 38,921	\$ 116,803	25.85%
02-503-50017	Benefits-Disability Insurance	\$ 38,646	\$ 1,785	\$ 5,601	14.49%
02-503-50019	Benefits-Workers Compensation	\$ 12,551	\$ -	\$ 3,815	30.40%
02-503-50021	Benefits-PERS Employee	\$ -	\$ -	\$ -	N/A
02-503-50022	Benefits-PERS Employer	\$ 123,505	\$ 7,835	\$ 24,648	19.96%
02-503-50023	Benefits-Uniforms	\$ 12,012	\$ 585	\$ 1,625	13.53%
02-503-50024	Benefits-Vacation & Sick Pay	\$ -	\$ -	\$ -	N/A
02-503-50025	Benefits-Boots & Incentives	\$ 18,503	\$ -	\$ -	0.00%
02-503-51001	R&M - Vehicles & Equipment	\$ 275,000	\$ 5,201	\$ 49,581	18.03%
02-503-51011	R&M - Valves	\$ 5,202	\$ -	\$ -	0.00%
02-503-51020	R&M - Pipelines	\$ 208,080	\$ 44	\$ 6,736	3.24%

FY 2021-22 Water Expenses						
G/L ACCOUNT #	DESCRIPTION	BUDGET	Sept '21	Year to Date	%	
02-503-51021	R&M - Service Lines	\$ 99,878	\$ (2,092)	\$ 5,106	5.11%	
02-503-51022	R&M - Fire Hydrants	\$ 52,020	\$ 222	\$ 5,741	11.04%	
02-503-51029	Repair & Maintenance-Backflow	\$ 67,626	\$ 4,345	\$ 12,749	18.85%	
02-503-51030	R&M - Meters	\$ 31,212	\$ 35	\$ 64,397	206.32%	
02-503-51031	R&M - Fire Flow Testing	\$ 26,010	\$ -	\$ 1,179	4.53%	
02-503-51092	Equipment Credits	\$ -	\$ (2,293)	\$ (2,293)	N/A	
02-503-51140	General Supplies & Expenses	\$ 3,121	\$ 257	\$ 257	8.24%	
02-503-54012	Education & Training	\$ 15,230	\$ 1,650	\$ 1,650	10.83%	
02-503-54025	Telephone & Internet	\$ 4,000	\$ 392	\$ 784	19.60%	
	<b>PUBLIC WORKS TOTALS</b>	<b>\$ 3,334,949</b>	<b>\$ 189,722</b>	<b>\$ 697,795</b>	<b>20.92%</b>	
02-506-50009	Labor - Overtime	\$ 5,736	\$ 1,460	\$ 2,653	46.25%	
02-506-50010	Labor	\$ 601,289	\$ 47,697	\$ 142,123	23.64%	
02-506-50011	Labor - Credit	\$ -	\$ -	\$ 3,290	N/A	
02-506-50012	Director Fees	\$ 20,000	\$ 2,928	\$ 5,125	25.62%	
02-506-50013	Benefits-FICA	\$ 60,066	\$ 3,959	\$ 11,452	19.07%	
02-506-50014	Benefits-Life Insurance	\$ 2,839	\$ 81	\$ 244	8.59%	
02-506-50016	Benefits-Health & Def Comp	\$ 156,292	\$ 16,545	\$ 46,496	29.75%	
02-506-50017	Benefits-Disability Insurance	\$ 13,978	\$ 645	\$ 1,974	14.13%	
02-506-50019	Benefits-Workers Compensation	\$ 3,653	\$ -	\$ 1,800	49.27%	
02-506-50021	Benefits-PERS Employee	\$ -	\$ -	\$ -	N/A	
02-506-50022	Benefits-PERS Employer	\$ 49,910	\$ 3,824	\$ 11,805	23.65%	
02-506-50023	Benefits-Uniforms	\$ -	\$ 155	\$ 518	N/A	
02-506-50024	Benefits-Vacation & Sick Pay	\$ -	\$ -	\$ -	N/A	
02-506-50025	Benefits-Boots & Incentives	\$ 2,619	\$ 300	\$ 300	11.45%	
02-506-51003	R&M - Structures	\$ 36,414	\$ 1,127	\$ 3,356	9.22%	
02-506-51091	Expense Credits (overhead)	\$ -	\$ -	\$ -	N/A	
02-506-51120	Safety Equipment & Supplies	\$ 26,010	\$ 1,127	\$ 5,101	19.61%	
02-506-51125	Petroleum Products	\$ 156,060	\$ 20,931	\$ 54,502	34.92%	
02-506-51130	Office Supplies & Expenses	\$ 36,414	\$ 2,020	\$ 4,660	12.80%	
02-506-51140	General Supplies & Expenses	\$ 41,616	\$ 3,246	\$ 6,630	15.93%	
02-506-51199	Disaster Repairs & Incidences	\$ -	\$ 520	\$ 780	N/A	
02-506-51211	Utilities - Electricity	\$ 33,293	\$ 4,976	\$ 10,543	31.67%	
02-506-51213	Utilities - Natural Gas	\$ 2,081	\$ 53	\$ 139	6.68%	
02-506-54002	Dues & Subscriptions	\$ 31,212	\$ 192	\$ 1,579	5.06%	
02-506-54005	Computer Expenses	\$ 150,858	\$ 3,922	\$ 20,051	13.29%	
02-506-54010	Postage	\$ 10,404	\$ 2,049	\$ 2,640	25.37%	
02-506-54011	Printing & Publications	\$ -	\$ -	\$ -	N/A	
02-506-54012	Education & Training	\$ 20,808	\$ 2,771	\$ 3,004	14.44%	
02-506-54013	Utility Billing Expenses	\$ 232,000	\$ 16,652	\$ 56,459	24.34%	
02-506-54014	Public Relations	\$ 13,500	\$ -	\$ 204	1.51%	
02-506-54016	Travel Related Expenses	\$ 7,803	\$ -	\$ -	0.00%	
02-506-54017	Certifications & Renewals	\$ 12,485	\$ 435	\$ 1,416	11.34%	
02-506-54020	Meeting Related Expenses	\$ 5,000	\$ 927	\$ 1,485	29.71%	
02-506-54022	Utilities - YVWD Services	\$ 100,000	\$ 11,949	\$ 29,500	29.50%	

FY 2021-22 Water Expenses					
G/L ACCOUNT #	DESCRIPTION	BUDGET	Sept '21	Year to Date	%
02-506-54024	Waste Disposal	\$ 9,000	\$ 455	\$ 1,365	15.17%
02-506-54025	Telephone & Internet	\$ 46,818	\$ 3,412	\$ 12,067	25.77%
02-506-54099	Conservation & Rebates	\$ 10,000	\$ -	\$ 1,131	11.31%
02-506-54104	Contractual Services	\$ 198,000	\$ 6,251	\$ 33,560	16.95%
02-506-54107	Legal	\$ 31,212	\$ -	\$ 139,109	445.69%
02-506-54108	Audit & Accounting	\$ 15,606	\$ -	\$ -	0.00%
02-506-54109	Professional Fees	\$ 171,666	\$ -	\$ 32,217	18.77%
02-506-55500	Depreciation	\$ 208,080	\$ -	\$ -	0.00%
02-506-56001	Insurance	\$ 104,040	\$ 11,103	\$ 32,538	31.27%
02-506-57030	Regulatory Compliance	\$ 36,414	\$ 2,500	\$ 7,246	19.90%
02-506-57090	Election Related Expenses	\$ -	\$ -	\$ -	N/A
02-506-57095	Yucaipa SGMA	\$ 10,404	\$ -	\$ -	0.00%
02-506-57096	Beaumont Basin Watermaster	\$ 41,616	\$ 3,000	\$ 3,000	7.21%
02-506-57097	San Timoteo SGMA	\$ 5,202	\$ -	\$ -	0.00%
02-506-57098	Bunker Hill GSC	\$ 15,606	\$ -	\$ -	0.00%
02-506-57199	Suspense	\$ -	\$ -	\$ -	
	<b>ADMINISTRATION TOTALS</b>	<b>\$ 2,736,004</b>	<b>\$ 175,754</b>	<b>\$ 692,063</b>	<b>25.29%</b>
02-540-57201	Series 2015A Principal	\$ 1,290,000	\$ -	\$ 1,290,000	100.00%
02-540-57402	Interest - Bond Repayment	\$ 1,006,063	\$ -	\$ 515,931	51.28%
	<b>40 - Debt</b>	<b>\$ 2,296,063</b>	<b>\$ -</b>	<b>\$ 1,805,931</b>	<b>78.65%</b>
02-540-57001	Asset Acq. - Water Dept	\$ -	\$ -	\$ -	--
02-540-57003	Asset Acq. - US Dept	\$ -	\$ -	\$ -	--
02-540-57006	Asset Acq. - Admin Dept	\$ -	\$ -	\$ -	--
02-540-57807	Infrastructure Replacement Fnd	\$ 3,406,486	\$ -	\$ -	0.00%
	<b>40 - Capital Outlay</b>	<b>\$ 3,406,486</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>
	<b>TOTAL WATER EXPENSES</b>	<b>\$ 17,274,066</b>	<b>\$ 816,297</b>	<b>\$ 4,451,651</b>	<b>25.77%</b>

FY 2021-22 Sewer Expenses					
G/L ACCOUNT #	DESCRIPTION	BUDGET	Sept '21	Year to Date	%
03-502-50009	Labor - Overtime	\$ 40,931	\$ 6,726	\$ 12,839	31.37%
03-502-50010	Labor	\$ 1,085,874	\$ 83,715	\$ 248,968	22.93%
03-502-50013	Benefits-FICA	\$ 102,965	\$ 7,421	\$ 21,577	20.96%
03-502-50014	Benefits-Life Insurance	\$ 3,927	\$ 138	\$ 426	10.84%
03-502-50016	Benefits-Health & Def Comp	\$ 217,552	\$ 20,385	\$ 60,522	27.82%
03-502-50017	Benefits-Disability Insurance	\$ 23,959	\$ 1,411	\$ 3,980	16.61%
03-502-50019	Benefits-Workers Compensatn	\$ 70,571	\$ -	\$ 2,571	3.64%
03-502-50021	Benefits-PERS Employee	\$ -	\$ -	\$ (633)	N/A
03-502-50022	Benefits-PERS Employer	\$ 77,743	\$ 5,758	\$ 16,616	21.37%
03-502-50023	Benefits-Uniforms	\$ 5,874	\$ 286	\$ 807	13.74%
03-502-50024	Benefits-Vacation & Sick Pay	\$ -	\$ -	\$ -	N/A
03-502-50025	Benefits-Boots & Incentives	\$ 7,590	\$ -	\$ -	0.00%
03-502-51003	R&M - Structures	\$ 364,140	\$ 46,103	\$ 152,457	41.87%
03-502-51010	R&M - Automation Control	\$ 67,626	\$ -	\$ 15,867	23.46%
03-502-51106	Chemicals	\$ 755,000	\$ 53,262	\$ 151,669	20.09%
03-502-51111	Propane	\$ 520	\$ -	\$ 3,541	680.95%
03-502-51115	Laboratory Supplies	\$ 31,212	\$ 87	\$ 392	1.25%
03-502-51140	General Supplies & Expenses	\$ 18,000	\$ -	\$ 3,247	18.04%
03-502-51210	Utilities - Power Purchases	\$ 1,013,372	\$ 121,091	\$ 200,738	19.81%
03-502-54012	Education & Training	\$ 7,566	\$ 200	\$ 200	2.64%
03-502-54025	Telephone & Internet	\$ 5,000	\$ 348	\$ 716	14.32%
03-502-54110	Laboratory Services	\$ 88,434	\$ 332	\$ 11,102	12.55%
03-502-57031	Sewage Waste Disposal-Solids	\$ 239,292	\$ -	\$ 46,770	19.54%
03-502-57034	Brineline Operating Expenses	\$ 416,160	\$ 549	\$ (103,013)	-24.75%
	<b>TREATMENT TOTALS</b>	<b>\$ 4,643,308</b>	<b>\$ 347,812</b>	<b>\$ 851,358</b>	<b>18.34%</b>
03-506-50009	Labor - Overtime	\$ 5,736	\$ 1,460	\$ 2,669	46.54%
03-506-50010	Labor	\$ 601,289	\$ 47,697	\$ 139,081	23.13%
03-506-50011	Labor - Credit	\$ -	\$ -	\$ 2,935	N/A
03-506-50012	Director Fees	\$ 20,000	\$ 2,928	\$ 5,125	25.62%
03-506-50013	Benefits-FICA	\$ 60,028	\$ 3,959	\$ 11,000	18.33%
03-506-50014	Benefits-Life Insurance	\$ 2,839	\$ 81	\$ 251	8.86%
03-506-50016	Benefits-Health & Def Comp	\$ 155,786	\$ 16,749	\$ 48,512	31.14%
03-506-50017	Benefits Disability Insurane	\$ 13,969	\$ 645	\$ 1,753	12.55%
03-506-50019	Benefits-Workers Compensation	\$ 5,861	\$ -	\$ 1,200	20.47%
03-506-50021	Benefits-PERS Employee	\$ -	\$ -	\$ (366)	N/A
03-506-50022	Benefits-PERS Employer	\$ 49,910	\$ 3,824	\$ 308,103	617.32%
03-506-50023	Benefits-Uniforms	\$ -	\$ -	\$ -	N/A
03-506-50024	Benefits-Vacation & Sick Pay	\$ -	\$ -	\$ -	N/A
03-506-50025	Benefits-Boots & Incentives	\$ 2,619	\$ -	\$ -	0.00%
03-506-50055	Pension Expense-GASB 68	\$ -	\$ -	\$ -	N/A
03-506-51120	Safety Equipment & Supplies	\$ 9,884	\$ -	\$ 1,497	15.15%
03-506-51125	Petroleum Products	\$ 24,970	\$ 2,081	\$ 8,222	32.93%
03-506-51130	Office Supplies & Expenses	\$ 7,283	\$ 1,850	\$ 2,672	36.68%
03-506-51140	General Supplies & Expenses	\$ 5,000	\$ 266	\$ 1,406	28.13%
03-506-51199	Disaster Repairs & Incidences	\$ -	\$ -	\$ -	N/A

FY 2021-22 Sewer Expenses					
G/L ACCOUNT #	DESCRIPTION	BUDGET	Sept '21	Year to Date	%
03-506-54002	Dues & Subscriptions	\$ 31,212	\$ 267	\$ 657	2.10%
03-506-54003	Management & Admin Services	\$ 210,681	\$ 17,557	\$ 52,326	24.84%
03-506-54005	Computer Expenses	\$ 124,848	\$ 3,711	\$ 13,998	11.21%
03-506-54011	Printing & Publications	\$ -	\$ -	\$ -	N/A
03-506-54012	Education & Training	\$ 20,400	\$ 1,874	\$ 2,346	11.50%
03-506-54014	Public Relations	\$ 26,010	\$ -	\$ -	0.00%
03-506-54016	Travel Related Expenses	\$ 10,404	\$ 214	\$ 1,803	17.33%
03-506-54017	Certifications & Renewals	\$ 10,200	\$ 210	\$ 855	8.38%
03-506-54019	Licenses & Permits	\$ 72,828	\$ -	\$ -	0.00%
03-506-54020	Meeting Related Expenses	\$ 5,202	\$ 927	\$ 1,240	23.83%
03-506-54022	Utilities - YVWD Services	\$ 500,000	\$ 56,491	\$ 166,727	33.35%
03-506-54024	Waste Disposal	\$ 40,000	\$ 3,527	\$ 6,709	16.77%
03-506-54025	Telephone & Internet	\$ 52,020	\$ 5,323	\$ 15,727	30.23%
03-506-54030	Drinking Water	\$ -	\$ -	\$ -	N/A
03-506-54104	Contractual Services	\$ 47,858	\$ 3,518	\$ 24,403	50.99%
03-506-54107	Legal	\$ 31,212	\$ -	\$ 2,643	8.47%
03-506-54108	Audit & Accounting	\$ 15,606	\$ -	\$ -	0.00%
03-506-54109	Professional Fees	\$ 208,080	\$ 6,499	\$ 125,516	60.32%
03-506-55500	Depreciation	\$ -	\$ -	\$ -	N/A
03-506-56001	Insurance	\$ 135,252	\$ 14,463	\$ 47,750	35.30%
03-506-57030	Regulatory Compliance	\$ 72,828	\$ -	\$ 17,630	24.21%
	<b>ADMINISTRATION TOTALS</b>	<b>\$ 2,579,815</b>	<b>\$ 196,122</b>	<b>\$ 1,014,388</b>	<b>39.32%</b>
03-507-50009	Labor - Overtime	\$ 26,886	\$ 2,538	\$ 6,396	23.79%
03-507-50010	Labor	\$ 638,741	\$ 49,224	\$ 135,624	21.23%
03-507-50011	Labor - Credit	\$ -	\$ -	\$ -	0.00%
03-507-50013	Benefits-FICA	\$ 64,062	\$ 4,138	\$ 11,358	17.73%
03-507-50014	Benefits-Life Insurance	\$ 2,916	\$ 100	\$ 304	10.43%
03-507-50016	Benefits-Health & Def Comp	\$ 170,859	\$ 14,637	\$ 42,779	25.04%
03-507-50017	Benefits-Disability Insurance	\$ 14,907	\$ 735	\$ 2,087	14.00%
03-507-50019	Benefits-Workers Compensatio	\$ 15,250	\$ -	\$ 2,571	16.86%
03-507-50021	Benefits-PERS Employee	\$ -	\$ -	\$ (332)	N/A
03-507-50022	Benefit-PERS Employer	\$ 50,520	\$ 3,420	\$ 10,112	20.02%
03-507-50023	Benefits-Uniforms	\$ 4,092	\$ 171	\$ 515	12.57%
03-507-50024	Benefits-Vacation & Sick Pay	\$ -	\$ -	\$ -	N/A
03-507-50025	Benefits-Boots & Incentives	\$ 7,642	\$ -	\$ -	0.00%
03-507-51003	Sewer Pipeline & Facilities	\$ 250,002	\$ 16,978	\$ 63,411	25.36%
03-507-51140	General Supplies & Expenses	\$ 502	\$ 30	\$ 30	5.99%
03-507-51241	Lift Station #1	\$ 52,502	\$ 7,879	\$ 28,226	53.76%
03-507-51242	Lift Station #2	\$ 18,002	\$ 1,622	\$ 3,415	18.97%
03-507-51243	Lift Station #3	\$ 3,202	\$ 170	\$ 301	9.41%
03-507-51244	Lift Station #4	\$ 9,502	\$ 1,511	\$ 3,666	38.58%
03-507-51246	Lift Station #6	\$ 5,002	\$ 1,126	\$ 1,749	34.97%

FY 2021-22 Sewer Expenses					
G/L ACCOUNT #	DESCRIPTION	BUDGET	Sept '21	Year to Date	%
03-507-51248	Lift Station #8	\$ 2,502	\$ 139	\$ 201	8.04%
03-507-54012	Education & Training	\$ 5,428	\$ -	\$ -	0.00%
03-507-54025	Telephone & Internet	\$ 1,536	\$ 152	\$ 304	19.79%
03-507-54111	Pretreatment	\$ 50,002	\$ 2,915	\$ 18,295	36.59%
	<b>ENVIRONMENTAL CONTROL TOTAL</b>	<b>\$ 1,394,057</b>	<b>\$ 107,484</b>	<b>\$ 331,013</b>	<b>23.74%</b>
03-540-57202	SRF Principal - WWTP	\$ 2,418,402	\$ -	\$ -	0.00%
03-540-57203	SRF Principal - Brineline	\$ 471,609	\$ -	\$ -	0.00%
03-540-57204	SRF Principal - Wise	\$ 142,676	\$ -	\$ -	0.00%
03-540-57205	SRF Principal - R 10.3	\$ 41,803	\$ -	\$ -	0.00%
03-540-57206	SRF Principal - Crow St	\$ 16,346	\$ -	\$ -	0.00%
03-540-57403	Interest - Long Term Debt	\$ 908,033	\$ -	\$ -	0.00%
	<b>40 - Debt</b>	<b>\$ 3,998,869</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>
03-540-57002	Asset Acq. - Treatment Dept	\$ -	\$ -	\$ -	N/A
03-540-57006	Asset Acq. - Admin Dept	\$ -	\$ -	\$ -	N/A
03-540-57007	Asset Acq. - EC Dept	\$ -	\$ -	\$ -	N/A
03-540-57807	Infrastructure Replacement Fnd	\$ 520,200	\$ -	\$ -	0.00%
	<b>40 - Capital Outlay</b>	<b>\$ 520,200</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>
	<b>TOTAL SEWER EXPENSES</b>	<b>\$ 13,136,249</b>	<b>\$ 651,418</b>	<b>\$ 2,196,760</b>	<b>16.72%</b>



FY 2021-22 Recycled Expenses					
G/L ACCOUNT #	DESCRIPTION	BUDGET	Sept '21	Year to Date	%
04-506-50009	Labor - Overtime	\$ 21,428	\$ 951	\$ 2,820	13.16%
04-506-50010	Labor	\$ 701,675	\$ 54,559	\$ 163,023	23.23%
04-506-50011	Labor - Credit	\$ -	\$ -	\$ -	N/A
04-506-50012	Director Fees	\$ -	\$ -	\$ -	N/A
04-506-50013	Benefits-FICA	\$ 67,679	\$ 4,366	\$ 13,088	19.34%
04-506-50014	Benefits-Life Insurance	\$ 2,654	\$ 96	\$ 290	10.92%
04-506-50016	Benefits-Health & Def Comp	\$ 160,108	\$ 15,402	\$ 46,120	28.81%
04-506-50017	Benefits-Disability Insurance	\$ 15,747	\$ 806	\$ 2,469	15.68%
04-506-50019	Benefits-Workers Compensation	\$ 10,862	\$ -	\$ 1,800	16.57%
04-506-50021	Benefits-PERS Employee	\$ -	\$ -	\$ -	N/A
04-506-50022	Benefits-PERS Employer	\$ 57,041	\$ 4,213	\$ 12,873	22.57%
04-506-50023	Benfits-Uniforms	\$ 1,716	\$ 35	\$ 97	5.67%
04-506-50024	Benefits-Vacation & Sick Pay	\$ -	\$ -	\$ -	N/A
04-506-50025	Benefits-Boots & Incentives	\$ 7,654	\$ -	\$ -	0.00%
04-506-51003	R&M - Structures	\$ 15,606	\$ 24	\$ 24	0.15%
04-506-51011	R&M - Valves	\$ 24,000	\$ -	\$ -	0.00%
04-506-51020	R&M - Pipelines	\$ 24,000	\$ -	\$ -	0.00%
04-506-51021	R&M - Service Lines	\$ 2,081	\$ -	\$ -	0.00%
04-506-51022	R&M - Fire Hydrants	\$ 2,081	\$ -	\$ -	0.00%
04-506-51030	R&M - Meters	\$ 1,561	\$ -	\$ 2,398	153.61%
04-506-51140	General Supplies & Expenses	\$ 3,121	\$ -	\$ 832	26.65%
04-506-51210	Utilities - Power Purchases	\$ 99,735	\$ 14,963	\$ 28,956	29.03%
04-506-54002	Dues & Subscriptions	\$ 3,121	\$ -	\$ 10	0.30%
04-506-54005	Computer Expenses	\$ 5,202	\$ -	\$ 1,803	34.66%
04-506-54011	Printing & Publications	\$ -	\$ -	\$ -	N/A
04-506-54012	Education & Training	\$ 3,641	\$ 864	\$ 1,097	30.13%
04-506-54014	Public Relations	\$ 4,370	\$ -	\$ -	0.00%
04-506-54016	Travel Related Expenses	\$ 1,040	\$ -	\$ -	0.00%
04-506-54017	Certifications & Renewals	\$ 520	\$ -	\$ -	0.00%
04-506-54019	Licenses & Permits	\$ 14,000	\$ -	\$ -	0.00%
04-506-54020	Meeting Related Expenses	\$ 1,457	\$ 193	\$ 284	19.51%
04-506-54022	Utilities - YVWD Services	\$ 13,005	\$ 961	\$ 2,773	21.32%
04-506-54025	Telephone & Internet	\$ 1,457	\$ 120	\$ 423	29.03%
04-506-54104	Contractual Services	\$ 30,000	\$ 287	\$ 3,731	12.44%
04-506-54107	Legal	\$ 520	\$ -	\$ -	0.00%
04-506-54108	Audit & Accounting	\$ 6,800	\$ -	\$ -	0.00%
04-506-54109	Professional Fees	\$ 20,000	\$ -	\$ 1,434	7.17%
04-506-54110	Laboratory Services	\$ -	\$ -	\$ -	N/A
04-506-55500	Depreciation	\$ -	\$ -	\$ -	N/A
04-5-06-56001	Insurance	\$ 26,010	\$ 2,382	\$ 7,145	27.47%
04-5-06-57030	Regulatory Compliance	\$ 6,763	\$ -	\$ 50	0.74%
04-5-06-57040	Environmental Compliance	\$ 520	\$ -	\$ -	0.00%
	<b>TOTAL RECYCLED EXPENSES</b>	<b>\$ 1,357,175</b>	<b>\$ 100,219</b>	<b>\$ 293,540</b>	<b>21.63%</b>



**Date:** October 19, 2021

**Task:** 81810

**Prepared By:** Matthew Porras, Implementation Manager

**Subject:** Award of a Construction Contract for the Calimesa Recycled Water Conveyance Project

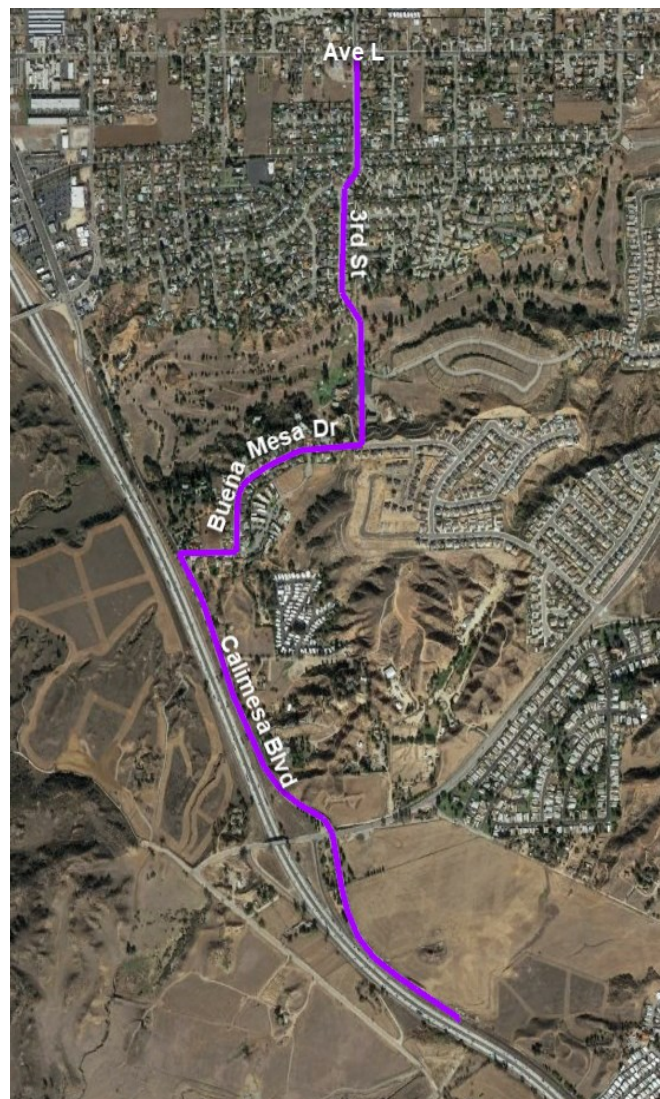
**Recommendation:** That the Board authorize the General Manager to award a construction contract for the Calimesa Recycled Water Conveyance Project to Borden Excavating, Inc. for a sum not to exceed \$4,047,174.

The Yucaipa Valley Water District has completed the design and bid package for the Calimesa Recycled Water Conveyance Project. On April 6, 2021, the Board of Directors authorized the General Manager to solicit bids for the project [Director Memorandum 21-071]. The project will connect the existing recycled water mainline located within Avenue L in the City of Calimesa, to the existing facilities and customers in the southern end of the District's service area.

The proposed pipeline project involves approximately 11,865 ± linear feet of 24-inch cement mortar lined ductile iron pipe, including various valves, appurtenances, and connections.

The design drawings have been shared with the State Water Resources Control Board Division of Drinking Water, City of Calimesa, and South Mesa Mutual Water Company for review and comments.

The purpose of the item is to award a construction contract for the project. The table below summarizes the bids that have been submitted within the bid period.





District staff recommends the Board award the construction contract to Borden Excavating Inc. for a sum not to exceed \$4,047,174 based on the submitted bids and the attached letter of recommendation from Krieger & Stewart Engineering Consultants.

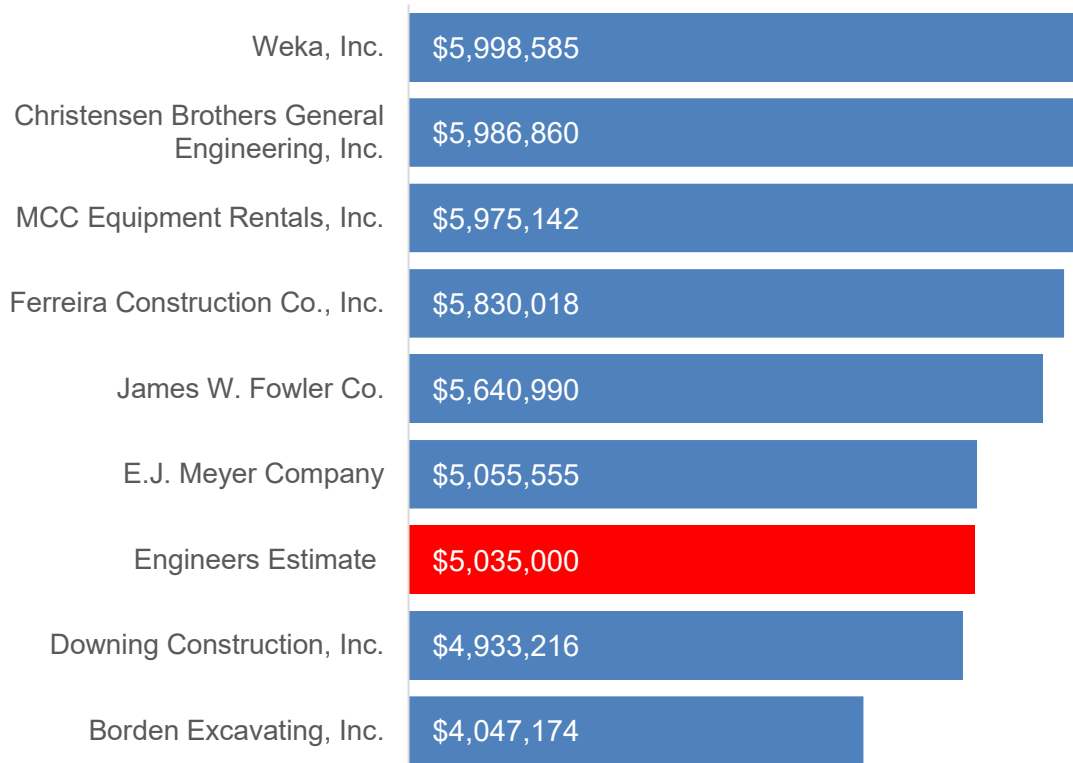
Financial Impact

The total cost of this project, which includes this construction contract will be funded as follows:

- \$2,892,500 from State Revolving Fund Loan,
- \$1,133,750 from Water Recycling Loan,
- \$1,758,750 Water Recycling Grant.

The current interest rate for loans associated with this project is 0.90%.

### Calimesa Recycled Water Conveyance Project- Bid Results





October 7, 2021

818-68.5 F/C

Matthew Porras, Implementation Manager  
 Yucaipa Valley Water District  
 12770 Second Street  
 Yucaipa, CA 92399

Subject: 3rd Street, Buena Mesa Drive, and Calimesa Boulevard 24" Recycled Water Pipeline  
 Bid Results and Award Recommendation

Dear Mr. Porras:

On September 28, 2021, the Yucaipa Valley Water District (District) received 8 bids ranging from \$4,047,174 to \$5,998,585 for subject project as follows:

<u>Contractor</u>	<u>Bid Amount</u>
Borden Excavating, Inc.	\$4,047,174.00
Downing Construction, Inc.	\$4,933,216.00
E.J. Meyer Company	\$5,055,555.00
James W. Fowler Co.	\$5,640,990.00
Ferreira Construction Co., Inc., dba Ferreira Coastal Construction Co.	\$5,830,018.00
MCC Equipment Rentals, Inc.	\$5,975,142.00
Christensen Brothers General Engineering, Inc.	\$5,986,860.00
Weka, Inc.	\$5,998,585.00

The Engineer's Estimate was \$5,035,000.

The low bidder is Borden Excavating, Inc. (Borden) in the amount of \$4,047,174.00. Borden Excavating, Inc.'s bid contained minor, correctable irregularities as summarized below. All other components of Borden Excavating, Inc.'s bid were complete and met the requirements of the Contract Documents.

#### Review of Good Faith Efforts Requirements

Since this project is funded in part by the California State Water Resources Control Board, the bidders were required to make an effort to utilize Disadvantaged Business Enterprises (DBEs). Following is a summary of our review of Borden's efforts to comply with the six (6) affirmative steps listed under Good Faith Effort Requirements:

1. ***Ensure DBEs are made aware of contracting opportunities to the fullest extent practical through outreach and recruitment activities. For Tribal, State and Local Government Recipients, this will include placing DBEs on solicitation lists and soliciting them whenever they are potential sources.***

Borden utilized Construction Bid Source to advertise for DBEs, a statewide web-based advertising service. Construction Bid Source is recognized by the State of California as a Trade and Focus

---

Shipping/Mailing Address: 3890 Orange Street #1509, Riverside, CA 92502  
 Office Location: 3602 University Avenue, Riverside, CA 92501  
 Tel: (951) 684-6900 • Fax: (951) 684-6986 • [www.kriegerandstewart.com](http://www.kriegerandstewart.com)



Matthew Porras  
 October 7, 2021  
 Page 2

publication, and it includes a notification service to DBEs on projects for which General Contactor's are soliciting bids from DBEs.

2. ***Make information on forthcoming opportunities available to DBEs. Posting solicitations for bids or proposals for a minimum of 30 calendar days in a local newspaper, before the bid opening date.***

All 8 bidders utilized web-based advertising to notify DBEs of the project and to solicit bids for subcontracts. One bidder, E.J. Meyer Company, also advertised in the Press Enterprise. Although the exact language of this requirement states that solicitations for bids be published in a "local newspaper", it is our opinion that the intent of this requirement is met by the web-based solicitations. It should be noted that the only DBE listed as a subcontractor by the second and third lowest bidders (Downing Construction, Inc. and E.J. Meyer Company) is Cat Tracking Inc in the amount of \$10,650, which is approximately 0.21% of their total bid amount. Although Borden did not list Cat Tracking Inc as a subcontractor, they did solicit a bid from Cat Tracking Inc (notification attached), but none was received. Therefore, advertising in a traditional "local newspaper" would not have changed the outcome of the bids nor the use of DBEs on this project.

3. ***Consider in the contracting process whether firms competing for large contracts could subcontract with DBEs.***

Consideration was given to subcontracting with DBEs as evidenced by the lengthy list of solicitations included in the Good Faith Effort package submitted with the bid.

4. ***Encourage contracting with a group of DBEs when a contract is too large for one firm to handle individually.***

Not applicable, Borden is capable of performing the work with its own crews.

5. ***Use the services of the SBA and/or Minority Business Development Agency (MBDA) of the US Department of Commerce.***

The web-based service utilized by Borden sent advisories to the SBA and the National Association of Minorities Contractors Southern California notifying them of the solicitation for DBEs (SBA copy attached).

6. ***If the prime contractor awards subcontracts, require the prime contractor to take the above steps.***

Completed as noted above.

One other issue of note is that Borden did not include with their bid the Bidder's List showing bids they received from non-DBE subcontracting firms (required on page D-24 of the Information Required of Bidder section of the bidding documents). Borden provided the information subsequent to the bid date at our request when we notified Borden of the omission. Since omission of these documents by Borden did not affect their bid and did not give them a competitive advantage, and since they provided the documents



Matthew Porras  
October 7, 2021  
Page 3

immediately upon being advised of the omission, it is our opinion that this is a minor correctible bid irregularity that can be waived by the Board.

Borden Excavating, Inc. has completed numerous similar projects for the District, including the following:

- Wildwood Canyon Road Sewer Pipeline Project
- Wildwood Canyon Road 16" Water Pipeline Project
- Douglas Street, Cornell Drive, Auburn Avenue, and Citibank Pipeline Replacement Project
- Date Street, Dodd Street, Panorama Drive, Lennox Street, Verona Street, Calvin Street, and Vista Lane Pipeline Replacement Project
- Cedar Avenue, Adams Street, and Comberton Street Replacement Pipelines Project
- 30" Potable Water Conveyance Pipeline and 8" Acacia Avenue Pipeline Project
- 8th Street and Washington Drive Replacement Pipelines Project

All projects were completed satisfactorily without issues or delays.

Based on the above review, although Borden did not advertise in what is traditionally considered a "local newspaper", it is our opinion that the intent of the Good Faith Effort requirements was met through the web-based solicitations (particularly since the DBE subcontractor utilized by the second and third low bidders was invited to provide a bid to Borden). Further, the DBE listed for use by the second and third lowest bidders is such a small percentage of the overall contract (0.21%), it is not in the best interest of the District's rate payers to award a contract approximately 22% higher than the low bid to utilize the services of a sub-bidder that only totals 0.21% of the total bid.

Therefore, since Borden Excavating, Inc. is an experienced, capable contractor with a current Class A Contractor's License (No. 741879), we recommend award of subject work to Borden Excavating, Inc. in the amount of \$4,047,174.00.

If you have any questions, please call.

Sincerely,

KRIEGER & STEWART

A handwritten signature in black ink that reads "Patrick M. Watson". The signature is written in a cursive, flowing style.

Patrick M. Watson

PMW/lge  
818-68-RECAWARD

Attachment: CAT Tracking Inc Notification  
SBA Solicitation  
Bid Results

9/16/21, 5:28 PM

Construction Bid Source

<b>Company</b>	Canon Coating Co., Inc. P. O. Box 399 Norco, Ca 92860	
<b>Phone</b>	9517354119	<b>Fax</b> 9517355240
<b>Cert</b>	DVBE SBE	
<b>Trades</b>	DOES NOT BID CALTRANS: Parking lot road repair, asphalt, pavement maintenance, marking, traffic control, concrete, pavers, ADA, truncated domes, regulatory signs, line striping, barricades, guardrail, general engineering, highway improvement, infrastructure and repair services, infrastructure building and surfacing and paving services, concrete installation and repair, parking facility construction and equipment installation and maintenance and repair services	
<b>Email</b>	recp.canon@dslextreme.com	
<b>Call Results</b>	9/15/21, 12:43 PM - Lance told Angela YES bidding, Emailed Reminder	
<b>Email Results</b>	Invitation To Bid delivered on 8/21/21, 11:47 AM Reminder delivered on 9/15/21, 1:44 PM	
<b>Company</b>	Cat Tracking Inc 17 Commercial Avenue Riverside, CA 92057	
<b>Phone</b>	9516821494	
<b>Cert</b>	DBE	
<b>Trades</b>	(do not bid Caltrans) Striping & Marking, Traffic Flaggers, Construction Area Signs, Traffic Control System, Parking and Highway Improvement, General Contractor, General Engineering Contractor, Concrete Contractor	
<b>Contact</b>	Pamela Lee Follmer	
<b>Email</b>	estimating@cattrackinginc.com	
<b>Call Results</b>	9/15/21, 12:45 PM - Shannon told Angela NOT bidding	
<b>Email Results</b>	Invitation To Bid delivered on 8/21/21, 11:47 AM	

8/19/2021

Construction Bid Source

From: Borden Excavating, Inc. (An Equal Opportunity Employer)  
1014 Second Street  
Calimesa, CA 92320  
Phone: 951-334-9320  
Fax: (909) 795-5354  
License: # 741879

REQUESTING PROJECT ASSISTANCE: SBA Administration Resource Coordinator Email:  
julie.yim@sba.gov

Requesting bids from DBE, MBE, WBE, SBE, HUBZone, OBE, LBE, and Other Business Enterprise  
Subcontractors and Suppliers for:

Project: ASSOCIATION: 3rd St, Buena Mesa Dr, & Calimesa Blvd 24-Inch, Calimesa Recycled Water  
Pipeline Project, Calimesa, CA

Bid Date: 09/28/2021 @ 11:00AM

Owner: City of Yucaipa Valley Water District CA

It is appreciated if you will please acknowledge receipt and distribute this information to your  
members.

Borden Excavating, Inc. is bidding above referenced project as a Prime Contractor, the project  
includes the construction of 11,800± Linear Feet of 24" cement mortar lined Ductile Iron Pipe,  
including various laterals, fire hydrants, valves, connections, and appurtenances. All work must be  
completed within 240 calendar days. Questions are due no later than Sept 17th. Bonds required.  
Prevailing wages apply. DBE GFE required. American Iron & Steel provisions apply.

Subcontractors: Trucking, Paving Repair, Stripping, Survey, Concrete Repair, Heavy Equipment  
Rental. Suppliers: Ductile Iron Pipe and Fittings, Valves, Fire Hydrants, Aggregate Base, Sand,  
Ready Mix Concrete.

Documents from: City of Yucaipa Valley Water District CA at  
[https://www.yvwd.us/services/request\\_for\\_proposals/index.php](https://www.yvwd.us/services/request_for_proposals/index.php). Alternatively, you may contact  
Nathan McGrand at Borden Excavating Inc. to make an appointment for viewing at our office, or  
with any questions at [nathan@bei.bid](mailto:nathan@bei.bid) or call 951-334-9320.

Please submit bids at least one day prior to bid date and include any certification you may have as  
well as your DIR registration number. Borden Excavating will assist qualified bidders with bonding,  
insurance, line of credit or materials if needed or requested. Items of work can be broken down

<https://www.constructionbidsource.com/member/print/transmittal/354>

1/2





**Date:** October 19, 2021 **Task:** N/A

**Prepared By:** John Wrobel, Public Works Manager

**Subject:** Consideration of Administrative Changes to the Sorenson Engineering Class I Significant Industrial User Discharge Permit No. CP-001-03

**Recommendation:** That the Board authorize District Staff to issue the 2021-2023 Sorenson Engineering Class I Significant Industrial User Discharge Permit No. CP-001-03 and grant the request to increase their discharge limitation.

---

Publicly owned treatment works (POTWs) collect waste from homes, commercial buildings, and industrial facilities and transport the water carrying waste via a series of pipes, known as a sewer collection system to a sewer treatment plant. Here, the POTW is responsible for separating the waste from the water.

Generally, POTWs are designed to treat waste in water from typical domestic uses. However, POTWs also receive waste from industrial (non-domestic) users. Industrial wastewater often includes by-product chemicals from production and manufacturing processes that can contain chemicals such as copper, lead, nickel, and other heavy metals. Because certain wastes can interfere with the biological or filtration treatment processes, these wastes must be removed before they are discharged into a sewer collection system.

The removal process is known as "pretreatment" and is enforced by the General Pretreatment Regulations at [40 CFR 403.1 et seq.](#) which establish the responsibilities of government agencies and industries to implement practices to control industrial wastes that may pass through or interfere with POTWs or contaminate sewage sludge.

In 1978, U.S. EPA promulgated extensive regulations requiring many POTWs to develop and implement local pretreatment programs. U.S. EPA delegated the responsibility to oversee these pretreatment programs to the State Water Board and Regional Water Boards in 1989. As a result, the State and Regional Water Quality Control Boards are responsible for the review and approval of POTW pretreatment programs. The discharge permits for POTWs spell out the pretreatment program monitoring and reporting requirements.

The Regional Water Board's pretreatment program includes pretreatment compliance audits, inspections, annual and semiannual report reviews, program modifications, and enforcement activities. Pretreatment compliance inspections verify the compliance status of POTWs, focusing on the POTW's own compliance monitoring and enforcement activities. Pretreatment compliance audits involve a comprehensive review of all elements of a POTW's pretreatment program. Audits take place every five years. Inspections usually occur every year, except when an audit is scheduled.

The attached pretreatment permit outlines the pollutant limitations for the industrial wastewater to be discharged from the Sorenson Engineering Inc. facility located at 32032 Dunlap Blvd, Yucaipa, CA 92399.





## CLASS I SIGNIFICANT INDUSTRIAL USER DISCHARGE PERMIT

**Date:** October 22, 2021

**Name:** Sorenson Engineering, Inc.  
32032 Dunlap Blvd.  
Yucaipa, CA 92399

**Attention:** Mr. David Sorenson, CEO

**Reference:** Class I Significant Industrial User Discharge Permit Issued to Sorenson Engineering, Inc.

**Permit No:** CP-001-03

**SIC No:** 3451  
**NAICS:** 332721

**Issued By:** Yucaipa Valley Water District  
12770 Second Street  
Yucaipa, California 92399

Dear Mr. Sorenson:

The enclosed permit outlines the pollutant limitations for the industrial wastewater to be discharged from Sorenson Engineering, Inc. facility located at 32032 Dunlap Blvd. into the Yucaipa Valley Water District ("District") wastewater collection system. All discharges of wastewater generated at this facility, actions, and reports thereto, shall be in accordance with the terms and conditions of this permit and the **District's Sewer Use Ordinance**. The annual permit fee is \$500 per year plus sampling costs.

If you wish to appeal or challenge any of the discharge limitations, pretreatment requirements, or conditions imposed in this permit, a petition must be filed for modification or reissuance of this permit within ten (10) working days of issuance.

**It is hereby certified that this permit was prepared based on information provided by a combination of one or more of the following sources: the user's permit application, facts obtained during a field inspection of the user's wastewater generating activities, and/or additional information obtained from the user.**

---

John Wrobel,  
Public Works Manager



Sorenson Engineering, Inc.  
 Wastewater Discharge Permit  
 Number CP 001-03  
 Page 1

## Class I Significant Industrial User Discharge Permit Number CP-001-03

IU Name and Address:	Sorenson Engineering, Inc. 32032 Dunlap Blvd. Yucaipa, CA 92399
Responsible Party:	David Sorenson, CEO
Contact:	Paul Sewell, CFO (909) 795-2434 Ex. 204 Jeromy Roush, Plant & Equipment Manager (909) 795-2434 Ex 297
Mailing Address:	Sorenson Engineering, Inc. 32032 Dunlap Blvd. Yucaipa, CA 92399

In accordance with the provisions of the Yucaipa Valley Water District's **Sewer Use Ordinance**, the above listed company ("permittee") is hereby authorized to discharge industrial wastewater from 32032 Dunlap Blvd., Yucaipa, CA 92399 to the District's wastewater collection system, in accordance with the discharge limitations, monitoring requirements, and other conditions set forth in this permit. Compliance with this permit does not relieve the permittee of its obligation to comply with all pretreatment regulations, standards or requirements under local, State and Federal laws, including any such laws, regulations, standards, or requirements that may become effective during the term of this permit.

Noncompliance with the terms and conditions of this permit shall constitute a violation of the requirements of the District's **Sewer Use Ordinance** and shall subject the permittee to applicable enforcement actions.

This permit shall become effective on:            **November 5, 2021**

This permit shall expire at midnight on:            **November 4, 2023**

The permittee shall not discharge any industrial wastewater after the date of expiration. If the permittee wishes to continue discharging wastewater to the District's wastewater collection system after the expiration date, an application must be filed for reissuance of this permit in accordance with the requirements of the District's **Sewer Use Ordinance**. This application is due a minimum of 90-days prior to the expiration of this permit.

Issued By:

Accepted By:

---

John Wrobel, Public Works Manager  
 Yucaipa Valley Water District  
 12770 Second Street  
 Yucaipa, California 92399

---

David Sorenson, CEO  
 Sorenson Engineering, Inc.  
 32032 Dunlap Blvd.  
 Yucaipa, California 92399



## **PART 1 - DISCHARGE REQUIREMENTS**

- A. Discharge Location:** During the period of **November 5, 2021 to midnight of November 4, 2023**, the permittee is authorized to discharge the industrial wastewater specified in Part 1-C, through the sample location(s), and outfall(s) listed below to the District's wastewater collection system.
- 1. Discharge Location 001:** A dedicated sampling structure located at the end of the treatment process. Industrial process wastewater is the only discharge flowing out through this outfall and sampling point and is subject to Federal categorical discharge standards under 40 CFR Part 433.17 (a) PSNS (Pretreatment Standards for New Sources) and Yucaipa Valley Water Districts local discharge limits. When both *Local Limits and Federal Categorical Limits are applicable*, the discharge must meet the more stringent Limits (40CFR PART 403.4). See Part 2 pg. 9 for a drawing that displays the sample location.
- B. Permit Duration and Designated Discharge Limits:** During the period of **November 5, 2021 to midnight of November 4, 2023** the industrial wastewater discharged from Sample Location 001, shall not exceed the *Categorical or Local Discharge Limitations* specified in the Discharge Limitation Table on page 4.
- C. Permit Classification:** Sorenson Engineering is classified as a **Categorical Industrial User (CIU)**. This decision is based on metal finishing operations described under 40CFR Part 433.10 Metal Finishing regulations which cover discharges from any of the six following categories: Electroplating, Electroless Plating, Anodizing, Coating (chromating, phosphating, and coloring), Chemical Etching and Milling, and Printed Circuit Board Manufacture. Federal categorical limits specified in **40CFR Part 433.17 PSNS** will be applied unless the local limit is more stringent. The most stringent limit will be applied to the discharge.
- D. Total Toxic Organic (TTO) Monitoring:** TTO monitoring is required under **40CFR Part 433.17** to establish a baseline of organic pollutants in the waste stream. If the sample indicates compliance with the **2.13 mg/L PSNS** limit, a semi-annual certification statement may be used, for future samples to meet this requirement. See page 5 and 6 for complete list of TTOs. In requesting the certification alternative, a discharger shall submit a solvent management plan (also referred to as a Toxic Organic Management Plan or TOMP) that specifies to the satisfaction of the District of the toxic organic compounds used; the method of disposal used instead of dumping, such as reclamation, contract hauling, or incineration; and procedures for ensuring that toxic organics do not routinely spill or leak into the wastewater.
- E. Certification Statement in Lieu of Requiring Monitoring for TTO:** The District may allow Sorenson Engineering to make the following certification statement: "Based on my inquiry of the person or persons directly responsible for managing compliance with the permit limitation [or pretreatment standard] for total toxic organics (TTO), I certify that, to the best of my knowledge and belief, no dumping of concentrated toxic organics into the wastewaters has occurred since filing of the last discharge monitoring report. I further certify that this facility is implementing the Toxic Organic Management Plan (TOMP) submitted to the District. This statement is to be included as a comment with each Self Monitoring Report required by this permit. If monitoring is necessary to measure compliance with the TTO standard, the industrial discharger shall analyze for only those pollutants which would reasonably be expected to be present above 0.01 mg/L.
- F. Notification of Process Changes:** Sorenson Engineering, Inc. is required to notify the



Sorenson Engineering, Inc.  
Wastewater Discharge Permit  
Number CP 001-03  
Page 3

District, in writing, at least 30 days in advance, of any new connections or changes to existing discharges or other modifications which will alter the amount of or pollutant strength of any wastewater, which is discharged to the District's wastewater collection system.

- G. Discharge Limitations:** The Discharge Limitation Table on Page 4 contains limits for both federal and local limitations. Certain constituents may also contain daily and monthly average limitations. **The most stringent value between the federal limit and local limit shall apply to the discharge. (The lowest concentration is bolded and in Italic).** Additionally, if more than 1 sample is collected during a calendar month, each sample must comply with the daily maximum and the arithmetic mean of all collected samples will be compared against the monthly average. Please note, that if only one sample is collected in a calendar month, the single sample also represents the "monthly average" and will be evaluated against that limitation as well.



Sorenson Engineering, Inc.  
 Wastewater Discharge Permit  
 Number CP 001-03  
 Page 4

DISCHARGE LIMITATION TABLE				
Sample Point, (Location 001) Maximum Assigned Flow 40,000 gpd	Categorical Limit 40CFR Part 433.17 (PSNS) (mg/L)		Local Limit (mg/L) Unless Otherwise Noted	Local Limit (lbs)
Pollutant	Daily Maximum	Monthly Average	Daily Maximum	
Arsenic	--	--	<b>*2.0</b>	
Bis (2-Ethylhexyl) Phthalate	--	--	<b>*0.4</b>	
Biochemical Oxygen Demand-5 Day (BOD)	--	--	<b>*3,500</b>	
Boron (B)	--	--	<b>*8.4</b>	
Cadmium (Cd),	0.11	<b>*0.07</b>	0.3	
Chromium (Cr), Total	2.77	<b>*1.71</b>	10.5	
Chromium VI			<b>*0.8</b>	
Copper (Cu),	3.38	<b>*2.07</b>	2.7	
Cyanide (CN), Total	1.20	0.65	<b>*0.3</b>	
Cyanide (CN) Amenable	0.86	<b>*0.32</b>		
Lead (Pb)	0.69	<b>*0.43</b>	2.0	
Mercury (Hg)	--	--	<b>*0.01</b>	
Molybdenum	--	--	<b>*0.7</b>	
Nickel (Ni)	3.98	<b>*2.38</b>	6.1	
Oil/Grease (Total)	--	--	<b>*500</b>	
Oil/Grease (Total Petroleum Hydrocarbons - TPH)	--	--	<b>*100</b>	
pH (See note 1 at the bottom of the page)	--	--	<b>*5.0 – 11.0 (SU)</b>	
Selenium (Se)	--	--	0.1	
Silver (Ag)	0.43	<b>*0.24</b>	0.3	
Sulfide (Dissolved)			<b>*0.1</b>	
Sulfide, Total			<b>*5.0</b>	
Total Dissolved Solids (TDS) (See note 2 at the bottom of the page)	--	--	<b>1,523</b>	<b>*600.0 lb</b>
Total Inorganic Nitrogen (TIN)			<b>*83</b>	
Total Suspended Solids (TSS)	--	--	<b>*3,500</b>	
Total Toxic Organics (TTO)	<b>*2.13</b>	--		
Zinc (Zn)	2.61	<b>*1.48</b>	6.0	
1,4 Dioxane			<b>*1.0</b>	
Polychlorinated Hydrocarbons (PCBs)			<b>*0.01</b>	
Pesticides			<b>*0.01</b>	

**Note 1:** pH equals the negative log of the hydrogen ion concentration (-log [H<sup>+</sup>]). **Standard Units**

**Note 2:** Sorenson's TDS limit is in pounds. Please see TDS Mass Limit Determination on page 17 of the Fact Sheet.

**Note 3:** \* Industry's permitted limits for compliance purposes.



The term TTO shall mean Total Toxic Organics. Industrial user needs to analyze only for those pollutants, which would reasonably be expected to be present above 0.01 mg/L.

<b>Acenaphthene</b>	<b>Acrolein</b>
<b>Acrylonitrile</b>	<b>Benzene</b>
<b>Benzidine</b>	<b>Carbon tetrachloride</b>
<b>Chlorobenzene</b>	<b>1,2,4-Trichlorobenzene</b>
<b>Hexachlorobenzene</b>	<b>1,2-Dichloroethane</b>
<b>1,1,1-Trichloroethane</b>	<b>Hexachloroethane</b>
<b>1,1-Dichloroethane</b>	<b>1,1,2-Trichloroethane</b>
<b>1,1,2,2-Tetrachloroethane</b>	<b>Chloroethane</b>
<b>Bis(2-chloroethyl) ether</b>	<b>2-Chloroethyl vinyl ether (mixed)</b>
<b>2-chloronaphthalene</b>	<b>2,4,6-trichlorophenol</b>
<b>Parachlorometa cresol</b>	<b>Chloroform</b>
<b>2-Chlorophenol</b>	<b>1,2-Dichlorobenzene</b>
<b>1,3-Dichlorobenzene</b>	<b>1,4-Dichlorobenzene</b>
<b>3,3-Dichlorobenzidine</b>	<b>1,1-Dichloroethylene</b>
<b>2,4-Dichlorophenol</b>	<b>1,2-Dichloropropane</b>
<b>1,3-Dichloropropylene</b>	<b>2,4-Dimethylphenol</b>
<b>2,4-Dinitrotoluene</b>	<b>2,6-Dinitrotoluene</b>
<b>1,2-Diphenylhydrazine</b>	<b>Ethylbenzene</b>
<b>1,2-Trans-dichloroethylene</b>	<b>Fluoranthene</b>
<b>4-Chlorophenyl phenyl ether</b>	<b>4-Bromophenyl phenyl ether</b>
<b>Bis (2-chloroisopropyl) ether</b>	<b>Bis (2-chloroethoxy) methane</b>
<b>Methylene chloride</b>	<b>Methyl bromide</b>
<b>Methyl chloride</b>	<b>Dichlorobromomethane</b>
<b>Bromoform</b>	<b>Chlorodibromomethane</b>
<b>Hexachlorobutadiene</b>	<b>Hexachlorocyclopentadiene</b>
<b>Isophorone</b>	<b>Naphthalene</b>
<b>Nitrobenzene</b>	<b>2-Nitrophenol</b>
<b>4-Nitrophenol</b>	<b>4,6-Dinitro-o-cresol</b>
<b>2,4-Dinitrophenol</b>	<b>N-nitrosodiphenylamine</b>
<b>N-nitrosodimethylamine</b>	<b>Pentachlorophenol</b>
<b>N-nitrosodi-n-propylamine</b>	<b>Bis(2-ethylhexyl) phthalate</b>
<b>Phenol</b>	<b>Di-n-butyl phthalate</b>
<b>Butyl benzyl phthalate</b>	<b>Di-n-octyl phthalate</b>
<b>Dimethyl phthalate</b>	<b>Diethyl phthalate</b>
<b>Benzo(a)pyrene</b>	<b>Benzo(a, h)anthracene</b>



Sorenson Engineering, Inc.  
 Wastewater Discharge Permit  
 Number CP 001-03  
 Page 6

<b>Benzo(k)fluoranthene</b>	<b>Benzo(b)fluoranthene</b>
<b>Acenaphthylene</b>	<b>Chrysene</b>
<b>Benzo(ghi)perylene</b>	<b>Anthracene</b>
<b>Phenanthrene</b>	<b>Fluorene</b>
<b>Indeno(1,2,3-cd)pyrene</b>	<b>Dibenzo(a,h)anthracene</b>
<b>Tetrachloroethylene</b>	<b>Pyrene</b>
<b>Trichloroethylene</b>	<b>Toluene</b>
<b>Aldrin</b>	<b>Vinyl chloride</b>
<b>Chlordane</b>	<b>Dieldrin</b>
<b>4,4-DDE</b>	<b>4,4-DDT</b>
<b>Alpha-endosulfan</b>	<b>4,4-DDD</b>
<b>Endosulfan sulfate</b>	<b>Beta-endosulfan</b>
<b>Endrin aldehyde</b>	<b>Endrin</b>
<b>Heptachlor epoxide</b>	<b>Heptachlor</b>
<b>Beta-BHC</b>	<b>Alpha-BHC</b>
<b>Delta-BHC</b>	<b>Gamma-BHC</b>
<b>PCB-1254</b>	<b>PCB-1242</b>
<b>PCB-1232</b>	<b>PCB-1221</b>
<b>PCB-1260</b>	<b>PCB-1248</b>
<b>Toxaphene</b>	<b>PCB-1016</b>
<b>2,3,7,8-TCDD</b>	



Sorenson Engineering, Inc.  
Wastewater Discharge Permit  
Number CP 001-03  
Page 7

## PART 2 – MONITORING REQUIREMENTS

**A. General Monitoring Requirements:** From the period beginning on the effective date of the permit until midnight on November 4, 2023, the permittee shall monitor the wastewater to be discharged to the District's Wastewater collection system at the indicated frequency, for the following pollutants, at Sample Location 001. **All required *Semi-Annual Monitoring* shall be completed during the FIRST MONTH OF THE SECOND and FOURTH QUARTERS of the Year (April, and October), to ensure the reporting requirements are met.**

MONITORED	FREQUENCY	SAMPLE TYPE
Flow	Continuous while discharging	Flow Meter
Arsenic	Not required	
Bis (2-Ethylhexyl) Phthalate)	Not required	
Biochemical Oxygen Demand (BOD)	Not required	
Boron (B)	Not required	
<b><i>Cadmium (Cd)</i></b>	<b><i>Semi-Annual</i></b>	<b><i>Composite</i></b>
<b><i>Chromium (Cr) Total</i></b>	<b><i>Semi-Annual</i></b>	<b><i>Composite</i></b>
<b><i>Chromium VI</i></b>	Not required	
<b><i>Copper (Cu)</i></b>	<b><i>Semi-Annual</i></b>	<b><i>Composite</i></b>
<b><i>Cyanide (CN)</i></b>	<b><i>Semi-Annual</i></b>	<b><i>Grab</i></b>
<b><i>Cyanide (CN) (A)</i></b>	<b><i>Semi-Annual</i></b>	<b><i>Grab</i></b>
<b><i>Lead (Pb)</i></b>	<b><i>Semi-Annual</i></b>	<b><i>Composite</i></b>
Mercury (Hg)	Not required	
Molybdenum	Not required	
<b><i>Nickel (Ni)</i></b>	<b><i>Semi-Annual</i></b>	<b><i>Composite</i></b>
Oil & Grease (Total)	Not required	
<b><i>Oil &amp; Grease (Total Petroleum Hydrocarbons)</i></b>	<b><i>Semi-Annual</i></b>	<b><i>Grab</i></b>
<b><i>pH</i></b>	<b><i>Continuous/Meter</i></b>	<b><i>Grab</i></b>
Selenium (Se)	Not required	
<b><i>Silver (Ag)</i></b>	<b><i>Semi-Annual</i></b>	<b><i>Composite</i></b>
Sulfide (Dissolved)	Not required	
Sulfide, Total	Not Required	
<b><i>Total Dissolved Solids (TDS)</i></b>	<b><i>Semi-Annual</i></b>	<b><i>Composite</i></b>
Total Inorganic Nitrogen (TIN)	Not Required	
Total Suspended Solids	Not required	
<b><i>Total Toxic Organics (TTOs)</i></b>	<b><i>Semi-Annual</i></b>	<b><i>Grab and/or Composite</i></b>
<b><i>Zinc (Zn)</i></b>	<b><i>Semi-Annual</i></b>	<b><i>Composite</i></b>
1,4 Dioxane	Not required	
Polychlorinated Hydrocarbons (PCBs)	Not Required	
Pesticides	Not Required	

1. See Part 2-C, Sample Location (Page 9)
2. Sampling may be waived in accordance with Part 1 – Discharge Requirements Section D and E of this Permit



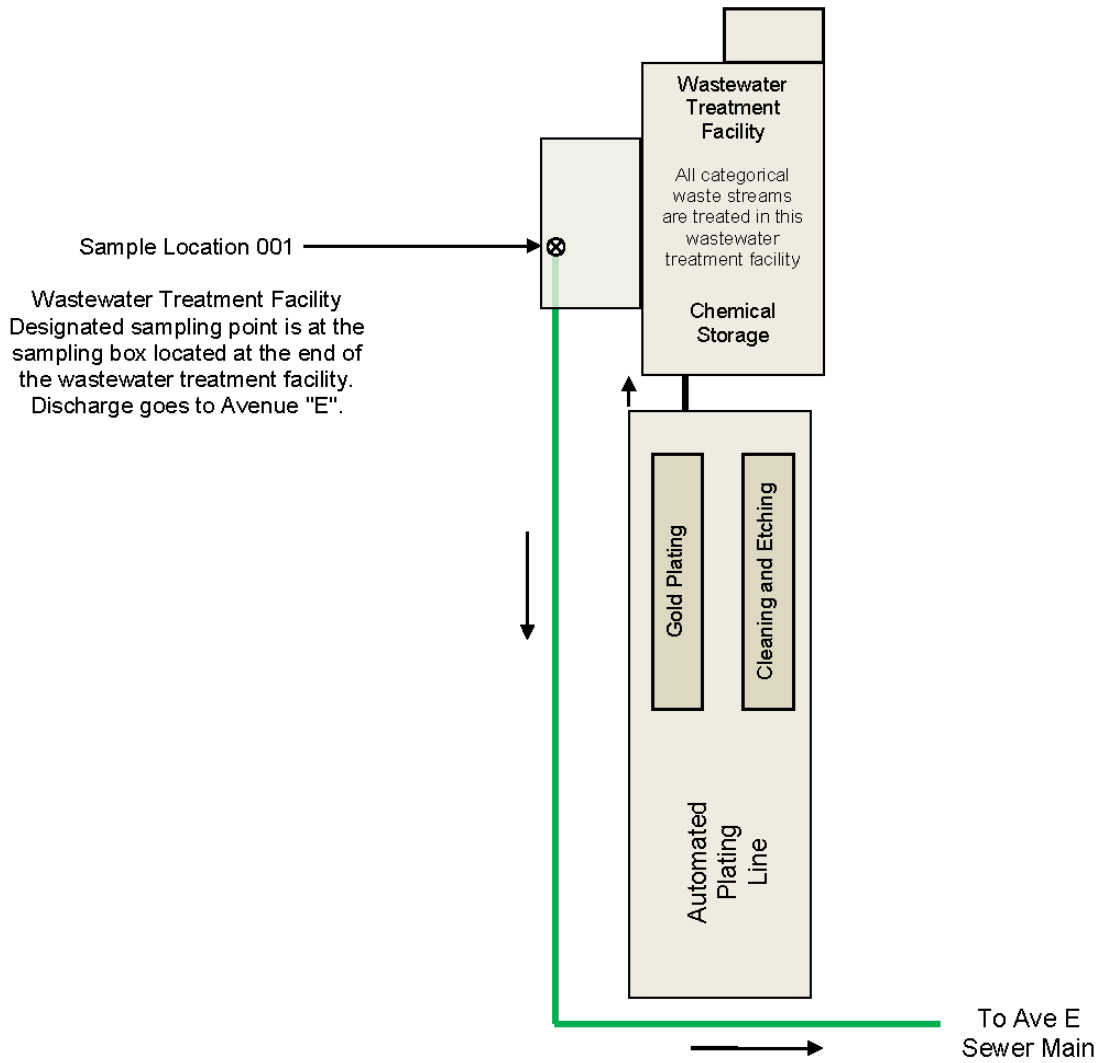


Sorenson Engineering, Inc.  
Wastewater Discharge Permit  
Number CP 001-03  
Page 8

- B. Additional Monitoring Requirements:** All handling and preservation of collected samples and laboratory analyses of samples shall be performed in accordance with **40 CFR, Part 136**, and amendments thereto unless specified otherwise in the monitoring conditions of this permit. **Self monitoring results for the Semi-Annual shall be submitted to the District prior to the last day of the second month of the Second and Fourth Quarters of the Year (May and November).** A Self Monitoring Report Form shall accompany each submittal of sample Results. See Part 3 – Reporting for more details on the Self-Monitoring Report (SMR) form.
- C. Monitoring Location:** Self-Monitoring of industrial wastewater shall be conducted at the Sample Locations 001. Compliance with all Categorical limits and Local limits in this permit will be determined at Sample Location 001 only.



**PROCESS FLOW DIAGRAM  
SORENSEN ENGINEERING, INC.  
33032 DUNLAP BLVD.**



Wastewater Treatment Facility  
Designated sampling point is at the  
sampling box located at the end of  
the wastewater treatment facility.  
Discharge goes to Avenue "E".



### **PART 3 - REPORTING REQUIREMENTS**

**A. Permittee's Self-Monitoring Reports:** All required monitoring results shall be summarized and reported on the District's Dischargers Self Monitoring Report Form provided by the District. This report form shall indicate the compliance status and concentration and/or mass value of all pollutants in the wastewater for which sampling and analysis were performed. The Monitoring Report Form includes the following:

1. **Certified Laboratory Report**
2. **Signed Certified Statement Form**

All applications, reports, or information submitted to the District must include a **Signed Certified Statement**.

All required ***Semi-Annual*** monitoring reports shall be submitted to the District no later than the last day of the **Second Month of the Second and Fourth Quarters of the Calendar Year (May, and November)**. Failure to submit the required Reporting Forms shall result in the permittee being in violation of their Discharge Permit. Any incomplete monitoring result shall be returned to the permittee for completion. If the monitoring results are not submitted within 45 days of the due date, the permittee shall be considered in Significant Noncompliance (SNC) and a Notice of Violation (NOV) will be issued.

**B. Automatic Re-sampling:** If the results of the permittee's wastewater analysis indicate that a violation of this permit has occurred, the permittee must:

1. Inform the District of the violation by telephone within 24 hours of becoming aware that a violation has occurred.
2. Repeat the sampling and constituent analysis and submit, in writing, the results of this repeat analysis within 30 days of the first violation.

**C. Accidental Discharge Report:** The permittee shall notify the District immediately upon the occurrence of any accidental discharge of substances prohibited by the District's Sewer Use Ordinance or any upsets, bypass, slug loads or spills that occur at the facility identified in this permit and may enter the public sewer. During normal business hours the District's Wochholz Regional Water Recycling Facility should be notified by telephone at **(909) 795-2491**. The notification shall include the location of the discharge, date and time of the discharge, and the type of waste, including concentration, volume and corrective actions taken. The permittee's notification of accidental discharges in accordance with this section does not relieve the permittee of other reporting requirements that arise under local, State, or Federal laws.

Within five days following an accidental discharge, the permittee shall submit to the District, a detailed written report. The report shall specify:

1. Description and cause of the accidental discharge and the impact of the incident on the permittee's compliance status. The description should also include location of discharge, type, concentration, and volume of waste.
2. Duration of noncompliance, including exact dates and times of noncompliance and the time when compliance is expected to be achieved.
3. All steps taken or to be taken to reduce, eliminate, and/or prevent recurrence of such conditions of slug load, accidental discharge or other noncompliance events.

**D. Material Safety Data Sheets:** The permittee shall maintain copies of Material Safety Data Sheets (MSDS) for all chemicals used in association with the manufacturing process. If hazardous materials are used in the manufacturing process, secure storage with secondary containment must be provided for those materials. If the permittee generates substances



Sorenson Engineering, Inc.  
Wastewater Discharge Permit  
Number CP 001-03  
Page 11

listed as toxic the permittee must follow Federal regulatory guidelines for the disposal of those substances. Secure storage with secondary containment must be provided with no possible access to the sewer. Storage of the wastes shall not exceed 90 days and transportation of the wastes shall be by a licensed carrier to a licensed disposal facility. Copies of all shipping manifests and disposal receipts for hazardous materials shipped offsite shall be available for the District to review.

**E. Slug Discharge Control Plan (SDCP):** Each permitted industrial user who stores significant quantities of liquids in the vicinity of floor drains or other openings to the District's sewer system such that spillage of stored liquids could result in Slug Loading or in any provisions of the District's Sewer Use Ordinance shall submit a Slug Discharge Control Plan with the District. All Significant Industrial Users shall be evaluated for the need to develop a Slug Discharge Control Plan. The Plan shall contain at a minimum, the following elements:

1. Description of discharge practices, including non-routine batch discharges;
2. Description of stored chemical;
3. Procedures for immediately notifying the District of any accidental or slug discharge. Such notification must also be given for any discharge which would violate any of the standards set forth in the District's **Sewer Use Ordinance** and any local, state or federal regulations, and **within five days** following an accidental discharge, the permittee shall submit to the District, a detailed written report.
4. Procedures to prevent adverse impact from any accidental or slug discharge. Such procedures include, but are not limited to inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading operations, control of plant site runoff, worker training, building of containment structures or equipment, measures for containing toxic organic chemicals (including solvents), and/or measures and equipment for emergency response.

The Slug Discharge Control Plan shall be updated whenever changes occur in any of the addressed areas; chemicals are added or replaced; processes or plumbing are rerouted or changed; pretreatment facilities are modified or replaced; operations and/or maintenance procedures are modified; or personnel listed in the plan are replaced, changed, or removed.

During routine inspections, the Slug Discharge Control Plan shall be reviewed by the Permittee at least annually and either;

1. Updated and resubmitted, or
2. A written certification submitted stating that no change in the Slug Discharge Control Plan has occurred.

**F. Report Submittal:** All reports required by this permit shall be submitted to: **Yucaipa Valley Water District, P.O. Box 730, Yucaipa, CA 92399-0730, Attention: Environmental Control Section.**



## **PART 4- SPECIAL CONDITIONS**

### **A. Reopener Clause:**

1. This permit may be reopened and modified to incorporate any new or revised requirement contained in a national categorical pretreatment standard promulgated for the industrial category covered by this permit.
2. This permit may be reopened and modified to incorporate any new or revised requirements resulting from the District's reevaluation of its local limits.
3. This permit may be reopened and modified to incorporate any new or revised requirements developed by the District as are necessary to ensure POTW compliance with applicable biosolids management requirements promulgated by Federal Regulations in 40 CFR Part 503.

## **PART 5 - STANDARD CONDITIONS**

### **A. General Conditions and Definitions**

1. **Severability:** The provisions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby.
2. **Duty to comply:** The permittee must comply with all conditions of this permit. Failure to comply with the requirements of this permit may be grounds for administrative action or enforcement proceedings, including civil or criminal penalties, injunctive relief, and summary abatements.
3. **Duty to Mitigate:** The permittee shall take all reasonable steps to minimize or correct any adverse impact to the public treatment plant or the environment resulting from noncompliance with this permit.
4. **Permit Modification:** This permit may be modified for good cause including, but not limited to the following:
  - a. To incorporate any new or revised Federal, State or local pretreatment standards or requirements.
  - b. Material or substantial alterations or additions to the discharger's operation processes, or discharge volume or character which were not considered in drafting the effective permit.
  - c. A change in any condition in either the permittee or the POTW that requires either a temporary or permanent reduction or elimination of the authorized discharge.
  - d. Information indicating that the permittee's discharge poses a threat to the District's collection and treatment systems, POTW personnel or the receiving waters.
  - e. To correct typographical or other errors in the permit.
  - f. Upon request of the permittee, provided such request does not create a violation of any applicable requirements, standards, laws or rules and regulations.

The filing of a request by the permittee for a permit modification, revocation, and reissuance or termination, or a notification of planned changes or anticipated noncompliance, does not stay any permit condition.



5. **Permit Termination:** This permit may be terminated for the following reasons:
- Falsifying self-monitoring reports.
  - Tampering with monitoring equipment.
  - Refusing to allow timely access to the facility premises and records.
  - Failure to meet discharge limitations.
  - Violation of any terms or conditions of this permit.
  - Failure to pay fines or permit fees.
  - Failure to pay sewer charges.
6. **Permit Appeals:** The permittee may petition to appeal the terms of this permit within ten (10) days of issue date.
- The petition must be in writing, sent certified mail, return receipt requested. Failure to submit a petition for review shall be deemed to be a waiver of that appeal. If an appeal is submitted, the permittee must indicate in the appeal, the permit provisions objected to, the reasons for the objection(s), and the alternative condition(s), if any, the permittee seeks to be placed in the permit.
- If the Board of Directors of the District consents to consider an appeal by the permittee, the effectiveness of this permit shall not be stayed during the appeal process. If after considering the petition and any arguments put forth by the General Manager, the Board determines that reconsideration of this permit is proper; the Board shall remand the permit back to the General Manager for reissuance. Those permit provisions being reconsidered by the General Manager at the direction of the Board shall be stayed pending reissuance of the permit.
- A decision by the District's Board of Directors that refuses to reconsider an issued permit shall be considered final administrative action for purposes of judicial review. The permittee seeking judicial review of a final action by the Board must do so by filing a complaint in the Superior Court of the Counties of Riverside or San Bernardino within thirty (30) days.
7. **Property Rights:** The issuance of this permit does not convey any property rights of any sort, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any violation of Federal, State, or local laws or regulations.
8. **Permit Transfers:** Permits may not be reassigned or transferred to a new owner or operator. Upon transfer of ownership, written notice to the District must be provided, and a new permit application submitted by the new owner to the District at least 60 days prior to transfer of ownership.
9. **Continuation of Expired Permits:** An expired permit will continue to be effective and enforceable until a new permit is issued if:
- The permittee has submitted a complete permit application at least ninety (90) days prior to the expiration date of the existing permit.
  - The failure to reissue the permit, prior to the expiration of the previous permit, is not due to any act or failure to act on the part of the permittee.
10. **Dilution:** The permittee shall not increase the use of potable or process water or, in any way; attempt to dilute an effluent as a partial or complete substitute for adequate treatment to achieve compliance with the limitations contained in this permit.

**11. Definitions:**

- a. **Daily Maximum** - The maximum allowable discharge of a constituent during a calendar day where daily limits are expressed in units of mass, the daily discharge is the total mass discharged over the course of the day. Where daily maximum limitations are expressed in terms of a concentration, the daily discharge is the arithmetic average measurement of the constituent concentration derived from all measurements taken during that day.
- b. **Composite Sample** - A sample that is collected over time formed by either continuous sampling or by mixing discrete samples. The samples can either be a time composite or a flow proportional composite sample.
- c. **Grab Sample** - An individual sample collected in less than 15 minutes, without regard for flow or time.
- d. **Instantaneous Maximum Concentration** - The maximum concentration allowed in any single grab sample.
- e. **Cooling Water** - (1) Uncontaminated: Water used for cooling purposes only which has no direct contact with any raw material, intermediate, or final product and which does not contain a level of contaminants detectably higher than that of the intake water. (2) Contaminated: Water used for cooling purposes only which may become contaminated either through the addition of water treatment chemicals used for corrosion inhibitors or biocides, or by direct contact with process materials and/or wastewater.
- f. **Monthly Average** - The arithmetic mean of the values for effluent samples collected during a calendar month or specified 30-day period (as opposed to a rolling 30 day Window).
- g. **Weekly Average** - The arithmetic mean of the values for effluent samples collected over a period of seven consecutive days.
- h. **Bi-Weekly** - Once every other week
- i. **Bi-Monthly** - Once every other month
- j. **Bi-annually** - Once every other year
- k. **Semi-annually** - Once every six months
- l. **Bypass** - Means the intentional diversion of waste streams from any portion of a treatment facility:
- m. **Upset** - Means an exceptional incident in which there is unintentional and temporary noncompliance with categorical Pretreatment standards because of factors beyond the reasonable control of the Industrial User.

**12. General Prohibitive Standards:** The permittee shall comply with all the general prohibitive discharge standards in Federal regulations namely the permittee shall not discharge wastewater to the District's wastewater collection system:

- a. Having a temperature higher than 140 degrees F. (60 degrees C.);
- b. Containing more than 500 PPM by weight of fats, oils, and grease;
- c. Containing any gasoline, benzene, naphtha, fuel oil or other flammable or explosive liquids, solids, or gases; and in no case substances with a closed cup flashpoint of less than one hundred forty degrees F. (60 degrees C.);
- d. Containing any garbage that has not been ground by household type or other suitable garbage grinders;
- e. Containing any ashes, cinders, sand, mud, straw, shavings, metal, glass, feathers,





tar, plastics, wood, paunch manure, or any other solids or viscous substances capable of causing obstructions or other interference with proper operation of the wastewater collection system;

- f. Having a pH lower than 5.0 (**to protect the sewer system**) or higher than 12.5, (**pH used to define a hazardous material**) or having any other corrosive property capable of causing damage or hazards to structures, equipment or personnel of the District's wastewater treatment plant and collection system;
- g. Containing toxic or poisonous substances in sufficient quantity to injure or to interfere with any wastewater treatment process, to constitute hazards to humans or animals, or to create any hazard in receiving waters for the effluent from the sewer system treatment plant. Toxic wastes shall include, but are not limited to wastes containing cyanide, chromium, cadmium, mercury, copper, and nickel ions;
- h. Containing noxious or malodorous gases or substances capable of creating a public nuisance; including pollutants which result in the presence of toxic gases, vapors, or fumes;
- i. Containing solids of such character and quantity that special and unusual attention is required for their handling;
- j. Containing any substance which may affect the treatment plant's effluent and cause violation of NPDES Permit No.CA0105619 requirements;
- k. Containing any substance which would cause the treatment plant to be in noncompliance with sludge use, recycle or disposal criteria pursuant to guidelines or regulations developed under section 405 of the Clean Water Act, the Solid Waste Disposal Act, the Clean Air Act, the Toxic Substance Control Act or other regulations or criteria for sludge management and disposal as required by the State.
- l. Containing color which is not removed in the treatment process;
- m. Containing any medical or infectious wastes;
- n. Containing any radioactive wastes or isotopes; or
- o. Containing any pollutant including BOD pollutants released at a flow rate and/or concentration that would cause interference with the treatment plant operation.

## B. Operation and Maintenance of Pollution Controls

1. **Proper Operation and Maintenance:** The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance includes but is not limited to: effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate QA procedures.
2. **Duty to halt or Reduce Activity:** Upon reduction of efficiency of operation, or loss or failure of all or part of the treatment facility, the permittee shall, to the extent necessary to maintain compliance with this permit, control its production or discharges (or both) until operation of the treatment facility is restored or an alternative method of treatment is provided. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity, in order to maintain compliance with the conditions of this permit.
3. **Removed Substances:** Solids, sludge's, filter backwash, or other substances removed in the course of treatment or control of wastewaters shall not be disposed of in the sewer. They shall be disposed of in accordance with **Section 405 of the Clean Water Act, Subtitles C and D of the Resource Conservation and Recovery Act.**

## C. Monitoring and Records

1. **Representative Sampling:** Samples and measurements taken as required herein shall





be representative of the volume and nature of the monitored discharge. All samples shall be taken at the monitoring points specified in this permit and, unless otherwise specified before the effluent joins or is diluted by any other waste stream, body of water or substance. All equipment used for sampling and analysis must be routinely calibrated, inspected and maintained to ensure the accuracy of that equipment. Monitoring points shall not be changed without notification to and the approval of the District.

2. **Flow Measurements:** Flow measurement is required by this permit. The appropriate flow measurement devices and methods consistent with approved scientific practices shall be selected and used to ensure the accuracy and reliability of measurements of volume of monitored discharges. The devices shall be installed, calibrated and maintained to insure that the accuracy of the measurements is consistent with the accepted capability of that type of device. Devices selected shall be capable of measuring flows with a maximum deviation of less than 10 per cent from true discharge rates throughout the range of expected discharge volumes.
3. **Analytical Methods:** All sampling and analysis required by this permit shall be performed in accordance with **40CFR Part 136** and amendments thereto, unless otherwise approved by EPA, or as specified in this permit
4. **Additional Monitoring:** If the permittee monitors any constituent more frequently than required by this permit, using test procedures identified above in section C 3, the results of this monitoring shall be included in the permittee's self monitoring reports.
5. **Inspection and Entry:** The permittee shall allow the District, or an authorized representative, upon request, reasonable access to:
  - a. Enter upon the permittee's premises where a regulated facility or activity is located or conducted or where records must be kept under the conditions of this permit.
  - b. Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit.
  - c. Inspect, at reasonable times any facilities, equipment (including monitoring and control equipment), practices or operations regulated or required by this permit.
  - d. Sample or monitor, for the purpose of assuring permit compliance, any substances or parameters at any location.
6. **Retention of Records :**
  - a. The permittee shall retain records of all monitoring information, including copies of all reports required by this permit. Records of all data including strip chart recordings and all information used to complete the application for this permit, for a period of at least three years from the date of the sample, measurement, report or application. This period may be extended by request of the District at anytime.
  - b. All records that pertain to matters that are the subject of special orders or any other enforcement, or litigation activities brought by the District, shall be retained and preserved by the permittee until all enforcement activities have concluded, and all periods of limitation with respect to any and all appeals have expired.
7. **Record Contents:** Records of sampling and analysis shall include:
  - a. The date, exact place, time, and methods of sampling or measurements, and sample preservation techniques or procedures;
  - b. The name of person or persons who performed the sampling or measurements;
  - c. The date(s) analyses were performed;
  - d. The name of the analytical laboratory and person who performed the analyses;



- e. The analytical methods used; and
- f. Copies of the results (lab reports) of the analyses.

8. **Falsifying Information:** knowingly making any false statement on any report or other document required by this permit or knowingly rendering any monitoring device or method inaccurate, is a crime and may result in the imposition of criminal sanctions and/or civil penalties.

#### D. Additional Reporting Requirements

1. **Anticipated Noncompliance:** The permittee shall give advance notice to the District of any planned changes in the permittee's facility or activity, which may result in noncompliance with permit requirements.
2. **Automatic Re-sampling:** If the results of the permittee's wastewater analysis indicate a violation has occurred, the permittee must notify the District within 24 hours of becoming aware of the violation and repeat the sampling and analysis and submit, in writing, the results of this repeat analysis within 30 days after becoming aware of the original violation.
3. **Duty to provide Information:** The permittee shall furnish to the District, within three (3) working days any information which the District may request to determine whether cause exists for modifying, revoking and reissuing, or terminating, or determining compliance with this permit. The permittee shall also, upon request, furnish to the District within three (3) working days copies of any records required to be kept by this permit.
4. **Signatory Requirements:** All applications, reports, or information submitted to the District must contain the following certification statement, and be signed as required in Sections (a), (b), or (c) below:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations".

- a. By a responsible corporate officer, if the permittee submitting the report is a corporation. For the purpose of this paragraph, a responsible corporate officer means:
  - i. A president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or any person who performs similar policy or decision making functions for the corporation, or
  - ii. The manager if authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures.
- b. By a general partner or proprietor if the permittee submitting the reports is a partnership or sole proprietorship respectively.
- c. By a duly authorized representative if:
  - i. The authorization is made in writing by the individual described in paragraph (a) or (b).



- ii. The authorization specifies either an individual or a position having responsibility for the overall operation of the facility from which the discharge originates, or having overall responsibility for environmental matters for the discharger.
    - iii. The written authorization is submitted to the District.
  - d. If an authorization under paragraph (a), (b), or (c) of this section is no longer accurate because a different individual or position has responsibility for the overall operation of the facility, or overall responsibility for environmental matters for the permittee, a new authorization satisfying the requirements of paragraph (c) of this section must be submitted to the District prior to or together with any reports to be signed by an authorized representative.
- 5. **Annual Publication:** Annually, the District shall publish in the newspaper with the largest daily circulation in the District, a list of all Industrial Users that have been in Significant Noncompliance with applicable Pretreatment Standards or requirements during the previous year. Accordingly, the permittee is apprised that noncompliance with this permit may lead to an enforcement action and may result in publication of its name in an appropriate newspaper in accordance with this section.
- 6. **Civil and Criminal Liability:** Nothing in this permit shall be construed to relieve the permittee from civil and/or criminal penalties for noncompliance under or State or Federal laws or regulations.
- 7. **Penalties for Violations of Permit Conditions:** The District's **Sewer Use Ordinance** provides that any person who violates a permit condition may be subject to a civil penalty of up to \$25,000.00 per day for each violation. Any person who willfully or negligently violates permit conditions is subject to criminal penalties of a fine up to \$250.00 per day per violation, or a fine of at least \$1,000.00 or imprisonment up to six months in jail or both for second convictions.
- 8. **Recovery of Costs Incurred:** In addition to civil and criminal liability, the permittee who violates any provision of this permit resulting in damage to or otherwise inhibiting the District's wastewater collection system, shall be liable to the District for any expense, loss, or damage caused by the violation or discharge. The District shall bill the permittee for the costs incurred by the District for any cleaning, repair, or replacement work caused by the non-compliance. The reimbursement shall also include any fines or penalties levied against the District resulting from the violation or discharge. Refusal to pay the assessed costs shall constitute a separate violation of the District's **Sewer Use Ordinance**.

#### E. Enforcement

- 1. **Notice of Violation:** Any permittee found to be in violation of any permit condition, discharge requirement, reporting requirement, or any provision of the District's **Sewer Use Ordinance** may be issued a written Notice of Violation. The Notice shall state the nature of the violation and the penalties for continued non-compliance. If required by the notice, the violator shall submit to the District, within a prescribed period specified in the notice, a plan of return to full compliance pursuant to the District's **Sewer Use Ordinance**.
- 2. **Administrative Complaint:** The General Manager may issue an Administrative Complaint to any user who violates any permit condition or requirement, a Notice of Violation or any section of the District's **Sewer Use Ordinance**.
  - a. The Administrative Complaint shall allege the act or failure to act that constitutes the violation, the provisions of law authorizing the imposition of Civil Liability, and the Civil Penalty proposed.



- b. The Administrative Complaint shall be served by personal delivery or certified mail and shall give notice to the recipient of a hearing to be conducted within sixty (60) days from the date of service.
3. **Administrative Hearing:** The Hearing shall be before a hearing officer designated by the Board of Directors of the District.
  - a. The defendant of an Administrative Complaint may waive the right to a hearing, in which case no hearing shall be held.
  - b. A defendant in an Administrative Hearing wishing to appeal a decision of the Hearing Officer may do so to the Board of Directors of the District within thirty (30) days of notice of the Hearing Officer's decision.
  - c. If after a hearing or appeal, if any, it is found in fact there has been a violation of reporting requirements, discharge requirements, the Hearing Officer or the Board or Directors may assess a Civil Penalty against the defendant.
  - d. In determining the amount of a Civil Penalty, the Hearing Officer or Board of Directors may consider all relevant circumstances including, but not limited to, the extent of harm caused by the violation, the economic benefit derived through any non-compliance, the nature and persistence of the violation, and the corrective actions, if any, attempted or taken by the discharger.
4. **Civil Penalties:**
  - a. Fines not to exceed \$2,000.00 for each day of failure or refusal to furnish technical or self-monitoring reports, [**Government Code, Section 54740.5(d)(1)**];
  - b. Fines not exceeding \$3,000.00 for each day for failure or refusal to timely comply with any compliance schedule established by the District, [**Government Code, Section 54740.5(d)(2)**];
  - c. Fines not to exceed \$5,000.00 per violation for each day for discharges in violation of any discharge limitation, permit condition, or requirement issued, reissued or adopted by the District, [**Government Code, Section 54740.5(d)(3)**];
  - d. Fines not exceeding \$10.00 per gallon for discharges in violation of any suspension, cease and desist order, other orders or prohibitions issued, reissued or adopted by the General Manager of the District, [**Government Code, Section 54740.5(d)(4)**].
  - e. Unless appealed, orders setting administrative Civil Penalties shall become effective and final upon issuance thereof, and payment shall be made within thirty (30) days. Copies of the orders shall be served by personal service or by registered mail upon the parties served with the Administrative Complaint and to other persons who appeared at the hearing and requested a copy.
  - f. All monies collected under these penalties shall be deposited in a special account of the District and shall be made available for the monitoring, treatment and control of harmful discharges into the POTW or for other mitigation measures.
  - g. The amount of any Civil Fines imposed as a result of the Administrative Hearing process, which remain delinquent for a period of sixty (60) days, shall have the force, effect and priority of a judgment lien and continue for ten (10) years from the time of recording unless sooner released, and shall be renewable in accordance with the provisions of Sections 683.110 to 683.220, inclusive, of the Code of Civil Procedure
5. **Judicial Review:** The District's Sewer Use Ordinance and related Resolutions
6. **Civil Liability for Violation:** The District's Sewer Use Ordinance



7. **Emergency Termination of Service:** The District's Sewer Use Ordinance
8. **Annual Public Notice of SNC:** Annually, the District shall publish in the newspaper with the largest daily circulation in the District's service area, a list of all industrial users that have been in SNC with applicable pretreatment standards or requirements during the previous year.
9. **Supplemental Enforcement Actions:** The District's Sewer Use Ordinance
10. **Remedies Non-exclusive:** The remedies provided for in this section are not exclusive. The District may take any, all, or any combination of these actions against the non-compliant user. Enforcement of industrial waste discharge limit violations, other permit conditions, sampling requirements or self-monitoring reporting, will generally be in accordance with the District's Enforcement Response Plan. However, the General Manager may take other action against any user when the circumstances warrant. Further, the General Manager is empowered to take more than one enforcement action against any non-compliant user.
11. **Criminal Penalties:**
  - a. A user who willfully or negligently violates any provision of a discharge permit, or any other pretreatment standard or requirement shall, upon conviction, be guilty of a misdemeanor, punishable by a fine not to exceed One Thousand Dollars (\$1,000.00) per violation, per day or imprisonment for not more than six months, or both for each violation per day.
  - b. Any user who knowingly makes any false statements, representations or certifications in any application, record, report, plan or other documentation filed or required to be maintained pursuant to a discharge permit, or falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required under that permit shall, upon conviction, be guilty of a misdemeanor, punishable by a fine not to exceed One Thousand Dollars (\$1,000.00) per violation, per day or imprisonment for not more than six months, or both for each violation per day.
  - c. Payment of any penalty required in this section shall not relieve a user from responsibility for correcting the violation and reimbursing the District for all costs and expenses associated with all corrections including any fines and/or penalties incurred by District as a result of the violation.

#### **PART 6 - COMPLIANCE TIME SCHEDULES**

- A. **Compliance Time Schedule Progress Reports** When required, Compliance Time Schedule progress reports shall be submitted at a minimum frequency of every 30 days until compliance with discharge requirements or the District's Sewer Use Ordinance are obtained. These reports shall contain dates for pretreatment equipment design completion, building permit submittal date, construction starting date, construction updates, construction completion date, employee training completion date, date of achieving final compliance, and/or any other required information. Samples may be required to be collected to demonstrate compliance. The samples shall be collected in accordance with the requirements of this permit.
- B. **Compliance Schedule Reporting.** No later than on the respective compliance schedule dates, the permittee shall submit to the District a report including, at a minimum, whether or not it complied with the increment of progress to be met on such date and, if not, the date on which it expects to comply with the increment of progress, the reasons for delay, and the steps being taken to return the project to the schedule established. In no case shall any



Sorenson Engineering, Inc.  
Wastewater Discharge Permit  
Number CP 001-03  
Page 21

milestone in the compliance schedule exceed nine months.

**C. Reports of Progress.**

1. Sorenson Engineering, Inc. shall submit to the District, no later than the 15<sup>th</sup> of each month if required, a written Report of Progress. The Report of Progress shall state the probability of Sorenson Engineering, Inc. completing the work required for the upcoming compliance date.
2. If a Compliance Time Schedule milestone date cannot be met, Sorenson Engineering, Inc. shall notify the District **in Writing and Prior to** the expiration of the Compliance Time Schedule date to request an extension. The extension request shall describe the reason(s) for Sorenson Engineering's failure to comply and the additional amount of time required to complete the remaining work. Compliance Time Schedule date extensions will be granted at the reasonable discretion of the District.



22<sup>nd</sup> September, 2020

Mr J Wrobel  
Yucaipa Valley Water District  
12770 Second Street  
Yucaipa  
Ca  
92399

Dear John,

**Re: Industrial Discharge Permit CP-001-03**

Our current permit has limits of 300lbs of TDS per day and a discharge limit of 30,000 gallons per day.

Our business has continued to grow, we are now more than double the size we were 2 years ago, and as a result we really need our limits reviewed again. We are over 400 employees now, which is great for the community, so any help you can give us would be greatly appreciated.

Based on our growth, we would like you to consider giving us 600lbs of TDS per day, with an increase in the total discharge per day to 40,000 gallons.

If you have any questions please do not hesitate to call me.

Your sincerely

A handwritten signature in blue ink, appearing to read 'Paul Sewell', with a stylized flourish at the end.

Paul Sewell  
EVP/COO/CFO



32032 Dunlap Boulevard Yucaipa, California 92399 USA (909) 795-2434 telephone (909) 795-7190 fax [www.sorensoneng.com](http://www.sorensoneng.com)







**Date:** October 19, 2021

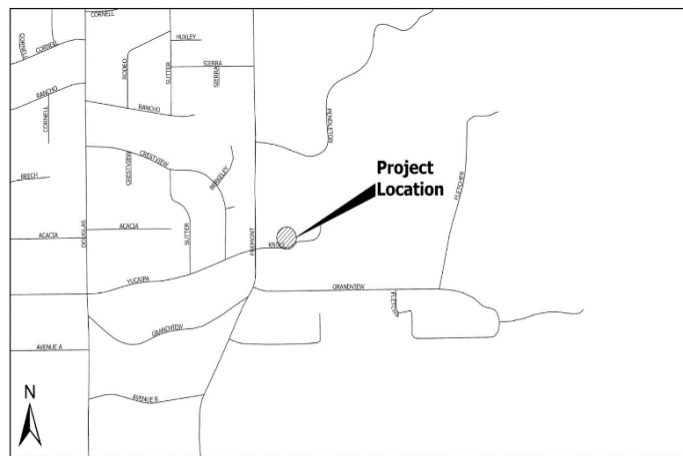
**Task:** 89496

**Prepared By:** Mike Rivera, Public Works Manager

**Subject:** Consideration of the Purchase and Installation of a Highline for Interim Drinking Water Service to Knoll Drive, Yucaipa

**Recommendation:** That the Board authorize the General Manager to proceed with the purchase and installation of a highline for a sum not to exceed \$58,262.23.

On May 28, 2021, a drinking water mainline split which impacted the property at 11945 Pendleton Road, Yucaipa. District crews repaired the mainline the same day. The repair to the property where the mainline failed is being repaired by the District's insurance company and was discussed on June 22, 2021 [Director Memorandum 21-118]. District staff is in the process of preparing a design for a new pipeline alignment within Knoll Drive which will provide a permanent installation of 8-inch ductile iron pipe which will be discussed at a future board meeting.



**LOCATION MAP**

This installation of a 4-inch High Density Polyethylene (HDPE) will be temporary. The purpose of the temporary HDPE line is to replace the existing fragile mainline that previously failed, causing extensive damage to 11945 Pendleton Road. The proposed highline pipeline project involves the installation of approximately 1,000 ± linear feet of 4-inch High-Density Polyethylene (HDPE) including various valves, appurtenances, and water connections. The quotes include the purchase of the pipeline material that will be able to be re-used for future temporary installations. The table below summarizes the bids that have been submitted to District staff.

District staff recommends the Board authorize the General Manager to proceed with Rain for Rent for a sum not to exceed \$58,262.23.

Contractor	Amount
Rain for Rent	\$58,262.23
West Coast Safety Supply	\$150,094.08
Core & Main	No Response







Sale Quotation

Riverside

www.rainforrent.com

6400 Fischer Rd  
Riverside CA 92507  
Phone: 951-653-2171  
Fax: 951-656-1926

Quotation Number: 1036-IND-982487  
Prepared By: Jesse Valenzuela

Job Description:  
Customer requested the purchase of a 1900 foot 4" Hdpe highline. Highline will include (7) Outlet tee's with 2" mipt to allow customer to connect 2" pvc pipe to connection source.

Customer: YUCAIPA VALLEY WATER DISTRICT  
Customer ID: 107141  
Address: PO BOX 730  
City/State: YUCAIPA, CA 92399  
Contact: Mike Rivera  
Office: 9097902572  
Fax: 9097975937

Location:  
35846 Grand View Dr  
Yucaipa CA

Sale Sub Total: \$19,314.42

**Sub Total: \$19,314.42**

Recommended Optional Items - Rental: \$0.00  
Recommended Optional Items - Sales: \$0.00  
Does not include sales tax

Est. Delivery Hauling \$11,730.06  
Est. Pick-up Hauling \$0.00

Accept/Decline:  
Initial:

Est. Install Labor \$27,217.75  
Est. Removal Labor \$0.00

By checking Accept and initialing customer is acknowledging that the additional cost for the above items will be added to the grand total.

Est. Services \$0.00  
Est. Air Quality Fee \$0.00  
Est. Rev Air Quality Fee -\$0.00  
Est. Enviro Recovery Fee \$0.00  
Est. Rev Enviro Recovery Fee -\$0.00

Rental Protection - RPP: \$0.00

( Does Not Include Sales Tax )

**Grand Total: \$58,262.23**

Date Prepared: 10/9/2021

Valid Until: 11/8/2021

Customer

Date

By signing this quotation, customer represents that he/she has read and agreed to both the Statement of Work and Scope of Agreement sections, and is also agreeing to the grand total amount listed above, plus any recommended optional items if checked and initialed. If customer requires a Purchase Order number to process and submit payment, it must be supplied to Rain for Rent at the time of acceptance of this quotation. Please insert Purchase Order number here:

**Rental Protection Plan**

I have received and reviewed the Rental Protection Plan Agreement incorporated as the last page of this estimate. By initialing this paragraph, I understand that I am agreeing to enter into and be bound by the terms of the Rental Protection Plan Program Agreement and that I am authorized to enter into this Agreement on behalf of Customer. FOR ALL RENTALS OF EQUIPMENT, EXCEPT THOSE SPECIFICALLY EXCLUDED, YOU MAY EITHER SHOW PROOF OF PROPERTY INSURANCE IN ACCORDANCE WITH INSURANCE REQUIREMENTS AND RENTAL AGREEMENT, OR PURCHASE THE RENTAL PROTECTION. THE PURCHASE OF THE RENTAL PROTECTION PLAN FOR RENTALS OF EQUIPMENT IS NOT MANDATORY AND MAY BE DECLINED IF YOU HAVE PROOF OF ALL RISK PROPERTY INSURANCE AS REQUIRED BY CONTRACT.

Initial here:





**WEST COAST SAFETY SUPPLY INC.**

2271 W.Malvern Ave, Suite 370  
 Fullerton, CA 92833  
 760-635-9237  
 sales@westcoastsafetysupply.com  
 DGS: 1757566 Cage Code: 1RJ74

# Quotation

Yucaipa Valley Water District  
 12770 Second Street  
 Yucaipa, CA 92399

<b>Customer Name:</b> Mike Rivera		<b>Date</b>	<b>Estimate #</b>	
<b>Phone #</b> FOB origin		9/29/2021	67311	
		<b>Rep:</b> K	<b>Terms</b> Net 30	
Item	Description	Qty	Cost	Total
HR4X4T-	Emergency Trailer Hose Reel 4X4 Hose Reel Trailer, With Trash Pump Double Axle. Hose Reel will be equipped with 4 dividers for 4" lay flat hose, each divider can hold up to 660' of hose. Equipped with 24 HP Honda Engine for reel. (see appendix A for more details)	1	88,110.00	88,110.00T
4TPII-	4" Trash Pump, Honda Engine	1	6,100.00	6,100.00T
FA4CL-	4" Field Attachable AL Fitting with 4" MXF CamLock Parts A & D Coupling (cost per set)	9	570.00	5,130.00T
WL-04-660-	4" Wasteline Black Urethane Unclpd Hose (Full Roll)	2	6,800.00	13,600.00T
WL04-CT-	4" Black Wasteline Polyurethane Hose (Cut Price)	330	15.75	5,197.50T
WL04-CT-	4" Black Wasteline Polyurethane Hose (Cut Price)	330	15.75	5,197.50T
WL04-CT-	4" Black Wasteline Polyurethane Hose (Cut Price)	330	15.75	5,197.50T
WL04-CT-	4" Black Wasteline Polyurethane Hose (Cut Price)	110	15.75	1,732.50T
WL04-CT-	4" Black Wasteline Polyurethane Hose (Cut Price)	110	15.75	1,732.50T
WL04-CT-	4" Black Wasteline Polyurethane Hose (Cut Price)	55	15.75	866.25T
WL04-CT-	4" Black Wasteline Polyurethane Hose (Cut Price)	55	15.75	866.25T
Freight	FREIGHT CHARGES (ESTIMATED) 10-12 week ETA on trailers 6-8 weeks ETA on hose	1	6,000.00	6,000.00
			<b>Sales Tax (7.75%)</b>	\$10,364.08
Thank you for the opportunity to provide you with a quotation. We look forward to your valued business. All Prices quoted are valid for 30 days from the date of stated on the quotation. Shipping Terms: FOB Origin. The 3.5% additional fee for customer with credit card payment term.			<b>Total</b>	\$150,094.08



**Date:** October 19, 2021 **Task:** Not Applicable

**Prepared By:** Joseph B. Zoba, General Manager

**Subject:** Public Hearing - Discussion Regarding the Redistricting Process and Opportunity for Initial Public Input

**Recommendation:** Pending.

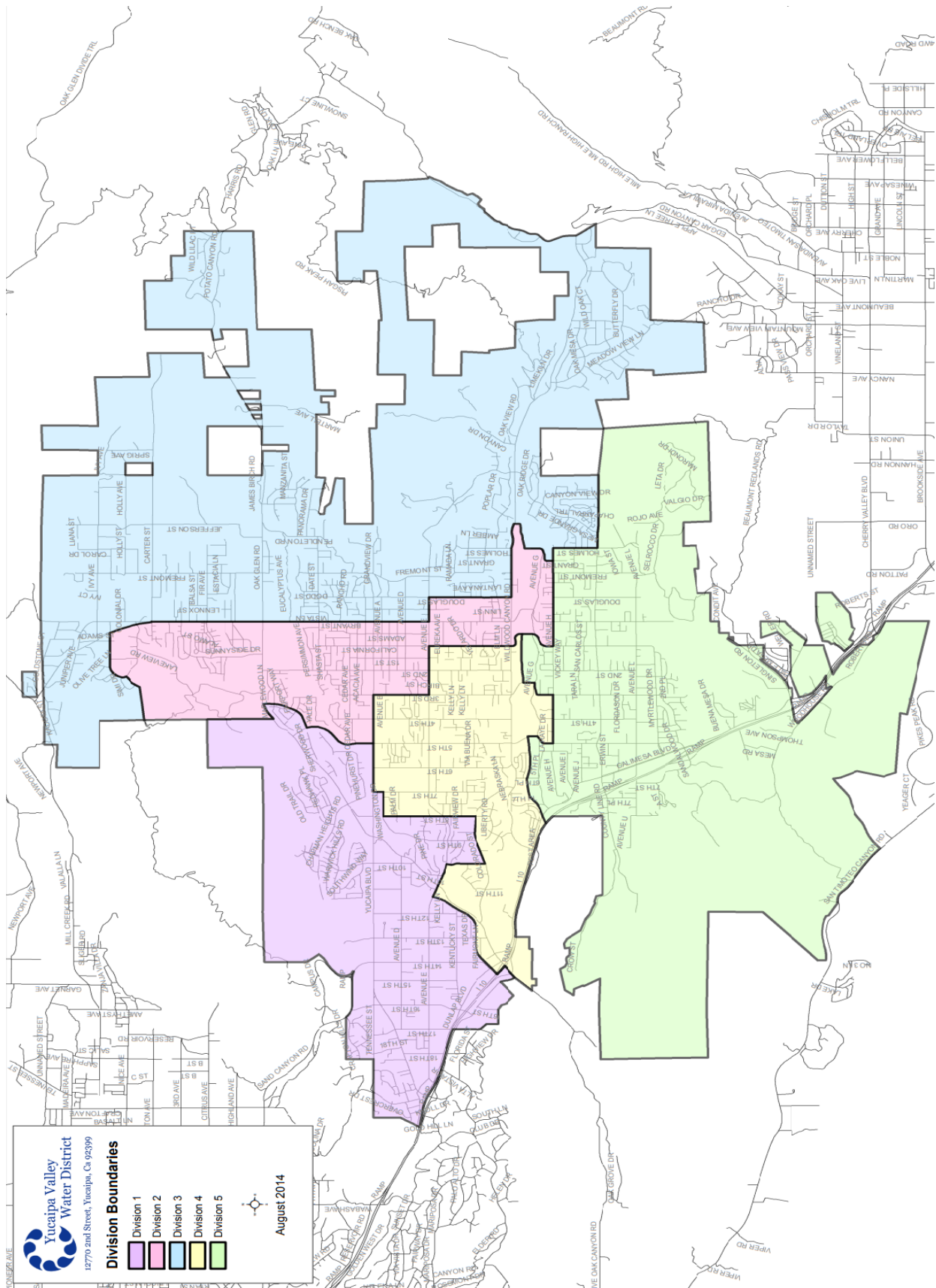
---

Every ten years, the District is required to review and redraw the division boundaries for the five elected officials. This process, called redistricting, ensures all divisions remain balanced with the same number of constituents.

The District staff is currently soliciting proposals from consultants to assist with the process. Information about the status of proposals received will be presented at the meeting for possible action by the Board of Directors.

Additionally, at this time the District staff recommends conducting the first of several public hearings to receive public input regarding the proposed division modifications. The purpose of this public hearing is to inform the public about the redistricting process and to provide the members of the community an opportunity to voice their opinions about the division boundaries.

Over the coming months, residents are encouraged to visit the District's redistricting website at: [https://www.yvwd.us/about\\_us/redistricting.php](https://www.yvwd.us/about_us/redistricting.php) to follow the process and receive updates on the redistricting process.





**Yucaipa Valley Water District  
Notice of Public Hearing  
Redistricting of Elected Official Division Boundaries**

NOTICE IS HEREBY GIVEN that the Board of Directors of the Yucaipa Valley Water District will conduct a public hearing on October 19, 2021, at 4:00 p.m., at a publicly noticed meeting of the Yucaipa Valley Water District at which time the Board of Directors will: (1) Receive a report on the redistricting process and permissible criteria to be considered to redraw the election division boundaries of the Board of Directors; and (2) Receive public input regarding the potential division boundaries of the Board of Directors.

All interested persons are invited to participate in said hearing and express opinions related to this matter.

Public comment via mail or email for this Public Hearing must be submitted prior to the meeting at which the commenter seeks to provide comment. Public comment may be submitted via U.S. Mail to the General Manager at 12770 Second Street, Yucaipa, California 92399 or via email to [CustomerService@yvwd.us](mailto:CustomerService@yvwd.us). All mail and email correspondence will be archived, distributed to the Board of Directors, and retained as part of the public record; however, submissions will not be read aloud during the meeting.

If any matter proposed herein is challenged in court, there may be a limitation to raising only those issues at the public hearing described herein, or in written correspondence delivered to the Yucaipa Valley Water District at, or prior to, the public hearing.

Joseph B. Zoba  
General Manager

Posted: October 14, 2021

---

AFFIDAVIT OF POSTING

I, Joseph B. Zoba, General Manager of the Yucaipa Valley Water District, hereby declare under penalty of perjury that the Notice of Public Hearing for the Board of Directors of the Yucaipa Valley Water District was posted on October 14, 2021.



**Date:** October 19, 2021 **Task:** Not Applicable

**Prepared By:** Joseph B. Zoba, General Manager  
Allison M. Edmisten, Chief Financial Officer

**Subject:** Overview of Financial Goals and Formation of a Joint Exercise of Powers Agreement for the Formation of the Yucaipa Valley Water District Financing Authority

**Recommendation:** Staff Presentation - No Recommendation.

---

On June 29, 2004, the Yucaipa Valley Water District issued \$45,730,000 of Water System Revenue Certificates of Participation, Series 2004A for the construction of the Yucaipa Valley Regional Water Filtration Facility.

Between 2009 and 2016 the Yucaipa Valley Water District entered into contracts with the State Water Resources Control Board for six State Revolving Fund loans for the expansion and upgrade of the Wochholz Regional Water Recycling Facility along with several other sewer related projects. These loans currently have interest rates that range between 2.20-2.70%, which are well in excess of the current public market rates for comparable maturities.

On February 26, 2015, the Yucaipa Valley Water District Financing Corporation refinanced the Series 2004A debt by issuing \$30,810,000 in bonds as the Water System Refunding Revenue Bonds, Series 2015A.

The District staff has been working closely with our consultants to create a Financing Authority for the issuance of the future refinanced debt obligations. The purpose of this agenda item is to discuss the general concepts, issues, and goals associated with the proposed refinancing.

10/19/21

---

---

**JOINT EXERCISE OF POWERS AGREEMENT**

**by and between**

**YUCAIPA VALLEY WATER DISTRICT**

**and**

**SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT**

**creating the**

**YUCAIPA VALLEY WATER DISTRICT FINANCING AUTHORITY**

\_\_\_\_\_, 2021



## JOINT EXERCISE OF POWERS AGREEMENT

THIS AGREEMENT, dated \_\_\_\_\_, 2021, by and between the YUCAIPA VALLEY WATER DISTRICT, a county water district that is duly organized and existing under and by virtue of the laws of the State of California, (“YVWD”), and SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT, a municipal water district that is organized and existing under and by virtue of the laws of the State of California (“SBVMWD”).

### DECLARATION OF PURPOSE

A. Chapter 5 of Division 7 of Title 1 of the California Government Code (the “Act”) authorizes YVWD and SBVMWD to create a joint exercise of powers entity which has the power to exercise any powers common to YVWD and SBVMWD and to exercise additional powers granted to it under the Act. This Agreement creates such an agency, which shall be known as the Yucaipa Valley Water District Financing Authority (the “Authority”) for the purposes and to exercise the powers described herein.

B. YVWD and SBVMWD are each authorized to buy, sell, lease and use property and to incur indebtedness for public purposes pursuant to the California Water Code, the California Government Code and other laws of the State of California.

C. Article 4 of the Act (known as the “Marks-Roos Local Bond Pooling Act of 1985”) authorizes and empowers the Authority to issue bonds and to purchase bonds issued by, or to make loans to, YVWD or SBVMWD for financing public capital improvements, working capital, liability and other insurance needs, or projects whenever there are significant public benefits, as determined by the Authority. The Marks-Roos Local Bond Pooling Act of 1985 further authorizes and empowers the Authority to sell bonds so issued or purchased to public or private purchasers at public or negotiated sale.

### TERMS OF AGREEMENT

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall for all purposes of this Agreement have the meanings herein specified.

“*Act*” shall mean Articles 1, 2 and 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended.

“*Agreement*” shall mean this Joint Exercise of Powers Agreement, as it may be amended from time to time, creating the Authority.

“*Authority*” shall mean the Yucaipa Valley Water District Financing Authority created by this Agreement.

“*Board*” or “*Board of Directors*” shall mean the governing board of the Authority.

“*Bonds*” shall mean bonds and any other evidences of indebtedness of the Authority authorized and issued pursuant to the Act.

“*Indenture*” shall mean each indenture, trust agreement, resolution or other such instrument pursuant to which Bonds are issued.

“*Local Agency*” shall mean YVWD or any other public agency which enters into a Security Agreement with the Authority.

“*Members*” shall mean YVWD and SBVMWD.

“*Security Agreement*” means any installment purchase agreement, lease agreement, payment agreement or other agreement which in each case obligates a Local Agency to pay all or a portion of the principal and interest on Bonds.

“*State*” shall mean the State of California.

Section 2. Purpose. This Agreement is made pursuant to the Act for the purpose of assisting in the financing and refinancing of capital improvement projects of the Local Agencies, working capital for the Local Agencies and other costs described in the Act by exercising the powers referred to in this Agreement. Any Bonds issued by the Authority shall be solely for projects benefiting the Local Agency or Local Agencies entering into a Security Agreement with respect to such Bonds.

Section 3. Term. This Agreement shall become effective as of the date hereof and shall continue in full force and effect until the Members terminate this Agreement in writing; provided however this Agreement shall not terminate so long as any Bonds or other obligations of the Authority remain outstanding under the terms of any indenture, trust agreement, contract, agreement, lease, sublease or other instrument pursuant to which such Bonds are issued or other obligations are incurred.

Section 4. The Authority.

(a) *Creation of the Authority.* There is hereby created pursuant to the Act an authority and public entity to be known as the “Yucaipa Valley Water District Financing Authority.” As provided in the Act, the Authority shall be a public entity separate from the Members. The geographic boundaries of the Authority shall be coextensive with the boundaries of the Members. The debts, liabilities and obligations of the Authority shall not constitute debts, liabilities or obligations of the Members. Notwithstanding any other provision of this Agreement, the Authority shall not have the power to incur any debt, liability or obligation that is not subject to the preceding sentence, including but not limited to any debt, liability or obligation to a public retirement system or otherwise for pension, health care or other retirement benefits.

Within 30 days after the effective date of this Agreement or any amendment hereto, the Authority will cause a notice of this Agreement or amendment to be prepared and filed with the office of the Secretary of State of the State in the manner that is set forth in Section 6503.5 of the Act. Such notice shall also be filed with the office of the Finance Director of the State.

(b) *Governing Board.* The Authority shall be administered by the Board, which shall consist of the Board of Directors of YVWD. The term of office as a member of the Board shall terminate when such member of the Board shall cease to hold his or her respective office at YVWD,

and the successor to such officer or director of YVWD shall become a member of the Board, upon assuming such office.

Members of the Board shall not receive any compensation for serving as such, but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as a member if the Board shall determine that such expenses shall be reimbursed and there are unencumbered funds available for such purpose.

(c) Meetings of Board.

(1) The Board shall hold regular meetings on the first and third Tuesdays of each calendar month at [4:00] P.M. at the offices of YVWD unless the Board determines to meet at an alternate location in accordance with California law. The Board may suspend the holding of regular meetings so long as there is no need for Authority business. The Board may hold special meetings at any time and from time to time in accordance with law, provided that, so long as required by the Act, any action taken regarding the sale of Bonds shall occur by resolution placed on a noticed and posted meeting agenda for a regular meeting of the Authority.

(2) All regular and special meetings of the Board shall be called, noticed, held and conducted subject to the provisions of the Ralph M. Brown Act (Chapter 9 of Part 1 of Division 2 of Title 5 of the California Government Code), or any successor legislation hereafter enacted.

(3) The Secretary of the Authority shall cause minutes of all meetings of the Board to be kept and shall, as soon as practicable after each meeting, cause a copy of the minutes to be forwarded to each member of the Board and to the Members.

(4) A majority of the members of the Board shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn meetings from time to time.

(d) Officers; Duties; Bonds.

(1) The officers of the Authority shall be the Chair, Vice Chair, Executive Director, Secretary and Treasurer. Such officers may be directors or officers of YVWD serving *ex officio*.

(2) The Chair of the Authority shall be the Board member who is the President of YVWD. The term of office of the Chair shall be the same as the term of the President of YVWD. The Chair shall preside at all meetings of the Authority, and shall submit such information and recommendations to the Board as he or she may consider proper concerning the business, policies and affairs of the Authority.

(3) The Vice Chair of the Authority shall be the Board member who is the Vice President of YVWD. The term of office of the Vice Chair shall be the same as the term of the Vice President of YVWD. The Vice Chair shall perform the duties of the Chair in the absence or incapacity of the Chair. In case of the resignation or death of the Chair, the Vice Chair shall perform such duties as are imposed on the Chair, until such time as a new Chair is selected or appointed.

(4) The General Manager of YVWD is hereby designated as the Executive Director of the Authority and shall be responsible for execution and supervision of the

affairs of the Authority. Except as otherwise authorized by resolution of the Board, the Executive Director or the Executive Director's designee shall sign all contracts, deeds and other instruments executed by the Authority. In addition, subject to the applicable provisions of any trust agreement, indenture or resolution providing for a trustee or other fiscal agent, the Executive Director is designated as the public officer or person who has charge of, handles or has access to any property of the Authority, and shall file an official bond if so required by the Board and, as such, shall have the powers, duties and responsibilities that are specified in Section 6505.1 of the Act.

(5) The Secretary of YVWD is hereby designated as the Secretary of the Authority. The Secretary shall keep the records of the Authority, shall act as Secretary at the meetings of the Authority and record all votes, and shall keep a record of the proceedings of the Authority in a journal of proceedings to be kept for such purpose, and shall perform all duties incident to the office. Any assistant secretary of YVWD shall also serve as an assistant secretary of the Authority and may take any actions for which the Secretary has become authorized by the Agreement, any Indenture, and any resolution of the Board of the Authority or otherwise.

(6) The Treasurer of YVWD is hereby designated as the Treasurer of the Authority. The Treasurer of the Authority is designated as the public officer or person who has charge of, handles, or has access to any property of the Authority, and such officer shall file an official bond as required by the Board, and as such shall have the power, duties and responsibilities that are specified in Section 6505.1 of the Act. The cost of the bond shall be paid by the Authority.

(7) So long as required by Sections 6505 and 6505.5 of the Act, the Treasurer of the Authority shall prepare or cause to be prepared: (a) a special audit as required pursuant to Section 6505 of the Act every year during the term of this Agreement; and (b) a report in writing on the first day of January, April, July and October of each year to the Board and the Members, which report shall describe the amount of money held by the Treasurer of the Authority for the Board, the amount of receipts since the last such report, and the amount paid out since the last such report (which may exclude amounts held by a trustee or other fiduciary in connection with any Bonds to the extent that such trustee or other fiduciary provides regular reports covering such amounts).

(8) The services of the officers shall be without compensation by the Authority. YVWD may provide such other administrative services as required by the Authority.

(9) The Board shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants.

(10) All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, worker's compensation and other benefits which apply to the activities of officers, agents or employees of YVWD when performing their respective functions within the territorial limits of YVWD, shall apply to them to the same degree and extent while engaged in the performance of any of their functions and duties extraterritorially under the provisions of this Agreement.

(11) None of the officers, agents or employees, if any, directly employed by the Authority shall be deemed, by reason of their employment by the Authority, to be employed by YVWD or, by reason of their employment by the Authority, to be subject to any of the requirements or benefits of YVWD.

(12) The Members hereby confirm their intent and agree that, as provided in Section 4(a) hereof and in the Act, the debts, liabilities and obligations of the Authority shall not constitute debts, liabilities or obligations of the Members, and they do not intend by the following sentence to impair this provision. Notwithstanding Section 4(a) hereof, the confirmation provided immediately above, and the Act, YVWD shall indemnify, defend and hold harmless the Authority and the other Members and each of the Authority and the other Member's officers, directors, employees, attorneys and agents from and against any and all costs, expenses, losses, claims, damages, and liabilities directly or indirectly arising out of or in connection with the activities of the Authority. Each Member may elect to defend itself in any such action with counsel of its choice, the reasonable fees of such counsel to be paid by YVWD. Notwithstanding the provisions of Section 895.6 of the Government Code of the State, a Member shall not have any right to contribution from the Authority. This paragraph shall survive the termination of this Agreement.

(13) In any event, the Authority shall cause all records regarding the Authority's formation, existence, operations, any Bonds issued by the Authority, obligations incurred by it and proceedings pertaining to its termination to be retained for at least six (6) years following termination of the Authority or final payment of any Bonds issued by the Authority, whichever is later.

(14) Confirmation of officers shall be the first order of business at the first meeting of the Authority, regular or special, held in each calendar year.

(15) No Board member, officer, agent or employee of the Authority, without prior specific or general authority by a vote of the Board, shall have any power or authority to bind the Authority by any contract, to pledge its credit, or to render it liable for any purpose in any amount.

Section 5. Powers. The Authority shall have any and all powers which are common powers of the Members, and the powers separately conferred by law upon the Authority. All such powers, whether common to the Members or separately conferred by law upon the Authority, are specified as powers of the Authority, except any such powers which are specifically prohibited to the Authority by applicable law. The Authority's exercise of its powers is subject to the restrictions upon the manner of exercising the powers of YVWD.

The Authority is hereby authorized, in its own name, to do all acts necessary or convenient for the exercise of its powers, including, but not limited to, any or all of the following: to sue and be sued; to make and enter into contracts; to employ agents, consultants, attorneys, accountants, and employees; to acquire, hold or dispose of property, whether real or personal, tangible or intangible, wherever located; to issue Bonds or otherwise incur debts, liabilities or obligations to the extent authorized by the Act or any other applicable provision of law and to pledge any property or revenues or the rights thereto as security for such Bonds and other indebtedness.

Notwithstanding the foregoing, the Authority shall have any additional powers conferred under the Act or under applicable law, insofar as such additional powers may be necessary to accomplish the purposes set forth in Section 2 hereof.

This section shall be subject to the limitations on the powers of the Authority set forth in Section 4(a).

Section 6. Termination of Powers. The Authority shall continue to exercise the powers herein conferred upon it until the termination of this Agreement in accordance with Section 3 hereof.

Section 7. Fiscal Year. The first fiscal year of the Authority shall be the period from the date of this Agreement to last day of June 2022. Each subsequent fiscal year of the Authority shall be the period from July 1 of each year through the last day of June of the succeeding year, unless changed by resolution of the Board.

Section 8. Disposition of Assets. Upon termination of this Agreement pursuant to Section 3 hereof, any surplus money in possession of the Authority or on deposit in any fund or account of the Authority shall be returned in proportion to any contributions made as required by Section 6512 of the Act. The Board is vested with all powers of the Authority for the purpose of concluding and dissolving the business affairs of the Authority. After rescission or termination of this Agreement pursuant to Section 3 hereof, all property of the Authority, both real and personal, shall be distributed to YVWD.

Section 9. Contributions and Advances. Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by YVWD for any of the purposes of this Agreement. Payment of public funds may be made to defray the cost of any such contribution. Any such advance made in respect of a revenue-producing facility shall be made subject to repayment, and shall be repaid, in the manner agreed upon by YVWD, and the Authority at the time of making such advance as provided by Section 6512.1 of the Act. It is mutually understood and agreed that the Members have no obligation to make advances or contributions to the Authority to provide for the costs and expenses of administration of the Authority.

Section 10. Bonds.

(a) *Authority to Issue Bonds.* When authorized by the Act or other applicable provisions of law and by resolution of the Board, the Authority may issue Bonds for the purpose of raising funds for the exercise of any of its powers or to otherwise carry out its purposes under this Agreement. Said Bonds shall have such terms and conditions as are authorized by the Board.

(b) *Bonds Limited Obligations.* The Bonds, including the principal and any purchase price thereof, and the interest and premium, if any, thereon, shall be special obligations of the Authority payable solely from, and secured solely by, the revenues, funds and other assets that are pledged therefor under the applicable Indenture(s) and shall not constitute a charge against the general credit of the Authority or the Members. The Bonds shall not be secured by a legal or equitable pledge of, or lien or charge upon or security interest in, any property of the Authority or any Members (other than property of the Member executing a Security Agreement to secure such Bonds and only to the extent set forth in such Security Agreement) or any Authority income or receipts or any Members income or receipts (other than income or receipts of the Member executing a Security Agreement to secure such Bonds and only to the extent set forth in such Security Agreement) except the property, income and receipts pledged therefor under the applicable Indenture(s). The Bonds shall not constitute a debt, liability or obligation of the State or any public agency thereof, including any Member, other than the special obligation of the Authority as described above. Neither the faith and credit nor the taxing power of the State or any public agency thereof, including any Member, shall be pledged to the payment of the principal or purchase price of, or the premium, if any, or interest on the Bonds, nor shall the State or any public agency or



instrumentality thereof, including any Member, in any manner be obligated to make any appropriation for such payment. The Authority shall have no taxing power.

No covenant or agreement contained in any Bond or Indenture shall be deemed to be a covenant or agreement of any director, officer, agent or employee of the Authority, a Member or a Local Agency, in his or her individual capacity, and no director or officer of the Authority executing a Bond shall be liable personally on such Bond or be subject to any personal liability or accountability by reason of the issuance of such Bond.

Section 11. Agreement not Exclusive. This Agreement shall not be exclusive and shall not be deemed to amend or alter the terms of other agreements between the Members, except as the terms of this Agreement shall conflict therewith, in which case the terms of this Agreement shall prevail.

Section 12. Accounts and Reports. All funds of the Authority shall be strictly accounted for in books of account and financial records maintained by the Authority, including a report of all receipts and disbursements. The Authority shall establish and maintain such funds and accounts as may be required by generally accepted accounting principles and by each Indenture for outstanding Bonds (to the extent that such duties are not assigned to a trustee for owners of Bonds). The books and records of the Authority shall be open to inspection at all reasonable times by the Members and their representatives.

The Authority shall require that each Indenture provide that if a trustee is appointed thereunder, such trustee shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of such Indenture. Said trustee may be given such duties in said Indenture as may be desirable to carry out the requirements of this Section 12.

(a) *Audits.* The Treasurer of the Authority shall cause an independent audit to be made of the books of accounts and financial records of the Authority in compliance with the requirements of the Act; provided, however, that if the Authority is deemed a component unit of the District, no independent audit of the Authority shall be required. Any costs of the audit, including contracts with, or employment of, certified public accountants or public accountants in making an audit pursuant to this Section 12, shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for that purpose.

(b) *Audit Reports.* The Treasurer of the Authority, as soon as practicable after the close of each fiscal year but in any event within the time necessary to comply with the requirements of the Act shall file a report of the audit performed pursuant to this Section 12(b) as required by the Act and shall send a copy of such report to public entities and persons in accordance with the requirements of the Act.

Section 13. Funds. Subject to the provisions of each Indenture for outstanding Bonds providing for a trustee to receive, have custody of and disburse funds which constitute Authority funds, the Treasurer of the Authority shall receive, have the custody of and disburse Authority funds pursuant to accounting procedures approved by the Board and shall make the disbursements required by this Agreement or otherwise necessary to carry out the provisions and purposes of this Agreement.

Section 14. Adoption of Certain Codes and Policies. The Authority shall, by resolution, adopt a Conflict of Interest Code, an investment policy and a debt management policy to the extent required by law. Such Conflict of Interest Code, investment policy and debt management policy may be the respective code or policies of YVWD.

Section 15. Notices. Notices and other communications hereunder to the parties shall be sufficient if delivered to the clerk or secretary of the governing body of each party.

Section 16. Withdrawal. No Member may withdraw from this Agreement prior to the end of the term of this Agreement determined in accordance with Section 3.

Section 17. Effectiveness. This Agreement shall become effective and be in full force and effect and a legal, valid and binding obligation of the Members when each party has executed a counterpart of this Agreement.

Section 18. Severability. Should any part, term, or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

Section 19. Successors; Assignment. This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, neither party may assign any right or obligation hereunder without the consent of the other.

Section 20. Amendment of Agreement. This Agreement may be amended by supplemental agreement executed by the Members at any time; provided, however, that this Agreement may be terminated only in accordance with Section 3 hereof and, provided further, that such supplemental agreement shall be subject to any restrictions contained in any Bonds or documents related to any Bonds to which the Authority is a party.

Section 21. Waiver of Personal Liability. No Member, member of the Board, officer or employee of the Authority or the Members shall be individually or personally liable for any claims, losses, damages, costs, injury and liability of any kind, nature or description arising from the actions of the Authority or the actions undertaken pursuant to this Agreement, and the Authority shall defend such Members, members of the Board, officers or employees against any such claims, losses, damages, costs, injury and liability. Without limiting the generality of the foregoing, no Member, member of the Board, officer or employee of the Authority or of any Member shall be personally liable on any Bonds or be subject to any personal liability or accountability by reason of the issuance of Bonds pursuant to the Act and this Agreement. To the full extent permitted by law, the Board shall provide for indemnification by the Authority of any person who is or was a member of the Board, or an officer, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a member of the Board, or an officer, employee or other agent of the Authority, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in the course and scope of his or her office, employment or agency. In the case of a criminal proceeding, the Board may provide for indemnification and defense of a member of the Board, or an officer, employee or other agent of the Authority to the extent permitted by law.



Section 22. Notices. Notices to a Member hereunder shall be sufficient if delivered to the General Manager of such Member.

Section 23. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

Section 24. Miscellaneous. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Where reference is made to duties to be performed for the Authority by a public official or employee, such duties may be performed by that person's duly authorized deputy or assistant. Where reference is made to actions to be taken by a Member, such action may be exercised through the officers, staff or employees of such Member in the manner provided by law.

The principal office of the Authority shall be the principal office of YVWD.

THIS AGREEMENT IS MADE IN THE STATE, UNDER THE CONSTITUTION AND LAWS OF THE STATE AND IS TO BE CONSTRUED AS A CONTRACT MADE AND TO BE PERFORMED IN THE STATE.

This Agreement is the complete and exclusive statement of the agreement among the parties with respect to the subject matter hereof, which supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between the parties relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their proper officers or officials thereunto duly authorized, as of the day and year first above written.

YUCAIPA VALLEY WATER DISTRICT

By \_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

SAN BERNARDINO VALLEY MUNICIPAL  
WATER DISTRICT

By: \_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary



**Date:** October 19, 2021

**Prepared By:** Joseph Zoba, General Manager

**Subject:** Consideration of Resolution No. 2021-51 Updating the Calculation for Facility Capacity Charges Related to the Purchase of Permanent Supplemental Water Resources for New Development within Riverside County

**Recommendation:** That the Board approve Resolution No. 2021-51.

The Yucaipa Valley Water District currently charges \$13,478 per dwelling unit for facilitate capacity charges for each new residential equivalent unit constructed in our service area. This fee recovers costs expended by the District for the construction of the following facilities:

Description of Drinking Water Component	Existing Facility Capacity Charges
Yucaipa Valley Regional Water Filtration Facility	\$3,811
Recycled Water System	\$823
Booster Pumping Plants	\$885
Pipeline Facilities	\$4,407
Water Storage Reservoirs	\$3,552
<b>Total</b>	<b>\$13,478</b>

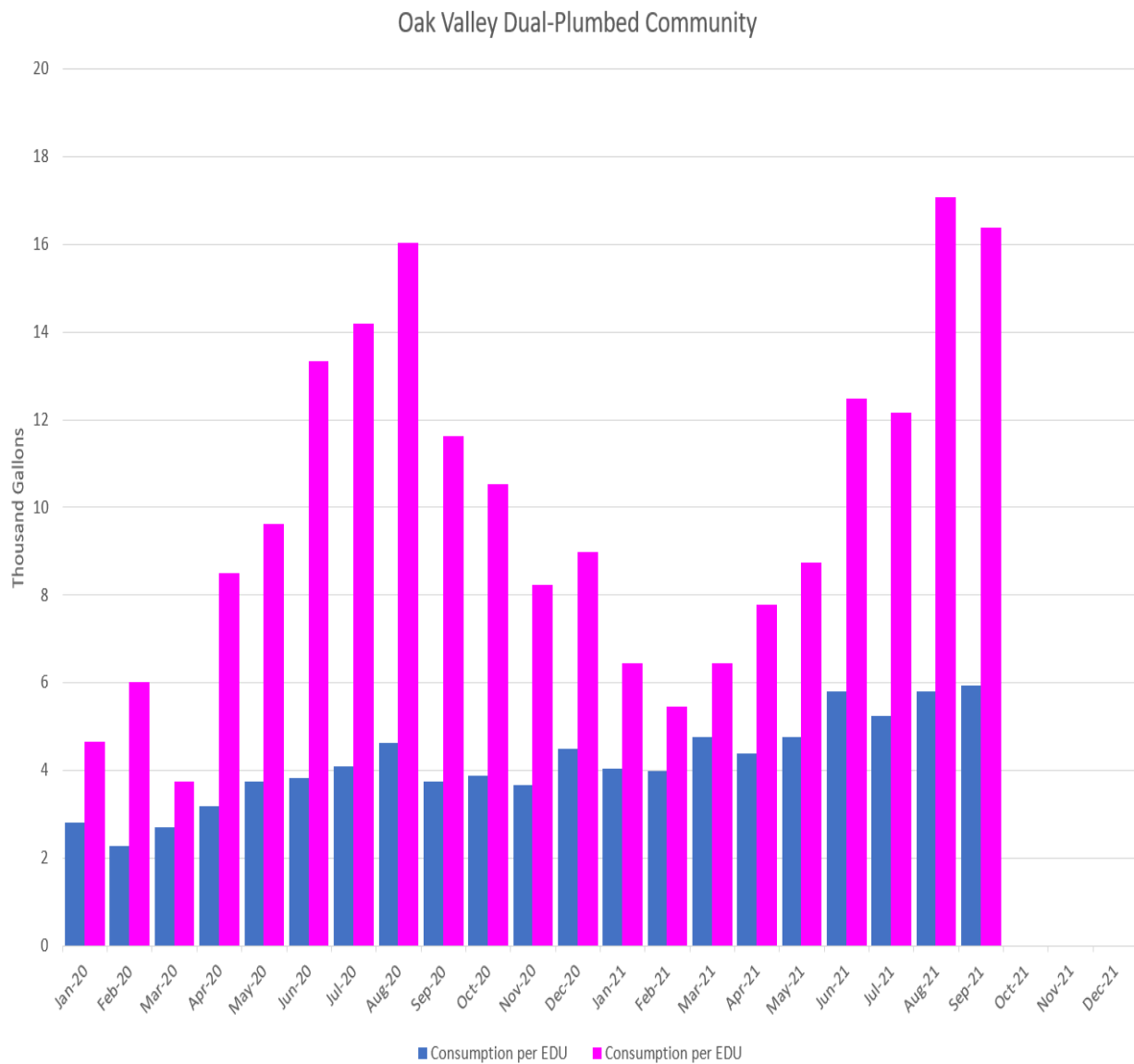
While the District’s development related fees are typically more expensive than neighboring agencies, the Yucaipa Valley Water District has consistently pursued extensive improvements and fully integrated solutions to secure long-term, reliable, and resilient water and sewer service for our customers.

On July 27, 2015, the Board of Directors of the San Gorgonio Pass Water Agency (“SGPWA”) adopted Resolution No. 2015-05 adopting facility capacity fees for new infrastructure and additional water resources. The adoption of this resolution was deemed necessary by the SGPWA to “...meet future increasing demands for SGPWA supplemental water to the SGPWA service area which will require additional water facilities to be constructed to distribute water and to acquire additional water rights to meet future increasing demands.”<sup>1</sup>

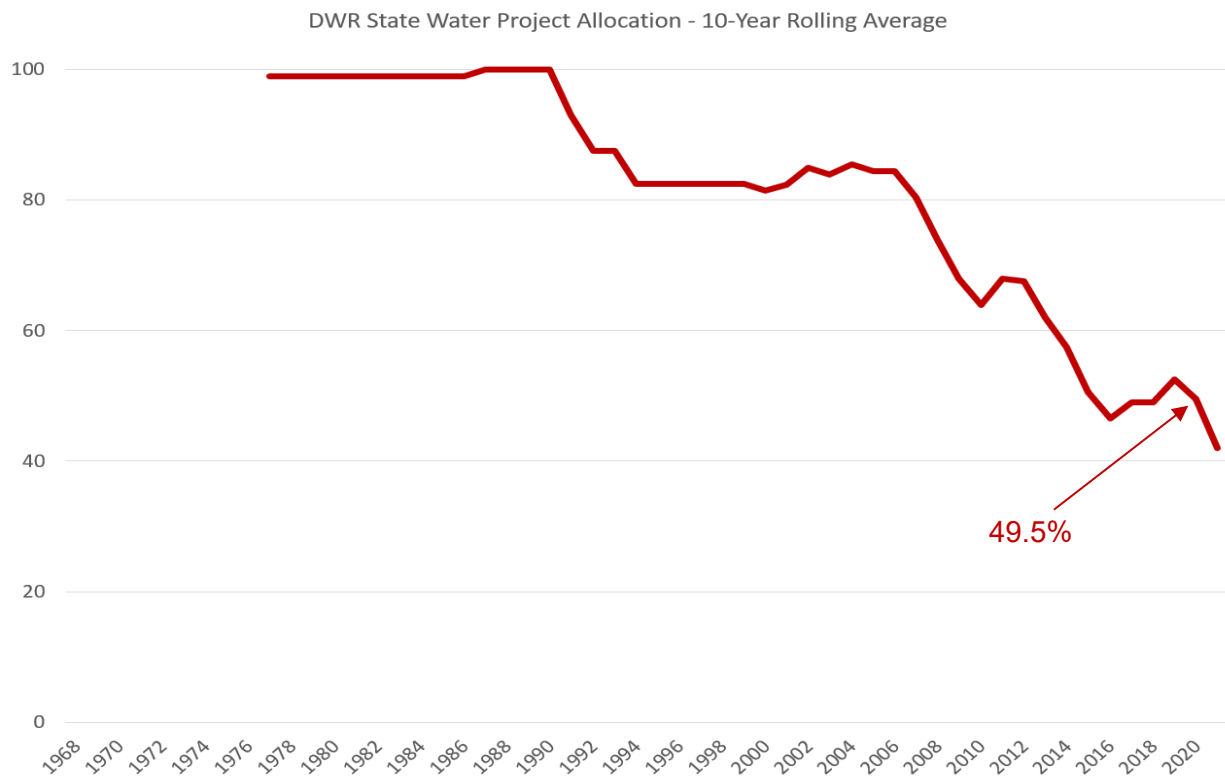
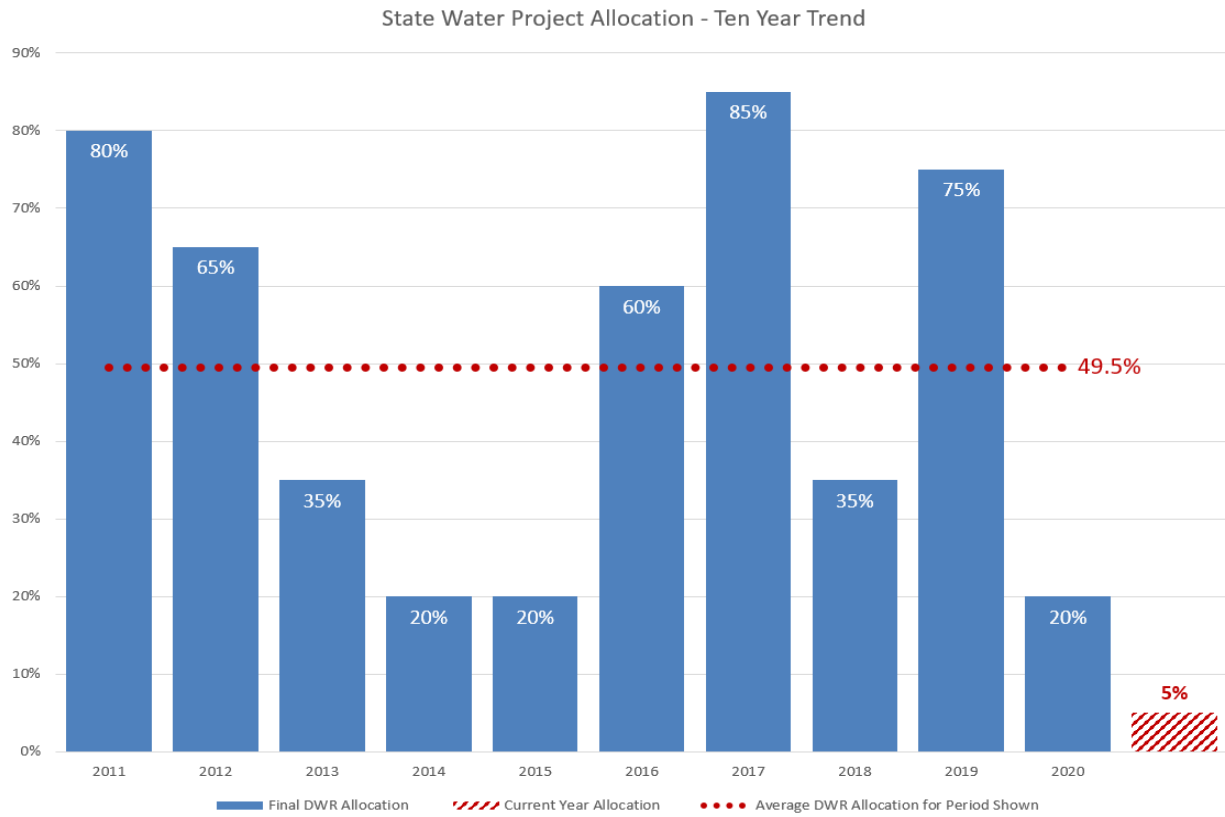
<sup>1</sup> This fee only is applicable to developments in the Calimesa portion of the Yucaipa Valley Water District service area. The portion of the Yucaipa Valley Water District in the City of Yucaipa receives imported water service from the San Bernardino Valley Municipal Water District.

On September 19, 2017, the Board of Directors adopted Resolution No. 2017-23 Establishing the Methodology to Calculate and the Collection of Facility Capacity Charges Related to the Purchase of Water Resources for New Development within the Boundary of the San Gorgonio Pass Water Agency and the City of Calimesa. This resolution was designed to be updated annually to reflect the reliability of imported water supplies from the State Water Project and to develop a pricing methodology that will secure permanent supplemental water supplies from alternative water supply sources. Based on this methodology, the additional cost per residential dwelling unit in the City of Calimesa was calculated for a home (or equivalent unit) that is dual plumbed to receive recycled water for front and rear yard irrigation use. This charge is not applicable to developments in the City of Yucaipa since there is an ample supply of supplemental water.

The following methodology uses an estimated 6.5 kgal/month allocation to represent the drinking water demands. The following monthly chart illustrates the amount of drinking water and recycled water used by dual-plumbed homes in Calimesa.



The 10-year rolling average for allocations from the State Water Project is currently at 49.5%.



### Methodology Used to Calculate the Supplemental Water Facility Capacity Charge for Supplemental Water Resources

- One Equivalent Dwelling Unit (1.0 EDU) that is dual-plumbed with drinking water and recycled water shall require supplemental water capacity equal to 6.5 kgal/month or 78 kgal/year (214 gpd/EDU) to meet the drinking water demand.
  - *Estimated Annual Drinking Water Demand = 78 kgal per year*
  - *Estimated Daily Drinking Water Demand of 214 gpd/EDU*
  
- 0% Interest
  
- 49.5% State Water Project Reliability Factor - Ten-Year Rolling Average
  - ~~2020 State Water Project Allocation on September 30 - 20% (DWR Notice 20-05)~~
  - 2019 State Water Project Allocation on September 30 - 75% (DWR Notice 19-10)
  - 2018 State Water Project Allocation on September 30 - 35% (DWR Notice 18-05)
  - 2017 State Water Project Allocation on September 30 - 85% (DWR Notice 17-05)
  - 2016 State Water Project Allocation on September 30 - 60% (DWR Notice 16-06)
  - 2015 State Water Project Allocation on September 30 - 20% (DWR Notice 15-03)
  - 2014 State Water Project Allocation on September 30 - 20% (DWR Notice 14-08)
  - 2013 State Water Project Allocation on September 30 - 35% (DWR Notice 13-09)
  - 2012 State Water Project Allocation on September 30 - 65% (DWR Notice 12-09)
  - 2011 State Water Project Allocation on September 30 - 80% (DWR Notice 11-06)
  - ~~2010 State Water Project Allocation on September 30 - 50% (DWR Notice 10-11)~~
  
- \$6,231/Acre Foot Permanent Water Right Estimate
  - *Most Recent San Geronio Pass Permanent Water Right Purchase Estimate*

-----

Calculation:

$$78 \text{ kgal} \times \frac{1,000 \text{ gal}}{1 \text{ kgal}} \times \frac{3.069 \times 10^{-6} \text{ AF}}{\text{gallon}} \times \frac{\$6,231}{\text{acre foot}} \times \frac{1}{0.495 \text{ SWP reliability}} =$$

**Supplemental Water Facility Capacity Charge = \$3,013/EDU**

## RESOLUTION NO. 2021-51

### **A RESOLUTION OF THE YUCAIPA VALLEY WATER DISTRICT SETTING FORTH AND UPDATING THE CALCULATION FOR FACILITY CAPACITY CHARGES RELATED TO THE PURCHASE OF PERMANENT SUPPLEMENTAL WATER RESOURCES FOR NEW DEVELOPMENT WITHIN RIVERSIDE COUNTY**

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

WHEREAS, the District has adopted Facility Capacity Charges for drinking water, sewer, and recycled water services; and

WHEREAS, on July 27, 2015, the San Gorgonio Pass Water Agency adopted Resolution No. 2015-05 a *Resolution of the Board of Directors of the San Gorgonio Pass Water Agency to Adopt Facility Capacity Fees for Facilities and Water* setting the supplemental water capacity fee at \$6,231 per acre-foot; and

WHEREAS, the District's Board of Directors reviewed Resolution No. 2015-05 adopted by the San Gorgonio Pass Water Agency and its Capacity Fee Study and related documentation ("Study") supporting the need for supplemental water to provide service to new development within the boundary of the San Gorgonio Pass Water Agency; and

WHEREAS, the above-referenced Study was discussed in detail by the District's Board of Directors at several board workshops, board meetings, and a public hearing held on September 19, 2017 for the adoption of Resolution No. 2017-23; and

WHEREAS, the District's Board of Directors is expected to secure supplemental water from the Pass Water Agency or from alternative sources as a permanent source of supply to provide sustainable water service to new development within the service area of the San Gorgonio Pass Water Agency and/or the City of Calimesa; and

WHEREAS, the purpose of the supplemental water capacity charge is to purchase and/or finance, in whole or in part, permanent water resources dedicated to the District or to fund the implementation of a similar program that provides permanent supplemental water resources for new development within the boundary of the District as applicable to the common territory of the San Gorgonio Pass Water Agency, the City of Calimesa, or the County of Riverside; and

WHEREAS, the fee structure and methodology set forth below and based upon available data, studies and information by the San Gorgonio Pass Water Agency represents the best available information to secure supplemental water resources at this time; and

WHEREAS, the complete body of facts and evidence reviewed by the District's Board of Directors during board workshops and board meetings, including the Pass Water Agency's Study, demonstrate that the facility capacity charge related to supplemental water to be levied by the District will not exceed the estimated reasonable cost for providing the services for which the capacity charges are imposed and, therefore, complies with Government Code Section 66013; and

WHEREAS, on November 19, 2019, the Board of Directors authorized the General Manager to file a Notice to Adjust Rights of an Overlying Party Due to Proposed Provision of Water Service by an Appropriator with the Beaumont Basin Watermaster. The Notice to Adjust Rights provided the District with all of the original 1,806 acre feet / revised 1,398.90 acre feet of Overlying Water Rights from Oak Valley Partners / Oak Valley Development Company; and

WHEREAS, on November 20, 2019, the Beaumont Basin Watermaster was provided with an executed Notice to Adjust Rights of an Overlying Party Due to Proposed Provision of Water Service by an Appropriator which provides all Overlying Water Rights from Oak Valley Partners / Oak Valley Development Company to the Yucaipa Valley Water District; and

WHEREAS, the supplemental water facility capacity charge established herein is exempt from the California Environmental Quality Act, Public Resources Code, Section 21080(b)(8) because the charges are imposed to obtain funds necessary to maintain services within the District; and

WHEREAS, this resolution shall be implemented to supplement the existing facility capacity charges currently in effect by the Yucaipa Valley Water District; and

WHEREAS, the charges set forth herein are being adopted following a public hearing and notices provided in accordance with the requirements of Government Code, Section 66000, et seq.,

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Yucaipa Valley Water District, as follows:

1. Purpose. The purpose of this Resolution is to set forth the calculation and implementation for a Supplemental Water Facility Capacity Charge for new development receiving drinking water service from the Yucaipa Valley Water District in Riverside County.
2. Supplemental Water Facility Capacity Charge Fee. The following calculation is used to determine the Supplemental Water Facility Capacity Charge:
  - A. For the purposes of this Resolution the following factors shall be used for the calculation of the base Supplemental Water Facility Capacity Charge:
    - i. One Equivalent Dwelling Unit (1.0 EDU) that is dual-plumbed with drinking water and recycled water shall require supplemental water capacity equal to 6.5 kgal/month or 78 kgal/year (214 gpd/EDU).
    - ii. Interest related costs for the procurement, construction, or financing of supplemental water sources of supply shall be 0% interest unless modified by future versions of this resolution.



- iii. The average State Water Project Reliability shall be set at 49.5% which represents the most recent ten-year rolling average of State Water Project Allocations set by the California Department of Water Resources.
  - o 2020 State Water Project Allocation on September 30 - 20% (Department of Water Resources Notice 20-05)
  - o 2019 State Water Project Allocation on September 30 - 75% (Department of Water Resources Notice 19-10)
  - o 2018 State Water Project Allocation on September 30 - 35% (Department of Water Resources Notice 18-05)
  - o 2017 State Water Project Allocation on September 30 - 85% (Department of Water Resources Notice 17-05)
  - o 2016 State Water Project Allocation on September 30 - 60% (Department of Water Resources Notice 16-06)
  - o 2015 State Water Project Allocation on September 30 - 20% (Department of Water Resources Notice 15-03)
  - o 2014 State Water Project Allocation on September 30 - 20% (Department of Water Resources Notice 14-08)
  - o 2013 State Water Project Allocation on September 30 - 35% (Department of Water Resources Notice 13-09)
  - o 2012 State Water Project Allocation on September 30 - 65% (Department of Water Resources Notice 12-09)
  - o 2011 State Water Project Allocation on September 30 - 80% (Department of Water Resources Notice 11-06)
- iv. The Board of Directors has reviewed data, information, and studies that justify the cost for a permanent water right at \$6,231/acre foot. This value will be evaluated and subject to change in the future as additional information and studies are made reviewed for applicability to this Resolution.

B. Based on the factors above, the Supplemental Water Facility Capacity Charge is hereby established at:

$$78 \text{ kgal} \times \frac{1,000 \text{ gal}}{1 \text{ kgal}} \times \frac{3.069 \times 10^{-6} \text{ AF}}{\text{gallon}} \times \frac{\$6,231}{\text{acre foot}} \times \frac{1}{0.525 \text{ SWP reliability}} =$$

**Supplemental Water Facility Capacity Charge = \$3,013/EDU**

3. Collection of the Supplemental Water Facility Capacity Charges. For new developments in Riverside County, the following Supplemental Water Facility Capacity Charges shall be charged and collected prior to the issuance of building permits:

- A. Summerwind Ranch at Oak Valley - On January 9, 2018, Oak Valley Partners and San Gorgonio Land entered into an agreement for the payment of Overlying Water Rights. Pursuant to the agreement between Oak Valley Partners and San Gorgonio Land, the applicable charge for Supplemental Water Facility Capacity Charges is 34% of the Supplemental Water Capacity Charge as agreed to in writing by Oak Valley Partners LP and San Gorgonio Land LLC or their respective assignees.
- B. Oak Valley Development Company - The development of parcels within the Oak Valley Development Company portion of the Oak Valley Project shall be charged the Supplemental Water Facility Capacity Charge based on drinking water demands

associated with the anticipated residential, commercial, industrial, or institutional use as calculated by the District.

- C. Other Applicable Developments - Other residential, commercial, industrial, or institutional developments shall be charged a Supplemental Water Facility Capacity Charge equal to the calculation in Section 2.B. of this Resolution.
3. Implementation of the Supplemental Water Facility Capacity Charge. The Board of Directors of the Yucaipa Valley Water District hereby directs the General Manager to include terms and conditions in development agreements for projects in Riverside County that request drinking water service from the District to ensure sufficient permanent water resource capacity is secured for the new developments.
- A. All new developments served by the Yucaipa Valley Water District shall receive bundled services of drinking water, recycled water, and sewer service within the territory of the Yucaipa Valley Water District in Riverside County unless specifically exempted by resolution of the Board of Directors.
- B. All new developments shall be required to be dual-plumbed with recycled water to meet the irrigation demands and drinking water to meet domestic and fire flow demands unless specifically exempted by resolution of the Board of Directors.
- C. A Drinking Water Service Unit (WSU) shall be based on an equivalent volume of drinking water used to meet domestic water demands for a typical equivalent single-family residential dwelling unit (EDU). The District staff is directed to provide information to evaluate the conversion factor for the WSU based on data acquired in the future.
- D. Drinking water demand shall be determined for each parcel in units of gallons per day per Equivalent Dwelling Unit (gpd/EDU) and expressed as a Water Service Unit (WSU) to 1/10<sup>th</sup>. The WSU will be used to calculate the Supplemental Water Facility Capacity Charge for each commercial, industrial and institutional development within Riverside County.
- E. Property owners and/or developers that provide permanent secured water rights and/or contribute to the funding of dependable water resources shall receive a credit for the Supplemental Water Facility Capacity Charge required by this resolution if the secured water resources are permanently dedicated and/or permanently available to the Yucaipa Valley Water District.
- F. Based on the calculation methodology in Section 2, the Supplemental Water Facility Capacity Charge will be re-adjusted after considering: (i) information, studies and reports related to the actual cost of securing permanent supplemental water supplies; (ii) information presented by the California Department of Water Resources for the final water year allocation of water from the State Water Project as a demonstration of reliability; (iii) securing overlying water rights in the region; and (iv) development and construction of the Salinity and Groundwater Enhancement (SAGE) Project or other similar projects that produce a provide a source of supplemental water to the Yucaipa Valley Water District.

4. Equivalent Alternatives to Secured Supplemental Water Sources. The Board of Directors of the Yucaipa Valley Water District hereby directs the District staff to pursue the planning and implementation of indirect potable reuse, direct potable reuse, and aquifer storage and recovery as a feasible alternative to securing supplemental water from areas outside of the Yucaipa Valley Water District. Funds collected pursuant to this Resolution may be used for the planning, design, construction, and operation of any indirect potable reuse project, direct potable reuse project, and/or aquifer storage and recovery project involving the Wochholz Regional Water Recycling Facility, the Yucaipa Valley Regional Water Filtration Facility, or other facility/location. Furthermore, the District staff is directed to pursue Federal and State funding to bridge the anticipated shortfall in funds if this equivalent source of supply becomes a reliable alternative to imported water.
5. Effective Date. This Resolution shall become effective on January 1, 2022 and shall remain in effect until such time as it is rescinded or superseded.
6. This Resolution supersedes Resolution No. 2020-30 adopted on June 2, 2020.

PASSED, APPROVED and ADOPTED this 19<sup>th</sup> day of October 2021.

YUCAIPA VALLEY WATER DISTRICT

---

Chris Mann, President Board of Directors

ATTEST:

---

Joseph B. Zoba, General Manager



**Date:** October 19, 2021

**Task:** N/A

**Prepared By:** Allison Edmisten, Chief Financial Officer

**Subject:** Consideration of the Proposed Workers' Compensation Insurance Policy Renewal for 2021-22

**Recommendation:** That the Board authorize the General Manager to execute contracts with Redwood F&C Berkshire Hathaway for workers' compensation insurance.

Yucaipa Valley Water District currently has a workers' compensation insurance policy with EPIC Brokers with insurance coverage provided by Berkshire and Hathaway.

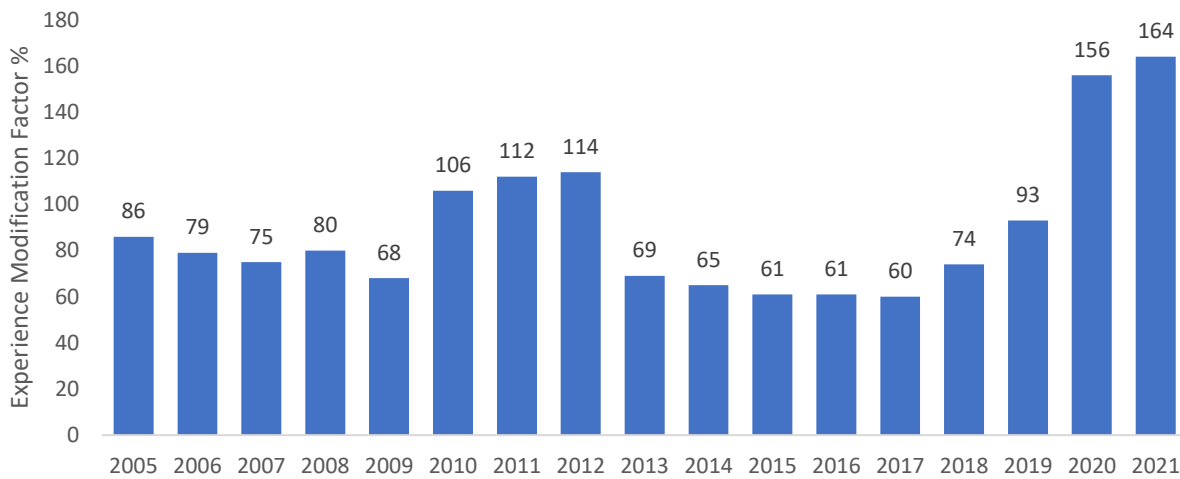
The District has investigated and requested a variety of quotes. The attached spreadsheet details the quotes received. Redwood F&C Berkshire Hathaway submitted a quote for \$238,920 and has the strongest AM Best Rating of A++XV, which is the highest rating given and has more than sufficient financial capacity to provide the necessary policy limits. This is an increase of \$20,252 or 9.3% from the prior year premium of \$218,668.

The Experience Modification percentage increased from 156% in the 2020-21 policy to 164% in the 2021-22 policy. This was due to an increased amount for claims and actual losses as detailed in the table below. This does not reflect the District safety record; the District maintains a good safety record that has allowed the broker to obtain multiple competitive quotes. Also taken into consideration is COVID-19 Pandemic and the Governors Order requiring Worker Compensation to bear the cost of employee work related illness due to COVID-19.

Policy Period	Actual Losses	# of Claims
11/01/2020 – 10/31/2021	\$124,654	10
11/01/2019 – 10/31/2020	\$46,099	4
11/01/2018 – 10/31/2019	\$225,522	10
11/01/2017 – 10/31/2018	\$48,232	8
11/01/2016 - 10/31/2017	\$14,189	5
Calculated Experience Mod.	164%	

The table details the actual losses for the last five years that effect the Experience Modification Factor. The calculation methodology is below.

### YVWD Experience Modification Factor Percentage



The chart above provides the historical Experience Modification Factor percentages from 2005 to 2021. Staff recommends that the Board selects Redwood F&C Berkshire Hathaway due to the proposal cost, long-term working relationship, and a solid financial rating of A++XV.

#### Financial Consideration

Funding for the insurance is included in the fiscal year 2021-22 budget and will be split between all funds Workers Compensation expense accounts. If a budget adjustment is needed as a result of the increase in the premium cost, it will be brought before the Board for approval at a future date.

Fund	% Allocation	G/L Account	Amount
Water	45%	02-506-50019	\$107,514.00
Sewer	45%	03-506-50019	\$107,514.00
Recycled Water	10%	04-506-50019	\$23,892.00
<b>Total</b>			<b>\$238,920.00</b>



# Workers' Compensation Insurance Proposal

## YUCAIPA VALLEY WATER DISTRICT

10/31/2021 to 10/31/2022

Presented by:  
David McNeil, ARM  
**Principal**  
909.919.7508  
david.mcneil@epicbrokers.com

Shelly Birdzell  
**Senior Account Manager**  
909.919.7904  
shelly.birdzell@epicbrokers.com

License OB29370

---

3633 Inland Empire Blvd., Suite 600, Ontario, CA 91764  
Telephone 909.919.7880 ~ Facsimile 888.789.5971 ~ [www.epicbrokers.com](http://www.epicbrokers.com)

0



**YUCAIPA VALLEY WATER DISTRICT**  
**Workers Compensation Renewal Comparison**

			10/31/2020 to 10/31/2021			10/31/2021 to 10/31/2022		
<b>AM Best Rating</b>			<b>Redwood F&amp;C (BHHC) A ++ XV</b>			<b>Redwood F&amp;C (BHHC) A ++ XV</b>		
<b>State</b>	<b>Class Code</b>	<b>Description</b>	<b>Estimated Payroll</b>	<b>Base Rate</b>	<b>Net Rate</b>	<b>Estimated Payroll</b>	<b>Base Rate</b>	<b>Net Rate</b>
CA	7520	Waterworks Ops	\$2,631,210	6.85	4.95	\$2,940,827	5.90	4.82
CA	7580	Sanitation	\$1,741,621	6.34	4.58	\$1,871,576	5.86	4.78
CA	8742	Salespersons-O/S	\$497,159	0.76	0.55	\$578,482	0.71	0.58
CA	8810	Clerical – NOC	\$1,590,349	0.54	0.39	\$1,151,241	0.46	0.38
		Experience Modification Factor	1.56%			1.64%		
		Total Annual Payroll	\$6,460,339			\$6,542,126		
* Estimated Annual Premium			<b>\$218,668</b>			<b>\$238,920</b>		

\*Premium Does Not Include State Taxes and Fees

**MARKET RESPONSE**

- Redwood/BHHC - Incumbent, Quote \$238,920
- APR/Zenith - Quote \$262,038
- State Fund - Indication \$337,234
- Liberty -submitted
- Atlas General - submitted
- Star Stone - submitted
- Hartford - declined
- ICW - declined
- AmTrust - declined
- Arrowhead - declined
- Chubb - Declined
- Comp West - declined
- Employers - declined
- Everest - declined
- Pacific Comp - declined
- Preferred - declined
- Protective - declined
- Republic Indemnity - declined
- Travelers - declined



P.O. Box 881236, San Francisco, CA 94188 • 888-495-8949

Quote ID YUWC202186 • Effective 10/31/2021 to 10/31/2022 • Prepared Date 10/08/2021 08:32 a.m.

## Quote Proposal for Workers Compensation

### Yucaipa Valley Water District

**FEIN** 95-2742131 • **Quote ID** YUWC202186 • **Effective** 10/31/2021 to 10/31/2022 • **Prepared Date** 10/08/2021 08:32 a.m.

### EDGEWOOD PARTNERS INSURANCE CENTER - Ontario, CA

We are pleased to offer this Workers Compensation quote to your client. Based on payroll, classification, experience modification, and other information provided by you, our terms are as follows:

**Carrier:** Redwood Fire and Casualty Ins Co  
**Coverage Type:** Guaranteed Cost  
**Total Estimated Cost:** \$248,379.00  
**Down Payment:** \$33,351.00 (10% of premium plus state taxes and fees)  
**Payment Plan:** 9 monthly installment(s) of \$23,892.00

The quote expires at **12:01 AM on 10/31/2021**. No back dating is allowed. The premium is an estimate. The final premium will be determined from payroll and classification information collected at final audit.

## Your Underwriter

**Sergio Rubio**

### UNDERWRITER COMMENTS & QUOTE CONTINGENCIES

- See California Disclosures and Notices for Officer / Owner exclusion requirements
- Quote is subject to receipt of a signed Acord application.
- USL&H coverage is not included.
- Coverage for volunteers is not included.
- Independent Contractors and Subcontractors - at final audit, the insured must provide certificates of workers compensation insurance for all Subcontractors and Independent Contractors utilized during the policy term. In the event any form of this documentation is not available for review or deemed otherwise insufficient, amounts paid to these subcontractors or independent contractors will be included as payroll and utilized in the calculation of final audit premium.

BERKSHIRE HATHAWAY HOMESTATE INSURANCE COMPANY • BHHC SPECIAL RISKS INSURANCE COMPANY • CONTINENTAL DIVIDE INSURANCE COMPANY • CYPRESS INSURANCE COMPANY • OAK RIVER INSURANCE COMPANY • REDWOOD FIRE AND CASUALTY INSURANCE COMPANY





**Date:** October 19, 2021

**Prepared By:** Allison M. Edmisten, Chief Financial Officer

**Subject:** Consideration of Renewing the Cyber Liability Insurance for 2021-22

**Recommendation:** That the Board authorize the General Manager to execute contracts with Alliant Insurance Services for cyber liability insurance.

---

Cyber liability insurance covers financial losses that result from data breaches and other cyber events. A cyber event means any actual or suspected unauthorized system access, electronic attack or privacy breach, including denial of service attack, cyber terrorism, hacking attack, Trojan horse, phishing attack, man-in-the-middle attack, application-layer attack, compromised key attack, malware infection (including spyware or Ransomware) or computer virus. System failure means any sudden, unexpected, and continuous downtime of the computer systems which renders the District incapable of supporting their normal business function and is caused by an application bug, an internal network failure or hardware failure.

The attached proposal includes both first-party and third-party coverages. First-party coverages apply to losses sustained directly by the District, as in the District's computer system was lost, stolen, or compromised. Third-party coverage covers possible claims against the District by people or businesses whose data has been stolen as a result of the cyber incident or system failure. There are numerous other coverage parts that are associated with a data breach, including notification costs associated with a data breach, incident response, legal and regulatory costs, and cyber extortion (ransom).

The cyber liability insurance market is experiencing significant increases due to the increase in cyber-crime and ransomware attacks.

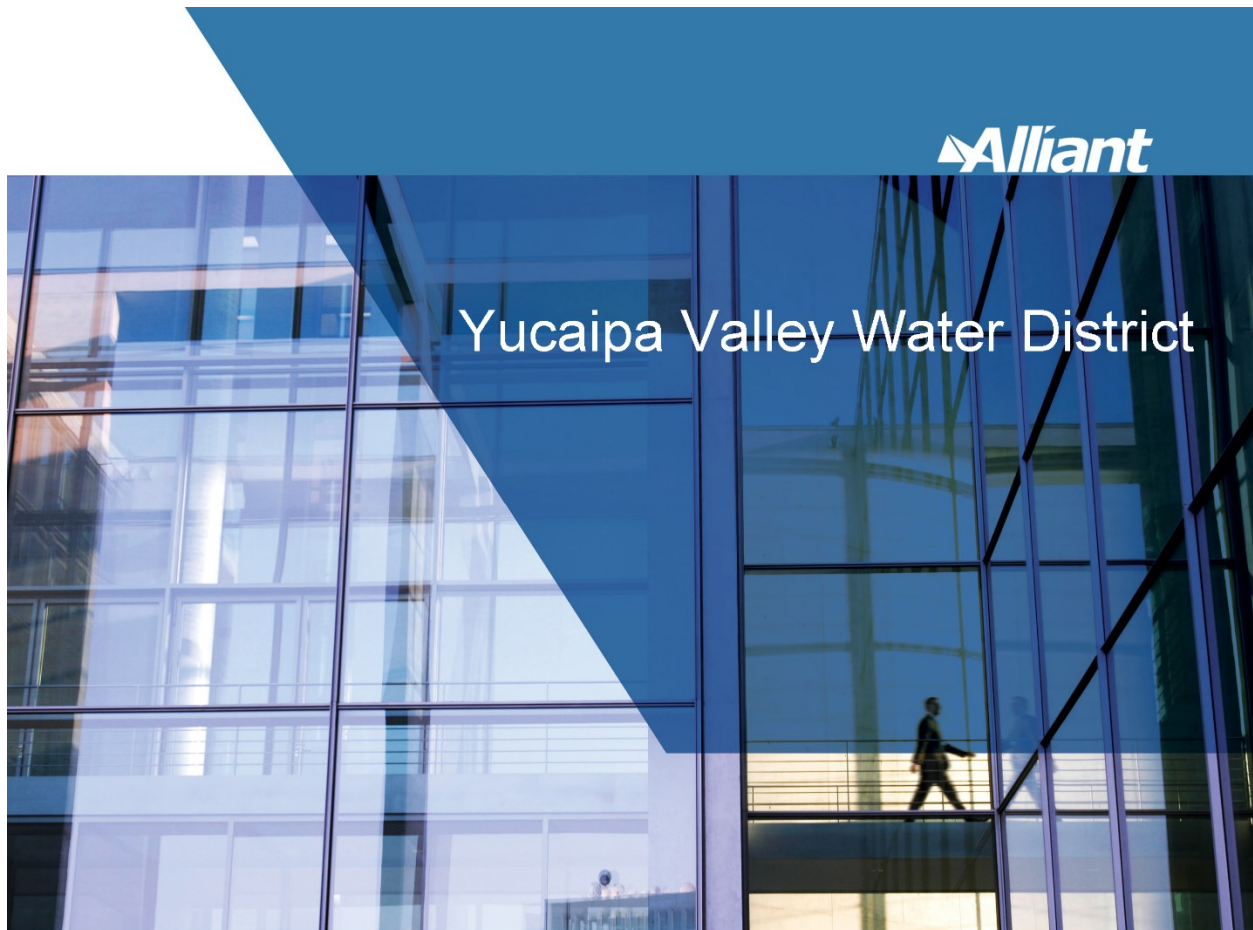
The District currently has cyber liability insurance coverage with a \$3,000,000 limit and recommends staying with the policy coverage for the annual cost of \$23,024.75. This is an increase of 88.9% from the prior year.

Given the significant increase, Alliant Insurance Services did explore alternatives from other underwriters who have historically written cyber liabilities for public agencies. One declined to quote as they are no longer entertaining new public agency risk. The second agency did not respond.

Financial Consideration:

Although the premium for this insurance coverage has increased by approximately \$11,000, District staff does not anticipate that a budget adjustment will be needed. This cost will be divided amongst enterprise funds as provided below.

Fund	% Allocation	G/L Account	Amount
Water	45%	02-506-56001	\$10,361.14
Sewer	45%	03-506-56001	\$10,361.14
Recycled Water	10%	04-506-56001	\$2,302.47
<b>Total</b>			<b>\$23,024.75</b>



2021 – 2022

## Cyber Liability Insurance Proposal

Presented on October 11, 2021 by:

Seth Cole, ARM  
Senior Vice President

Alliant Insurance Services, Inc.  
100 Pine Street, 11th Floor  
San Francisco, CA 94111  
O 415 403 1400  
F 415 874 4813

CA License No. 0C36861

[www.alliant.com](http://www.alliant.com)



## Table of Contents

Company Profile .....	2
Alliant Advantage .....	3
Your Service Team .....	4
Named Insured / Additional Named Insureds .....	5
Line of Coverage .....	6
Cyber Liability Coverage .....	6
Disclosures .....	11
NY Regulation 194 .....	12
FATCA: .....	12
Claims Reporting: .....	12
Claims Made Policy: .....	12
NRRRA: .....	13
Changes and Developments .....	13
Certificates / Evidence of Insurance .....	14
Flood Offering .....	15
Optional Coverages .....	16
Glossary of Insurance Terms .....	16
Request to Bind Coverage .....	17



## Company Profile

With a history dating back to 1925, Alliant Insurance Services is one of the nation's leading distributors of diversified insurance products and services. Operating through a national network of offices, Alliant offers a comprehensive portfolio of services to clients, including:

- Risk Solutions
- Employee Benefits
  - Strategy
  - Employee Engagement
  - Procurement
  - Analytics
  - Wellness
  - Compliance
  - Benefits Administration
  - Global Workforce
- Industry Solutions
  - Construction
  - Energy and Marine
  - Healthcare
  - Law Firms
  - Public Entity
  - Real Estate
  - Tribal Nations
  - And many other industries
- Co-Brokered Solutions
  - Automotive Specialty
  - Energy Alliance Program
  - Hospital All Risk Property Program
  - Law Firms
  - Parking/Valet
  - Public Entity Property Insurance Program
  - Restaurants/Lodging
  - Tribal Nations
  - Waste Haulers/Recycling
- Business Services
  - Risk Control Consulting
  - Human Resources Consulting
  - Property Valuation

The knowledge that Alliant has gained in its more than eight decades of working with many of the top insurance companies in the world allows us to provide our clients with the guidance and high-quality performance they deserve. Our solution-focused commitment to meeting the unique needs of our clients assures the delivery of the most innovative insurance products, services, and thinking in the industry.

Alliant ranks among the 15 largest insurance brokerage firms in the United States.



### Alliant Advantage

	Alliant	Competition
1. Satisfying the insurance needs of business for nearly 90 years	✓	
2. Privately owned and operated.	✓	
3. A full-service insurance agency for all your business, life and health, and personal insurance.	✓	
4. Representing over 40 insurance companies to provide the best and most affordable coverage.	✓	
5. State-licensed support staff.	✓	
6. Dedicated Certificate of Insurance personnel.	✓	
7. Risk management services to help identify hazards and present options.	✓	
8. Workers' compensation insurance claims management at no additional charge.	✓	



## Your Service Team

**Seth Cole, ARM**  
Senior Vice President  
[scole@alliant.com](mailto:scole@alliant.com)

Phone: 415 403 1419

**Thary Ou, CLIC, WCIP**  
Assistant Account Manager  
[tou@alliant.com](mailto:tou@alliant.com)

Phone: 415 403 1433



## Named Insured / Additional Named Insureds

### Named Insured(s)

Yucaipa Valley Water District

### Additional Named Insured(s)

None

---

#### NAMED INSURED DISCLOSURE

- The first named insured is granted certain rights and responsibilities that do not apply to other policy named insureds and is designated to act on behalf of all insureds for making policy changes, receiving correspondence, distributing claim proceeds, and making premium payments.
- **Are ALL entities listed as named insureds?** Coverage is **not** automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act. Coverage is not afforded to any other entities (unless specifically added by endorsement or if qualified as a "Subsidiary" pursuant to the policy wording) affiliated by common individual insured ownership or to which indemnification is otherwise contractually owed. If coverage is desired for affiliated entities or for contractual indemnities owed, please contact your Alliant Service Team with a full list of entities for which coverage is requested. With each request, include complete financials and ownership information for submission to the carrier. It should be noted, that the underwriter's acceptance of any proposed amendments to the policy, including expansion of the scope of "Insureds" under the policy could result in a potential diminution of the applicable limits of liability and/or an additional premium charge.





## Line of Coverage

### Cyber Liability Coverage

**INSURANCE COMPANY:**

1. Lloyd's of London
2. Zurich Insurance PLC
3. Fidelis Underwriting Limited
4. HDI Global Specialty SE

**A.M. BEST RATING:**

1. A (Excellent), Financial Size Category: XV (\$2 Billion or greater) as of July 21, 2021
2. A+ (Superior), Financial Size Category: XV (\$2 Billion or greater) as of October 01, 2021
3. A (Excellent), Financial Size Category: XV (\$2 Billion or greater) as of July 16, 2021
4. A (Excellent), Financial Size Category: XV (\$2 Billion or greater) as of October 16, 2020

**STANDARD & POOR'S RATING:**

1. A+ (Strong) as of June 22, 2021
2. AA (Very Strong) as of March 15, 2021
3. A- (Strong) as of July 29, 2021
4. A+ (Strong) as of August 30, 2021

**CALIFORNIA STATUS:**

Non-Admitted

**POLICY/COVERAGE TERM:**

12 Months

**Coverage Form:**

Cyber Liability - EVO 4.0 – Claims Made

**Retroactive Date:**

Full Prior Acts

**Business Operations:**

Water District

**Gross Revenue:**

\$ 31,340,854

**Legal Action:**

Worldwide

**Territorial Scope:**

Worldwide

**Reputational Harm Period:**

12 Months

**Indemnity Period:**

12 Months



Cyber Liability Coverage - Continued

<b>Waiting Period:</b>	6 Hours
<b>Limits:</b>	
Limits of Liability	\$ 3,000,000
Cyber Crime	\$ 250,000
Media Liability	Yes
<b>Insuring Clauses 1 – 3 are Subject to an Each and Every Claim Limit:</b>	
<b>Insuring Clause 1: Cyber Incident Response (Separate Tower - Mirrors Policy Limit)</b>	
Section A: Incident Response Costs	Full Limits
Section B: Legal and Regulatory Costs	Full Limits
Section C: IT Security and Forensic Costs	Full Limits
Section D: Crisis Communication Costs	Full Limits
Section E: Privacy Breach Management Costs	Full Limits
Section F: Third Party Privacy Breach Management Costs	Full Limits
Section G: Post Breach Remediation Costs	\$ 50,000 subject to a maximum of 10% of all sums we have paid as a direct result of the cyber event
<b>Insuring Clause 2: Cyber Crime</b>	
Section A: Funds Transfer Fraud (Social Engineering)	\$ 250,000
Section B: Theft of Funds Held In Escrow	\$ 250,000
Section C: Theft of Personal Funds	\$ 250,000
Section D: Extortion	Full Limits
Section E: Corporate Identity Theft	\$ 250,000
Section F: Telephone Hacking	\$ 250,000
Section G: Push Payment Fraud	\$ 50,000
Section H: Unauthorized Use of Computer Resources	\$ 250,000



Cyber Liability Coverage - Continued

<b>Insuring Clause 3: System Damage and Business Interruption</b>	
Section A: System Damage and Rectification Costs	Full Limits
Section B: Income Loss and Extra Expense	Full Limits \$ 1,000,000 sub-limited - in respect of system failure
Section C: Additional Extra Expense	10% of the Overall Limit - Sub-limited to \$ 100,000 Maximum Sub-limit
Section D: Dependent Business Interruption	Full Limits \$ 1,000,000 sub-limited - in respect of system failure
Section E: Consequential Reputational Harm	Full Limits
Section F: Claim Preparation Costs	\$ 25,000
Section G: Hardware Replacement Costs	Full Limits
<b>Insuring Clauses 4 – 7 are Subject to an Aggregate Limit:</b>	
<b>Insuring Clause 4: Network Security &amp; Privacy Liability</b>	
Section A: Network Security Liability	Full Limits, including costs and expenses
Section B: Privacy Liability	Full Limits, including costs and expenses
Section C: Management Liability	Full Limits, including costs and expenses
Section D: Regulatory Fines	Full Limits, including costs and expenses
Section E: PCI Fines, Penalties and Assessments	Full Limits, including costs and expenses
Section F: Contingent Bodily Injury	\$ 250,000 in the aggregate, including costs and expenses
Section G: Corrective Action Plan Costs	\$ 50,000 in the aggregate, including costs and expenses
<b>Insuring Clause 5: Media Liability</b>	
Section A: Defamation	Full Limits, including costs and expenses
Section B: Intellectual Property Rights Infringement	Full Limits, including costs and expenses



Cyber Liability Coverage - Continued

<b>Insuring Clause 6: Technology Errors and Omissions</b>	Technology Errors and Omissions	No Cover Provided
<b>Insuring Clause 7: Court Attendance Costs</b>	Court Attendance Costs	\$ 100,000 in the aggregate
<b>Criminal Reward Coverage</b>		\$ 50,000 Aggregate
<b>Defense Inside/Outside the Limit:</b>		Outside the Limit
<b>Who has the Duty to Defend:</b>		Insurer
<b>Deductible:</b>		\$ 15,000 each and every claim, including costs and expenses \$ 0 Apply to Insuring Clause 1 - Section A; Section G; Insuring Clause 3 - Section F & Insuring Clause 7 \$ 15,000 each and every claim - Criminal Reward Coverage
<b>Endorsement &amp; Exclusions:</b> (including but not limited to)		<ul style="list-style-type: none"> <li>• Subjectivity Condition Clause</li> <li>• Caveman Special Amendatory Clause</li> <li>• Schedule of Information</li> <li>• Policyholder Disclosure Notice of Terrorism Insurance Coverage</li> </ul>
<b>Total Cost Excluding TRIA:</b>		Not Applicable
<b>Total Cost Including TRIA:</b>		\$ 22,000.00 Policy Premium Included TRIA Premium \$ 300.00 Service Fee \$ 669.00 CA Surplus Lines Tax (3%) \$ 55.75 CA Stamping Fee (0.25%) <b>\$ 23,024.75 Total Cost</b>
<b>Minimum Earned Premium:</b>		Not Applicable



Cyber Liability Coverage - Continued

**Extended Reporting Period**

- 1 Year at 100% of Annual Premium
- 2 Years at 160% of Annual Premium
- 3 Years at 210% of Annual Premium
- 4 Years at 240% of Annual Premium
- 5 Years at 250% of Annual Premium

**Quote Valid Until:**

November 6, 2021

**Policy Auditable:**

Not Auditable

**Binding Conditions:**

- A written request to bind coverage, page #17

**See Disclaimer Page for Important Notices and Acknowledgement**



## Disclosures

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal, whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at [www.alliant.com](http://www.alliant.com). For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at [www.ambest.com](http://www.ambest.com). For additional information regarding insurer financial strength ratings visit Standard and Poor's website at [www.standardandpoors.com](http://www.standardandpoors.com).

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.



#### NY Regulation 194

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

---

#### Other Disclosures / Disclaimers

##### FATCA:

The Foreign Account Tax Compliance Act (FATCA) requires the notification of certain financial accounts to the United States Internal Revenue Service. Alliant does not provide tax advice so please contact your tax consultant for your obligation regarding FATCA.

##### Claims Reporting:

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

##### Claims Made Policy:

This claims-made policy contains a requirement stating that this policy applies only to any claim first made against the Insured and reported to the insurer during the policy period or applicable extended reporting period. Claims must be submitted to the insurer during the policy period, or applicable extended reporting period, as required pursuant to the Claims/Loss Notification Clause within the policy in order for coverage to apply. Late reporting or failure to report pursuant to the policy's requirements could result in a disclaimer of coverage by the insurer.



#### Other Disclosures / Disclaimers - Continued

##### NRRA:

The Non-Admitted and Reinsurance Reform Act (NRRA) went into effect on July 21, 2011. Accordingly, surplus lines tax rates and regulations are subject to change which could result in an increase or decrease of the total surplus lines taxes and/or fees owed on this placement. If a change is required, we will promptly notify you. Any additional taxes and/or fees must be promptly remitted to Alliant Insurance Services, Inc.

##### Changes and Developments

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another states, new products, or new applications of existing products.
- Travel to any state not previously disclosed.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.





#### Other Disclosures / Disclaimers - Continued

##### Certificates / Evidence of Insurance

A certificate is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy. Nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or certificate holder.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a certificate of insurance, you may be required to name your client or customer on your policy as an additional insured. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.

***See Request to Bind Coverage page for acknowledgment of all disclaimers and disclosures.***



## Flood Offering

Flooding is a serious threat to both personal and commercial clients. Flooding can happen anywhere, not just zone referred to as high-risk areas (Special Flood Hazard Area). Your Alliant team is ready to explain how it works and the associated costs.

### Basic Facts

Congress created the NFIP in 1968 in response to the rising cost of taxpayer-funded disaster relief for flood victims and the increasing amount of damage caused by floods. The NFIP makes federally backed flood insurance available in communities that agree to adopt and enforce floodplain management ordinances to reduce future flood damage. The NFIP is self-supporting for the average historical loss year. This means that unless there is a widespread disaster, operating expenses and flood insurance claims are financed through premiums collected.

Commercial buildings or residential dwellings owned by commercial entities are considered commercial property. All others are residential dwellings

The [FEMA Summary for Commercial Property](#) and [FEMA Standard Summary of Coverage](#) provides information on the following:

- Types of Flood Insurance Coverage
- What is a Flood- "a General and temporary condition of partial or complete inundation of two or more acres of normally dry land area"...
- Deductibles – various options to meet your financial needs
- What is Covered and What is Not
- The valuation of the Property – Actual Cash Value or Replacement Cost

### Additional Information

- Flood Zones-
  - <https://www.fema.gov/flood-zones>
- Excess Flood Insurance (contact your Producer for additional information)
  - Increased limits over the maximum flood limit provided by NFIP

### FEMA Glossary of Flood Terms

<https://www.fema.gov/national-flood-insurance-program/definitions>

If you do NOT wish to purchase flood insurance your signature is required below:

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name Printed / Typed: \_\_\_\_\_

Company Name: \_\_\_\_\_



## Optional Coverages

The following represents a list of insurance coverages that are not included in this proposal, but are optional and may be available with further underwriting information.

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here or are unique to your organization.

- Crime / Fidelity Insurance
- Directors & Officers Liability
- Earthquake Insurance
- Employed Lawyers
- Employment Practices Liability
- Event Cancellation
- Fiduciary Liability
- Fireworks Liability
- Flood Insurance
- Foreign Insurance
- Garage Keepers Liability
- Kidnap & Ransom
- Law Enforcement Liability
- Media and Publishers Liability
- Medical Malpractice Liability
- Network Security / Privacy Liability and Internet Media Liability
- Pollution Liability
- Owned/Non-Owned Aircraft
- Owned Watercraft
- Special Events Liability
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers' Compensation
- Workplace Violence

## Glossary of Insurance Terms

Below are a couple of links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/UniversityResources/InsuranceGlossaryFREE.aspx>

<http://www.ambest.com/resource/glossary.html>

<http://www.irmi.com/online/insurance-glossary/default.aspx>



### Request to Bind Coverage

Yucaipa Valley Water District

We have reviewed the proposal and agree to the terms and conditions of the coverages presented. We are requesting coverage to be bound as outlined by coverage line below:

Coverage Line	Bind Coverage for:
Cyber Liability	<input type="checkbox"/>

**Did you know that Alliant works with premium financing companies?  
Are you interested in financing your annual premium?**

Yes, please provide us with a financing quote. <input type="checkbox"/>	No, we do not wish to finance our premium. <input type="checkbox"/>
--	--

*This Authorization to Bind Coverage also acknowledges receipt and review of all disclaimers and disclosures, including exposures used to develop insurance terms, contained within this proposal.*

<b>Signature of Authorized Insured Representative</b>	<b>Date</b>
<b>Title</b>	
<b>Printed / Typed Name</b>	

**This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. The actual terms and conditions of the policy will prevail.**

# 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 2021-22 Operating Budget:** Water Division - \$17,274,066  
Sewer Division - \$13,136,249  
Recycled Water Division - \$1,357,175

**Number of Services:** 14,440 drinking water connections serving 19,355 units  
14,363 sewer connections serving 21,429 units  
695 recycled water connections serving 845 units

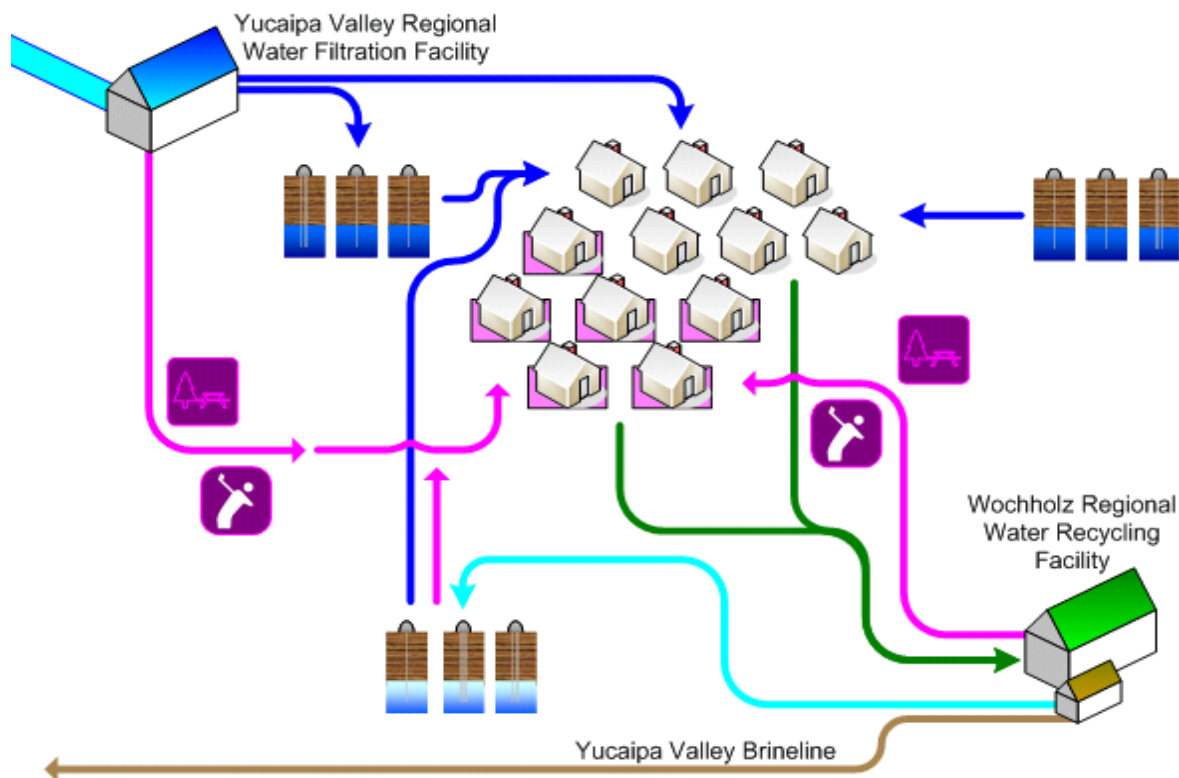
**Water System:** 236 miles of drinking water pipelines  
2,134 fire hydrants  
27 reservoirs - 34 million gallons of storage capacity  
18 pressure zones  
3.376 billion gallon annual drinking water demand  
Two water filtration facilities:  
- 1 mgd at Oak Glen Surface Water Filtration Facility  
- 12 mgd at Yucaipa Valley Regional Water Filtration Facility

**Sewer System:** 8.0 million gallon treatment capacity - current flow at 4.0 mgd  
223 miles of sewer mainlines  
4,643 sewer manholes  
7 sewer lift stations  
1.46 billion gallons of recycled water produced per year

**Recycled Water:** 32 miles of recycled water pipelines  
5 reservoirs - 12 million gallons of storage  
0.623 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	\$1.626 per each 1,000 gallons
16,000 gallons to 60,000 gallons	\$2.419 per each 1,000 gallons
61,000 gallons to 100,000 gallons	\$2.508 per each 1,000 gallons
101,000 gallons or more	\$2.708 per each 1,000 gallons
  
- Recycled Water Commodity Charge:
 

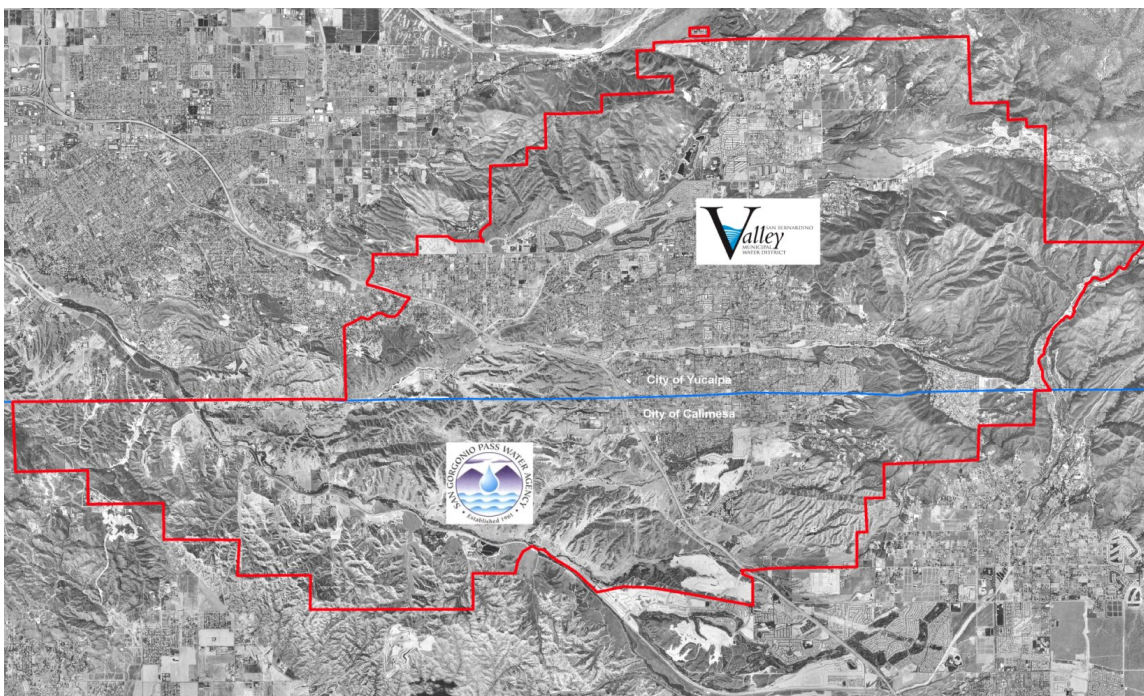
1,000 gallons or more	\$1.795 per each 1,000 gallons
-----------------------	--------------------------------
  
- Water Meter Service Charge (Drinking Water or Recycled Water):
 

5/8" x 3/4" Water Meter	\$16.50 per month
1" Water Meter	\$27.56 per month
1-1/2" Water Meter	\$54.95 per month
  
- Sewer Collection and Treatment Charge:
 

Typical Residential Charge	\$44.52 per month
----------------------------	-------------------



**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 2020-21	\$0.1300 per \$100	\$0.1750 per \$100
Number of Board Members	Five (5)	Seven (7)
Operating Budget FY 2021-22	\$52,506,150	\$14,019,000

**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 rate change of up 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.

**WIFIA** - Water Infrastructure Finance and Innovation Act. The WIFIA program administered by the Environmental Protection Agency accelerates investment in our nation's water infrastructure by providing long-term, low-cost supplemental loans for regionally and nationally significant projects.





## 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
WIFIA	Water Infrastructure Finance and Innovation Act
YVWD	Yucaipa Valley Water District