

*As a matter of proper business decorum, the Board of Directors respectfully request that all cell phones be turned off or placed on vibrate. To prevent any potential distraction of the proceeding, we request that side conversations be taken outside of the meeting room.*

**AGENDA**  
**REGULAR BOARD MEETING**  
**THREE VALLEYS MUNICIPAL WATER DISTRICT**  
**1021 E. MIRAMAR AVENUE, CLAREMONT, CA 91711**  
**Wednesday, February 21, 2018 at 8:00 AM**

*The mission of Three Valleys Municipal Water District is to supplement and enhance local water supplies to meet our region's needs in a reliable and cost-effective manner.*

**Item 1 – Call to Order**

**Kuhn**

**Item 2 – Pledge of Allegiance**

**Kuhn**

**Item 3 – Roll Call**

**Executive  
Assistant**

- Bob Kuhn, President, Division IV
- David De Jesus, Vice President, Division II
- Brian Bowcock, Secretary, Division III
- Joe Ruzicka, Treasurer, Division V
- Dan Horan, Director, Division VII
- Carlos Goytia, Director, Division I
- John Mendoza, Director, Division VI

**Item 4 – Additions to Agenda** *(Government Code Section 54954.2(b)(2))*

Additions to the agenda may be considered when two-thirds of the Board members present determine a need for immediate action, and the need to act came to the attention of TVMWD after the agenda was posted; this exception requires a degree of urgency. If fewer than two-thirds of the Board members are present, all must affirm the action to add an item to the agenda. *The Board shall call for public comment prior to voting to add any item to the agenda after posting.*

**Kuhn**

**Item 5 – Reorder Agenda**

**Kuhn**

**Item 6 – Public Comment** *(Government Code Section 54954.3)*

**Kuhn**

Opportunity for members of the public to directly address the Board on items of public interest that is within the subject matter jurisdiction of TVMWD. The public may also address the Board on items being considered on this agenda. TVMWD requests that all public speakers complete a speaker's card and provide it to the Executive Assistant.

***We request that remarks be limited to five minutes or less.***

## Item 7 – Consent Calendar

Kuhn

The Board is being asked to consider the consent calendar items 7.A– 7.F listed below. Consent calendar items are routine in nature and may be considered and approved by a single motion. Any member of the Board may request that a specific item be pulled from the consent calendar for further discussion.

### 7.A – Receive, Approve and File Minutes – January 2018 [enc]

- January 3, 2018 – Regular Board Meeting
- January 17, 2018 – Regular Board Meeting

### 7.B – Approve Financial Reports and Investment Update – January 2018 [enc]

- Change in Cash and Cash Equivalents Reports
- Consolidated Listing of Investment Portfolio and Investment Report
- YTD District Budget Monthly Status Reports
- Warrant Summary Disbursements (November & December 2017)

### 7.C – FY 2017-18 Second Quarter Reserve Update [enc]

The Board will be provided a FY 2017-18 second quarter update of TVMWD’s reserve schedule.

### 7.D – Resolution No. 18-02-818 Tax Sharing Exchange with County Lighting Maintenance District 1687, Annexation L-007-2009 [enc]

Approval of this resolution operates to accept the action for the tax sharing exchange by the County Sanitation District.

### 7.E – Purchase Policy Updates [enc]

The Board will receive and file updates to the TVMWD Purchase Policy.

### 7.F – Calendar Year Imported Water Purchases – January 2018 [enc]

The Board will review the imported water purchases for January 2018.

**Items 7.A – 7.F: Board Action Required – Motion No. 18-02-5164**

Staff Recommendation: Approve as presented

## Item 8 – General Manager’s Report

Hansen

*8.A – Administration staff will provide brief updates on existing matters under their purview and will be available to respond to any questions thereof.*

Howie

### 8.A.1 – Legislative Update, February 2018 [enc]

The Board will be provided a legislative update of current activities.

### 8.A.2 – Approve Director Expense Reports, January 2018 [enc]

The Board will consider approval of the January 2018 Director Expense reports that include disclosure of per diem requests for meeting attendance, and an itemization of any expenses incurred by TVMWD.

**Item 8.A.2: Board Action Required – Motion No. 18-02-5165**

Staff Recommendation: None

**8.B – Engineering-Operations staff will provide brief updates on existing matters under their purview and will be available to respond to any questions thereof.** Garcia

**8.B.1 –Award TVMWD Grand Avenue Well (Phase 1 – Drilling/Development) Construction Project No. 58446 [enc]**

The Board will consider awarding construction to the lowest apparent bidder and direct the General Manager to enter into agreement to proceed with construction.

**Item 8.B.1: Board Action Required – Motion No. 18-02-5166**

Staff Recommendation: Approve as presented

**8.B.2 – Project Summary Update [enc]**

The Board will review a summary update of ongoing projects.

**8.B.3 – Miramar Operations Report – January 2018 [enc]**

The Board will review the monthly Miramar Operations Report that includes a summary of the following reports: water quality, monthly production, monthly and year-to-date sales, hydro-generation production and operations / maintenance review.

**8.C – Finance-Personnel staff will provide brief updates on existing matters under their purview and will be available to respond to any questions thereof.** Linthicum

**8.C.1 – Strategic Plan FY 18-19 Draft [enc]**

The Board will consider approval of the FY 2018-19 Strategic Plan.

**Item 8.C.1: Board Action Required – Motion No. 18-02-5167**

Staff Recommendation: Approve as presented

**8.C.2 – FY 2018-19 Budget Review Schedule [enc]**

The Board will be provided with the budget review schedule for FY 2018-19.

**Item 9 – Directors’ / General Manager Oral Reports**

The following reports are provided by Directors as it concerns activities at meetings of which they are assigned to serve as the representative or alternate of the District.

- |  |                |
|--|----------------|
| <b>9.A – Local Agency Formation Commission (February 14, 2018)</b>         | <b>Ruzicka</b> |
| <b>9.B – PWR-JWL Commission (February 15, 2018)</b>                        | <b>Horan</b>   |
| <b>9.C – Main San Gabriel Basin Watermaster (February 7, 2018)</b>         | <b>Bowcock</b> |
| <b>9.D – Six Basins Watermaster (January 24, 2018)</b>                     | <b>Bowcock</b> |
| <b>9.E – San Gabriel Valley Water Quality Authority (January 17, 2018)</b> | <b>Kuhn</b>    |

- 9.F – Chino Basin Watermaster (January 25, 2018) Kuhn
- 9.G – Pomona City Council (February 5 & 19, 2018) Mendoza
- 9.H – San Gabriel Valley Council of Governments (February 15, 2018) Goytia
- 9.I – Metropolitan Water District (February 13, 2018) De Jesus
- 9.J – Additional Board Member or Staff Reports / Comments All

**Item 10 – Future Agenda Items** Kuhn

**Item 11 – Adjournment** Kuhn

The Board will adjourn to a Regular Board Meeting on Wednesday, March 7, 2018.

**American Disabilities Act Compliance Statement**  
*Government Code Section 54954.2(a)*



*Any request for disability-related modifications or accommodations (including auxiliary aids or services) sought to participate in the above public meeting should be directed to the TVMWD’s Executive Assistant at (909) 621-5568 at least 24 hours prior to meeting.*

**Agenda items received after posting**  
*Government Code Section 54957.5*

*Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the TVMWD office located at, 1021 East Miramar Avenue, Claremont, CA, 91711. The materials will also be posted on the TVMWD website at [www.threevalleys.com](http://www.threevalleys.com).*

*Three Valleys MWD Board Meeting packets and agendas are available for review on its website at [www.threevalleys.com](http://www.threevalleys.com). The website is updated on Sunday preceding any regularly scheduled board meeting.*

**MINUTES**  
**REGULAR BOARD OF DIRECTORS MEETING**  
**THREE VALLEYS MUNICIPAL WATER DISTRICT**

Wednesday, January 3, 2018  
8:00 a.m.

**1. Call to Order**

The Board of Directors meeting of Three Valleys Municipal Water District (TVMWD) was called to order at 8:00 am at the TVMWD office located at 1021 East Miramar Avenue, Claremont, California. The presiding officer was Vice President David De Jesus.

**2. Pledge of Allegiance**

The flag salute was led by Vice President David De Jesus.

**3. Roll Call**

Roll call was taken with a quorum of the Board present. Directors Bowcock and Kuhn were not present at roll call and arrived at the dais at 8:04 am, at which time President Kuhn assumed his role as presiding officer.

**Directors Present**

Bob Kuhn, President (ar. 8:04 am)  
David De Jesus, Vice President  
Brian Bowcock, Secretary (ar. 8:04 am)  
Joe Ruzicka, Treasurer  
Dan Horan, Director  
Carlos Goytia, Director  
John Mendoza, Director

**Staff Present**

Rick Hansen, General Manager  
Steve Kennedy, Legal Counsel  
Liz Cohn, Senior Financial Analyst  
Ray Evangelista, Engineer  
Mario Garcia, Manager Engineering & Operations  
Kirk Howie, Assistant GM-Administration  
James Linthicum, Chief Finance Officer  
Ben Peralta, Project Engineer  
Esther Romero, Accounting Technician

**Directors Absent**

None

Guests and others present: Tom Coleman, Rowland Water District; Paul DiMaggio, Suburban Water Systems; Director Ted Ebenkamp, Walnut Valley Water District; Director Ed Hilden, Walnut Valley Water District; Erik Hitchman, Walnut Valley Water District; Maria Elena Kennedy, Kennedy Communications; Ben Lewis, Golden State Water Company; Director Tony Lima, Rowland Water District; Steve Patton, City of Glendora; Lee Patajo, Liebert, Cassidy Whitmore; Darron Poulsen, City of Pomona; Jayson Schmitt, Chandler Asset Management; Brian Teuber, Walnut Valley Water District; Dave Warren, Rowland Water District

**4. Additions to Agenda**

President Kuhn inquired if there was a need to add items to the agenda. Staff did not have a need to add items to the published agenda.

**5. Reorder Agenda**

President Kuhn inquired if there was a need to reorder the agenda. Staff did not have a need to reorder the published agenda.

## 6. Public Comment

President Kuhn called for any public comment. There were no requests for public comment.

## 7. General Manager's Report

### 7.A Finance-Personnel

#### 7.A.1 Investment Manager's Role and Statement Overview

Mr. Linthicum introduced Jayson Schmitt, Investment Manager for Chandler Asset Management; Chandler Asset Management has been providing investment services to TVMWD since 2009. Mr. Schmitt provided a comprehensive review of the statement for period ending November 2017. The Board was provided a review of the role of the investment manager, and how they work and collaborate with staff concerning TVMWD investments in compliance with its investment policy, which complies with California Government Code and California Municipal Treasurers Investment Policy Certification Program.

### 7.B Administration

#### 7.B.1 ACWA-JPIA Risk Management Update

The Board was provided with its annual risk management update. For more than 25 years TVMWD has not experienced a property loss. The District was awarded the President's Special Recognition Award for Liability, Property and Worker's Compensation. This has once again resulted in ACWA-JPIA providing premium discounts to TVMWD for CY 2017 in an amount greater than \$40,000.

Staff was asked to research opportunities for premium savings for medical costs by forming a smaller, independent group for medical coverage that are available because of the new tax laws.

#### 7.B.2 Succession Planning Update

General Manager Hansen provided the Board with a succession planning update that included a revised Interim Organizational Chart for consideration by the Board during the General Manager transition over the next 12-18 months. The following changes were noted:

- Add a temporary Assistant General Manager position
- Change of title, Assistant General Manager-Administration to Chief Administrative Officer
- Change of title, Manager of Engineering & Operations to Chief Engineer/Operations Officer
- Change of title, Operations Water Quality Assistant to Compliance Specialist

TVMWD will initiate a recruitment to fill the temporary Assistant General Manager Position. Once selected the Assistant General Manager will shadow the General Manager and be trained to succeed the current manager after the planned transition. The Board will have full purview over the transition and final decision-making for the General Manager successor.

Discussion ensued regarding whether the proposed Assistant General Manager position was budgeted in the current fiscal year. Mr. Hansen advised that the proposed Assistant General Manager position is not budgeted in the current fiscal



## Item 7.A

year, and it is expected that approximately two months will be paid from reserves for this fiscal year. The position will be budgeted for the FY 2018-19.

Following the staff report President Kuhn called for a motion and second to adopt the interim organizational chart. There being no further discussion the vote was recorded as follows:

**Moved: Ruzicka; Second: Goytia**  
**Motion No. 18-01-5160 – approving the succession planning update and interim organizational chart. The motion passed by a 7-0 unanimous vote.**

### 7.C Engineering and Operations

#### 7.C.1 Carport Replacement, Project No. 58434 – Bid Review

Chief Engineer/Operations Officer Mario Garcia provided a report to the Board concerning the staff recommendations for this project. Approximately 16 contractors participated in the mandatory pre-bid meeting, and two bids were submitted, both of which were significantly higher than the engineer's estimate. Staff is recommending that this project be abandoned as it is presently designed and rejecting all bids. The intent is to return to the consultant to re-evaluate the specifications for the proposed project and reopen the notice inviting bids at a future date. Discussion ensued regarding the existing design, sustainability of existing carports and proposed future design options. Staff was directed to return this item to the Board for action at its next meeting to reject all bids.

#### 7.C.2 Reservoir Effluent Pump Station, Project No. 58459 – Bid Review

Chief Engineer/Operations Officer Mario Garcia provided a report to the Board concerning the staff recommendations for this project. Nine bids were received for this project ranging from \$257,000-\$571,275. The lowest apparent bidder did not submit the addendum with its bid and staff is recommending that this bidder be listed as non-responsive, and that the Board consider awarding to the second lowest bidder, Pyramid Building and Engineering at an amount of \$257,935. Mr. Hansen informed that a budget amendment in the amount of \$94,000 will be recommended to complete this project. Following discussion, staff was directed to return this item to the Board for action at its next meeting under consent calendar.

#### 7.C.3 Project Summary Update

The Board was provided with an update of ongoing projects at the District including a photographic presentation of progress. The full report was included as part of the agenda packet and is available upon request. Discussion ensued and questions from the Directors were responded to on specific projects. President Kuhn extended his appreciation to Ben Peralta for his comprehensive reporting on projects. Director Mendoza commended staff for their efforts in addressing noise abatement issues with surrounding residents on the proposed Grand Avenue Well project.

President Kuhn called on audience member Maria Elena Kennedy, to provide a brief update of monies that have been secured for water-related projects within the state of California, and potential funding for projects in disadvantaged communities that exist within the Three Valleys MWD service area.

## 8. Special Workshop – Liebert Cassidy Whitmore

President Kuhn called for a brief recess and invited any audience members to stay for the special workshop to be provided by Liebert Cassidy Whitmore. The special workshop commenced at 9:30 am.

Staff introduced Lee Patajo of Liebert Cassidy Whitmore to present on several topics related to public service as follows:

- Public Services: Understanding Your Roles and Responsibilities
- Harassment
- Public Perception of Public Sector Employees

The presentation was a hybrid of the statutorily required biennial training relative to preventing workplace harassment, and included real life examples. This training was requested to illustrate TVMWD's efforts to remain transparent and to go above and beyond what is required by statutory requirements under AB 1825 and AB 1661.

## 9. Future Agenda Items

There were no requests for additional future agenda items. Items 7.C.1 Carport Replacement, Project No. 58434 and 7.C.2 Reservoir Effluent Pump Station Project No. 58459 will be placed on the next agenda for action by the Board.

## 10. Adjournment

The meeting was adjourned at 11:40 am to its next meeting scheduled for Wednesday, January 17, 2018.

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/s/ Bob Kuhn  
*President, Board of Directors*  
Three Valleys Municipal Water District

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Transcribed from recording by:  
Victoria A. Hahn  
District Clerk/Executive Assistant



**MINUTES  
REGULAR BOARD OF DIRECTORS MEETING  
THREE VALLEYS MUNICIPAL WATER DISTRICT**

**Wednesday, January 17, 2018  
8:00 a.m.**

**1. Call to Order**

The Board of Directors meeting of Three Valleys Municipal Water District (TVMWD) was called to order at 8:00 am at the TVMWD office located at 1021 East Miramar Avenue, Claremont, California. The presiding officer was President Bob Kuhn.

**2. Pledge of Allegiance**

The flag salute was led by President Bob Kuhn.

**3. Roll Call**

Roll call was taken with a quorum of board present.

**Directors Present**

Bob Kuhn, President  
David De Jesus, Vice President  
Joe Ruzicka, Treasurer  
Dan Horan, Director  
Carlos Goytia, Director  
John Mendoza, Director

**Directors Absent**

Brian Bowcock, Secretary (excused)

**Staff Present**

Rick Hansen, General Manager  
Steve Kennedy, Legal Counsel  
Liz Cohn, Senior Financial Analyst  
Ray Evangelista, Engineer  
Mario Garcia, Chief Engineer/Operations Officer  
Vicki Hahn, District Clerk/Executive Assistant  
Kirk Howie, Chief Administrative Officer  
Steve Lang, Water Operations Manager  
James Linthicum, Chief Finance Officer  
Ben Peralta, Project Engineer

Guests and others present: Tom Coleman, Rowland Water District; Director Ted Ebenkamp, Walnut Valley Water District; Director Ed Hilden, Walnut Valley Water District; Erik Hitchman, Walnut Valley Water District; Ben Lewis, Golden State Water Company; Director Tony Lima, Rowland Water District; Dean McHenry, League of Women Voters; Darron Poulsen, City of Pomona; Brian Teuber, Walnut Valley Water District; Dave Warren, Rowland Water District

**4. Additions to Agenda**

President Kuhn inquired if there was a need to add items to the agenda. Staff did not have a need to add items to the published agenda.

**5. Reorder Agenda**

President Kuhn inquired if there was a need to reorder the agenda. Staff did not have a need to reorder the published agenda.

## 6. Public Comment

President Kuhn called for any public comment. There were no requests for public comment.

## 7. Consent Calendar

The Board was asked to consider the Consent Calendar Items (7.1-7.5) for the January 17, 2018 Board meeting that included: (7.1) Receive, approve and file, December 2017 Minutes for December 6, 2017; (7.2) Ratify November 2017 Warrant List, and Approve Financial Reports and Investment Update December 2017; (7.3) Carport Replacement, Project No. 58434 – Reject all bids; (7.4) Reservoir Effluent Pump Station, Project No. 58459 – Bid Review, Approval of Budget Amendment in the amount of \$94,000 increasing project to \$300,000, and awarding construction to Pyramid Building & Engineering; (7.5) Adoption of Salary Schedule effective January 1, 2018 pursuant to CalPERS and California Code of Regulations Section 570.5.

Upon motion and second the floor was opened for discussion. There being no discussion, President Kuhn called for the vote.

**Moved: Ruzicka; Second: Goytia  
Motion No. 18-01-5161 – Approving Consent Calendar Items 7.1 – 7.5 for January 17, 2018. The motion passed by a 6-0 majority vote; Director Bowcock had an excused absence.**

## 8. General Manager's Report

### 8.A – Administration

#### 8.A.1 Legislative Update, January 2018

Chief Administrative Officer Kirk Howie provided the Board with highlights of the current legislative session which began on January 2, 2018. CY 2018 is year two of the legislative session. The Board was provided with a legislative calendar that identified key dates. The next major deadline is February 16, 2018, the last day for bills to be introduced for consideration. The Board was also provided with a summary of CY 2018 legislative priorities that TVMWD will be pursuing.

There are several carryover bills from year one of the session. TVMWD will continue to oppose *SB 623 (Monning)- Water quality: Safe and Affordable Drinking Water Fund*. TVMWD will also continue to watch *SB 778 (Hertzberg) – Water systems: consolidations: administrative and managerial services*. Director Ruzicka commented that SB 778 is also very important to LAFCO and they are seeking amendments from the author; a request was made to staff to stay aware of SB 778 movement through the legislative cycle. Staff will bring the first legislative status report to the Board in March 2018.

An update on the new legislative leadership was provided. Two legislators from TVMWD's service area have been moved into leadership, Senator Connie Leyva is the chair of the Democratic Caucus, and Assembly Member Ian Calderon is the Majority Floor Leader. The Board was informed that

### **Unapproved Minutes**

[Regular Board Meeting Minutes 20171115](#)

Representative Ed Royce District 39 has announced his retirement at the end of his term. He has served since 1993. Recent changes in leadership also occurred at the Department of Water Resources, Grant Davis has stepped down as Executive Director, and Governor Brown appointed Karla Nemeth as the new Executive Director as of January 10, 2018.

TVMWD staff, along with staff and directors from MWD met with Senator Anthony Portantino to provide an update on the California WaterFix. To date it appears that the direction is moving toward phasing the California WaterFix to a single tunnel to start, and potentially increasing to two tunnels later. The Governor supports this direction, with a primary concern of remaining in concept with the approved environment impact of the project. Questions were raised regarding MWD's support of this new direction. Director De Jesus acknowledged that MWD will get behind this proposed change. It was noted that while there may be some capital savings by moving in this direction, the unit cost for this project may be greater down the road.

## **8.A.2 Ratify November 2017 Director Expense Reports, and Approve Director Expense Reports, December 2017**

The Board was asked to ratify the previously paid November 2017 Director expense reports, and to approve the December 2017 expense reports. Upon motion and second the floor was opened for discussion. There being no discussion President Kuhn called for the vote.

**Moved: Ruzicka; Second: Horan  
Motion No. 18-01-5162 – Ratify payment of the November 2017 Director expense reports and approve payment of December 2017 Director expense reports. The motion passed by a 6-0 majority vote; Director Bowcock had an excused absence.**

## **8.A.3 CY 2018 Appointment of Board Representatives / Alternates**

President Kuhn expressed that it was his intent to keep all existing representative/alternates that attend various agency meetings and report back to TVMWD the same for CY 2018. Staff was requested to add the Pomona City Council Meetings to the list of meetings with an assigned representative/alternate. Director Mendoza was asked to serve as the representative for the Pomona City Council, and Director Goytia was asked to serve as the alternate. It was also noted that for CY 2018 TVMWD is serving as the alternate for the Water Agencies JPA at the San Gabriel Valley Council of Governments. Director Goytia will serve as the delegate for TVMWD, and Director Ruzicka will be the alternate observer. Director Mendoza inquired about attending Chino Basin Watermaster meetings as an alternate. Director Kuhn advised that Director Mendoza is welcome to attend as an observer at the Chino Basin meetings to gain more knowledge, but that at this time there is not a recommendation to change the representative/alternate.

Upon motion and second the floor was opened for discussion. At the conclusion of discussion President Kuhn called for the vote.

**Moved: Ruzicka; Second: Horan**  
**Motion No. 18-01-5163 – Approving the CY 2018 Board Appointments of Representatives / Alternates with no change to previous assignments, and the addition of Pomona City Council Meetings to the roster of meetings. The motion passed by a 6-0 majority vote; Director Bowcock had an excused absence.**

Below is the adopted list of representatives/alternates for CY 2018 Board Appointments:

Committee / Board	Representative	Alternate
ACWA Region 8 Delegate	Dan Horan	Brian Bowcock
ACWA / JPIA Representative	Brian Bowcock	Bob Kuhn
Chino Basin Watermaster	Bob Kuhn	David De Jesus
City of Pomona Council Meetings	John Mendoza	Carlos Goytia
Local Agency Formation Commission (LAFCO)	Joe Ruzicka	Bob Kuhn
Main San Gabriel Basin Watermaster	Brian Bowcock	Dan Horan
MWD Board Representative	David De Jesus	N/A
PWR Joint Water Line Commission	Dan Horan	Carlos Goytia
Rowland Water District	Dan Horan	Joe Ruzicka
San Gabriel Basin WQA	Bob Kuhn	Dan Horan
San Gabriel Valley Council of Governments	Carlos Goytia	Joe Ruzicka
Six Basins Watermaster	Brian Bowcock	John Mendoza
Walnut Valley Water District	David De Jesus	Joe Ruzicka

## 8.B – Engineering and Operations

### 8.B.1 Calendar Year Imported Water Purchases through December 2017

Chief Engineer/Operations Officer Mario Garcia provided the CYE 2017 Imported Water Purchases report to the Board. TVMWD delivered 59,663 AF of its Tier 1 allocation with a balance remaining of 21,025 AF. Three agencies exceeded their Tier 1 allocations for a total of 999.3 AF. Because TVMWD did not exceed their Tier 1 allocation, Tier 2 penalties will not be assessed. TVMWD was able to spread 1,329.1 AF; spreading was limited by capacity and willingness to accept future deliveries of stored water. A review of the three-year comparison report shows imported water deliveries for 2017 comparable to the last two years.

### 8.B.2 Miramar Operations Report December 2017

Chief Engineer/Operations Officer Mario Garcia provided the December 2017 report. Water quality continues to meet all state requirements with no violations during the month.

Total plant production for the month was 1115.5/AF, approximately 61% of capacity. For the fourth consecutive month groundwater wells 1 and 2 delivered greater than the prior year for a total of 113.8/AF compared to 75.4/AF in the prior year. Year-to-date sales were a combined total of 9477.4/AF, approximately 103% of budget. Hydrogeneration sales were under budget at most sites due to low pressure in the lines or work at the Hydro Plants (Miramar & Fulton).

Mr. Garcia reviewed special activities/outages and outreach which included:

- Miramar Plant and distribution system shut down for video inspection of manways.
- Leaking valve repaired at Thompson Creek.
- Annual maintenance to chlorine scrubber and ammonia diffuser systems.
- Calibration of the distribution connection meters.
- There were two scheduled outages, one at Williams and another at Indian Hill to allow SCE to complete planned work.
- One unplanned power outage occurred, and the generator ran during this time.

The complete report is available upon request. Staff informed the planned annual maintenance shut down will occur during February 2018.

## 9. Directors' /General Manager Oral Reports

Several agencies were dark during the month of December or have not yet met in January. The below updates are for agencies that have met in January.

**9.A Local Agency Formation Commission** – Director Ruzicka reported that there was much discussion on SB 778 (Hertzberg) and the proposed authorities that will be removed from local agencies if this bill passes. SB 778 is like previous legislation, SB 88, that failed. LAFCO continues to watch this bill and will likely take an opposition position. The full agenda from this meeting is available for review.

**9.B Chino Basin Watermaster** – General Counsel, Steve Kennedy provided an update on the safe yield appeal. A motion was filed on the appeal to reset the safe yield. A term sheet has been prepared and circulated among the parties; it is anticipated that the proposed terms may resolve outstanding issues relative to the safe yield. The parties to the appeal have requested the court to confirm to stay the motion on the appeal, and to extend the hearing date from February 2018 to September 2018; the court has agreed to this request. The next step will be to route the term sheet through the various pools. The TVMWD Board was also advised that Chino Basin Watermaster is considering realignment of its current board composition.

**9.C Metropolitan Water District** – Director De Jesus reported on the January 9, 2018 Board Meeting. Following are notable reports received and actions taken at this meeting:

- DWR has announced the initial allocation of State Water Project water at 15%. MWD will continue to contribute to its imported deliveries into the basin at least through the end of January 2018.
- A report on CY 2017 water deliveries was shared with a total of 1.2 million acre-feet of water delivered from north to south. Inflows were reduced at the Colorado River to a two-point flow, and to deliver water to Lake Mead. Water will continue to be delivered to southern California under the cyclic storage program.

# Item 7.A

- The MWD Board appropriated funds to authorize preliminary design to rehabilitate prestressed concrete cylinder pipe along several of its pipelines and feeder lines. TVMWD is working with MWD, because this work will result in periodic shut downs at the Miramar Treatment Plant.
- Colorado River Aqueduct will be shut down February 13-March 9, 2018.
- San Jacinto Tunnel will be shut down March 5-6, 2018
- The Executive Board will continue its meetings with San Diego County Water Authority, with the next meeting scheduled for January 19, 2018.
- MWD is working on ramping up security and vulnerability issues at MWD Headquarters and other facilities.

Director Mendoza inquired about conservation efforts relative to rebates being considered by MWD. Director De Jesus informed that MWD is committed to continuing its efforts toward water use efficiency and offers classes on a regular basis. Specifics regarding amounts for rebates were not available; Mr. Hansen informed that he believes there are budget dollars committed for this.

## **9.D Additional Board Member or Staff Reports**

President Kuhn inquired about news reports about the water agencies/electric agencies being sued due to the floods and mud slides in the Montecito area. He is interested in knowing what the water agency could have done differently. Mr. Kennedy indicated he is familiar with water system immunity precedents and that amicus briefs have been filed in past matters relative to this.

## **10. Future Agenda Items**

There were no requests for future agenda items.

## **11. Adjournment**

The Board adjourned at 8:55 am to its next regular meeting scheduled for Wednesday, February 7, 2018 at 8:00 am.

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/s/ Bob Kuhn  
*President, Board of Directors*  
Three Valleys Municipal Water District

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Recorded by: Victoria A. Hahn,  
District Clerk/Executive Assistant

Staff Report/Memorandum



**To:** TVMWD Board of Directors  
**From:** Richard W. Hansen, General Manager *RH*  
**Date:** February 21, 2018  
**Subject:** Change in Cash and Cash Equivalents Position Report

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<input type="checkbox"/> <b>For Action</b>	<input type="checkbox"/> <b>Fiscal Impact</b>	<input type="checkbox"/> <b>Funds Budgeted</b>
<input checked="" type="checkbox"/> <b>Information Only</b>	<input type="checkbox"/> <b>Cost Estimate:</b>	<b>\$</b>

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**Discussion:**

Attached for your review is the Change in Cash and Cash Equivalents Report for the period ending January 31, 2018.





## CHANGE IN CASH AND CASH EQUIVALENTS REPORT

January 1 through January 31, 2018

		<u>CASH</u>	<u>CASH EQUIVALENTS</u>
SUMMARY 01/31/2018			
	Petty Cash	6,000.00	
	Local Agency Investment Fund		920,184.50
	General Checking	1,600,000.00	
	Sweep Account	3,573,658.27	
	U.S. Bank	5,000.00	
	<b>TOTAL CASH IN BANKS &amp; ON HAND</b>	<b>\$ 5,184,658.27</b>	<b>\$ 920,184.50</b>
	TOTAL CASH IN BANKS & ON HAND 01/31/18	\$ 5,184,658.27	\$ 920,184.50
	TOTAL CASH IN BANKS & ON HAND 12/31/17	\$ 5,054,472.67	\$ 917,399.31
	<b>PERIOD INCREASE (DECREASE)</b>	<b>\$ 130,185.60</b>	<b>\$ 2,785.19</b>
CHANGE IN CASH POSITION DUE TO:			
	Water Sales/Charges Revenue	4,460,829.30	
	Interest Revenue	770.00	
	Subvention/RTS Standby Charge Revenue	636,599.55	
	Hydroelectric Revenue		
	Other Revenue	6,090.48	
	Investment Xfer From Chandler Asset Mgt		
	LAIF Quarterly Interest		2,785.19
	Transfer To LAIF		
	Transfer From LAIF		
	INFLOWS	5,104,289.33	2,785.19
	Expenditures	(4,902,497.47)	
	Current Month Outstanding Payables	27,397.44	
	Prior Month Cleared Payables	(66,480.45)	
	Bank/FSA Svc Fees	(223.25)	
	HRA/HSA Payment	(32,300.00)	
	Xfer to PARS - Fund OPEB & Pension Trusts	-	
	Investment Xfer to Chandler Asset Mgmt		
	Transfer to LAIF		
	Transfer From LAIF		
	OUTFLOWS	(4,974,103.73)	-
	<b>PERIOD INCREASE (DECREASE)</b>	<b>130,185.60</b>	<b>2,785.19</b>



# Item 7.B

## THREE VALLEYS MUNICIPAL WATER DISTRICT CONSOLIDATED LISTING OF INVESTMENT PORTFOLIO January 31, 2018

ITEM	BOOK YIELD	BOOK VALUE	PAR VALUE	MARKET VALUE
<b>Chandler Asset Management</b>				
ABS - Asset Backed Securities	1.71%	397,772.72	397,793.48	396,791.83
Bonds - Agency	1.67%	3,970,115.18	3,975,000.00	3,894,827.73
CMO - Collateralized Mortgage Obligation	0.00%	0.00	0.00	0.00
Commercial Paper	1.43%	344,664.51	345,000.00	344,664.51
Money Market Fund	0.93%	20,468.14	20,468.14	20,468.14
Negotiable CD	1.80%	199,761.94	200,000.00	199,761.94
Supranational	2.13%	423,573.62	425,000.00	415,233.33
US Corporate	1.95%	2,240,783.00	2,240,000.00	2,225,503.30
US Treasury	1.65%	2,631,974.68	2,650,000.00	2,585,456.97
	<b>1.74%</b>	<b>10,229,113.79</b>	<b>10,253,261.62</b>	<b>10,082,707.75</b>
Local Agency Invest Fund TVMWD	1.24%	920,184.50	920,184.50	920,184.50
<b>Reserve Fund</b>		<b>\$ 11,149,298.29</b>	<b>\$ 11,173,446.12</b>	<b>\$ 11,002,892.25</b>
<hr/>				
Checking (Citizens)	0.55%	1,600,000.00	1,600,000.00	1,600,000.00
Sweep Account (Citizens)	0.20%	3,573,658.27	3,573,658.27	3,573,658.27
Emergency Checking (U.S. Bank)	0.00%	5,000.00	5,000.00	5,000.00
Petty Cash Fund	0.00%	6,000.00	6,000.00	6,000.00
<b>Working Cash</b>		<b>\$ 5,184,658.27</b>	<b>\$ 5,184,658.27</b>	<b>\$ 5,184,658.27</b>
<hr/>				
GSWC-Baseline Pipeline, San Dimas	3.24%	14,873.05	14,873.05	14,873.05
<b>Local Resource Loans</b>		<b>\$ 14,873.05</b>	<b>\$ 14,873.05</b>	<b>\$ 14,873.05</b>
<hr/>				
<b>TOTAL PORTFOLIO</b>	<b>1.25%</b>	<b>\$ 16,348,829.61</b>	<b>\$ 16,372,977.44</b>	<b>\$ 16,202,423.57</b>

I certify that this report accurately reflects all investments of Three Valleys Municipal Water District and that all investments and this report are in conformity with Sections 53600 et seq of the California Government Code and the District's annual statement of investment policy (Resolution 17-09-807). The District's investment program herein shown provides sufficient cash flow and liquidity to meet all budgeted expenditures for the next six months.

RICHARD W. HANSEN, General Manager/Assistant Treasurer



# Monthly Account Statement

## Three Valleys Municipal Water District

January 1, 2018 through January 31, 2018

### Chandler Team

For questions about your account,  
please call (800) 317-4747 or  
Email operations@chandlerasset.com

### Custodian

US Bank  
Christopher Isles  
(503)-464-3685

***Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.***



PORTFOLIO CHARACTERISTICS

Average Duration	2.44
Average Coupon	1.66 %
Average Purchase YTM	1.74 %
Average Market YTM	2.26 %
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	2.61 yrs
Average Life	2.53 yrs

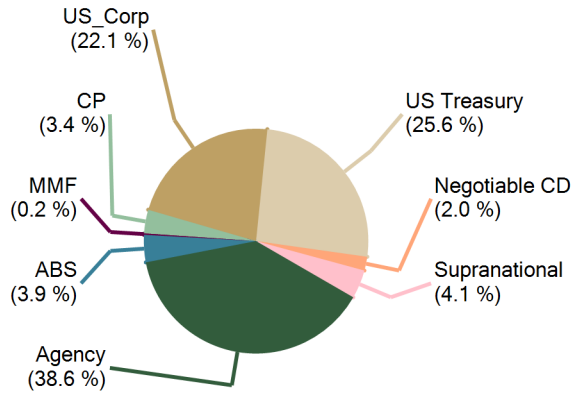
ACCOUNT SUMMARY

	Beg. Values as of 12/31/17	End Values as of 1/31/18
<b>Market Value</b>	10,128,934	10,082,708
<b>Accrued Interest</b>	45,453	40,714
<b>Total Market Value</b>	<b>10,174,387</b>	<b>10,123,422</b>
<b>Income Earned</b>	13,995	14,733
<b>Cont/WD</b>		-1,122
<b>Par</b>	10,232,914	10,253,262
<b>Book Value</b>	10,210,763	10,229,114
<b>Cost Value</b>	10,196,820	10,216,080

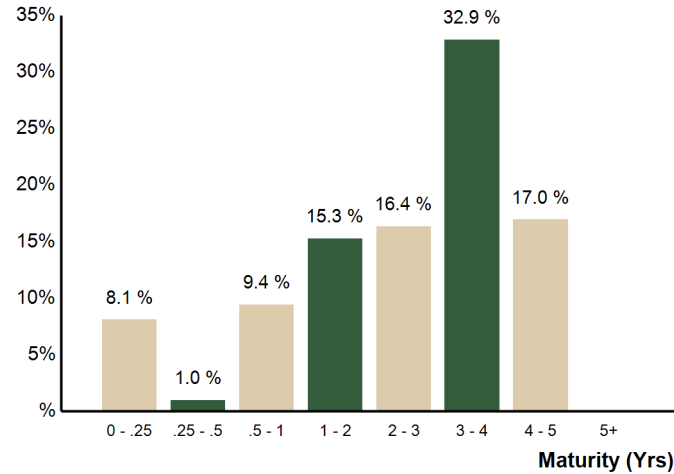
TOP ISSUERS

Issuer	% Portfolio
Government of United States	25.6 %
Federal National Mortgage Assoc	15.5 %
Federal Home Loan Bank	8.1 %
Federal Home Loan Mortgage Corp	8.0 %
Federal Farm Credit Bank	4.1 %
Toyota ABS	2.9 %
Tennessee Valley Authority	2.9 %
IBM Corp	2.5 %
<b>Total</b>	<b>69.6 %</b>

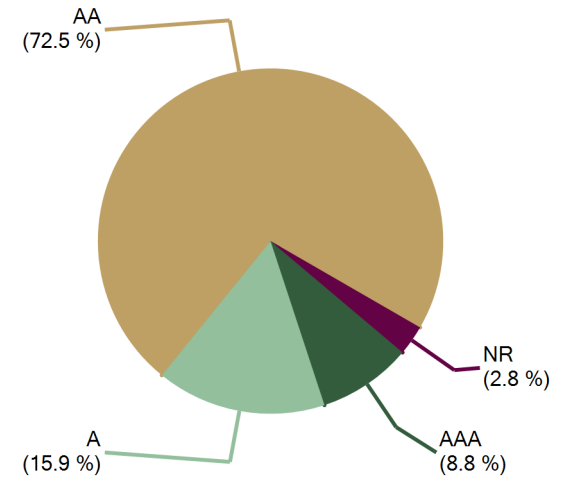
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

Total Rate of Return As of 1/31/2018	Current Month	Latest 3 Months	Year To Date	1 Yr	Annualized			4/30/2009	Since 4/30/2009
					3 Yrs	5 Yrs	10 Yrs		
Three Valleys Municipal Water District	-0.49 %	-0.73 %	-0.49 %	0.37 %	0.67 %	0.91 %	N/A	1.67 %	15.58 %
ICE BAML 1-5 Yr US Treasury/Agency Index	-0.56 %	-0.84 %	-0.56 %	-0.07 %	0.39 %	0.67 %	N/A	1.35 %	12.45 %



**Three Valleys Municipal Water District**  
January 31, 2018

**COMPLIANCE WITH INVESTMENT POLICY**

*Assets managed by Chandler Asset Management are in full compliance with state law and with the District's investment policy.*

Category	Standard	Comment
Treasury Issues	No Limitation	Complies
Agency Issues	No Limitation	Complies
Municipal Securities/ Local Agency Bonds	Bonds issued by TVMWD; Issued by local agency within the state of California, including pooled investment accounts sponsored by the state of California, County Treasurers, or Joint Power Agencies	Complies
Supranationals	Issued by IBRD, IFC or IADB only; "AA" rated or higher by a NRSRO; 30% maximum; 10% max per issuer	Complies
Banker's Acceptances	"A" rated or higher by a NRSRO; 40% maximum; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" rated or equivalent by a NRSRO; "A" rated issuer or equivalent by a NRSRO; 25% maximum; 5% max per issuer; 270 days max maturity; Issuer must be organized and operating within the US, have AUM >\$500 mil	Complies
Corporate Medium Term Notes	"A" rated or better by a NRSRO; 30% maximum; 5% max per issuer; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S.	Complies
Negotiable Certificates of Deposit	30% maximum; 5% max per issuer	Complies
Certificates of Deposits/Time Deposit	Collateralized/ FDIC insured	Complies
Money Market Mutual Funds	"AAA" rated by 2 NRSROs; 20% maximum; 10% per fund	Complies
Mortgage Pass-throughs, CMOs and Asset Backed Securities	"AA" rated or higher by a NRSRO; "A" rated issuer or higher by a NRSRO; 20% maximum; 5% max per issuer	Complies
Local Agency Investment Fund - LAIF	Max program limitation	Complies
Repurchase Agreements	102% Collateralized; 1year max maturity	Complies
Reverse Repurchase Agreements	20% maximum; 92 days max maturity	Complies
Prohibited Securities	Inverse floaters; Ranges notes, Interest-only strips from mortgaged backed securities; Zero interest accrual securities	Complies
Max Per Issuer	5% of portfolio per issuer (except U.S. Government, Agencies/GSEs, Supranationals, Money Market Mutual Funds, LAIF, LGIP)	Complies
Maximum maturity	5 years	Complies



## Reconciliation Summary

As of 1/31/2018

# Item 7.B

BOOK VALUE RECONCILIATION	
<b>Beginning Book Value</b>	<b>\$10,210,762.98</b>
<b>Acquisition</b>	
+ Security Purchases	\$281,962.23
+ Money Market Fund Purchases	\$258,603.79
+ Money Market Contributions	\$0.00
+ Security Contributions	\$0.00
+ Security Transfers	\$0.00
<b>Total Acquisitions</b>	<b>\$540,566.02</b>
<b>Dispositions</b>	
- Security Sales	\$0.00
- Money Market Fund Sales	\$282,253.39
- MMF Withdrawals	\$1,121.54
- Security Withdrawals	\$0.00
- Security Transfers	\$0.00
- Other Dispositions	\$0.00
- Maturities	\$220,000.00
- Calls	\$0.00
- Principal Paydowns	\$19,881.40
<b>Total Dispositions</b>	<b>\$523,256.33</b>
<b>Amortization/Accretion</b>	
+/- Net Accretion	\$1,041.12
	\$1,041.12
<b>Gain/Loss on Dispositions</b>	
+/- Realized Gain/Loss	\$0.00
	\$0.00
<b>Ending Book Value</b>	<b>\$10,229,113.79</b>

CASH TRANSACTION SUMMARY	
<b>BEGINNING BALANCE</b>	<b>\$45,239.28</b>
<b>Acquisition</b>	
Contributions	\$0.00
Security Sale Proceeds	\$0.00
Accrued Interest Received	\$0.00
Interest Received	\$18,468.77
Dividend Received	\$253.62
Principal on Maturities	\$220,000.00
Interest on Maturities	\$0.00
Calls/Redemption (Principal)	\$0.00
Interest from Calls/Redemption	\$0.00
Principal Paydown	\$19,881.40
<b>Total Acquisitions</b>	<b>\$258,603.79</b>
<b>Disposition</b>	
Withdrawals	\$1,121.54
Security Purchase	\$281,962.23
Accrued Interest Paid	\$291.16
<b>Total Dispositions</b>	<b>\$283,374.93</b>
<b>Ending Book Value</b>	<b>\$20,468.14</b>



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>ABS</b>									
89236WAC2	Toyota Auto Receivables Owner 2015-A 1.12% Due 2/15/2019	10,406.19	02/24/2015 1.13 %	10,404.62 10,406.17	99.94 2.25 %	10,400.05 5.18	0.10 % (6.12)	Aaa / AAA NR	1.04 0.11
43813NAC0	Honda Auto Receivables 2015-2 A3 1.04% Due 2/21/2019	14,833.55	05/13/2015 1.05 %	14,831.27 14,832.91	99.89 1.83 %	14,817.09 4.29	0.15 % (15.82)	NR / AAA AAA	1.06 0.13
89238MAB4	Toyota Auto Receivables Owner 2017-A 1.42% Due 9/16/2019	48,454.68	03/07/2017 1.43 %	48,450.01 48,451.66	99.84 2.01 %	48,377.29 30.58	0.48 % (74.37)	Aaa / AAA NR	1.62 0.36
47787XAB3	John Deere Owner Trust 2017-A A2 1.5% Due 10/15/2019	39,099.06	02/22/2017 1.50 %	39,098.90 39,098.96	99.85 1.93 %	39,040.32 26.07	0.39 % (58.64)	Aaa / NR AAA	1.70 0.36
47788BAB0	John Deere Owner Trust 2017-B A2A 1.59% Due 4/15/2020	30,000.00	07/11/2017 1.60 %	29,997.39 29,997.91	99.69 1.88 %	29,905.71 21.20	0.30 % (92.20)	Aaa / NR AAA	2.21 0.76
89237RAB4	Toyota Auto Receivable 2017-C A2A 1.58% Due 7/15/2020	110,000.00	07/25/2017 1.59 %	109,998.96 109,999.14	99.61 2.24 %	109,568.36 77.24	1.08 % (430.78)	Aaa / AAA NR	2.45 0.82
89238BAB8	Toyota Auto Receivables Owner 2018-A A2A 2.1% Due 10/15/2020	125,000.00	01/23/2018 2.12 %	124,987.23 124,987.24	99.93 2.12 %	124,911.75 7.29	1.23 % (75.49)	Aaa / AAA NR	2.71 1.02
47788BAD6	John Deere Owner Trust 2017-B A3 1.82% Due 10/15/2021	20,000.00	07/11/2017 1.83 %	19,998.54 19,998.73	98.86 2.48 %	19,771.26 16.18	0.20 % (227.47)	Aaa / NR AAA	3.71 2.11
<b>Total ABS</b>		<b>397,793.48</b>	<b>1.71 %</b>	<b>397,766.92</b> <b>397,772.72</b>	<b>2.11 %</b>	<b>396,791.83</b> <b>188.03</b>	<b>3.92 %</b> <b>(980.89)</b>	<b>Aaa / AAA</b> <b>AAA</b>	<b>2.31</b> <b>0.80</b>

<b>AGENCY</b>									
3130A4GJ5	FHLB Note 1.125% Due 4/25/2018	110,000.00	03/20/2015 1.02 %	110,360.91 110,026.53	99.91 1.53 %	109,895.50 330.00	1.09 % (131.03)	Aaa / AA+ AAA	0.23 0.23
3135G0YM9	FNMA Note 1.875% Due 9/18/2018	200,000.00	10/07/2013 1.59 %	202,654.00 200,336.53	100.06 1.78 %	200,112.20 1,385.42	1.99 % (224.33)	Aaa / AA+ AAA	0.63 0.62
880591EQ1	Tennessee Valley Authority Note 1.75% Due 10/15/2018	290,000.00	Various 1.58 %	292,357.15 290,333.25	99.94 1.84 %	289,822.52 1,494.31	2.88 % (510.73)	Aaa / AA+ AAA	0.70 0.69
3135G0ZA4	FNMA Note 1.875% Due 2/19/2019	75,000.00	03/31/2014 1.81 %	75,230.48 75,049.45	99.88 1.99 %	74,907.83 632.81	0.75 % (141.62)	Aaa / AA+ AAA	1.05 1.03
3137EADK2	FHLMC Note 1.25% Due 8/1/2019	240,000.00	09/04/2014 1.83 %	233,452.80 238,000.69	98.75 2.10 %	237,000.96 1,500.00	2.36 % (999.73)	Aaa / AA+ AAA	1.50 1.47
3133EHEZ2	FFCB Note 1.6% Due 4/6/2020	200,000.00	09/28/2017 1.60 %	200,012.00 200,010.37	98.64 2.24 %	197,275.40 1,022.22	1.96 % (2,734.97)	Aaa / AA+ NR	2.18 2.12
3137EAEK1	FHLMC Note 1.875% Due 11/17/2020	200,000.00	12/28/2017 2.05 %	199,016.00 199,048.64	98.84 2.30 %	197,687.80 791.67	1.96 % (1,360.84)	Aaa / AA+ AAA	2.80 2.69
3135G0F73	FNMA Note 1.5% Due 11/30/2020	200,000.00	12/16/2015 1.90 %	196,220.00 197,842.69	97.83 2.30 %	195,653.40 508.33	1.94 % (2,189.29)	Aaa / AA+ AAA	2.83 2.75
3130A7CV5	FHLB Note 1.375% Due 2/18/2021	140,000.00	04/28/2016 1.42 %	139,727.00 139,827.06	97.17 2.34 %	136,041.92 871.60	1.35 % (3,785.14)	Aaa / AA+ AAA	3.05 2.94
3135G0J20	FNMA Note 1.375% Due 2/26/2021	200,000.00	Various 1.41 %	199,699.04 199,821.24	97.11 2.36 %	194,222.20 1,184.02	1.93 % (5,599.04)	Aaa / AA+ AAA	3.07 2.96





CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>AGENCY</b>									
3135G0K69	FNMA Note 1.25% Due 5/6/2021	180,000.00	06/29/2016 1.18 %	180,612.00 180,411.23	96.52 2.36 %	173,736.72 531.25	1.72 % (6,674.51)	Aaa / AA+ AAA	3.26 3.16
3130A8QS5	FHLB Note 1.125% Due 7/14/2021	185,000.00	10/04/2016 1.33 %	183,290.60 183,764.56	95.76 2.41 %	177,153.60 98.28	1.75 % (6,610.96)	Aaa / AA+ AAA	3.45 3.35
3137EAEC9	FHLMC Note 1.125% Due 8/12/2021	185,000.00	08/30/2016 1.33 %	183,185.15 183,706.40	95.64 2.42 %	176,941.22 977.03	1.76 % (6,765.18)	Aaa / AA+ AAA	3.53 3.41
3135G0N82	FNMA Note 1.25% Due 8/17/2021	185,000.00	09/28/2016 1.28 %	184,715.10 184,793.40	95.96 2.45 %	177,528.04 1,053.47	1.76 % (7,265.36)	Aaa / AA+ AAA	3.55 3.41
3135G0Q89	FNMA Note 1.375% Due 10/7/2021	160,000.00	10/27/2016 1.50 %	159,025.60 159,274.46	96.27 2.44 %	154,027.04 696.67	1.53 % (5,247.42)	Aaa / AA+ AAA	3.68 3.54
3130AABG2	FHLB Note 1.875% Due 11/29/2021	200,000.00	12/28/2016 2.10 %	197,940.00 198,397.65	97.93 2.44 %	195,864.40 645.83	1.94 % (2,533.25)	Aaa / AA+ AAA	3.83 3.65
3135G0S38	FNMA Note 2% Due 1/5/2022	200,000.00	01/11/2017 2.02 %	199,845.00 199,877.81	98.31 2.45 %	196,622.00 288.89	1.95 % (3,255.81)	Aaa / AA+ AAA	3.93 3.74
3137EADB2	FHLMC Note 2.375% Due 1/13/2022	200,000.00	01/27/2017 2.03 %	203,193.40 202,545.54	99.78 2.43 %	199,566.00 237.50	1.97 % (2,979.54)	Aaa / AA+ AAA	3.95 3.74
3135G0T45	FNMA Note 1.875% Due 4/5/2022	200,000.00	Various 1.86 %	200,108.00 200,094.48	97.49 2.51 %	194,988.60 1,208.33	1.94 % (5,105.88)	Aaa / AA+ AAA	4.18 3.96
313379Q69	FHLB Note 2.125% Due 6/10/2022	200,000.00	09/28/2017 1.92 %	201,806.00 201,674.37	98.40 2.52 %	196,790.80 602.08	1.95 % (4,883.57)	Aaa / AA+ AAA	4.36 4.12
3133EAYP7	FFCB Note 1.95% Due 7/19/2022	225,000.00	07/28/2017 1.92 %	225,310.50 225,278.83	97.33 2.59 %	218,989.58 146.25	2.16 % (6,289.25)	Aaa / AA+ AAA	4.47 4.24
<b>Total Agency</b>		<b>3,975,000.00</b>	<b>1.67 %</b>	<b>3,967,760.73</b> <b>3,970,115.18</b>	<b>2.29 %</b>	<b>3,894,827.73</b> <b>16,205.96</b>	<b>38.63 %</b> <b>(75,287.45)</b>	<b>Aaa / AA+</b> <b>AAA</b>	<b>2.90</b> <b>2.78</b>
<b>COMMERCIAL PAPER</b>									
89233HB29	Toyota Motor Credit Discount CP 1.32% Due 2/2/2018	140,000.00	06/02/2017 1.37 %	138,738.91 139,994.79	100.00 1.37 %	139,994.79 0.00	1.38 % 0.00	P-1 / A-1+ NR	0.01 0.01
06538CCD1	Bank of Tokyo Mitsubishi NY Discount CP 1.45% Due 3/13/2018	205,000.00	11/07/2017 1.48 %	203,967.88 204,669.72	99.84 1.48 %	204,669.72 0.00	2.02 % 0.00	P-1 / A-1 NR	0.11 0.11
<b>Total Commercial Paper</b>		<b>345,000.00</b>	<b>1.43 %</b>	<b>342,706.79</b> <b>344,664.51</b>	<b>1.43 %</b>	<b>344,664.51</b> <b>0.00</b>	<b>3.40 %</b> <b>0.00</b>	<b>P-1 / A-1</b> <b>NR</b>	<b>0.07</b> <b>0.07</b>
<b>MONEY MARKET FUND FI</b>									
31846V203	First American Govt Obligation Fund	20,468.14	Various 0.93 %	20,468.14 20,468.14	1.00 0.93 %	20,468.14 0.00	0.20 % 0.00	Aaa / AAA AAA	0.00 0.00
<b>Total Money Market Fund FI</b>		<b>20,468.14</b>	<b>0.93 %</b>	<b>20,468.14</b> <b>20,468.14</b>	<b>0.93 %</b>	<b>20,468.14</b> <b>0.00</b>	<b>0.20 %</b> <b>0.00</b>	<b>Aaa / AAA</b> <b>AAA</b>	<b>0.00</b> <b>0.00</b>



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>NEGOTIABLE CD</b>									
89113W6Q4	Toronto Dominion NY Yankee CD 1.6% Due 8/24/2018	200,000.00	12/28/2017 1.80 %	199,721.10 199,761.94	99.88 1.80 %	199,761.94 1,706.67	1.99 % 0.00	P-1 / A-1+ F-1+	0.56 0.56
<b>Total Negotiable CD</b>		<b>200,000.00</b>	<b>1.80 %</b>	<b>199,721.10</b> <b>199,761.94</b>	<b>1.80 %</b>	<b>199,761.94</b> <b>1,706.67</b>	<b>1.99 %</b> <b>0.00</b>	<b>P-1 / A-1+</b> <b>F-1+</b>	<b>0.56</b> <b>0.56</b>
<b>SUPRANATIONAL</b>									
4581X0CW6	Inter-American Dev Bank Note 2.125% Due 1/18/2022	200,000.00	10/26/2017 2.10 %	200,158.00 200,148.36	98.32 2.57 %	196,643.80 153.47	1.94 % (3,504.56)	Aaa / NR AAA	3.97 3.77
45950VLH7	International Finance Corp Note 2% Due 10/24/2022	225,000.00	10/26/2017 2.16 %	223,339.50 223,425.26	97.15 2.64 %	218,589.53 1,212.50	2.17 % (4,835.73)	Aaa / AAA NR	4.73 4.45
<b>Total Supranational</b>		<b>425,000.00</b>	<b>2.13 %</b>	<b>423,497.50</b> <b>423,573.62</b>	<b>2.61 %</b>	<b>415,233.33</b> <b>1,365.97</b>	<b>4.12 %</b> <b>(8,340.29)</b>	<b>Aaa / AAA</b> <b>AAA</b>	<b>4.37</b> <b>4.13</b>
<b>US CORPORATE</b>									
459200HZ7	IBM Corp Note 1.125% Due 2/6/2018	125,000.00	02/03/2015 1.23 %	124,618.75 124,998.26	99.99 1.84 %	124,987.50 683.59	1.24 % (10.76)	A1 / A+ A+	0.02 0.01
931142DF7	Wal-Mart Stores Note 1.125% Due 4/11/2018	115,000.00	04/04/2013 1.14 %	114,894.20 114,996.00	99.89 1.71 %	114,869.25 395.31	1.14 % (126.75)	Aa2 / AA AA	0.19 0.19
713448CR7	PepsiCo Inc Note 1.25% Due 4/30/2018	105,000.00	Various 1.26 %	104,957.40 104,996.58	99.88 1.72 %	104,876.10 331.77	1.04 % (120.48)	A1 / A+ A	0.24 0.25
037833AJ9	Apple Inc Note 1% Due 5/3/2018	100,000.00	05/20/2013 1.20 %	99,066.00 99,952.94	99.84 1.62 %	99,841.00 244.44	0.99 % (111.94)	Aa1 / AA+ NR	0.25 0.25
02665WAC5	American Honda Finance Note 2.125% Due 10/10/2018	65,000.00	04/14/2014 1.83 %	65,820.95 65,125.88	100.05 2.05 %	65,030.68 425.89	0.65 % (95.20)	A2 / A+ NR	0.69 0.68
74005PBH6	Praxair Note 1.25% Due 11/7/2018	135,000.00	01/08/2015 1.68 %	132,876.45 134,574.99	99.36 2.10 %	134,132.36 393.75	1.33 % (442.63)	A2 / A NR	0.77 0.76
24422ESF7	John Deere Capital Corp Note 1.95% Due 12/13/2018	60,000.00	12/10/2013 1.99 %	59,872.20 59,977.95	99.94 2.01 %	59,966.40 156.00	0.59 % (11.55)	A2 / A A	0.87 0.85
17275RAR3	Cisco Systems Note 2.125% Due 3/1/2019	180,000.00	Various 2.02 %	180,856.20 180,184.77	99.91 2.21 %	179,841.60 1,593.75	1.79 % (343.17)	A1 / AA- NR	1.08 1.06
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	140,000.00	Various 2.15 %	140,322.10 140,077.13	99.94 2.25 %	139,912.79 821.33	1.39 % (164.34)	A1 / A+ AA	1.23 1.13
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	145,000.00	Various 2.29 %	145,058.95 145,018.05	99.84 2.40 %	144,766.99 1,296.94	1.44 % (251.06)	A1 / A AA-	1.61 1.48
94974BGF1	Wells Fargo Corp Note 2.15% Due 1/30/2020	100,000.00	01/26/2015 2.18 %	99,864.00 99,945.69	99.24 2.54 %	99,242.10 5.97	0.98 % (703.59)	A2 / A A+	2.00 1.94



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US CORPORATE</b>									
22160KAG0	Costco Wholesale Corp Note 1.75% Due 2/15/2020	80,000.00	02/05/2015 1.77 %	79,916.00 79,965.74	98.79 2.36 %	79,035.84 645.56	0.79 % (929.90)	A1 / A+ A+	2.04 1.97
747525AD5	Qualcomm Inc Note 2.25% Due 5/20/2020	120,000.00	06/11/2015 2.49 %	118,671.00 119,380.54	99.14 2.64 %	118,970.64 532.50	1.18 % (409.90)	A1 / A NR	2.30 2.22
857477AS2	State Street Bank Note 2.55% Due 8/18/2020	100,000.00	06/28/2017 1.86 %	102,098.00 101,700.73	100.07 2.52 %	100,071.30 1,154.58	1.00 % (1,629.43)	A1 / A AA-	2.55 2.42
00440EAT4	ACE INA Holdings Inc Callable Note Cont 10/3/2020 2.3% Due 11/3/2020	125,000.00	02/06/2017 2.16 %	125,588.75 125,430.95	99.25 2.59 %	124,064.13 702.78	1.23 % (1,366.82)	A3 / A A	2.76 2.56
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	120,000.00	05/16/2016 1.84 %	122,103.60 121,353.43	98.92 2.59 %	118,699.08 1,111.00	1.18 % (2,654.35)	Aaa / AA+ NR	3.08 2.93
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	115,000.00	11/29/2016 2.40 %	112,425.15 113,052.66	97.28 2.69 %	111,870.97 825.44	1.11 % (1,181.69)	A1 / AA- A+	3.62 3.44
24422ETL3	John Deere Capital Corp Note 2.65% Due 1/6/2022	125,000.00	07/27/2017 2.15 %	127,605.00 127,307.52	99.56 2.77 %	124,451.63 230.03	1.23 % (2,855.89)	A2 / A A	3.93 3.70
91159HHP8	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	60,000.00	01/19/2017 2.66 %	59,896.80 59,917.88	99.17 2.85 %	59,499.06 30.63	0.59 % (418.82)	A1 / A+ AA	3.98 3.75
44932HAC7	IBM Credit Corp Note 2.2% Due 9/8/2022	125,000.00	12/28/2017 2.60 %	122,780.00 122,825.31	97.10 2.88 %	121,373.88 1,092.36	1.21 % (1,451.43)	A1 / A+ A+	4.61 4.30
<b>Total US Corporate</b>		<b>2,240,000.00</b>	<b>1.95 %</b>	<b>2,239,291.50</b> <b>2,240,783.00</b>	<b>2.32 %</b>	<b>2,225,503.30</b> <b>12,673.62</b>	<b>22.11 %</b> <b>(15,279.70)</b>	<b>A1 / A+</b> <b>A+</b>	<b>1.87</b> <b>1.77</b>
<b>US TREASURY</b>									
912828ST8	US Treasury Note 1.25% Due 4/30/2019	200,000.00	01/23/2015 1.22 %	200,242.86 200,070.75	99.06 2.02 %	198,117.20 642.27	1.96 % (1,953.55)	Aaa / AA+ AAA	1.24 1.22
912828R85	US Treasury Note 0.875% Due 6/15/2019	160,000.00	07/28/2016 0.82 %	160,250.54 160,118.95	98.43 2.05 %	157,481.28 184.62	1.56 % (2,637.67)	Aaa / AA+ AAA	1.37 1.35
912828TH3	US Treasury Note 0.875% Due 7/31/2019	200,000.00	03/30/2015 1.30 %	196,414.73 198,765.65	98.25 2.06 %	196,507.80 4.83	1.94 % (2,257.85)	Aaa / AA+ AAA	1.50 1.48
912828VF4	US Treasury Note 1.375% Due 5/31/2020	200,000.00	07/10/2015 1.62 %	197,742.86 198,924.57	98.09 2.22 %	196,179.60 475.96	1.94 % (2,744.97)	Aaa / AA+ AAA	2.33 2.27
912828L99	US Treasury Note 1.375% Due 10/31/2020	180,000.00	11/23/2015 1.71 %	177,181.07 178,431.84	97.60 2.28 %	175,682.88 635.84	1.74 % (2,748.96)	Aaa / AA+ AAA	2.75 2.66
912828N89	US Treasury Note 1.375% Due 1/31/2021	155,000.00	03/09/2016 1.40 %	154,849.15 154,907.57	97.29 2.32 %	150,792.06 5.89	1.49 % (4,115.51)	Aaa / AA+ AAA	3.00 2.91
912828B90	US Treasury Note 2% Due 2/28/2021	180,000.00	04/26/2016 1.40 %	185,056.07 183,213.34	99.04 2.33 %	178,263.36 1,531.49	1.78 % (4,949.98)	Aaa / AA+ AAA	3.08 2.94
912828P87	US Treasury Note 1.125% Due 2/28/2021	200,000.00	12/29/2016 1.86 %	194,125.67 195,665.66	96.43 2.33 %	192,867.20 957.18	1.91 % (2,798.46)	Aaa / AA+ AAA	3.08 2.98



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US TREASURY</b>									
912828Q37	US Treasury Note 1.25% Due 3/31/2021	210,000.00	12/13/2016 1.81 %	205,136.25 206,420.43	96.68 2.35 %	203,027.37 894.23	2.01 % (3,393.06)	Aaa / AA+ AAA	3.16 3.06
912828T34	US Treasury Note 1.125% Due 9/30/2021	185,000.00	11/09/2016 1.48 %	181,871.52 182,656.71	95.52 2.41 %	176,703.86 709.00	1.75 % (5,952.85)	Aaa / AA+ AAA	3.67 3.54
912828J43	US Treasury Note 1.75% Due 2/28/2022	215,000.00	03/13/2017 2.14 %	211,112.24 211,805.64	97.32 2.44 %	209,238.65 1,600.62	2.08 % (2,566.99)	Aaa / AA+ AAA	4.08 3.87
912828XR6	US Treasury Note 1.75% Due 5/31/2022	205,000.00	07/27/2017 1.84 %	204,103.81 204,197.74	97.01 2.48 %	198,865.99 620.91	1.97 % (5,331.75)	Aaa / AA+ AAA	4.33 4.12
912828P4	US Treasury Note 1.875% Due 7/31/2022	200,000.00	09/28/2017 1.90 %	199,805.36 199,819.14	97.36 2.50 %	194,711.00 10.36	1.92 % (5,108.14)	Aaa / AA+ AAA	4.50 4.28
912828N30	US Treasury Note 2.125% Due 12/31/2022	160,000.00	01/31/2018 2.54 %	156,975.00 156,976.69	98.14 2.53 %	157,018.72 300.55	1.55 % 42.03	Aaa / AA+ AAA	4.92 4.62
<b>Total US Treasury</b>		<b>2,650,000.00</b>	<b>1.65 %</b>	<b>2,624,867.13</b> <b>2,631,974.68</b>	<b>2.31 %</b>	<b>2,585,456.97</b> <b>8,573.75</b>	<b>25.62 %</b> <b>(46,517.71)</b>	<b>Aaa / AA+</b> <b>AAA</b>	<b>3.07</b> <b>2.95</b>
<b>TOTAL PORTFOLIO</b>		<b>10,253,261.62</b>	<b>1.74 %</b>	<b>10,216,079.81</b> <b>10,229,113.79</b>	<b>2.26 %</b>	<b>10,082,707.75</b> <b>40,714.00</b>	<b>100.00 %</b> <b>(146,406.04)</b>	<b>Aa1 / AA+</b> <b>AAA</b>	<b>2.61</b> <b>2.44</b>
<b>TOTAL MARKET VALUE PLUS ACCRUED</b>						<b>10,123,421.75</b>			



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	01/02/2018	31846V203	253.62	First American Govt Obligation Fund	1.000	0.87 %	253.62	0.00	253.62	0.00
Purchase	01/05/2018	31846V203	2,000.00	First American Govt Obligation Fund	1.000	0.87 %	2,000.00	0.00	2,000.00	0.00
Purchase	01/06/2018	31846V203	1,656.25	First American Govt Obligation Fund	1.000	0.87 %	1,656.25	0.00	1,656.25	0.00
Purchase	01/12/2018	31846V203	1,035.00	First American Govt Obligation Fund	1.000	0.87 %	1,035.00	0.00	1,035.00	0.00
Purchase	01/12/2018	31846V203	220,000.00	First American Govt Obligation Fund	1.000	0.87 %	220,000.00	0.00	220,000.00	0.00
Purchase	01/13/2018	31846V203	2,375.00	First American Govt Obligation Fund	1.000	0.87 %	2,375.00	0.00	2,375.00	0.00
Purchase	01/14/2018	31846V203	1,040.63	First American Govt Obligation Fund	1.000	0.87 %	1,040.63	0.00	1,040.63	0.00
Purchase	01/16/2018	31846V203	5,610.91	First American Govt Obligation Fund	1.000	0.87 %	5,610.91	0.00	5,610.91	0.00
Purchase	01/16/2018	31846V203	39.75	First American Govt Obligation Fund	1.000	0.87 %	39.75	0.00	39.75	0.00
Purchase	01/16/2018	31846V203	30.33	First American Govt Obligation Fund	1.000	0.87 %	30.33	0.00	30.33	0.00
Purchase	01/16/2018	31846V203	3,708.46	First American Govt Obligation Fund	1.000	0.87 %	3,708.46	0.00	3,708.46	0.00
Purchase	01/17/2018	31846V203	144.83	First American Govt Obligation Fund	1.000	0.87 %	144.83	0.00	144.83	0.00
Purchase	01/18/2018	31846V203	2,125.00	First American Govt Obligation Fund	1.000	0.87 %	2,125.00	0.00	2,125.00	0.00
Purchase	01/19/2018	31846V203	2,193.75	First American Govt Obligation Fund	1.000	0.87 %	2,193.75	0.00	2,193.75	0.00
Purchase	01/22/2018	31846V203	5,226.09	First American Govt Obligation Fund	1.000	0.87 %	5,226.09	0.00	5,226.09	0.00
Purchase	01/24/2018	31846V203	787.50	First American Govt Obligation Fund	1.000	0.87 %	787.50	0.00	787.50	0.00
Purchase	01/26/2018	31846V203	5,486.04	First American Govt Obligation Fund	1.000	0.87 %	5,486.04	0.00	5,486.04	0.00
Purchase	01/30/2018	31846V203	1,075.00	First American Govt Obligation Fund	1.000	0.93 %	1,075.00	0.00	1,075.00	0.00
Purchase	01/31/2018	31846V203	3,815.63	First American Govt Obligation Fund	1.000	0.93 %	3,815.63	0.00	3,815.63	0.00
Purchase	01/31/2018	89238BAB8	125,000.00	Toyota Auto Receivables Owner 2018-A A2A 2.1% Due 10/15/2020	99.990	2.12 %	124,987.23	0.00	124,987.23	0.00
Purchase	01/31/2018	912828N30	160,000.00	US Treasury Note 2.125% Due 12/31/2022	98.109	2.54 %	156,975.00	291.16	157,266.16	0.00
<b>Subtotal</b>			<b>543,603.79</b>				<b>540,566.02</b>	<b>291.16</b>	<b>540,857.18</b>	<b>0.00</b>
<b>TOTAL ACQUISITIONS</b>			<b>543,603.79</b>				<b>540,566.02</b>	<b>291.16</b>	<b>540,857.18</b>	<b>0.00</b>
<b>DISPOSITIONS</b>										
Sale	01/31/2018	31846V203	124,987.23	First American Govt Obligation Fund	1.000	0.93 %	124,987.23	0.00	124,987.23	0.00
Sale	01/31/2018	31846V203	157,266.16	First American Govt Obligation Fund	1.000	0.93 %	157,266.16	0.00	157,266.16	0.00
<b>Subtotal</b>			<b>282,253.39</b>				<b>282,253.39</b>	<b>0.00</b>	<b>282,253.39</b>	<b>0.00</b>



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Paydown	01/16/2018	47787XAB3	5,555.09	John Deere Owner Trust 2017-A A2 1.5% Due 10/15/2019	100.000		5,555.09	55.82	5,610.91	0.00
Paydown	01/16/2018	47788BAB0	0.00	John Deere Owner Trust 2017-B A2A 1.59% Due 4/15/2020	100.000		0.00	39.75	39.75	0.00
Paydown	01/16/2018	47788BAD6	0.00	John Deere Owner Trust 2017-B A3 1.82% Due 10/15/2021	100.000		0.00	30.33	30.33	0.00
Paydown	01/16/2018	89236WAC2	3,695.30	Toyota Auto Receivables Owner 2015-A 1.12% Due 2/15/2019	100.000		3,695.30	13.16	3,708.46	0.00
Paydown	01/17/2018	89237RAB4	0.00	Toyota Auto Receivable 2017-C A2A 1.58% Due 7/15/2020	100.000		0.00	144.83	144.83	0.00
Paydown	01/22/2018	43813NAC0	5,208.72	Honda Auto Receivables 2015-2 A3 1.04% Due 2/21/2019	100.000		5,208.72	17.37	5,226.09	0.00
Paydown	01/26/2018	89238MAB4	5,422.29	Toyota Auto Receivables Owner 2017-A 1.42% Due 9/16/2019	100.000		5,422.29	63.75	5,486.04	0.00
		<b>Subtotal</b>	<b>19,881.40</b>				<b>19,881.40</b>	<b>365.01</b>	<b>20,246.41</b>	<b>0.00</b>
Maturity	01/12/2018	3137EADN6	160,000.00	FHLMC Note 0.75% Due 1/12/2018	100.000		160,000.00	0.00	160,000.00	0.00
Maturity	01/12/2018	89236TCA1	60,000.00	Toyota Motor Credit Corp Note 1.45% Due 1/12/2018	100.000		60,000.00	0.00	60,000.00	0.00
		<b>Subtotal</b>	<b>220,000.00</b>				<b>220,000.00</b>	<b>0.00</b>	<b>220,000.00</b>	<b>0.00</b>
Security Withdrawal	01/04/2018	31846V203	1,017.37	First American Govt Obligation Fund	1.000		1,017.37	0.00	1,017.37	0.00
Security Withdrawal	01/25/2018	31846V203	104.17	First American Govt Obligation Fund	1.000		104.17	0.00	104.17	0.00
		<b>Subtotal</b>	<b>1,121.54</b>				<b>1,121.54</b>	<b>0.00</b>	<b>1,121.54</b>	<b>0.00</b>
<b>TOTAL DISPOSITIONS</b>			<b>523,256.33</b>				<b>523,256.33</b>	<b>365.01</b>	<b>523,621.34</b>	<b>0.00</b>
<b>OTHER TRANSACTIONS</b>										
Interest	01/05/2018	3135G0S38	200,000.00	FNMA Note 2% Due 1/5/2022	0.000		2,000.00	0.00	2,000.00	0.00
Interest	01/06/2018	24422ETL3	125,000.00	John Deere Capital Corp Note 2.65% Due 1/6/2022	0.000		1,656.25	0.00	1,656.25	0.00
Interest	01/12/2018	3137EADN6	160,000.00	FHLMC Note 0.75% Due 1/12/2018	0.000		600.00	0.00	600.00	0.00
Interest	01/12/2018	89236TCA1	60,000.00	Toyota Motor Credit Corp Note 1.45% Due 1/12/2018	0.000		435.00	0.00	435.00	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>OTHER TRANSACTIONS</b>										
Interest	01/13/2018	3137EADB2	200,000.00	FHLMC Note 2.375% Due 1/13/2022	0.000		2,375.00	0.00	2,375.00	0.00
Interest	01/14/2018	3130A8QS5	185,000.00	FHLB Note 1.125% Due 7/14/2021	0.000		1,040.63	0.00	1,040.63	0.00
Interest	01/18/2018	4581X0CW6	200,000.00	Inter-American Dev Bank Note 2.125% Due 1/18/2022	0.000		2,125.00	0.00	2,125.00	0.00
Interest	01/19/2018	3133EAYP7	225,000.00	FFCB Note 1.95% Due 7/19/2022	0.000		2,193.75	0.00	2,193.75	0.00
Interest	01/24/2018	91159HHP8	60,000.00	US Bancorp Callable Cont 12/23/2021 2.625% Due 1/24/2022	0.000		787.50	0.00	787.50	0.00
Interest	01/30/2018	94974BGF1	100,000.00	Wells Fargo Corp Note 2.15% Due 1/30/2020	0.000		1,075.00	0.00	1,075.00	0.00
Interest	01/31/2018	912828P4	200,000.00	US Treasury Note 1.875% Due 7/31/2022	0.000		1,875.00	0.00	1,875.00	0.00
Interest	01/31/2018	912828N89	155,000.00	US Treasury Note 1.375% Due 1/31/2021	0.000		1,065.63	0.00	1,065.63	0.00
Interest	01/31/2018	912828TH3	200,000.00	US Treasury Note 0.875% Due 7/31/2019	0.000		875.00	0.00	875.00	0.00
	<b>Subtotal</b>		<b>2,070,000.00</b>				<b>18,103.76</b>	<b>0.00</b>	<b>18,103.76</b>	<b>0.00</b>
Dividend	01/02/2018	31846V203	45,239.28	First American Govt Obligation Fund	0.000		253.62	0.00	253.62	0.00
	<b>Subtotal</b>		<b>45,239.28</b>				<b>253.62</b>	<b>0.00</b>	<b>253.62</b>	<b>0.00</b>
<b>TOTAL OTHER TRANSACTIONS</b>			<b>2,115,239.28</b>				<b>18,357.38</b>	<b>0.00</b>	<b>18,357.38</b>	<b>0.00</b>



## Staff Report/Memorandum



**To:** TVMWD Board of Directors  
**From:** Richard W. Hansen, General Manager *RH*  
**Date:** February 21, 2018  
**Subject:** YTD District Budget Monthly Status Report

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**For Action**       **Fiscal Impact**       **Funds Budgeted**  
 **Information Only**       **Cost Estimate:**      \$

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**Discussion:**

Attached for your review is the YTD District Budget Status Report for period ending January 31, 2018.

Due to the payment schedule for **Professional Services** and **Membership Dues & Fees**, the YTD actuals are higher than expected. These line items are not expected to exceed budget.

The **Hydroelectric Facilities** line item is over budget due to the overhaul of the Miramar hydro turbine and repair of the bearing housing at the Fulton hydro.

THREE VALLEYS MUNICIPAL WATER DISTRICT				
DISTRICT BUDGET - FISCAL YEAR 2017-2018				
Month Ending January 31, 2018				
	2017-2018 YTD Actual	Annual Budget All Funds	2017-2018 Percent of Budget	2017-2018 Balance Remaining
<b>REVENUES</b>				
<b>OPERATING REVENUES</b>				
Water Sales	37,827,290	51,974,442	72.8%	14,147,152
MWD RTS Standby Charge	1,764,839	3,426,015	51.5%	1,661,176
MWD Capacity Charge Assessment	868,680	1,379,080	63.0%	510,400
TVMWD Fixed Charges	360,753	631,788	57.1%	271,035
Hydroelectric Revenue	6,823	84,324	8.1%	77,501
<b>NON-OPERATING REVENUES</b>				
Property Taxes	1,141,338	2,041,850	55.9%	900,512
Interest Income	111,187	130,929	84.9%	19,742
Notes Receivable - Principal	20,822	35,700	58.3%	14,878
Pumpback O&M/Reservoir #2 Reimbursement	6,981	20,000	34.9%	13,019
Grants and Other Revenue	7,010	21,918	32.0%	14,908
<b>TOTAL REVENUES</b>	<b>42,115,723</b>	<b>59,746,046</b>	<b>70.5%</b>	<b>17,630,323</b>
<b>EXPENSES</b>				
<b>OPERATING EXPENSES</b>				
MWD Water Purchases	34,091,749	45,418,246	75.1%	11,326,497
MWD RTS Standby Charge	1,683,157	3,426,015	49.1%	1,742,858
Staff Compensation	2,381,888	3,868,356	61.6%	1,486,468
MWD Capacity Charge	757,900	1,379,080	55.0%	621,180
Operations and Maintenance	640,576	1,230,637	52.1%	590,061
Professional Services	270,613	413,482	65.4%	142,869
Directors Compensation	150,360	301,330	49.9%	150,970
Communication and Conservation Programs	89,031	201,571	44.2%	112,540
Planning & Resources	17,374	145,047	12.0%	127,673
Membership Dues and Fees	118,326	120,804	97.9%	2,478
Hydroelectric Facilities	113,221	45,296	250.0%	(67,925)
Board Elections	-	-	0.0%	-
<b>NON OPERATING EXPENSES</b>				
Pumpback O&M/Reservoir #2 Expenses	2,263	20,000	11.3%	17,737
<b>RESERVE EXPENSES</b>				
Reserve Replenishment	-	766,272	0.0%	766,272
<b>CAPITAL INVESTMENT</b>				
Capital Repair & Replacement	562,777	1,752,046	32.1%	1,189,269
Capital Investment Program	154,733	3,001,249	5.2%	2,846,516
<b>TOTAL EXPENSES</b>	<b>41,033,968</b>	<b>62,089,431</b>	<b>66.1%</b>	<b>21,055,463</b>
<b>NET INCOME (LOSS) BEFORE TRANSFERS</b>	<b>1,081,755</b>	<b>(2,343,385)</b>		<b>(3,425,140)</b>
TRANSFER IN FROM DEBT RESERVES				-
TRANSFER FROM/(TO) CAPITAL RESERVES		(68,348)		(68,348)
TRANSFER IN FROM CAPITAL RESERVES		94,000		94,000
TRANSFER IN FROM OPPORTUNITY RESERVE				-
TRANSFER IN FROM ENCUMBERED RESERVES	602,919	2,685,793		2,082,874
<b>NET INCOME (LOSS) AFTER TRANSFERS</b>	<b>\$ 1,684,674</b>	<b>\$ 368,060</b>		<b>\$ (1,316,614)</b>

*\*\*This budget is prepared on a modified cash-basis of accounting, which is a basis of accounting other than generally accepted accounting principles (GAAP).*



Staff Report/Memorandum

**To:** TVMWD Board of Directors  
**From:** Richard W. Hansen, General Manager *RH*  
**Date:** February 21, 2018  
**Subject:** Warrant Summary Disbursements

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<input checked="" type="checkbox"/> <b>For Action</b>	<input type="checkbox"/> <b>Fiscal Impact</b>	<input checked="" type="checkbox"/> <b>Funds Budgeted</b>
<input type="checkbox"/> <b>Information Only</b>	<input type="checkbox"/> <b>Cost Estimate:</b>	<b>\$ 4,902,497.47</b>

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**Requested Action:**

Receive and file the Warrant Summary (Disbursements) for the period ending January 31, 2018 as presented.

**Discussion:**

The monthly disbursements list is provided for your information.

General checks 47723 through 47815 totaling \$413,400.07 are listed on pages 1 to 4.

MWD November water invoice totaling \$4,259,619.50 is listed on page 4.

Wire transfers for taxing agencies and PERS totaling \$81,256.17 are listed on pages 4 to 5.

Total payroll checks 11584 through 11638 totaling \$148,221.73 are listed on page 5.

Bank of the West invoice detail is listed on page 6.

Chase Card Services invoice detail is listed on page 6.



THREE VALLEYS MUNICIPAL WATER DISTRICT

Warrant List

January 2018

General Checks 47723 through 47815

Payroll Wire Transfer 2457 through 2470

Payroll Checks 11584 through 11638

Item 7.B

Check Number	Vendor	Description	Paid Amount
47723	EDISON	MIRAMAR/WILLIAMS/FULTON/PM-26/SCADA/PUMPBACK - DEC	1,366.60
47724	FAULK, GEORGE	RETIREE HEALTH BENEFITS - JAN	355.00
47725	HACH COMPANY	LAB ANALYZERS SERVICE AGREEMENT/AMMONIA/SALICYLATE/CHLORINE/NITROGEN-NITRITE	3,928.79
47726	HARBERSON, KAREN	EMPLOYEE TUITION REIMBURSEMENT	517.00
47727	INTEGRITY MUN. SVCS, LLC	EVSS SCRUBBER REPAIRS	3,200.00
47728	JAN-PRO CLEANING SYS OF SO CA	JANITORIAL SERVICE - JAN	545.00
47729	KRIEZEL, BETTY	RETIREE HEALTH BENEFITS - JAN	112.00
47730	LAREZ, MARY PAT	RETIREE HEALTH BENEFITS - JAN	114.00
47731	LARRY BURKE ENTERPRISES	BATTERY FOR COMPRESSOR	105.49
47732	LINCOLN FINANCIAL GROUP	401A DEFRD: DECEMBER 29 PAYROLL	200.00
47733	LINCOLN LIFE, EMPL SVCS(5H-26)	457 DEFRD: DECEMBER 29 PAYROLL	9,220.83
47734	LOS ANGELES SUPERIOR COURT	TRIAL DEPOSIT - TRAFFIC VIOLATION	490.00
47735	RED WING BUSINESS	SAFETY FOOTWEAR - BURROUGHS	150.30
47736	TUNQUE, DOMINGO	RETIREE HEALTH BENEFITS - JAN	134.00
47737	VALLEN DISTRIBUTION, INC.	ADAPTORS	320.29
47738	NTENSETEES	PATCHES SEWN ON JACKET	26.94
47739	CCAC	2018 MEMBERSHIP DUES - HAHN	160.00
47740	DE LAGE LANDEN FIN SVCS, INC.	POSTAGE METER LEASING CHARGES 12/15/17 - 1/14/18	98.07
47741	EDISON	MIRAMAR - DEC	8,847.22
47742	GE ANALYTICAL INSTRUMENTS	TOC PREVENTIVE MAINTENANCE AGREEMENT	6,230.00
47743	HACH COMPANY	AMMONIUM HYDROXIDE/STABLICAL STD	209.37
47744	SOUTH COAST MEDIA SVC	OUTREACH AD	564.00
47745	LOWE'S	KICKDOWN DOOR HOLDER/GLOVES/TUBINGS/PAINT PROTECTIVE COVERALLS/CLEANING CLOTHS	208.12
47746	OFFICE DEPOT	MARKERS/INK HP CARTRIDGES/BATHROOM TISSUE PAPER/MULTIFOLD PAPER TOWELS	388.40
47747	PEST OPTIONS INC.	GROUND SQUIRRELS/GOPHERS/MOLES SERVICE CONTROL OCT/NOV/DEC	585.00
47748	POLYDYNE, INC	CLARIFLOC	2,300.00
47749	SCWUA	2018 MEMBERSHIP DUES	400.00



THREE VALLEYS MUNICIPAL WATER DISTRICT

Warrant List

January 2018

General Checks 47723 through 47815

Payroll Wire Transfer 2457 through 2470

Payroll Checks 11584 through 11638

Item 7.B

Check Number	Vendor	Description	Paid Amount
47750	SGV WATER ASSOCIATION	2018 MEMBERSHIP DUES	100.00
47751	VALLEN DISTRIBUTION, INC.	FACEPIECE WITH HARNESS	405.01
47752	VERIZON WIRELESS	CELLULAR & IPAD SERVICES/MOBILE BROADBAND 12/26/17 - 1/25/18	688.30
47753	AQUA BACKFLOW&CHLORINATION INC	MIRAMAR PIPELINE INSPECTION - FLUSH/DECHLORINATION/CHLORINATION/DISINFECTION	9,600.00
47754	BURLINGTON SAFTY LAB OF CA,INC	INSULATING GLOVES TESTED/PROTECTORS W/PULL STRAPS	139.69
47755	EUROFINS EATON ANALYTICAL	LABORATORY TESTING - TOC	125.00
47756	FORD OF UPLAND, INC.	OIL & FILTER CHANGE/MULTI-POINT INSPECTION & TIRE ROTATION FOR DISTRICT VEHICLES	142.83
47757	STEPHEN DORECK, EQUIPMENT	REMOVE/REPLACE BLOW OFF BUTTERFLY VALVE AT BASELINE RD AND SUMNER AVE	19,395.00
47758	SWRCB-DWOCP	T2 CERTIFICATION RENEWAL - GARCIA	60.00
47759	TIME WARNER CABLE	BROADBAND SERVICES - WILLIAMS/PLANT 2/FULTON 12/9/17 - 1/20/18	239.97
47760	UNIVERSAL PLANT SVCS OF CA INC	REMOVE/REPAIR/REINSTALL BEARING HOUSING AT FULTON HYDRO	29,871.06
47761	AFLAC	AFLAC SUPP. INS: JANUARY 2018 (EMPLOYEE REIMBURSED)	806.50
47762	BANK OF THE WEST	BANK OF THE WEST INVOICE DETAIL - LAST PAGE	8,001.06
47763	CANNON CORPORATION	HYDROPNEUMATIC TANK REMOVAL/BOOSTER PUMP STATION DESIGN THROUGH NOV 30, 2017	9,728.50
47764	CHASE CARD SERVICES	CHASE CARD SERVICES INVOICE DETAIL - LAST PAGE	3,165.83
47765	EDISON	MIRAMAR/WILLIAMS/FULTON - DEC	528.23
47766	HACH COMPANY	CHLORINE REAGENT POWDER/AMMONIA CYANURATE/SALICYLATE/MONOCHLORAMINE/BUFFER SOLN	2,509.48
47767	HAHN, VICTORIA A.	EMPLOYEE PERSONAL TECHNOLOGY LOAN PROGRAM	1,633.08
47768	IDEXX DISTRIBUTION CORP	GAMMA IRRAD COLILERT/VESSELS W/STANDS	4,484.59
47769	LINCOLN CLUBS	1/19/18 SGV CHAPTER MEETING - RUZICKA	35.00
47770	LINCOLN FINANCIAL GROUP	401A DEFRD: JANUARY 12 PAYROLL	200.00
47771	LINCOLN LIFE, EMPL SVCS(5H-26)	457 DEFRD: JANUARY 12 PAYROLL	9,620.83
47772	SAM'S CLUB	OFFICE/MEETING SUPPLIES	139.79
47773	SAN ANTONIO WATER COMPANY	WATER AVAILABILITY CHARGE 10/30/17 - 12/29/17	4.00
47774	SCWUA	1/25/18 WATER ISSUES LUNCHEON - GOYTIA,BOWCOCK,RUZICKA,MENDOZA,HORAN,HANSEN	180.00
47775	SONNENBERG, RYAN	D4 CERTIFICATION	105.00
47776	WEX BANK	FUEL 12/1/17 - 12/31/17	946.99



THREE VALLEYS MUNICIPAL WATER DISTRICT

Warrant List

January 2018

General Checks 47723 through 47815

Payroll Wire Transfer 2457 through 2470

Payroll Checks 11584 through 11638

Item 7.B

Check Number	Vendor	Description	Paid Amount
47777	ACWA/JPIA	ACWA EMPLOYEE BENEFITS - FEBRUARY 2018	44,965.01
47778	BRUNICK, MCELHANEY & KENNEDY	LEGAL FEES - DECEMBER 2017	2,613.55
47779	IDEAL COMFORT INC	HEAT & AIR CONDITIONING MAINTENANCE	605.00
47780	LINCOLN FINANCIAL GROUP	ANNUAL RETIREMENT ADMINISTRATION CHARGE FOR 1/1/17 - 12/31/17	60.00
47781	THOMAS HARDER & CO.	GRAND AVE WELL-ENGR DESIGN/ANALYSIS/CONSTRUCTION MGMT/INSPECTION	10,725.17
47782	ACWA	2018 MEMBERSHIP DUES	21,703.04
47783	ACWA/JPIA	WORKER'S COMPENSATION 10/1/17 - 12/31/17	10,320.15
47784	CANON FINANCIAL SERVICES, INC.	COPY MACHINE LEASE - JAN	1,450.87
47785	CARQUEST AUTO PARTS	VEHICLE PARTS/MAINTENANCE	376.50
47786	CITY OF CLAREMONT	REFUSE PICKUP/STREET SWEEPING - DEC	144.17
47787	CLS LANDSCAPE MANAGEMENT	LANDSCAPE MAINTENANCE - JANUARY	2,965.00
47788	DENALI WATER SOLUTIONS, LLC	SLUDGE REMOVAL - DEC	3,927.67
47789	GFOA	MEMBERSHIP DUES - LINTHICUM	160.00
47790	INLAND VALLEY DAILY BULLETIN	NOTICE OF PUBLIC HEARING-ADOPT INITIAL STUDY & MND/INVITE BIDS-GRAND AVE WELL	1,174.24
47791	INTERFACE SECURITY SYSTEMS LLC	EOC WIRELESS BROADBAND SERVICE 2/1/18 - 2/28/18	134.88
47792	KONECRANES, INC.	QUARTERLY CAL OSHA INSPECTION WITH PREVENTATIVE MAINT- DEC	315.00
47793	LAGERLOF, SENEAL, GOSNEY & KRUSE	LEGAL FEES THROUGH DECEMBER 31, 2017	887.45
47794	MC MASTER-CARR SUPPLY COMPANY	STRUT CHANNEL FLOOR MOUNT	187.58
47795	MICHAEL J ARNOLD & ASSOC, INC.	LEGISLATIVE CONSULTANT JAN/DEC EXPENSES	6,084.49
47796	RELIANCE STANDARD LIFE INS.	LT DISAB: JANUARY 2018	1,027.87
47797	S.G. VALLEY NEWSPAPER GROUP	NOTICE OF PUBLIC HEARING-ADOPT INITIAL STUDY & MND/INVITE BIDS-GRAND AVE WELL	1,157.12
47798	UNDERGROUND SERVICE ALERT	DIGALERT TICKETS - DEC	57.85
47799	UNIVERSAL PLANT SVCS OF CA INC	OVERHAUL MIRAMAR HYDRO TURBINE	58,731.13
47800	UPPER SAN GABRIEL VALLEY MWD	CAPACITY CHARGE FOR CY 2018	43,500.00
47801	EUROFINS EATON ANALYTICAL	LABORATORY TESTING - TOC	60.00
47802	JCI JONES CHEMICALS, INC.	CHLORINE	5,445.95
47803	SWRCB-DWOCP	D2 CERTIFICATION RENEWAL - HARBERSON	60.00



THREE VALLEYS MUNICIPAL WATER DISTRICT

Warrant List

January 2018

General Checks 47723 through 47815

Payroll Wire Transfer 2457 through 2470

Payroll Checks 11584 through 11638

Item 7.B

Check Number	Vendor	Description	Paid Amount
47804	UNIVERSAL PLANT SVCS OF CA INC	INSTALL MIRAMAR HYDRO TURBINE	12,355.51
47805	CANNON CORPORATION	RESERVOIR PUMP STATION BIDDING SUPPORT SERVICES THROUGH DEC 31, 2017	945.00
47806	DELOACH & ASSOCIATES, INC.	PROFESSIONAL SERVICES - ASSISTANT GM RECRUITMENT	3,975.00
47807	FRONTIER	DSL FOR SCADA 1/10/18 - 2/9/18	91.98
47808	HACH COMPANY	SAMPLE CELL	332.37
47809	LINCOLN LIFE, EMPL SVCS(5H-26)	457 DEFRD: BOARD-JANUARY 2018	3,866.19
47810	OFFICE DEPOT	PENS/HIGHLIGHTERS/STORAGE BOXES	61.70
47811	SAN GABRIEL VALLEY MWD	WATER DELIVERY TO NORTH AZUSA CONNECTION OCT/NOV/DEC	10,700.00
47812	SIX BASINS WATERMASTER	SIX BASINS ASSESSMENT FIRST INSTALLMENT PAYMENT CY 2018	7,908.00
47813	SYNCB/AMAZON	WINTER COAT/RAIN PANTS/JACKETS/STEEL TOE RAIN BOOTS/DAILY DAIRY/ADDRESS BOOK	684.81
47814	TELEPACIFIC COMMUNICATIONS	TELEPHONE SERVICE 1/16/18 - 2/15/18	1,491.47
47815	UNIVAR USA INC	CAUSTIC SODA	8,516.19
<b>TOTAL AMOUNT OF CHECKS LISTED</b>			<b>\$ 413,400.07</b>
12772	METROPOLITAN WATER DISTRICT	NOVEMBER 2017 MWD WATER INVOICE	4,259,619.50
<b>TOTAL AMOUNT OF WIRE TRANSFERS</b>			<b>\$ 4,259,619.50</b>
2457	FEDERAL TAX PAYMENT	FED TAX: DECEMBER 29 PAYROLL	15,068.56
2458	WAGeworks	HEALTH SAVINGS ACCT: DECEMBER 29 PAYROLL	1,553.15
2459	PUBLIC EMPLOYEES RETIREMENT SY	PERS CONTR: DECEMBER 29 PAYROLL	16,036.19
2460	STATE TAX PAYMENT	STATE TAX: DECEMBER 29 PAYROLL	5,280.10
2461	CALPERS-457 PLAN	PERS-457 DEFERRED COMP/EMPL LOAN: DECEMBER 29 PAYROLL	2,821.39
2462	FEDERAL TAX PAYMENT	FED TAX: JANUARY 12 PAYROLL	12,869.09
2463	WAGeworks	HEALTH SAVINGS ACCT: JANUARY 12 PAYROLL	1,553.15
2464	PUBLIC EMPLOYEES RETIREMENT SY	PERS CONTR: JANUARY 12 PAYROLL	15,981.17
2465	STATE TAX PAYMENT	STATE TAX: JANUARY 12 PAYROLL	5,312.68





THREE VALLEYS MUNICIPAL WATER DISTRICT

Warrant List

January 2018

General Checks 47723 through 47815

Payroll Wire Transfer 2457 through 2470

Payroll Checks 11584 through 11638

Item 7.B

Check Number	Vendor	Description	Paid Amount
2466	CALPERS-457 PLAN	PERS-457 DEFERRED COMP: JANUARY 12 PAYROLL	2,660.00
2467	WAGeworks	HEALTH SAVINGS ACCT: BOARD-JANUARY 2018	508.33
2468	FEDERAL TAX PAYMENT	FED TAX: BOARD-JANUARY 2018	959.64
2469	STATE TAX PAYMENT	STATE TAX: BOARD-JANUARY 2018	322.72
2470	CALPERS-457 PLAN	PERS-457 DEFERD COMP: BOARD-JANUARY 2018	330.00
<b>TOTAL AMOUNT OF PAYROLL WIRE TRANSFERS LISTED</b>			<b>\$ 81,256.17</b>

**PAYROLL SUMMARY**

Check# 11584 - 11638

<b>TOTAL AMOUNT OF PAYROLL CHECKS LISTED</b>	<b>\$ 148,221.73</b>
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<b>TOTAL JANUARY 2018 CASH DISBURSEMENTS</b>	<b>\$ 4,902,497.47</b>
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THREE VALLEYS MUNICIPAL WATER DISTRICT  
 Warrant List  
 JANUARY 2018  
 Bank of the West Invoice Detail Check 47762  
 Chase Card Services Invoice Detail Check 47764

# Item 7.B

Check Number	Vendor	Description	Paid Amount
47762	ACCENT COMPUTER SOLUTIONS, INC.	IT SERVICES-DEC/PROTECH BACKUP/MS OFFICE 365 BUSINESS ESSENTIALS/XMS-CLOUD LICENSES	6,373.80
47762	CLINICAL LABORATORY OF SB, INC.	LABORATORY TESTING - NOV	310.00
47762	GROUND CONTROL SYSTEMS, INC.	IDIRECT EMERGENCY RESPONDER SERVICES FEE - NOV	279.00
47762	VWR INTERNATIONAL INC.	FILTER COMBI 5 MICRON CARBON/HDPE LAB BOTTLES/PETRI DISH	1,038.26
<b>TOTAL AMOUNT OF BANK OF THE WEST INVOICE</b>			<b>\$ 8,001.06</b>
47764	ACCO BRANDS DIRECT	MONTHLY PLANNER REFILL	16.78
47764	ALPINE TECHNICAL SERVICES INC.	EARTH TEC	1,455.85
47764	BEST BUY	RECEIVER/SPEAKER SYSTEM/ADAPTER/HEADPHONES/STEREO AUDIO CABLES FOR SCADA ALARMS	272.06
47764	CA-NV SECTION AWWA	T3 & T4 REVIEW - AGUIAR	195.00
47764	CCAC	2/16/18 ATHENIAN LEADERSHIP DIALOGUE - HAHN	75.00
47764	CLAREMONT CHAMBER OF COMMERCE	12/12/17 CHAMBER BUSINESS OVER BREAKFAST - BOWCOCK	20.00
47764	LOWE'S	OFFICE DECORATIONS/FRAUDULENT CHARGES - REIMBURSED JANUARY 9, 2018	254.94
47764	MISCELLANEOUS VENDORS	EVENTS REGISTRATIONS & EXPENSES - DEC	791.40
47764	TARGET	12/8/17 ATHENIAN LEADERSHIP DIALOGUE SUPPLIES	30.35
47764	TELEFLORA	GET WELL FLORAL ARRANGEMENT - GOYTIA	54.45
<b>TOTAL AMOUNT OF CHASE CARD SERVICES INVOICE</b>			<b>\$ 3,165.83</b>

Staff Report/Memorandum



**To:** TVMWD Board of Directors  
**From:** Richard W. Hansen, General Manager *RH*  
**Date:** February 21, 2018  
**Subject:** FY 17-18 2nd Quarter Reserve Schedule Update

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<input type="checkbox"/> <b>For Action</b>	<input type="checkbox"/> <b>Fiscal Impact</b>	<input type="checkbox"/> <b>Funds Budgeted</b>
<input checked="" type="checkbox"/> <b>Information Only</b>	<input type="checkbox"/> <b>Cost Estimate:</b>	<b>\$</b>

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**Discussion:**

Attached for Board review is the Reserve Schedule as of December 31, 2017. This schedule identifies encumbered reserves that have been set aside for specific projects and Board designated reserves.

**Strategic Plan Objective(s):**

- 3.1 – Utilize and comply with a set of financial policies to maintain TVMWD’s financial health
- 3.3 – Be accountable and transparent with major decisions

# Item 7.C

## TVMWD RESERVES SCHEDULE

FUND BALANCE	June 30, 2017 BALANCE	SOURCES	USES	TRANSFERS	December 31, 2017 BALANCE
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RESERVE GOAL
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### RESERVED FOR ENCUMBRANCE

Security Equipment	92,270	-	(22,840)	-	69,430
SCADA Modification/Upgrades	75,497	92,774	-	-	168,271
Manway Installations	274,408	14,406	-	(100,000)	188,814
PM-26 Expansion	207,813	-	-	-	207,813
Administration Building Improvements	101,090	-	(52,438)	-	48,652
TVMWD Well - Grand Ave. Claremont	379,086	1,139,862	(72,125)	-	1,446,823
TVMWD Well - West Baseline Claremont	510,903	-	(155)	-	510,748
Carports	238,722	-	(7,350)	-	231,372
Pond 3 Sump Pump	82,594	-	(890)	-	81,704
Williams Hydroelectric Analysis/Switchboard R	234,574	-	(159,669)	-	74,905
Fulton Hydroelectric Analysis/Switchboard Repla	217,107	-	(157,669)	-	59,438
Leroy's Connection Replacement	191,730	-	(180,651)	-	11,079
Plant 2 Electrical Panel Modifications	80,000	-	-	-	80,000
Bldg Modifications-Bathroom Upgrades	-	48,000	-	-	48,000
Bldg Modifications-Operations Interior	-	272,460	-	-	272,460
Miramar Plant Plunger Valve	-	150,000	-	-	150,000
Hydropneumatic Tank System Improvements	-	-	-	50,000	50,000
Reservoir Effluent Pump System	-	256,000	(5,924)	(50,000)	200,076
	\$ 2,685,794	\$ 1,973,502	\$ (659,710)	\$ (100,000)	\$ 3,899,586

### BOARD DESIGNATED

Board Elections	\$ 90,245	-	-	-	\$ 90,245
Water Management	133,334	-	-	-	133,334
Water Rate Stabilization	1,672,035	-	-	-	1,672,035
Capital Asset R/R	5,727,440	-	-	-	5,727,440
Opportunity	1,885,273	-	-	-	1,885,273
Employee Benefits - Retiree Medical	128,237	-	-	-	128,237
Emergency	-	-	-	-	-
	\$ 9,636,564	\$ -	\$ -	\$ -	\$ 9,636,564

Lower	Upper
\$ 120,000	\$ 160,000
-	200,000
1,200,000	1,800,000
4,100,000	8,200,000
2,000,000	3,000,000
-	2,100,000
-	363,436
\$ 7,420,000	\$ 15,823,436

Staff Report/Memorandum



**To:** TVMWD Board of Directors  
**From:** Richard W. Hansen, General Manager *RH*  
**Date:** February 21, 2018  
**Subject:** Approval of Resolution No. 18-02-818 for Negotiated Tax Exchange Resulting from Annexation of Territory to County Lighting Maintenance District (CLMD) L 070-2009

<input checked="" type="checkbox"/> <b>For Action</b>	<input type="checkbox"/> <b>Fiscal Impact</b>	<input type="checkbox"/> <b>Funds Budgeted</b>
<input type="checkbox"/> <b>Information Only</b>	<input type="checkbox"/> <b>Cost Estimate:</b>	<b>\$</b>

**Requested Action:**

That the Board will,

1. Approval of Resolution No. 18-02-818 for Negotiated Tax Exchange Resulting from Annexation of Territory to County Lighting Maintenance District (CLMD) L 070-2009
2. Direct staff to return the documents back to the County of Los Angeles with proper documentation

**Discussion:**

Attached for the Board’s review and consideration is a joint resolution between CLMD, et.al. and Three Valleys Municipal Water District to allow a negotiated exchange of property tax revenue resulting from the annexation within CLMD’s area L 070-2009.

All new annexations to County-administered CLMD’s now require the processing of an ad valorem property tax exchange resolution with all non-exempt taxing agencies (Three Valleys is ‘non-exempt’) as provided in Section 99.01 of the Revenue and Taxation Code. This proposed exchange would provide revenue to CLMD L 070-2009 to partially fund the operation and maintenance of new street lighting service that will be provided by the annexation of the territory. The CLMD’s share of the annual tax increment is to be taken from all the other local taxing agencies with the exception of schools, which are exempted by law.

Under this resolution, Three Valleys will have its current tax share *slightly* reduced as noted herein and on the attached worksheets:

# Item 7.D

<b>CLMD 1687 Annexation L 070-2009</b>	<b>Current Tax Share</b>	<b>Percent</b>	<b>Allocated Share</b>	<b>Adjustments</b>	<b>Net Share</b>
Three Valleys	0.004340416	0.4340%	0.000087651	-0.000087651	0.004252765

According to the information provided by the County, “if a taxing agency involved in the negotiation does not adopt a resolution providing for the exchange of property tax revenue, the Board of Supervisors can determine the exchange of property tax revenue for that taxing agency.”

**Strategic Plan Objective:**

3.3 – Be accountable and transparent with major decisions



# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331  
Telephone: (626) 458-5100  
<http://dpw.lacounty.gov>

JAN 19 2018

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE  
REFER TO FILE: T-5

MARK PESTRELLA, Director

January 11, 2018

Mr. Richard W. Hansen  
General Manager  
Three Valleys Municipal Water District  
1021 East Miramar Avenue  
Claremont, CA 91711-2052

Dear Mr. Hansen:

**NEGOTIATED TAX EXCHANGE RESOLUTION  
ANNEXATION OF PROJECT L 070-2009  
TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687**

We request that the Three Valleys Municipal Water District - Rowland Area participate in the exchange of ad valorem property tax in conjunction with the annexation of the territory known as L 070-2009 to County Lighting Maintenance District (CLMD) 1687. This proposed exchange would provide revenue to CLMD 1687 to partially fund the operation and maintenance of new street lighting services to be provided within the annexed territory. This territory, whose boundary is shown on the enclosed proposed annexation map, is being processed for the Board of Supervisors' concurrent approval of the annexation and transfer of ad valorem property tax between the affected taxing agencies and CLMD 1687.

For new annexations to a CLMD, our procedures require us to process the exchange of property tax revenues with all nonexempt taxing agencies. Under Section 99.01 of the California Revenue and Taxation Code, special districts providing new services to an area as a result of a jurisdictional change are entitled to a share of the annual tax increment generated in the area being annexed. CLMD 1687 meets the definition of a special district under Section 95(m) of the California Revenue and Taxation Code. CLMD 1687's share of the annual tax increment is to be taken from all of the other local taxing agencies providing services within the annexed area with the exception of school entities, which are exempted by law. If a taxing agency involved in the negotiation does not adopt a resolution providing for the exchange of property tax revenue, the Board can determine the exchange of property tax revenue for that taxing agency.



Mr. Richard W. Hansen  
January 11, 2018  
Page 2

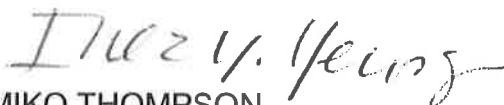
Enclosed is a Joint Resolution between the County of Los Angeles and the Three Valleys Municipal Water District approving and accepting the negotiated exchange of property tax revenues resulting from the annexation of the subject territory to CLMD 1687. Attached to the Joint Resolution is a Property Tax Transfer Resolution Worksheet listing the share of the annual tax increment to be exchanged between the Three Valleys Municipal Water District, other affected taxing agencies, and CLMD 1687. The tax-sharing ratios listed on the worksheet were calculated using a formula approved by the Auditor-Controller and County Counsel. As shown on the Property Tax Transfer Resolution Worksheet for L 070-2009, Tax Rate Area 08371, Three Valleys Municipal Water District is 0.004340416. Out of the Three Valleys Municipal Water District tax share, the Three Valleys Municipal Water District will allocate 0.000087651 to CLMD 1687, with a net share to the Three Valleys Municipal Water District of 0.004252765. Monetarily speaking, a \$10,000 increment in assessed valuation of a parcel means that the parcel will pay an additional \$100 in property taxes, of which the Three Valleys Municipal Water District will receive \$0.4253 and CLMD 1687 will receive \$0.0088.

Please have the resolution executed and returned to us in the enclosed self-addressed envelope by March 28, 2018.

If you have any questions, please contact Ms. Tigist Desta of Traffic and Lighting Division, Street Lighting Section, at (626) 300-4755.

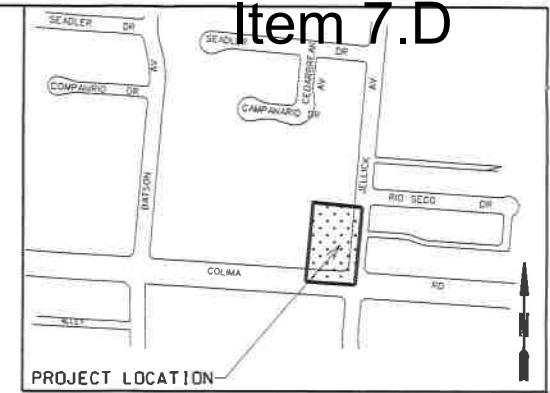
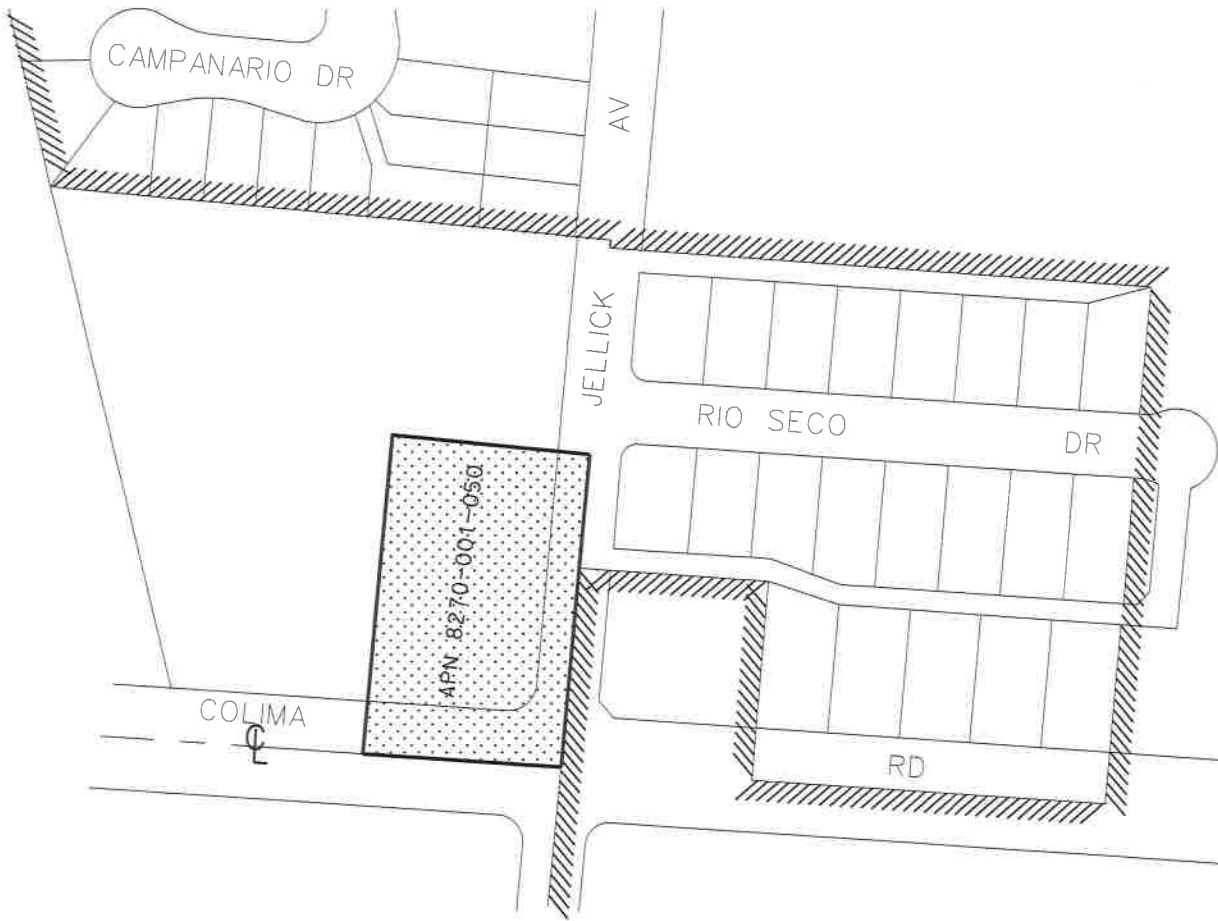
Very truly yours,

MARK PESTRELLA  
Director of Public Works

  
EMIKO THOMPSON  
Interim Assistant Deputy Director  
Traffic and Lighting Division

TD:dj  
P:\TLPUB\STL\TDMUNI\WATDIST\THREEVALL\ROWLAREAL\070-2009.DOC

Enc.



VICINITY MAP

T. G. page 679-A5

TRA  
8371



NOT TO SCALE

**LEGEND**



PROPOSED ANNEXATION AREA



EXISTING LIGHTING MAINTENANCE DISTRICT 1687

PROPOSED ANNEXATION TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687 AND COUNTY LIGHTING DISTRICT LLA-1 (UNINCORPORATED ZONE)

LOS ANGELES COUNTY DEPARTMENT OF PUBLIC WORKS  
TRAFFIC AND LIGHTING DIVISION  
STREET LIGHTING SECTION

**CLMD 1687  
ROWLAND HEIGHTS AREA**

Prepared By	TD	Sheet 1 of 1	SUP. DIST. 4
Recommended By	<i>[Signature]</i>	Date	7/28/17
Approved By	<i>[Signature]</i>	Date	8/1/17

**JOINT RESOLUTION OF  
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES,  
THE BOARD OF TRUSTEES OF THE GREATER LOS ANGELES COUNTY  
VECTOR CONTROL DISTRICT, THE BOARD OF DIRECTORS OF THE  
COUNTY SANITATION DISTRICT NO. 21 OF LOS ANGELES COUNTY, THE  
BOARD OF DIRECTORS OF THE ROWLAND WATER DISTRICT; AND THE BOARD  
OF DIRECTORS OF THE THREE VALLEYS MUNICIPAL WATER DISTRICT –  
ROWLAND AREA APPROVING AND ACCEPTING THE  
NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING  
FROM ANNEXATION OF L 070-2009  
TO COUNTY LIGHTING MAINTENANCE DISTRICT 1687**

WHEREAS, pursuant to Section 99.01 of the California Revenue and Taxation Code, prior to the effective date of any jurisdictional change that will result in a special district providing one or more services to an area where those services have not previously been provided by any local agency, the special district and each local agency that receives an apportionment of property tax revenue from the area must negotiate an exchange of property tax increment generated in the area subject to the jurisdictional change and attributable to those local agencies; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, acting on behalf of the County Lighting Maintenance District 1687, the County General Fund, the County of Los Angeles Public Library, the County of Los Angeles Road District 1, the Consolidated Fire Protection District of Los Angeles County, the County of Los Angeles Flood Control Drainage Improvement Maintenance District, and the Los Angeles County Flood Control District; the Board of Trustees of the Greater Los Angeles County Vector Control District; the Board of Directors of the County Sanitation District No. 21 of Los Angeles County; the Board of Directors of the Rowland Water District, and the Board of Directors of the Three Valleys Municipal Water District – Rowland Area have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation proposal identified as L 070-2009 to County Lighting Maintenance District 1687 are as shown on the attached Property Tax Transfer Resolution Worksheet.

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NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The negotiated exchange of property tax revenues between the County Lighting Maintenance District 1687, the County General Fund, the County of Los Angeles Public Library, the County of Los Angeles Road District 1, the Consolidated Fire Protection District of Los Angeles County, the County of Los Angeles Flood Control Drainage Improvement Maintenance District, the Los Angeles County Flood Control District, the Greater Los Angeles County Vector Control District, the County Sanitation District No. 21 of Los Angeles County, the Rowland Water District, and the Three Valleys Municipal Water District – Rowland Area resulting from the annexation of L 070-2009 to County Lighting Maintenance District 1687 is approved and accepted.

2. For fiscal years commencing on or after July 1, 2018, or the July 1 after the effective date of this jurisdictional change, whichever is later, the property tax revenue increment generated from the area within L 070-2009, Tax Rate Area 08371, shall be allocated to the affected agencies as indicated on the attached Property Tax Transfer Resolution Worksheet.

3. No transfer of property tax revenues other than those specified in Paragraph 2 shall be made as a result of the annexation of L 070-2009.

5. If at any time after the effective date of this resolution, the calculations used herein to determine initial property tax transfers or the data used to perform those calculations are found to be incorrect, thus producing an improper or inaccurate property tax transfer, the property tax transfer shall be recalculated and the corrected transfer shall be implemented for the next fiscal year, and any amounts of property tax received in excess of that which is proper shall be refunded to the appropriate agency.

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

THREE VALLEYS MUNICIPAL WATER  
DISTRICT - ROWLAND AREA

\_\_\_\_\_  
Chairperson, Board of Directors

ATTEST:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Date

ANNEXATION TO: CO LIGHTING MAINT DIST NO 1687  
 ACCOUNT NUMBER: 019.40  
 TRA: 08371  
 EFFECTIVE DATE: 07/01/2017  
 ANNEXATION NUMBER: L 070-2009 PROJECT NAME: L 070-2009  
 DISTRICT SHARE: 0.020194327

ACCOUNT #	TAXING AGENCY	CURRENT TAX SHARE	PERCENT	PROPOSED DIST SHARE	ALLOCATED SHARE	ADJUSTMENTS	NET SHARE
001.05	LOS ANGELES COUNTY GENERAL	0.342747181	34.2757 %	0.020194327	0.006921559	-0.007082924	0.335664257
001.20	L.A. COUNTY ACCUM CAP OUTLAY	0.000119969	0.0119 %	0.020194327	0.000002422	0.000000000	0.000119969
003.01	L A COUNTY LIBRARY	0.024877816	2.4877 %	0.020194327	0.000502390	-0.000502390	0.024375426
005.05	ROAD DIST # 1	0.006140694	0.6140 %	0.020194327	0.000124007	-0.000124007	0.006016687
007.30	CONSOL. FIRE PRO.DIST.OF L.A.CO.	0.184456754	18.4456 %	0.020194327	0.003724980	-0.003724980	0.180731774
007.31	L A C FIRE-FFW	0.007870699	0.7870 %	0.020194327	0.000158943	0.000000000	0.007870699
030.10	L.A.CO.FL.CON.DR.IMP.DIST.MAINT.	0.001874456	0.1874 %	0.020194327	0.000037853	-0.000037853	0.001836603
030.70	LA CO FLOOD CONTROL MAINT	0.010608108	1.0608 %	0.020194327	0.000214223	-0.000214223	0.010393885
061.80	GREATER L A CO VECTOR CONTROL	0.000402141	0.0402 %	0.020194327	0.000008120	-0.000008120	0.000394021
066.80	CO SANIT DIST NO 21 OPERATING	0.013522038	1.3522 %	0.020194327	0.000273068	-0.000273068	0.013248970
300.70	ROWLAND WATER DISTRICT	0.005561051	0.5561 %	0.020194327	0.000112301	-0.000112301	0.005448750
365.15	THREE VY MWD ROWLAND AREA	0.004340416	0.4340 %	0.020194327	0.000087651	-0.000087651	0.004252765
400.00	EDUCATIONAL REV AUGMENTATION FD	0.068344416	6.8344 %	0.020194327	0.001380169	EXEMPT	0.068344416
400.01	EDUCATIONAL AUG FD IMPOUND	0.131877650	13.1877 %	0.020194327	0.002663180	EXEMPT	0.131877650
400.15	COUNTY SCHOOL SERVICES	0.001487810	0.1487 %	0.020194327	0.000030045	EXEMPT	0.001487810
400.21	CHILDREN'S INSTIL TUITION FUND	0.002952753	0.2952 %	0.020194327	0.000059628	EXEMPT	0.002952753
809.04	MT.SAN ANTONIO COMMUNITY COLLEGE	0.031867902	3.1867 %	0.020194327	0.000643550	EXEMPT	0.031867902
809.20	MT SAN ANTONIO CHILDRENS CTR FD	0.000307594	0.0307 %	0.020194327	0.000006211	EXEMPT	0.000307594
918.03	ROWLAND UNIFIED SCHOOL DISTRICT	0.152331063	15.2331 %	0.020194327	0.003076223	EXEMPT	0.152331063

ANNEXATION NUMBER: L 070-2009 PROJECT NAME: L 070-2009 TRA: 08371

ACCOUNT #	TAXING AGENCY	CURRENT TAX SHARE	PERCENT	PROPOSED DIST SHARE	ALLOCATED SHARE	ADJUSTMENTS	NET SHARE
918.06	CO.SCH.SERV.FD.-ROWLAND	0.007473158	0.7473 %	0.020194327	0.000150915	EXEMPT	0.007473158
918.07	DEV.CTR.HDCPD.MINOR-ROWLAND	0.000836331	0.0836 %	0.020194327	0.000016889	EXEMPT	0.000836331
***019.40	CO LIGHTING MAINT DIST NO 1687	0.000000000	0.0000 %	0.020194327	0.000000000	0.000000000	0.012167517
TOTAL:		1.000000000	100.0000 %		0.020194327	-0.012167517	1.000000000



Staff Report/Memorandum

**To:** TVMWD Board of Directors  
**From:** Richard W. Hansen, General Manager *RH*  
**Date:** February 21, 2018  
**Subject:** TVMWD Purchasing Policy Update

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<input checked="" type="checkbox"/> <b>For Action</b>	<input type="checkbox"/> <b>Fiscal Impact</b>	<input type="checkbox"/> <b>Funds Budgeted</b>
<input type="checkbox"/> <b>Information Only</b>	<input type="checkbox"/> <b>Cost Estimate:</b>	<b>\$</b>

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**Recommendation:**

Adopt the attached Purchasing Policy.

**Discussion:**

Per the existing Purchasing Policy, the Board is required to approve all Public Projects that exceeded \$125,000.

In October of 2017 the Board adopted Resolution 17-10-811 Responsibilities & Authorities of the General Manager. At that time, Section 3.8 of the Responsibilities & Authorities of the General Manager was changed to increase the required Board approval threshold for Public Projects from \$125,000 to \$175,000 (or whatever amount the current limit is per Public Contract Code Section 22032).

The only change to the attached Purchasing Policy is to reflect said change from \$125,000 to \$175,000.

**Strategic Plan Objective(s):**

3.3 – Be accountable and transparent with major decisions



# Three Valleys Municipal Water District Purchasing Policy

## Table of Contents

Summary.....	1
Section A - General.....	2
Section B - General Supplies, Materials and Equipment.....	4
Section C - Proprietary Equipment and Goods.....	6
Section D - General Trade Services.....	7
Section E - Professional Services.....	9
Section F - Public Projects.....	11

**PURCHASING POLICY SUMMARY**

<b>GENERAL PURCHASES</b>	<u>&lt;\$25,000</u>	<u>\$25,000-\$50,000</u>	<u>&gt;\$50,000</u>
	Department Head or GM	General Manager	Board
<b>APPROVAL</b>			
<b>PO REQUIRED</b>	No	Yes	Yes
<b>NOTICE REQUIREMENT</b>			
-General Supplies, Materials and Equipment	None	None	Newspaper
-Proprietary Equipment	None	None	None
-General Trade Services	None	None	Newspaper
-Professional Services	None	None	Newspaper suggested
<b>COMPETITIVE OFFER REQUIREMENT</b>			
-General Supplies, Materials and Equipment	None	Informal Quotes	Formal Bidding
-Proprietary Equipment	None	Informal Product Review	Formal Product Review
-General Trade Services	None	Informal Quotes	Formal Bidding
-Professional Services	None	Informal Proposals	RFP/RFQ's
<b>SELECTION</b>			
-General Supplies, Materials and Equipment	Department Discretion	Best Value Procurement	Best Value Procurement
-Proprietary Equipment	Department Discretion	Top Ranked Product	Top Ranked Product
-General Trade Services	Department Discretion	Best Value Procurement	Best Value Procurement
-Professional Services	Department Discretion	Top Ranked Provider	Top Ranked Provider
<b>PUBLIC PROJECTS</b>	<u>&lt;\$45,000</u>	<u>\$45,000-\$175,000</u>	<u>&gt;\$175,000</u>
<b>APPROVAL</b>	General Manager	General Manager	Board
<b>PO REQUIRED</b>	Yes	Yes	Yes
<b>NOTICE REQUIREMENT</b>	None	Contractors and/or Trade Journals	Newspaper and Trade Journals
<b>COMPETITIVE OFFER REQUIREMENT</b>	None	Informal Bid per CPCC*	Formal Bid per CPCC*
<b>SELECTION</b>	General Manager	Lowest Responsive/Responsible Bidder	Lowest Responsive/Responsible Bidder

\*CPCC - California Public Contract Code

## SECTION A - GENERAL

### 1) Definitions

- a) Best value procurement - shall mean to award based on the best overall value to TVMWD considering: ability, capacity, and skill; ability to meet time requirements; character, integrity, and reputation; financial resources available for contract performance; previous vendor experience; price; and warranty or other documented considerations offered.
- b) Top ranked provider - shall mean to award based on a Committee's ranking of the good or service as being the best solution for TVMWD where cost is not considered the primary selection criteria.
- c) Lowest responsible bidder - Bidder with the lowest price, and whose business and financial capabilities, past performance and reputation meet the required standards.
- d) Lowest responsive bidder - Bidder with the lowest price, and conforms in all material respects to the terms and conditions, specifications and other requirements requested.
- e) Single Source - a procurement where there is a compelling reason for only a preferred brand. Examples would be standardization, time schedule, technical expertise, follow-up on work to existing contract, etc.
- f) Sole Source - a procurement where only one viable source exists. Examples of reasons could be legal restrictions of patent rights, warranty issues, original equipment manufacturer, copyrights, etc.
- g) Emergency - an event which adversely affects the ability of TVMWD to carry out its functions, or puts TVMWD personnel or property in jeopardy, or which jeopardizes the health or safety of the community and its residents.
- h) Quote - a simple, brief offer to provide a good or service at a specific price.
- i) Proposal - a comprehensive offer to provide a good or service at a specific price.
- j) Bid - an offer to provide a good or service at a specific price in response to a formal bid form.
- k) Contract - written agreement between the seller and buyer to sell and purchase a good or service.
- l) RFQ/RFP - Request for Quote / Request for Proposal

- 2) General Provisions - The basic purchasing policy of TVMWD is to obtain quality goods and services for operation at the lowest possible overall cost. This includes maintaining a purchasing system that ensures maximum use of fair and open competition and receipt of the best value for funds available, consistent with applicable laws and regulations. The purchasing functions are decentralized, with each Department responsible for compliance with TVMWD policies and procedures. Purchasing responsibility and authority shall be delegated to the lowest possible level consistent with good business practice and sound financial management policy.

The following apply to all purchases made by TVMWD:

- a) No purchase will be approved or undertaken unless an appropriation has been established, either through the adopted annual budget or Board approval of additional appropriations. It is the responsibility of the Department Head to maintain control of their individual budgets.
- b) All purchases shall be of the quality deemed necessary to suit the intended purpose.
- c) Competitive offer requirements are set out in subsequent sections of this policy and are established based on type of purchase and/or established dollar limits.
- d) Purchases shall not be split to avoid required procedures or established dollar limits. Purchases of like items or services will be considered on an annual basis.
- e) The emergency purchase of goods is authorized under certain conditions.
- f) No purchase over \$25,000 shall be made without an authorized Purchase Order (PO) unless exempted in these guidelines. Otherwise such purchases are void and not considered an obligation of TVMWD.
- g) No TVMWD employee or Board member shall have a direct or indirect financial interest in any contract or purchase of goods or services entered into by TVMWD, or shall derive any personal benefit from TVMWD's purchase of goods or services.
- h) No TVMWD employee or Board member shall use the purchasing procedures to obtain property for personal use or by misrepresenting that personal purchases are for TVMWD (i.e., for the purpose of obtaining price discounts).
- i) No TVMWD employee or Board member shall draft or cause to be drafted any specifications for bids in such a way as to intentionally limit the bidding directly or indirectly to any one bidder, except for a sole source or single source procurement.
- j) The bid process obligates vendors to disclose any material financial relationship they may have or may have had with a TVMWD Board member or employee.
- k) Any TVMWD employee or Board member failing to follow the purchasing policy and procedures may incur personal liability or financial obligation to the vendor.

## SECTION A - GENERAL (cont.)

- 3) Federal, State and Other Grant Programs - Federal, State, or grant programs may require special conditions that are more stringent than TVMWD procedures. It is the responsibility of the Department accepting the grant to ensure that all grant provisions are complied with.
- 4) Exceptions to Competitive Offer Requirements
  - a) The informal offers and the formal bidding process may be bypassed with GM approval in the following instances:
    - i) In emergency situations where time is of the essence.
    - ii) Where a single source or sole source purchase is justified.
    - iii) When there exists other governmental contracts that were competitively bid (such as State Contracts, DGS, etc.) that TVMWD is eligible to use.
    - iv) When an item has been bid within the last 36 months and the price has not changed.
    - v) When purchasing goods with significant market fluctuations (such as chemicals), wherein requiring a guaranteed price for a year would actually cost TVMWD more.
    - vi) When it is neither practical nor cost effective to continue soliciting offers until three are received.
  - b) Certain purchases are unique in nature and do not lend themselves to the process of competitive offers. Therefore, these items do not require competitive offers or PO's as listed in Sections B through F. These items include, but are not limited to, water or water rights, debt service payments, real property and ongoing expenses for utility services (electricity, gas, telecommunications, etc.).
- 5) Department Responsibilities - It is the responsibility of the acquiring Department to:
  - a) Make purchases in accordance with established policies and procedures.
  - b) Verify that an appropriation is available for the purchase.
  - c) Anticipate the Departments' needs in advance to minimize the need for emergency purchases.
  - d) Review goods and services received to ensure conformity with PO or contract.
  - e) No invoice should be processed for payment when the goods or services are unsatisfactory or there is a price discrepancy from the price originally offered. Please resolve the issue prior to payment.
- 6) Payment Authorization - An authorized signature on the invoice, receipt or other backup shall be considered authorization for payment. The signature shall indicate that the signer has:
  - a) Verified that TVMWD has received the goods or services in good working condition.
  - b) Verified that the purchase complies with this purchasing policy and that funds are available for the purchase.
- 7) Signature Authorization - Each Department Head will be responsible for signing off on various financial and other administrative documents.
  - a) All Departments - General Manager (GM)
  - b) Engineering – Manager of Engineering and Operations
  - c) Administration - Assistant GM - Administration
  - d) Finance - Chief Finance Officer (CFO)
  - e) Operations - Water Operations Manager
- 8) Contract and Purchase Order
  - a) If needed, contracts shall be prepared and original copies signed by the vendor and the Department Head or GM.
  - b) A PO shall be prepared detailing the vendor name, address, goods or services being purchased, total price including tax and shipping, and budget account to be charged. The PO packet shall contain the PO and any supporting documentation (contract, proposals, quotes, etc.).
  - c) The PO packet shall then be reviewed by the CFO for conformity to the purchasing policy and availability of funds.
  - d) The PO packet shall then be submitted to the Department Head or GM for final approval.
- 9) Execution - Once the Department has received the approved PO (and original contract, if necessary), they may contact the vendor to purchase the goods or begin the services. Goods must generally be shipped to TVMWD address. If the goods will be shipped to an alternate location, this should be cleared with the GM in advance.

# Item 7.E

## SECTION B - GENERAL SUPPLIES, MATERIALS AND EQUIPMENT

- 1) Purpose - Provide guidelines for the purchase of general supplies, materials and equipment. General supplies, materials and equipment shall consist of any and all tangible items necessary for day-to-day operations, excluding proprietary equipment and goods (Section C) and any goods purchased as part of a Public Project (Section F). When goods and services are purchased together, this section shall apply if the majority of the purchase is for goods.
- 2) Department Award ≤ \$25,000 - The Department Head or GM may authorize purchases \$25,000 or less. These purchases do not require competitive offers and Departments are given considerable discretion in these purchases. Use of an RFQ/RFP is encouraged when appropriate but not required.
- 3) General Manager Award > \$25,000 to ≤ \$50,000 - Purchases greater than \$25,000 but \$50,000 or less must be awarded by the GM. Informal quotes should be obtained to assure a competitive price is received for an item, while avoiding the additional time and expense involved with formal bidding.
  - a) Informal Quotes - The Department should make every reasonable attempt to obtain at least three written quotes. In the event that three quotes are not received, the Department shall document what steps were taken, any vendors contacted that declined to quote, and if applicable, why it is not practical to receive three quotes. Use of an RFQ/RFP is encouraged when appropriate but not required.
  - b) Evaluation - The Department shall evaluate the informal quotes received and determine the best value procurement. TVMWD reserves the right to accept that quote which is in the best interest of TVMWD.
  - c) Change Orders - The GM is authorized to issue change orders for changes or additions to the original purchase that result in an overall amount up to \$50,000. All other change orders shall be brought to the Board for approval.
- 4) Board Award > \$50,000 - Purchases greater than \$50,000 must be awarded by the Board. Formal bidding should be used to assure all possible vendors are given the opportunity to bid on major TVMWD purchases, thereby assuring TVMWD that it has received the most competitive price. The formal process generally takes more time and expense than informal quotes and in some instances may actually not be the most cost-effective approach.
  - a) Formal Bidding
    - i) Bid Forms - The initiating Department shall prepare a bid form including detailed specifications for the item to be purchased. The following format is suggested for competitive bids:
      - (1) Submission of bids - Include date, time, location, bid number and a detailed list of the information the bid should contain.
      - (2) Questions - List the name, address, and telephone number of the person to be contacted concerning questions about the project.
      - (3) Background - Provide as much background as necessary to give the bidder an understanding of the environment in which the job will be performed and to which the job relates.
      - (4) Scope of work - Describe in detail the requirement for the job and detail specification.
      - (5) Desired project schedule - Be as specific as possible.
      - (6) Minimum and desirable qualifications - Be as specific as possible.
      - (7) Performance Bond - Whether a performance bond is required & the amount and form of bidders security.
    - ii) Notice Inviting Bids - The Department shall also prepare a notice inviting bids that includes the following:
      - (1) A general description of the item to be purchased.
      - (2) A statement indicating where bid forms and specifications can be obtained.
      - (3) A statement specifying the time and place for the opening of the bid.
      - (4) The first publication of the notice shall be at least ten days before the date of opening the bids. The notice shall be published at least twice, not less than five days apart, in a newspaper of general circulation, printed and published in TVMWD. The notice may also be sent to all applicable vendors.

# Item 7.E

## SECTION B - GENERAL SUPPLIES, MATERIALS AND EQUIPMENT (cont.)

### iii) Bid Opening

- (1) Sealed bids shall be submitted to TVMWD office, time stamped when received, and shall be clearly identified with the bid number on the envelope. Faxed or other electronic bids are not acceptable.
- (2) Respondents may modify or withdraw their bids prior to the established closing date and time without penalty. However, any modifications submitted after the established closing date and time will not be accepted. Such modifications will be returned to the respondent, unopened.
- (3) Bids shall be opened in public at the time and place stated in the public notice.
- (4) The GM or his/her designee shall open the bids and shall record all bids received.
- (5) Any bid received after the time specified in the notice shall be returned to the respondent, unopened.
- (6) When a bidder's security is required, it will be announced in the public notice inviting bids. The amount shall be determined at the time of preparation of the bid. It shall be in the form of cash, certified or cashier's check, certificate of deposit in TVMWD's name, or bid bond made payable to TVMWD. When a bidder's security is required, a bid shall not be considered unless one of the aforementioned forms of security accompanies the bid. Bidders shall be entitled to return of the bid security with the following exception:
  - (a) The successful bidder must execute the contract and file acceptable documents within thirty (30) calendar days from the date of award unless extended by the GM. Failure to execute the contract shall be just cause for annulment of the award and forfeiture of the bidder's security, not as a penalty, but as liquidated damages. The Board may, upon refusal or failure of the successful bidder to execute the contract, award the contract to the next lowest responsible and responsive bidder.
- (7) All bids received shall be available for inspection during regular business hours in TVMWD office for a period of not less than thirty (30) calendar days after the bid opening.

iv) Rejection of Bids - TVMWD reserves the right to reject any and all bids, to accept or reject any one or more items of a bid, or to waive any irregularities or informalities in the bids or the bidding process if it is deemed in the best interests of TVMWD.

v) Evaluation - The Department shall evaluate the formal bids received and determine the best value procurement. TVMWD reserves the right to accept that bid which is in the best interest of TVMWD.

b) Awarding - Once the bids have been evaluated, the Department Head shall prepare a report to the Board recommending the best value procurement. The Board shall then award the bid in a public meeting.

c) Change Orders - The GM is authorized to issue change orders for changes or additions to the original purchase that are less than a 20% aggregate change. All other change orders shall be brought to the Board for approval.

## SECTION C - PROPRIETARY EQUIPMENT AND GOODS

- 1) Purpose - Provide guidelines for the purchase of equipment/software and other artistic goods that may only be purchased through a proprietary vendor. There is no competitive offer requirement for this type of purchase since the item is being purchased based on qualification rather than price. Proprietary vendors are those vendors that directly sell their products and do not use distributors or other outlets.
- 2) Department Award ≤ \$25,000 - The Department Head or GM may authorize purchases \$25,000 or less. Departments are given considerable discretion in these purchases.
- 3) General Manager Award > \$25,000 to ≤ \$50,000 - Purchases greater than \$25,000 but \$50,000 or less must be awarded by the GM. An informal evaluation should be used to assure quality goods are received for a reasonable price.
  - a) Informal Product Review - must be documented to the satisfaction of the GM. Ideal documentation should include:
    - i) The name of the company
    - ii) The person providing the quote
    - iii) Estimated price
    - iv) Pros/Cons of the product
    - v) Brief justification for the selection of the goods
  - b) Review of Three Products - The Department should make every reasonable attempt to review at least three products. In the event that three products are not reviewed, the Department shall document why it is not practical to review alternate products.
  - c) Evaluation - The Department shall select the product which, in their evaluation, is the best solution for TVMWD. TVMWD reserves the right to accept the product which is in the best interest of TVMWD.
  - d) Change Orders - The GM is authorized to issue change orders for changes or additions to the original purchase that result in an overall amount up to \$50,000. All other change orders shall be brought to the Board for approval.
- 4) Board Award > \$50,000 - Purchases greater than \$50,000 must be awarded by the Board. A more formal evaluation should be used, thereby assuring TVMWD that it has purchased the best product fit for TVMWD. The formal process generally takes more time and expense than informal offers and in some instances may actually not be the most cost-effective approach.
  - a) Formal Product Review - To ensure maximum exposure and competition, the responsible Department shall prepare a list of potential companies from which to solicit quotes. A Selection Committee shall be formed to evaluate the submitted data and determine the products that should receive further consideration. The Committee shall be appointed by the Department Head, subject to the approval of the GM, and may consist of more than one Department.
  - b) Evaluation - Because unique products are requested, cost is not considered the primary selection criteria.
    - i) A Selection Committee shall be formed to evaluate the submitted quotes and determine the products that should receive further consideration. The Committee shall be appointed by the GM.
    - ii) The Selection Committee may choose to interview all the responding companies, only the top ranking companies, or to not perform interviews.
    - iii) The Selection Committee may also choose to view demonstrations of all the products, only the top ranking products, or to not view demonstrations.
    - iv) After the interviews and demonstrations (if applicable), the Selection Committee shall rank the products accordingly, based on their evaluation, as to the best solution for TVMWD.
  - c) Awarding - The Department Head shall prepare a report to the Board recommending the top ranked product. The Board shall then award the purchase in a public meeting.
  - d) Change Orders - The GM is authorized to issue change orders for changes or additions to the original purchase that are less than a 20% aggregate change in price. All other change orders shall be brought to the Board for approval.



## SECTION D - GENERAL TRADE SERVICES

- 1) Purpose - Provide guidelines for the purchase of trade contractual services. Trade services shall mean the repair, rental or maintenance of equipment, machinery, and other TVMWD-owned or operated property. Included within this term are services necessary for the routine operation, repair or maintenance of existing buildings or improvements. The term does not include services rendered by professionals and other services which are unique in nature and not subject to competition. When goods and services are purchased together, this section shall apply if the majority of the purchase is for services.
- 2) Department Award ≤ \$25,000 - The Department Head or GM may authorize purchases \$25,000 or less. These purchases do not require competitive offers and Departments are given considerable discretion in these purchases. Use of an RFQ/RFP is encouraged when appropriate but not required.
- 3) General Manager Award > \$25,000 to ≤ \$50,000 - Trade services greater than \$25,000 but \$50,000 or less must be awarded by the GM. Informal quotes should be used to assure the most competitive price is received for an item, while avoiding the additional time and expense involved in formal offers.
  - a) Informal Quote - The Department should make every reasonable attempt to obtain at least three written quotes. In the event that three quotes are not received, the Department shall document what steps were taken, any vendors contacted that declined to quote, and if applicable, why it is not practical to receive three quotes. Use of an RFQ/RFP is encouraged when appropriate but not required.
  - b) Evaluation - The Department shall evaluate the informal quotes received and determine the best value procurement. TVMWD reserves the right to accept that quote which is in the best interest of TVMWD.
  - c) Change Orders - The GM is authorized to issue change orders for changes or additions to the original purchase that result in an overall amount up to \$50,000. All other change orders shall be brought to the Board for approval.
- 4) Board Award > \$50,000 - Trade services greater than \$50,000 must be awarded by the Board. Formal bidding should be used to assure all possible contractors/service providers are given the opportunity to bid on major TVMWD purchases, thereby assuring TVMWD that it has received the most competitive price. The formal process generally takes more time and expense than informal bidding and in some instances may actually not be the most cost-effective approach.
  - a) Formal Offer
    - i) Bid Forms - The initiating Department shall prepare a bid form including detailed specifications of the services to be performed. The following format is suggested for competitive bids
      - (1) Submission of bids - Include date, time, location, bid number and a detailed list of the information the bid should contain.
      - (2) Questions - List the name, address, and telephone number of the person to be contacted concerning questions about the project.
      - (3) Background - Provide as much background as necessary to give the bidder an understanding of the environment in which the job will be performed and to which the job relates.
      - (4) Scope of work - Describe in detail the requirement for the job and detail specification.
      - (5) Desired project schedule - Be as specific as possible.
      - (6) Minimum and desirable qualifications - Be as specific as possible.
      - (7) Performance Bond - Whether a performance bond is required & the amount and form of bidders security.
      - (8) Sample Contract - A sample of the contract expected to be used should be included in the bid package.
    - ii) Notice Inviting Bids - The Department shall also prepare a notice inviting bids that includes the following:
      - (1) A general description of the services to be performed.
      - (2) A statement indicating where bid forms and specifications can be obtained.
      - (3) A statement specifying the time and place for the opening of the bid.
      - (4) The first publication of the notice shall be at least ten days before the date of opening the bids. The notice shall be published at least twice, not less than five days apart, in a newspaper of general circulation, printed and published in TVMWD. The notice may also be sent to all applicable contractor/service providers.

## SECTION D - GENERAL TRADE SERVICES (cont.)

iii) Bid Opening

- (1) Sealed bids shall be submitted to TVMWD office, time stamped when received, and shall be clearly identified with the bid number on the envelope. Faxed or other electronic bids are not acceptable.
- (2) Respondents may modify or withdraw their bids prior to the established closing date and time without penalty. However, any modifications submitted after the established closing date and time will not be accepted. Such modifications will be returned to the respondent, unopened.
- (3) Bids shall be opened in public at the time and place stated in the public notice.
- (4) The GM or his/her designee shall open the bids and shall record all bids received.
- (5) Any bid received after the time specified in the notice shall be returned unopened.
- (6) When a bidder's security is required, it will be announced in the public notice inviting bids. The amount shall be determined at the time of preparation of the bid. It shall be in the form of cash, certified or cashier's check, certificate of deposit in TVMWD's name, or bid bond made payable to TVMWD. When a bidder's security is required, a bid shall not be considered unless one of the aforementioned forms of security accompanies the bid. Bidders shall be entitled to return of the bid security with the following exception:
  - (a) The successful bidder must execute the contract and file acceptable documents within thirty (30) calendar days from the date of award unless extended by the GM. Failure to execute the contract shall be just cause for annulment of the award and forfeiture of the bidder's security, not as a penalty, but as liquidated damages. The Board may, upon refusal or failure of the successful bidder to execute the contract, award the contract to the next lowest responsible and responsive bidder.
- (7) All bids received shall be available for inspection during regular business hours in TVMWD office for a period of not less than thirty (30) calendar days after the bid opening.

iv) Rejection of Bids - TVMWD reserves the right to reject any and all bids, to accept or reject any one or more items of a bid, or to waive any irregularities or informalities in the bids or the bidding process if it is deemed in the best interests of TVMWD.

v) Evaluation - The Department shall evaluate the formal bids received and determine the best value procurement. TVMWD reserves the right to accept that bid which is in the best interest of TVMWD.

b) Awarding - Once the bids have been evaluated, the Department Head shall prepare a report to the Board recommending the best value procurement. The Board shall then award the bid in a public meeting.

c) Change Orders - The GM is authorized to issue change orders for changes or additions to the original purchase that are less than a 20% aggregate change. All other change orders shall be brought to the Board for approval.

5) Renewals - Contracts for ongoing services may include annual renewal provisions for up to five years. Cost increases related to such renewals shall not exceed the Consumer Price Index (CPI) adjustments unless approved in advance.

# Item 7.E

## SECTION E - PROFESSIONAL SERVICES

- 1) Purpose - Provide guidelines for the purchase of professional services. Professional services are those activities performed by a consultant who possesses a high degree of expertise in a particular profession. This would generally include (but not be limited to) architectural services, accounting/auditing services, environmental services, design services, engineering services, technical services, financial services, legal services, economic services and other administrative services. There is no competitive offer requirement for services since the agent is being hired based on qualifications rather than price.
- 2) Department Award ≤ \$25,000 - The Department Head or GM may authorize purchases \$25,000 or less. Departments are given considerable discretion in these purchases. Use of an RFQ/RFP is encouraged when appropriate but not required.
- 3) General Manager Award > \$25,000 to ≤ \$50,000 - Purchases greater than \$25,000 but \$50,000 or less must be awarded by the GM. Informal proposal should be used to assure quality services are received for a reasonable price. Use of an RFQ/RFP is encouraged when appropriate but not required.
  - a) Informal Proposal - must be documented to the satisfaction of the GM. Ideal documentation should include:
    - i) The name of the company.
    - ii) The person providing the proposal.
    - iii) Estimated price.
    - iv) Understanding of the required scope of services.
    - v) Specialized experience of the firm and its personnel relative to the required services.
    - vi) References who can be contacted to verify past record of performance, (i.e., completion of a quality product in a timely manner and within budget constraints).
    - vii) The capacity of the firm to perform the subject project within a required timeframe.
    - viii) Pros/Cons of the proposal.
    - ix) Brief justification for the selection of the services.
  - b) Review of Three Proposals - The Department should make every reasonable attempt to obtain at least three written proposals. In the event that three proposals cannot be provided, the Department shall document why it is not practical to continue soliciting proposals.
  - c) Evaluation - The Department shall select the provider which, in their evaluation, is the best solution for TVMWD. TVMWD reserves the right to accept that proposal which is in the best interest of TVMWD.
  - d) Change Orders - The GM is authorized to issue change orders for changes or additions to the scope of services that result in an overall amount up to \$50,000. All other change orders shall be brought to the Board for approval.
- 4) Board Award > \$50,000 - Services greater than \$50,000 must be awarded by the Board. A Formal RFP process should be used, thereby assuring TVMWD that it has engaged the most qualified consultant available for the engagement. The formal process generally takes more time and expense than informal offers of qualifications and in some instances may actually not be the most cost-effective approach. A request for qualifications can be used when the scope of work is broadly defined. This method is used for either making an award to the most qualified provider or for pre-qualifying potential respondents for a subsequent competitive offer.
  - a) Request for Proposal/Qualifications - Because these requests ask for a subjective product, they should contain the greatest detail possible, and may include the following:
    - i) A precise description of the problem, objective or service required.
    - ii) The services to be performed and/or product to be provided.
    - iii) Time schedule requirements.
    - iv) Evaluation factors and the relative importance of each.
    - v) Expectations and/or limitations on the part of TVMWD.
    - vi) Expected content.
    - vii) Contractual requirements.
    - viii) Requests for construction project management services may require evidence provided of experience in construction project design review and evaluation, construction mobilization and supervision, bid evaluation, project scheduling, cost-benefit analysis, claims review and negotiation, and general management and administration of a construction project.

## SECTION E - PROFESSIONAL SERVICES (cont.)

- b) Issuing the Request
- i) To ensure maximum exposure and competition, the responsible Department shall prepare a list of potential firms to receive the request.
  - ii) If required or desired, the responsible Department will submit the request to be advertised in a local newspaper of general circulation. Additional advertisements may be placed in a regional newspaper of general circulation; appropriate professional or trade journals; and state or governmental publications designed for public notice.
  - iii) A reasonable length of time between offering/advertising and closing dates must be allowed to provide potential respondents time for preparation in accordance with the complexity, the size of the project, and the scope of advertising.
  - iv) TVMWD staff may conduct conferences to explain the requirements of the project. A sufficient amount of time should be allowed after the request has been issued to allow potential respondents to become familiar with the project. Any clarification or changes required to the request, as a result of the conference, shall be added as a written amendment. A summary of the conference shall be provided to all prospective respondents receiving the request.
  - v) The requesting Department shall prepare sufficient copies of the request to allow distribution to potential respondents of record and responses to the published advertisements. In addition, the Department shall maintain a list of requests issued and responses.
- c) Proposal Opening
- i) Proposals shall be submitted to TVMWD office, time stamped when received, and shall be clearly identified with the proposal number on the envelope. Faxed or other electronic proposals are not acceptable.
  - ii) Respondents may modify or withdraw their proposals prior to the established closing date and time, without penalty. However, any modifications submitted after the established closing date and time will not be accepted. Such modifications will be returned to the respondent, unopened.
  - iii) Any proposal received after the time specified in the request shall be returned to the respondent, unopened.
  - iv) To avoid disclosure of the contents of competing requests, proposals will be opened in the presence of the GM or his/her designee and the Department Head requesting the proposals.
  - v) TVMWD office shall maintain a list of proposals received, including name and address of respondent, the number of modifications received, if any, and any additional information requested. The register will be open to inspection after the award of the contract or the rejection of all proposals.
  - vi) Proposals and modifications shall be shown only to the evaluation committee personnel, the GM or his/her designee, and the Department Head until a recommendation is made to the Board or all proposals have been rejected.
- d) Evaluation - Because unique services are requested, cost is not considered the primary selection criteria.
- i) A Selection Committee shall be formed to evaluate the submitted quotes and determine the products that should receive further consideration. The Committee shall be appointed by the GM.
  - ii) The Selection Committee may choose to interview all the responding companies, only the top ranking companies, or to not perform interviews.
  - iii) After the interviews (if applicable), the Selection Committee shall rank the companies accordingly, based on their evaluation, as to the best solution for TVMWD.
- e) Awarding - The Department Head shall prepare a report to the Board recommending the top ranked provider. The Board shall then award the purchase in a public meeting.
- f) Change Orders - The GM is authorized to issue change orders for changes or additions to the original scope of services that are less than a 20% aggregate change in price. All other change orders shall be brought to the Board for approval.
- 5) Renewals - Contracts for ongoing services may include annual renewal provisions for up to five years. Cost increases related to such renewals shall not exceed the Consumer Price Index (CPI) adjustments unless approved in advance.

## SECTION F - PUBLIC PROJECTS

- 1) Purpose - Provide guidelines for public project procurement. **Public project is defined as:**
- a) Construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any facility owned, leased, or operated by TVMWD.
  - b) Painting or repainting any facility owned, leased or operated by TVMWD.
  - c) Construction, erection, improvement, or repair of dams, reservoirs, power plants, and electrical transmission lines of 230,000 volts and higher that are owned by TVMWD.
  - d) A public project **does not** include maintenance work. Maintenance work includes all of the following:
    - i) Routine, recurring, and usual work for the preservation or protection of facilities owned or operated by TVMWD.
    - ii) Minor repainting.
    - iii) Street and highways resurfacing at less than one inch (1”) deep.
    - iv) Landscape maintenance (mowing, watering, trimming, planting, and servicing of irrigation systems).

- 2) Policy - It is TVMWD’s policy to follow the Uniform Construction Cost Accounting Procedures for all Public Projects, as set forth in the Public Contract Code. It is also TVMWD’s policy to adopt the purchasing limits and policies as set forth in Public Contract Code Sections 22030 to 22045. TVMWD’s policy is also to adhere to California Prevailing Wage Law on all public works construction projects exceeding \$1,000. Consult Finance staff for Federally funded projects.

California Prevailing Wage Law – prevailing wage is defined as a minimum wage requirement for public works projects. State prevailing wage rates apply to all public works contracts as set forth in Labor Code Sections 1720, et. seq., and include, but are not limited to such types of work performed under contract as construction, modernization, alteration, demolition, installation, or repair.

- a) The Office of Policy, Research and Legislation (OPRL) predetermines the appropriate prevailing wage rates for particular construction trades and crafts by county.
- b) A contractor or subcontractor may not pay less than the prevailing wage rate (includes wages and benefits).
- c) The correct wage determination for a project is to be provided by the Awarding Agency and should be included in project specifications and available during the bid process.
- d) The date of the first bid advertisement determines which prevailing wage determination is used.
- e) Contractors and subcontractors must employ registered apprentices on public works projects (Labor Code Section 1777.5).

California Public Works Contractors Registration – Contractors and subcontractors must register with DIR for all public works projects. This program will fund DIR’s monitoring and enforcement of prevailing wage laws. All public works projects with bids submitted after March 1, 2015, or awarded on or after April 1, 2015, may use only registered contractors and subcontractors.

- a) TVMWD is required to include notice of the registration requirement in bid invitations and bid documents.
- b) TVMWD must file notice of their public works project with DIR form PWC-100 ([www.dir.ca.gov/pwc100](http://www.dir.ca.gov/pwc100)).
- c) Contractors and subcontractors will be required to submit certified payroll records to the Labor Commissioner.

- 3) General Manager Award Level I ≤ \$45,000 - Public Projects contracts \$45,000 (per limit established by Public Contract Code Section 22032) or less must be awarded by the GM. The Department Head may recommend a contractor without using competitive offer, however a PO and approval by the GM is required for these purchases. The Department Head may also elect to perform the project using employees of TVMWD by force account.
- a) Change Orders - The GM is authorized to issue change orders for changes or additions to the original scope of services that result in less than \$45,000 annual contract amount. All other change orders shall be brought to the Board for approval.

## SECTION F - PUBLIC PROJECTS (cont.)

- 4) General Manager Award Level II > \$45,000 to < \$175,000 - Public Projects contracts greater than \$45,000 but \$175,000 (per limit established by Public Contract Code Section 22032) or less may be let to contract by the informal bid process set forth in this policy.
- a) Informal Bids - TVMWD shall solicit informal bids in accordance with Public Contract Code Sections 22034-22036.
- i) List of Qualified Contractors - TVMWD shall maintain a list of qualified contractors, identified according to categories of work as specified in Public Contract Code Section 22034.
- ii) Bid Forms - The initiating Department shall prepare a bid form including detailed specifications for the item to be purchased. The following format is suggested for competitive bids:
- (1) Submission of bids - Include date, time, location, bid number and a detailed list of the information the bid should contain.
  - (2) Questions - List the name, address, and telephone number of the person to be contacted concerning questions about the project.
  - (3) Background - Provide as much background as necessary to give the bidder an understanding of the environment in which the job will be performed and to which the job relates.
  - (4) Scope of work - Describe in detail the requirement for the job and detail specification.
  - (5) Desired project schedule - Be as specific as possible.
  - (6) Minimum and desirable qualifications - Be as specific as possible.
  - (7) Performance Bond - Whether a performance bond is required & the amount and form of bidders security.
  - (8) Sample Contract - A sample of the contract expected to be used should be included in the bid package.
- iii) Notice Inviting Bids - The initiating Department shall also prepare a notice inviting bids detailing the following:
- (1) A general description of the services to be performed.
  - (2) A statement indicating where bid forms, specifications and bonding requirements can be obtained.
  - (3) A statement specifying the time and place for the opening of the bid.
  - (4) The notice shall be mailed at least ten (10) calendar days before the date of opening the bids to:
    - (a) All qualified contractors on the list for the category of work to be performed OR
    - (b) All construction trade journals specified in Section 22036 of the Public Contract Code OR
    - (c) Both all contractors and all trade journals
- iv) Bid Opening
- (1) Sealed bids shall be submitted to TVMWD office, time stamped when received, and shall be clearly identified with the bid number on the envelope. Faxed or other electronic bids are not acceptable.
  - (2) Respondents may modify or withdraw their bids prior to the established closing date and time, without penalty. However, any modifications submitted after the established closing date and time will not be accepted. Such modifications will be returned to the respondent, unopened.
  - (3) Bids shall be opened in public at the time and place stated in the public notice.
  - (4) The GM or his/her designee shall open the bids and shall record all bids received.
  - (5) Any bid received after the time specified in the notice shall be returned to the respondent, unopened.
  - (6) When a bidder's security is required, it will be announced in the public notice inviting bids. The amount shall be determined at the time of preparation of the bid. It shall be in the form of cash, certified or cashier's check, certificate of deposit in TVMWD's name, or bid bond made payable to TVMWD. When a bidder's security is required, a bid shall not be considered unless one of the aforementioned forms of security accompanies the bid. Bidders shall be entitled to return of the bid security with the following exception:
    - (a) The successful bidder must execute the contract and file acceptable documents within thirty (30) calendar days from the date of award unless extended by the GM. Failure to execute the contract shall be just cause for annulment of the award and forfeiture of the bidder's security, not as a penalty, but as liquidated damages. The Board may, upon refusal or failure of the successful bidder to execute the contract, award the contract to the next lowest responsive and responsible bidder.
  - (7) All bids received shall be available for inspection during regular business hours in TVMWD office for a period of not less than thirty (30) calendar days after the bid opening.

# Item 7.E

## SECTION F - PUBLIC PROJECTS (cont.)

- v) Rejection of Bids - TVMWD reserves the right to reject any and all bids, to accept or reject any one or more items of a bid, or to waive any irregularities or informalities in the bids or the bidding process if it is deemed in the best interests of TVMWD.
  - vi) Evaluation - The Department shall evaluate the formal bids. All valid bids shall be considered in determining award of bid to the lowest responsive and responsible bidder. TVMWD reserves the right to accept that bid which is in the best interest of TVMWD. When selecting the recommended bidder the Department Head will take into consideration:
    - (1) Price.
    - (2) Ability, capacity, and skill.
    - (3) Ability to meet time requirements.
    - (4) Character, integrity, and reputation.
    - (5) Previous vendor experience.
    - (6) Financial resources available for contract performance.
    - (7) Ability to provide future maintenance and service, if necessary.
  - b) Tie Bids - If tie bids are received, quality and service being equal, TVMWD may, at its discretion:
    - i) Reject any and all bids presented and re-advertise; or
    - ii) Accept either one or accept the lowest bid made by negotiation with the tie bidders; or
    - iii) Award the bid to any one of the low tie bidders by public drawing.
  - c) Awarding - Once the bids have been evaluated, the Department Head shall prepare a report to the Board recommending the lowest responsible and responsive bidder. The GM shall then award the bid.
  - d) Change Orders - The GM is authorized to issue change orders for changes or additions to the original scope of services that results in less than a 20% aggregate change in the contract price, not to exceed the \$175,000 contract amount. All other change orders shall be brought to the Board for approval.
- 5) Board Award > \$175,000 - Public Projects exceeding \$175,000 (per limit established by Public Contract Code Section 22032) must be formally bid and awarded by the Board in accordance with Public Contract Code Sections 22037 to 22044.
- a) Formal Bids - TVMWD shall solicit formal bids in accordance with Public Contract Code Sections 22037-22044.
    - i) Bid Forms - The initiating Department shall prepare a bid form including detailed specifications for the services to be performed. The following format is suggested for competitive bids:
      - (1) Submission of bids - Include date, time, location, bid number and a detailed list of the information the bid should contain.
      - (2) Questions - List the name, address, and telephone number of the person to be contacted concerning questions about the project.
      - (3) Background - Provide as much background as necessary to give the bidder an understanding of the environment in which the job will be performed and to which the job relates.
      - (4) Scope of work - Describe in detail the requirement for the job and detail specification.
      - (5) Desired project schedule - Be as specific as possible.
      - (6) Minimum and desirable qualifications - Be as specific as possible.
      - (7) Performance Bond - Whether a performance bond is required & the amount and form of bidders security.
      - (8) Sample Contract - A sample of the contract expected to be used should be included in the bid package.
    - ii) Notice Inviting Bids - The initiating Department shall also prepare a notice inviting bids detailing the following:
      - (1) A general description of the services to be performed.
      - (2) A statement indicating where bid forms, specifications and bonding requirements can be obtained.
      - (3) A statement specifying the time and place for the opening of the bid.
      - (4) The first publication of the notice shall be at least fourteen (14) days before the date of opening the bids. The notice shall be published at least twice, not less than five days apart, in a newspaper of general circulation, printed and published in TVMWD.
      - (5) The notice shall also be sent (mailed, faxed or e-mailed) to all construction trade journals specified in Section 22036 of the Public Contract Code. The notices shall be mailed at least fifteen (15) calendar days before the date of opening the bids.

## SECTION F - PUBLIC PROJECTS (cont.)

iii) Bid Opening

- (1) Sealed bids shall be submitted to TVMWD office, time stamped when received, and shall be clearly identified with the bid number on the envelope. Faxed or other electronic bids are not acceptable.
- (2) Respondents may modify or withdraw their bids prior to the established closing date and time, without penalty. However, any modifications submitted after the established closing date and time will not be accepted. Such modifications will be returned to the respondent, unopened.
- (3) Bids shall be opened in public at the time and place stated in the public notice.
- (4) The GM or his/her designee shall open the bids and shall record all bids received.
- (5) Any bid received after the time specified in the notice shall be returned to the respondent, unopened.
- (6) When a bidder's security is required, it will be announced in the public notice inviting bids. The amount shall be determined at the time of preparation of the bid. It shall be in the form of cash, certified or cashier's check, certificate of deposit in TVMWD's name, or bid bond made payable to TVMWD. When a bidder's security is required, a bid shall not be considered unless one of the aforementioned forms of security accompanies the bid. Bidders shall be entitled to return of the bid security with the following exception:
  - (a) The successful bidder must execute the contract and file acceptable documents within thirty (30) calendar days from the date of award unless extended by the GM. Failure to execute the contract shall be just cause for annulment of the award and forfeiture of the bidder's security, not as a penalty, but as liquidated damages. The Board may, upon refusal or failure of the successful bidder to execute the contract, award the contract to the next lowest responsive and responsible bidder.
- (7) All bids received shall be available for inspection during regular business hours in TVMWD office for a period of not less than thirty (30) calendar days after the bid opening.

iv) Rejection of Bids - TVMWD reserves the right to reject any and all bids, to accept or reject any one or more items of a bid, or to waive any irregularities or informalities in the bids or the bidding process if it is deemed in the best interests of TVMWD. If after the first invitation of bids all bids are rejected, TVMWD may elect to re-advertise for bids or have the project done by force account. (See Section 22038 of the Public Contract Code for Procedures and limitations)

v) Evaluation - The Department shall evaluate the formal bids. All valid bids shall be considered in determining award of bid to the lowest responsive and responsible bidder. TVMWD reserves the right to accept that bid which is in the best interest of TVMWD. When selecting the recommended bidder the Department Head will take into consideration:

- (1) Price.
- (2) Ability, capacity, and skill.
- (3) Ability to meet time requirements.
- (4) Character, integrity, and reputation.
- (5) Previous vendor experience.
- (6) Financial resources available for contract performance.
- (7) Ability to provide future maintenance and service, if necessary.

b) Award - Once the bids have been evaluated, the Department Head shall prepare a report to the Board recommending the lowest responsive and responsive bidder. The Board shall then award the bid in a public meeting.

c) Change Orders - The GM is authorized to issue change orders for changes or additions to the original scope of services that results in less than a 20% aggregate change in the contract price. All other change orders shall be brought to the Board for approval.





## Tier 1 Balance (in Acre-Feet) Calendar Year 2018 (through January 2018)

Agency	Tier 1 Allocation	Usage		Balance
		Direct	Spreading	
Boy Scouts of America	36	1.3	0.0	34.3
Cal Poly Pomona	269	6.2	0.0	262.8
Covina, City of *	1,568	0.0	0.0	1,568.0
Glendora, City of *	4,101	0.0	0.0	4,101.3
Golden State Water Company *	15,714	798.4	0.0	14,915.6
La Verne, City of	8,026	322.3	0.0	7,704.0
Mt San Antonio College	699	33.7	0.0	665.3
Pomona, City of *	7,052	431.1	0.0	6,621.2
Rowland Water District *	14,741	515.9	0.0	14,225.1
Suburban Water Systems *	1,961	0.0	0.0	1,961.0
Three Valleys MWD	NA		0.0	NA
Valencia Heights Water Co *	464	0.0	0.0	464.0
Walnut Valley Water District *	26,057	1,248.2	0.0	24,808.5

\* Deliveries to JWL are assigned to Pomona, RWD, and WVWD.

Deliveries to PM-24 are assigned to Suburban, VHWC, and WVWD.

Deliveries to CIC are assigned to Covina, Glendora, GSWC, SWS, and VHWC.

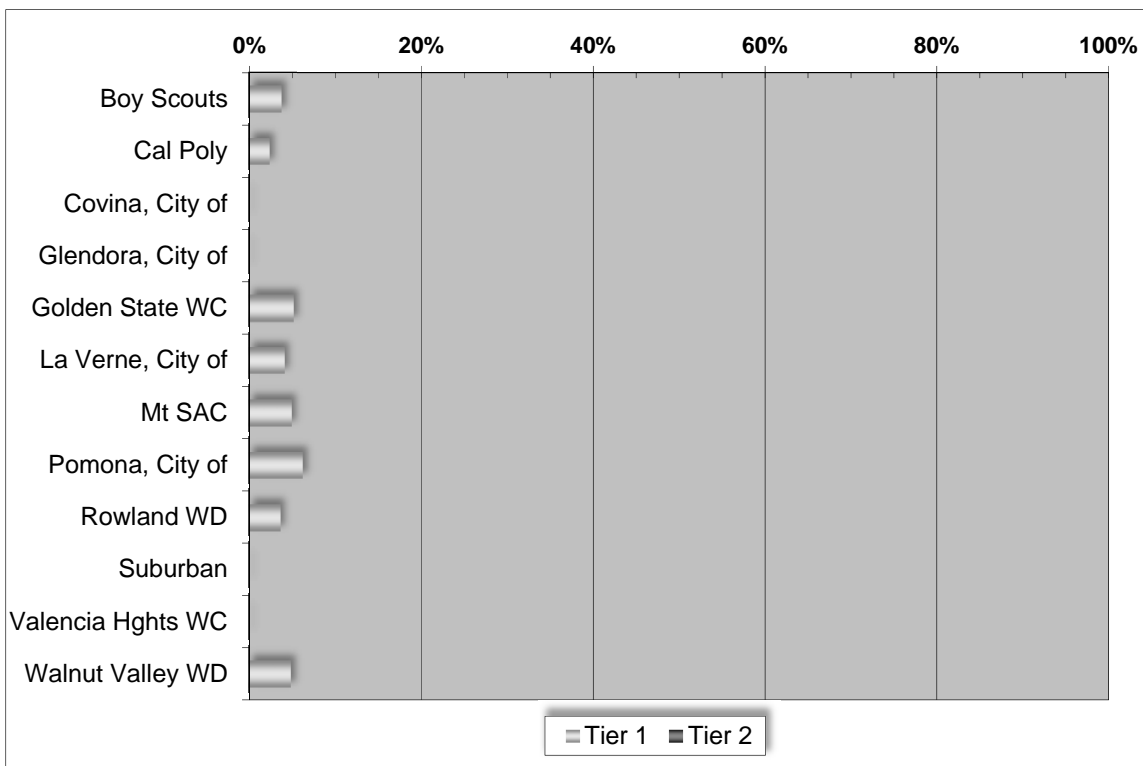
Quantities apportioned to above agencies are preliminary based on available data.

**TVMWD Tier 1 Allowable = 80,688**

**MWD Tier 1 Deliveries = 3,973**

**TVMWD Tier 1 Balance = 76,715**

**Overage by Individual Agencies = 0.0**







## Staff Report/Memorandum

**To:** TVMWD Board of Directors  
**From:** Richard W. Hansen, General Manager *RH*  
**Date:** February 21, 2018  
**Subject:** Legislative Update – February 2018

<input type="checkbox"/>	<b>For Action</b>	<input type="checkbox"/>	<b>Fiscal Impact</b>	<input type="checkbox"/>	<b>Funds Budgeted</b>
<input checked="" type="checkbox"/>	<b>Information Only</b>	<input type="checkbox"/>	<b>Cost Estimate:</b>	<b>\$</b>	

### Discussion:

#### **State Update**

The first several weeks of the current legislative year were spent focusing on two-year bills and had to be out of their house of origin by January 31<sup>st</sup> to be eligible for further consideration during 2018. Further, legislators introduced over a thousand new bills prior to the bill introduction deadline of February 16<sup>th</sup>. TVMWD is tracking a handful of the bills and will provide the Board with the initial legislative status report in March.

#### **2018-2019 Budget**

Governor Brown released his final proposed budget for 2018-2019 in January. The budget is predicted to have a \$6.1 billion one-time surplus with a high priority on using the surplus to build reserves. The Governor proposes a total reserve balance of nearly \$16 billion, including an optional \$3.5 billion deposit into the state's rainy-day fund. Additional resources are also proposed to be spent on funding for education and infrastructure. The Governor supports one-time spending and infrastructure repairs, but warned that permanent spending and new ongoing spending coupled with a recession will cause a severe deficit.

Both houses of the Legislature held their initial hearings to review the Governor's budget proposal. The Chairs of both Budget Committees stated that the Governor's proposal is going in the right direction. The real debate will start after the release of the May Revision to the Budget proposal on May 15<sup>th</sup>. At that time there will be a better indication of exactly how much of a surplus is available in the budget. The Legislature and the Governor will have to come to an agreement on how to spend it. It is anticipated that a deal will be reached, and the State will have an on-time budget by June 15<sup>th</sup>, which would mark the eighth year in a row.

## **State of the State**

At Governor Brown's last State of the State speech, he spent a great deal of time talking about the environment and the impact on California. Referencing the recent fires and mudslides, the Governor also talked about clean air and clean water with mention of several other key policy areas and his plans for the coming year:

*"Finally, we have the California Waterfix, a long studied and carefully designed project to modernize our broken water system. I am convinced that it will conserve water, protect the fish and the habitat in the Delta and ensure the delivery of badly needed water to the millions of people who depend on California's aqueducts. Local water districts -- in both the North and South -- are providing the leadership and the financing because they know it is vital for their communities, and for the whole state. That is true, and that is the reason why I have persisted."*

## **Leadership Change**

Senator Toni Atkins will become the new President pro Tempore of the California State Senate, with the swearing-in ceremony scheduled to take place on March 21. The current President pro Tempore, Kevin De Leon, is running for U. S. Senate against Senator Diane Feinstein. Assembly Member Anthony Rendon will remain in his role as the Speaker of the Assembly. As we mentioned last month, our local Senator Connie Leyva was selected as the Democratic Caucus Chair in the Senate and Assemblyman Ian Calderon is the Majority Floor Leader in the Assembly.

## **Vacant Legislative Seats**

There are currently three vacant seats in the Assembly. Assembly Member Bocanegra and Assembly Member Dababneh both resigned under sexual harassment allegations. Assembly Member Ridley-Thomas resigned due to health reasons. A special primary election for all three seats will be held on April 3. The special general election will be combined with the June primary. All three members who resigned are Democrats which brings the total number of Democrats in the Assembly down to 52 which is less than the two-thirds supermajority (54). The Assembly Democrats do not have the potential to regain the supermajority until after the June election.

In the Senate, Senator Mendoza has taken a leave of absence pending an investigation into sexual harassment allegations so there is also a temporary vacant seat in the Senate. Senator Mendoza is a Democrat which brings the Democrat's total in the Senate down to 26 seats. This is less than the 27 seats required for a supermajority. It is unclear what the future outcome will be regarding Senator Mendoza, who has a small portion of his district in the TVMWD service area.

## **2018 Elections**

As in every even year, all 80 Assembly districts and 20 of the 40 Senate districts are up for election during 2018. This year, even numbered Senate districts will be up for election. For new candidates, with the 12-year term limit in effect, the winners of the 2018 election will be serving until 2030, assuming they win re-election as incumbents – which is normally the case.

The June 2018 ballot will be very complicated. Not only will it contain the general election for the three vacant seats in the Assembly, and the primary election for all seats (including the three vacant seats), it will also contain the recall for Senator Josh Newman. There will also be four ballots measures that have been placed there by the Legislature. These measures range from tightening up the transportation tax money, a \$4 billion water and park bond, to greenhouse gas reduction reserves. The November 2018 ballot will include a \$4 billion housing bond in addition to many initiatives that are currently being circulated for signatures.

## **Water Bonds**

Further on the variety of bonds, ACWA is urging its members to send a resolution in support of the two big water bonds that will come before voters this year:

- California Drought, Water, Parks, Coastal Protection, and Outdoor Access for All Act (Proposition 68) - \$4.1 Billion Bond – June ballot
  - Includes \$1.6 Billion to fund water-related projects, including safe drinking water for DACs
- State Water Supply Infrastructure, Water Conveyance, Ecosystem and Water Protection Act of 2018 - \$8.9 Billion Bond – November ballot
  - Funds wide range of projects, including safe drinking water, SGMA implementation and watershed improvements

Attached for Board review is a sample resolution provided by ACWA, requesting support from the TVMWD Board for the collective bonds. If the Board desires to proceed with a resolution of support, staff will prepare and present one to the Board for approval in March.

## **Strategic Plan Objectives:**

1.7 – Advocate for a Bay-Delta fix

3.5 – Ensure that all of the region’s local government policy makers understand TVMWD’s role in the delivery of water.



## 2018 Legislative Calendar

January 1	2017 Statutes take effect
<b>January 3</b>	<b>Legislature reconvenes.</b>
January 10	Budget Bill must be submitted by Governor.
<b>January 12</b>	<b>Last day for policy committees to hear and report to Fiscal Committees fiscal bills introduced in their house in the odd numbered year.</b>
January 19	Last day for any committee to hear and report to the floor, bills introduced in that house in the odd numbered year.
January 31	Last day for each house to pass bills introduced in that house in the odd numbered year.
<b>February 16</b>	<b>Last day for bills to be introduced.</b>
March 22	Spring Recess begins at the end of this day's session.
April 2	Legislature reconvenes from Spring Recess.
<b>April 27</b>	<b>Last day for policy committees to meet and report to Fiscal Committees fiscal bills introduced in their house.</b>
<b>May 11</b>	<b>Last day for policy committees to meet and report to the floor non-fiscal bills introduced in their house.</b>
<b>May 18</b>	<b>Last day for policy committees to meet prior to June 4.</b>
<b>May 25</b>	<b>Last day for Fiscal Committees to hear and report bills to the floor, bills introduced in their house. Last day for Fiscal Committees to meet prior to June 4.</b>
May 29-June 1	Floor session only. No committee may meet for any purpose except for Rules Committee, bills referred pursuant to Assembly Rule 77.2 and Conference Committees.
June 1	Last day for bills to be passed out of the house of origin.
June 4	Committee meetings may resume.
<b>June 15</b>	<b>Budget bill must be passed by midnight.</b>
<b>June 28</b>	<b>Last day for a legislative measure to qualify for the November 6 General Election ballot.</b>
<b>June 29</b>	<b>Last day for policy committee to hear and report fiscal bills to Fiscal Committees.</b>
<b>July 6</b>	<b>Last day for policy committees to meet and report bills.</b> Summer Recess begins upon adjournment, provided Budget Bill has been passed.
August 6	Legislature reconvenes from Summer Recess.
<b>August 17</b>	<b>Last day for Fiscal Committees to meet and report bills to the floor.</b>
August 20-31	Floor Session Only. No committee may meet for any purpose.
August 24	Last day to amend bills on the Floor.
<b>August 31</b>	<b>Last day for each house to pass bills. Final Recess begins upon adjournment.</b>
<b>September 30</b>	<b>Last day for Governor to sign or veto bills passed by the Legislature.</b>



## TWO COMPLEMENTARY WATER BONDS WILL GO BEFORE VOTERS IN 2018

As securing California's water future becomes increasingly challenging, ensuring funding to mitigate the results of climate change, aging infrastructure, natural disasters and population growth are more important than ever. In response to those challenges, voters will have the opportunity to approve two general obligation bonds in 2018. One measure will appear on the June 2018 ballot, and the other measure will likely appear on the November 2018 ballot.

The two measures are complementary and, if approved, would work together to fund water-related projects intended to provide safe drinking water to disadvantaged communities, improve water supply reliability, help implement the Sustainable Groundwater Management Act (SGMA) and restore watersheds.

In recognition of the need for this funding, the Association of California Water Agencies (ACWA) Board of Directors voted unanimously to support both bonds.

The California Drought, Water, Parks, Coastal Protection, and Outdoor Access for All Act of 2018, will be placed on the June 2018 ballot as Proposition 68. This legislative bond measure resulted from the passage with bipartisan support of SB 5 (de León, 2017). This measure would authorize \$4.1 billion in general obligation bonds to finance water and park projects, climate change preparedness, coastal protection, and outdoor access.

Examples of its water project funding include money for safe drinking water for disadvantaged communities and funding for SGMA implementation.

The State Water Supply Infrastructure, Water Conveyance, Ecosystem and Watershed Protection and Restoration and Drinking Water Protection Act of 2018 (the November bond) is an \$8.9 billion water bond initiative measure. Initiative backers are currently completing the signature collection process to qualify the measure for placement on the November 2018 ballot. This bond would fund a wide range of water projects from safe drinking water projects to SGMA implementation and watershed improvements.

Though two separate measures, both would work together as a complementary pair to appropriate funding to a variety of needed projects. Together, they would provide more than \$10 billion for drought preparedness projects, flood protection, safe drinking water, implementation of the Sustainable Groundwater Management Act, and other projects that will improve water supply reliability and ecosystem health.

**The Association of California Water Agencies Board of Directors voted unanimously to support both bonds.**



## INVESTMENT IN THE CALIFORNIA WATER ACTION PLAN

The California Water Action Plan of 2014, was a major step in the right direction during California's most severe drought in recent history. The multi-prong plan, whose roots stem from ACWA's Statewide Water Action Plan (SWAP), outlines priority actions addressing water conservation, groundwater management, ecological restoration, Delta conveyance solutions, water storage, safe drinking water and more.

Since 2014, the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (also known as Proposition 1) has provided much needed investment in water supply reliability and ecosystem health projects and has also leveraged local and federal cost share funds.

Much like Proposition 1, both 2018 bonds, if approved, would result in an influx of local investment. Except for the storage component, pending qualification for bond funds, it's expected most of the money from Proposition 1 will be committed by 2019. As such, Proposition 68 and the November bond will help replenish the soon-to-be depleted funding source.

ACWA believes the two bonds are complementary initiatives that would serve California tremendously and help build upon the successes of Proposition 1. Enactment of the measures would secure further investment in the California Water Action Plan.







## FUNDING THE FUTURE OF SUSTAINABLE GROUNDWATER MANAGEMENT

The Sustainable Groundwater Management Act of 2014 (SGMA) established a new program for management of California's groundwater. SGMA required the formation of local Groundwater Sustainability Agencies (GSAs). It requires GSAs to develop and implement Groundwater Sustainability Plans (GSPs) that are consistent with Department of Water Resources' GSP regulations. This is a complex program that is very challenging and costly to implement.

The Legislature passed SGMA and the bill (AB 1471, Rendon, 2014) that became Proposition 1 (the 2014 Water Bond) in the same year. Because the bills that comprised SGMA and AB 1471 were being written and

moved through the Legislature at the same time, the funding for SGMA implementation was added late in the bond negotiation process. As a result, Proposition 1 included only \$100 million for SGMA implementation. The Legislature recognized then that more funding was needed. Essentially all of the remaining Proposition 1 SGMA funding is being committed in 2018.

The writers of Proposition 68 and the November bond recognized that additional bond funding was needed for SGMA implementation. Proposition 68 and the November bond would provide \$50 million and \$640 million, respectively, for SGMA implementation.

Essentially all of the remaining Proposition 1 SGMA funding is being committed in 2018.

# WATER BONDS FUNDING COMPARISON

Funding Category	Proposition 68 \$4.1 B (June Ballot)	November Bond \$8.9 B
	Funding in Millions	Funding in Millions
Forest Protection	\$110	\$120
Recycled Water and Desalination	\$80	\$800
Safe Drinking Water (and Wastewater)	\$330	\$750
SGMA Implementation	\$50	\$640
Conservation	\$20	\$365
Flood Management	\$550	\$500
Stormwater	\$100	\$400
Oroville Dam Safety	\$0	\$222
Madera & Friant-Kern Canals Improvements	\$0	\$750

*This is a highlight comparison of the funding categories in the two water bonds. This is not a complete list of the funding categories.*

*This publication is intended to provide general information about how Proposition 68 and the proposed November water bond would affect ACWA member agencies. Readers are encouraged to research the opponents' and proponents' views on both bonds.*

## FOR MORE INFORMATION

Questions about the two water bonds may be directed to ACWA Deputy Executive Director for Government Relations **Cindy Tuck** at [cindyt@acwa.com](mailto:cindyt@acwa.com).

**Sample Resolution for Cities/Counties/Special Districts in Support of the  
2018 Water Bonds: Proposition 68 and the State Water Supply  
Infrastructure, Water Conveyance, Ecosystem and Watershed Protection  
and Restoration, and Drinking Water Protection Act of 2018**

**WHEREAS**, California faces a new climate reality and a growing list of challenges associated with aging infrastructure, natural disasters, climate change, population growth and other factors; and

**WHEREAS**, the water community agrees that funding is needed to improve water supply reliability and ecosystem health in California; and

**WHEREAS**, the Legislature passed SB 5 (de León) which will be on the June 2018 ballot as Proposition 68 and which would set forth The California Drought, Water, Parks, Coastal Protection, and Outdoor Access for All Act of 2018; and

**WHEREAS**, a diverse group of stakeholders including water managers has developed The State Water Supply Infrastructure, Water Conveyance, Ecosystem and Watershed Protection and Restoration, and Drinking Water Protection Act of 2018 which will likely appear on the November 2018 ballot; and

**WHEREAS**, if approved by voters, these complementary measures would provide more than \$10 billion in General Obligation bond funding for drought preparedness projects, flood protection, safe drinking water, implementation of the Sustainable Groundwater Management Act, and other projects that will improve water supply reliability and ecosystem health; and

**WHEREAS**, projects funded through these bonds would provide substantial benefits for California communities and help ensure safe and reliable water for California's future; and

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of \_\_\_\_\_ formally supports Proposition 68 (June ballot) and the State Water Supply Infrastructure, Water Conveyance, Ecosystem and Watershed Protection and Restoration, and Drinking Water Protection Act of 2018 (November ballot).



# DIRECTOR EXPENSE SHEET

Submit Form

## Item 8.A.2

**NAME:** Brian Bowcock, Division 3

**MONTH / YEAR**

January 2018

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	3	TVMWD Board Meeting	La Verne	Claremont	10.0	\$ 5.45	\$ 200.00
Going over issues with the region.							
2	8	David & Margaret Exec. Board meeting	La Verne				\$ 200.00
Discussion of all phases of the operation of the facility.							
3	9	Claremont Chamber of Commerce	La Verne				\$ 200.00
Monthly breakfast meeting with the businesses in the community.							
4	10	Active Claremont BOD	La Verne				\$ 200.00
Regular meeting of the board to establish new officers.							
5	11	Water Forum committee	La Verne	Azusa	20.0	\$ 10.90	\$ 200.00
Start working on the September event for the San Gabriel Valley.							
6	22	David & Margaret BOD meeting	La Verne				\$ 200.00
Discussion of issues dealing with the monthly concerns of the property.							
7	24	Six Basins	La Verne	Claremont	10.0	\$ 5.45	\$ 200.00
Election of new officers and issues within the region.							
8	25	SCWUA regular monthly meeting	La Verne				\$ 200.00
Speaker talked about water issues in California							
9	30	USC Board for backflow technology	La Verne	Los Angeles	74.0	\$ 40.33	\$ 200.00
Regular trustees meeting to discuss issues with the backflow programs. Ongoing projects with San Gabriel Valley Watermaster.							
10	31	TVMWD Leadership breakfast	La Verne				\$ 200.00
The speaker gave a program on water, along with networking with the other agencies within the district as well as other guests.							

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
2			
3			
4			
5			

*I certify the above is correct and accurate to the best of my knowledge*

Signature \_\_\_\_\_

Subtotal Miscellaneous Expense	\$ 0.00
Subtotal Mileage	\$ 62.13
Subtotal Meeting Compensation	\$ 2,000.00
Subtotal All	\$ 2,062.13
Mandatory Deferred Compensation @ 7.5%	(\$ 150.00)
Voluntary Deferred Compensation <i>(negative entry: default @ 0)</i>	(\$ 1,350.00)
<b>TOTAL</b>	<b>\$ 562.13</b>

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



# DIRECTOR EXPENSE SHEET

Submit Form

## Item 8.A.2

**NAME:** David De Jesus, Division 2

**MONTH / YEAR**

January

2018

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	3	Board Meeting Workshop	Walnut	Claremont	34.0	\$ 18.53	\$ 200.00
Staff provided a report on the role of the investment manager. The directors were also provided with a succession planning update.							
2	5	Conference call meeting with MWD member agency directors and managers					\$ 200.00
Meeting was held to discuss issues related to local MWD member agencies as they related to MWD's published agenda for the month of January.							
3	11	Chino Basin Annual Appropriative Pool Meeting	Walnut	Rancho Cucamonga	42.0	\$ 22.89	\$ 200.00
New officers were elected to lead the Appropriative Pool for the 2018 calendar year. Reports on the Chino Basin Watermaster 40th annual report was presented along with discussion for consideration of local storage agreements.							
4	12	Executive Committee Meeting	Walnut	Glendora	24.0	\$ 13.08	\$ 200.00
Met with the GM and President of the District to discuss various issues in progress and obtained the status of each.							
5	17	Board Meeting	Walnut	Claremont	34.0	\$ 18.53	\$ 200.00
Attended the board meeting in representation of Division 2 residents. Heard various reports and presentations, and took action on the issues as necessary, including but not limited to reappointment of Directors as representatives to outside agencies.							
6	18	Chino Basin Annual Advisory Committee Meeting	Walnut	Rancho Cucamonga	42.0	\$ 22.89	\$ 200.00
New officers were introduced with Jeff Pierson (Chair) and Todd Corbin (Vice Chair) leading the group. The Committee reviewed the CBWM Investment policy and approved the 2018 Volume Vote							
7	22	San Gabriel Valley Water Association Board Meeting	Walnut	Azusa	20.0	\$ 10.90	\$ 200.00
Attended and reported on action taken at Three Valleys and MWD and fielded questions related to the California Delta Fix, Carson update, and water supply.							
8	25	Chino Basin Watermaster Board Meeting	Walnut	Rancho Cucamonga	42.0	\$ 22.89	\$ 200.00
Elections of the board officers were held with Bob DiPrimio elected as Chair, Jeff Pierson as Vice Chair and our own Bob Kuhn as Secretary/Treasurer.							
9	31	Leadership Breakfast	Walnut	Pomona	14.0	\$ 7.63	\$ 200.00
The standing room only crowd heard a presentation from Ed Means on the need to have a formal and structured plan to address innovation in the water industry.							
10							

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
2			
3			
4			
5			

*I certify the above is correct and accurate to the best of my knowledge*

Signature \_\_\_\_\_

Subtotal Miscellaneous Expense	\$ 0.00
Subtotal Mileage	\$ 137.34
Subtotal Meeting Compensation	\$ 1,800.00
Subtotal All	\$ 1,937.34
Mandatory Deferred Compensation @ 7.5%	(\$ 135.00)
Voluntary Deferred Compensation <i>(negative entry; default @ 0)</i>	(\$ 856.00)
<b>TOTAL</b>	<b>\$ 946.34</b>

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15





# DIRECTOR EXPENSE SHEET

Submit Form

## Item 8.A.2

**NAME:** David De Jesus, MWD

**MONTH / YEAR**

January

2018

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	2	Conference call with Operations Manager Jim Green	Walnut				\$ 200.00
Monthly meeting to provide updates to operations as it related to water supply deliveries to local water basins. And discuss developing issues to provide input from a Directors perspective.							
2	4	Southern Coalition/Inland Empire Caucus Meeting					\$ 200.00
Attended meeting with MWD Chairman and other directors to review the MWD agenda and discuss various impacts to our agencies.							
3	8	Committee Meeting Day					\$ 200.00
Attended various committee meetings as assigned, oral report is provided to the board as required.							
4	9	Board Meeting					\$ 200.00
Attended the meeting on behalf of Three Valleys constituents as assigned by its Board of Directors, oral report is provided as required.							
5	10	Colorado Board Meeting					\$ 200.00
Attended the CRB Meeting as assigned as MWD's alternate.							
6	16	Meeting with MWD operations Manager Jim Green					\$ 200.00
Conference call with Mr. Green regarding possible meeting with a select directors regarding the status of enhancements to the security and safety primarily at the MWD main HQ. Due to sensitivities in disclosure details are to remain confidential. A presentation is scheduled for the end of the month.							
7	19	Meeting with San Diego					\$ 200.00
The second meeting with MWD's Vice chairs and the Chairman with representatives of the San Diego County Water Authority. Various issues were discussed relative to manners and methods in enhancing relations with both agencies.							
8	23	Executive Committee Meeting Day					\$ 200.00
Attended the meeting to review and approve the agenda for the coming month and to hear a status report the progress made in the effort to reestablish an ethics office.							
9	29	Facility Security Meeting / Staff Presentation					\$ 200.00
Meeting with operations manager, COO, and security personnel to review, discuss and provide input and feedback on progress being made and to be presented in the enhancement to both HQ and facility security.							
10	30	Meeting with COO Deven Upadhyay					\$ 200.00
Meeting with COO Upadhyay to discuss developing issues to be addressed at the committee level. Input and feedback provided from a Director's perspective for the presentation development and enhancement.							

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
2			
3			
4			
5			

Subtotal Miscellaneous Expense	\$ 0.00
Subtotal Mileage	\$ 0.00
Subtotal Meeting Compensation	\$ 2,000.00
Subtotal All	\$ 2,000.00
Mandatory Deferred Compensation @ 7.5%	(\$ 150.00)
Voluntary Deferred Compensation <i>(negative entry: default @ 0)</i>	(\$ 871.00)
<b>TOTAL</b>	<b>\$ 979.00</b>

*I certify the above is correct and accurate to the best of my knowledge*

Signature \_\_\_\_\_

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



# DIRECTOR EXPENSE SHEET

Submit Form

## Item 8.A.2

**NAME:** Carlos Goytia, Division 1

**MONTH / YEAR**

January

2018

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	5	TVMWD Board Meeting Workshop	Pomona	Claremont	32.0	\$ 17.44	\$ 200.00
Participated in board room deliberations and discussions.							
2	6	City of Pomona	Pomona	Pomona	8.0	\$ 4.36	\$ 200.00
City event met with the Mayor, City Council Members and Regional Leaders.							
3	11	SGVRC - HR Seminar	Pomona	Walnut	16.0	\$ 8.72	\$ 200.00
Human Resources related topics discussed.							
4	13	Assembly Member Freddie Rodriguez - Community Coffee Event	Pomona	Pomona	8.0	\$ 4.36	\$ 200.00
Attended and participated in event to discuss local and legislative updates.							
5	17	TVMWD Board Meeting	Pomona	Claremont	32.0	\$ 17.44	\$ 200.00
Participated in board room deliberations and discussions.							
6	18	SGVCOG - Governing Board Meeting	Pomona	Monrovia	38.0	\$ 20.71	\$ 200.00
Attended and participated in board room discussions and deliberations.							
7	24	Supervisor Hilda Solis - District Director Norma Martinez	Pomona	Pomona	8.0	\$ 4.36	\$ 200.00
Met with Pomona District Director Norma Martinez to discuss City and County related issues.							
8	25	SCWUA Luncheon Meeting	Pomona	Pomona	8.0	\$ 4.36	\$ 200.00
Member's meeting and luncheon with guest speaker.							
9	26	Assembly Member Freddie Rodriguez - Mayor Tim Sandoval	Pomona	Chino	14.0	\$ 7.63	\$ 200.00
Assembly Member requested to meet with myself and City of Pomona Mayor Tim Sandoval to discuss potential future projects and partnerships.							
10	31	TVMWD Leadership Breakfast	Pomona	Pomona	8.0	\$ 4.36	\$ 200.00
Guest Speaker Ed Means from Means Consulting LLC. "Fostering Innovation within Water Utilities".							

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
2			
3			
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5			

Subtotal Miscellaneous Expense	\$ 0.00
Subtotal Mileage	\$ 93.74
Subtotal Meeting Compensation	\$ 2,000.00
Subtotal All	\$ 2,093.74
Mandatory Deferred Compensation @ 7.5%	(\$ 150.00)
Voluntary Deferred Compensation <i>(negative entry; default @ 0)</i>	\$ 0.00
<b>TOTAL</b>	<b>\$ 1,943.74</b>

*I certify the above is correct and accurate to the best of my knowledge*

\_\_\_\_\_  
Signature

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



**DIRECTOR EXPENSE SHEET**

Submit Form

**Item 8.A.2**

**NAME:** Dan Horan, Division 7

**MONTH / YEAR**

January

2018

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	3	TVMWD Board Meeting Workshop meeting more relaxed atmosphere	West Covina	Claremont	30.0	\$ 16.35	\$ 200.00
2	9	WOA Admin/Fin Committee meeting Finance/Administration conversations	West Covina	West Covina	14.0	\$ 7.63	\$ 200.00
3	10	WOA Legislative Committee Meeting Open forum verbal legislative analysis	West Covina	West Covina	14.0	\$ 7.63	\$ 200.00
4	11	SGV Regional Chamber HR Seminar Professional Presentation by licensed attorneys	West Covina	Walnut	8.0	\$ 4.36	\$ 200.00
5	17	TVMWD Board Meeting Routine Bi-Monthly General meetings	West Covina	Claremont	30.0	\$ 16.35	\$ 200.00
6	18	IMC Management Operations Luncheon Organized by City of Industry	West Covina	Industry	8.0	\$ 4.36	\$ 200.00
7	19	Southern California Water Committee Luncheon Presented by Southern California Water Committee	West Covina	Riverside	76.0	\$ 41.42	\$ 200.00
8	25	SCWUA Luncheon Meeting Awards presentation	West Covina	Pomona	22.0	\$ 11.99	\$ 200.00
9	31	TVMWD LEADERSHIP BREAKFAST Presentation by Metropolitan Water	West Covina	Pomona	22.0	\$ 11.99	\$ 200.00
10							

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
2			
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*I certify the above is correct and accurate to the best of my knowledge*

Signature \_\_\_\_\_

Subtotal Miscellaneous Expense	\$ 0.00
Subtotal Mileage	\$ 122.08
Subtotal Meeting Compensation	\$ 1,800.00
Subtotal All	\$ 1,922.08
Mandatory Deferred Compensation @ 7.5%	(\$ 135.00)
Voluntary Deferred Compensation <i>(negative entry; default @ 0)</i>	\$ 0.00
<b>TOTAL</b>	<b>\$ 1,787.08</b>

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15





**DIRECTOR EXPENSE SHEET**

Submit Form

**Item 8.A.2**

**NAME:** Bob Kuhn, Division 4

**MONTH / YEAR**

January

2018

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	3	TVMWD Board Meeting	Glendora	Claremont	20.0	\$ 10.90	\$ 200.00
Business of the District workshop.							
2	6	Executive committee.	Glendora	Glendora	20.0	\$ 10.90	\$ 200.00
Go over issues on the upcoming agenda.							
3	17	Board meeting	Glendora	Claremont			\$ 200.00
Normal business of the district.							
4	26	Meeting with Foothill Transit, SGV-COG	Glendora	Irwindale	26.0	\$ 14.17	\$ 200.00
Meeting with representatives from Foothill Transit and SGV-COG regarding planning forthcoming trip to Washington DC.							
5							
6							
7							
8							
9							
10							

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
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Subtotal Miscellaneous Expense \$ 0.00

Subtotal Mileage \$ 35.97

Subtotal Meeting Compensation \$ 800.00

Subtotal All \$ 835.97

Mandatory Deferred Compensation @ 7.5% (\$ 60.00)

Voluntary Deferred Compensation *(negative entry; default @ 0)* \$ 0.00

**TOTAL \$ 775.97**

*I certify the above is correct and accurate to the best of my knowledge*

Signature \_\_\_\_\_

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



# DIRECTOR EXPENSE SHEET

Submit Form

## Item 8.A.2

**NAME:** John Mendoza, Division 6

**MONTH / YEAR**

January

2018

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	3	TVMWD Board meeting	Pomona	Claremont			\$ 200.00
Meeting of Board to vote on issues important to the District and member agencies.							
2	11	SGV Regional Chamber HR forum	Pomona	Walnut			\$ 200.00
Meeting to address important work site and employer issues affecting businesses. State laws update.							
3	17	TVMWD Board of Directors meetingg	Pomona	Claremont			\$ 200.00
Follow up meeting of the BOD to finalize and vote on District issues.							
4	18	SGVEP Power Luncheon	Pomona	Industry			\$ 200.00
Meeting of local businesses and government agencies to discuss issues important to the region. Guarding against threat and breaches. How to protect against computer intrusion.							
5	19	Southern California Water Committee Quarterly Luncheon	Pomona	Riverside			\$ 200.00
New State Water Control Board introduces herself to members.							
6	20	Coffee with Assembly member Freddie Rodriguez	Pomona	Pomona			\$ 200.00
Addressed the mayor and city council about decision of the TVMWD Board to track and report on water-related issues. Community engagement with Assemblymen Rodriguez on important topics important to the city and District.							
7	22	City Council Meeting Pomona	Pomona	Pomona			\$ 200.00
Attended and observed Pomona City Council meeting.							
8	24	Six Basins	Pomona	Claremont			\$ 200.00
Meeting of stakeholders to address issues of the basln.							
9	25	SCWUA Luncheon	Pomona	Pomona			\$ 200.00
Topic: Water Issues Affecting Southern California. Mavens Note Book (Chris Austin)							
10	31	TVMWD Leadership Breakfasta	Pomona	Pomona			\$ 200.00
Speaker Ed Means addresses important issue of how to foster innovation in the work place for utilities.							

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
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*I certify the above is correct and accurate to the best of my knowledge*

\_\_\_\_\_  
Signature

Subtotal Miscellaneous Expense	\$ 0.00
Subtotal Mileage	\$ 0.00
Subtotal Meeting Compensation	\$ 2,000.00
Subtotal All	\$ 2,000.00
Mandatory Deferred Compensation @ 7.5%	(\$ 150.00)
Voluntary Deferred Compensation <i>(negative entry; default @ 0)</i>	\$ 0.00
<b>TOTAL</b>	<b>\$ 1,850.00</b>

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



# DIRECTOR EXPENSE SHEET

Submit Form

## Item 8.A.2

**NAME:** Joe Ruzicka, Division 5

**MONTH / YEAR**

January 2018

No	Day	Title of Meeting / Description	Mileage (assumed as round trip unless noted)				Meeting Compensation
			From City	To City	Miles	Miles \$	
1	3	TVMWD - Board Meeting	Diamond Bar	Claremont	40.0	\$ 21.80	\$ 200.00
Attended and participated in the deliberations.							
2	9	RWD - Board Meeting	Diamond Bar	Rowland Hgts	14.0	\$ 7.63	\$ 200.00
Attended and apprised myself of the concerns of a member agency.							
3	10	LAFCO - Commission Meeting	Diamond Bar	Los Angeles	60.0	\$ 32.70	\$ 200.00
Attended and apprised myself of the issues being discussed as Alternate Special District Representative.							
4	16	WWWD - Board Meeting	Diamond Bar	Walnut	10.0	\$ 5.45	\$ 200.00
Attended and apprised myself of issues of concern to a member agency.							
5	17	TVMWD - Board Meeting	Diamond Bar	Claremont	40.0	\$ 21.80	\$ 200.00
Attended and participated in the deliberations.							
6	18	IMC - Membership Meeting	Diamond Bar	City of Industry	20.0	\$ 10.90	\$ 200.00
Attended and heard a presentation by Paul Phillips, City Manager							
7	19	Lincoln Club - Los Angeles County Sheriff Jim McDonnell	Diamond Bar	West Covina	30.0	\$ 16.35	\$ 200.00
Attended and was given an update on law enforcement for the County in the last year.							
8	25	SCWUA - Membership Meeting	Diamond Bar	Pomona	20.0	\$ 10.90	\$ 200.00
Attended and was given an update on water projects in the state.							
9	31	TVMWD - Leadership Breakfast	Diamond Bar	Pomona	20.0	\$ 10.90	\$ 200.00
Attended and heard a presentation by Mr. Ed Means, Consultant regarding innovation in the water industry.							
10			Diamond Bar				

No	Day	Miscellaneous Expense (please itemize each expense)	Misc. Expense
1			
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*I certify the above is correct and accurate to the best of my knowledge*

\_\_\_\_\_  
Signature

Subtotal Miscellaneous Expense	\$ 0.00
Subtotal Mileage	\$ 138.43
Subtotal Meeting Compensation	\$ 1,800.00
Subtotal All	\$ 1,938.43
Mandatory Deferred Compensation @ 7.5%	(\$ 135.00)
Voluntary Deferred Compensation <i>(negative entry; default @ 0)</i>	\$ 0.00
<b>TOTAL</b>	<b>\$ 1,803.43</b>

\* Mileage is reimbursed at IRS Standard Business Mileage Rate

\*\*Directors are eligible for ten meeting days per month at \$200 per day. Ordinance Nos. 02-01-7 and 02-07-15



## Staff Report/Memorandum

**To:** TVMWD Board of Directors  
**From:** Richard W. Hansen, General Manager  
**Date:** February 21, 2018  
**Subject:** Award TVMWD Grand Avenue Well (Phase 1 – Drilling/Development)  
 Construction Project No. 58446

<input checked="" type="checkbox"/>	<b>For Action</b>	<input checked="" type="checkbox"/>	<b>Fiscal Impact</b>	<input checked="" type="checkbox"/>	<b>Funds Budgeted</b>
<input type="checkbox"/>	<b>Information Only</b>	<input checked="" type="checkbox"/>	<b>Cost Estimate:</b>	<b>\$900,000</b>	

### Requested Action:

Award the construction contract to South West Pump & Drilling, Inc. for Phase 1 – Drilling/Development of TVMWD Grand Avenue Well Project at a cost not-to-exceed \$900,000.

### Discussion:

The final design and bid documents for Phase 1 (well drilling/development) of the proposed Grand Avenue Well Project were completed and advertised for public bidding. A mandatory pre-bid meeting was held on January 3, 2018 and sealed bids were opened on January 16, 2018. The preliminary bid results are shown in Table 1 below. Three bids were received ranging from \$785,000 to \$1.17 million with a difference of 6.7% between the two lowest bids and 49% difference between the lowest and highest bids.

**Table 1 – Summary of Bid Results for Grand Avenue Well**

No.	Consulting Firm	Option 1 - HSLA Steel (Louvers)
1	South West Pump & Drilling	\$785,614
2	Layne Christensen Co.	\$838,304
3	Pacifica Coast Well Drilling	\$1,170,950

The bid schedule required several alternative bid items: A-1) The hydrogeologist and staff anticipate there are likely large cobbles within the upper 200 to 400 feet that will likely result in “slow drilling conditions” less than 5 feet per hour. This is typically referred to as a “rock clause”. The Alternative Bid Items are shown in Table 2 below.

**Table 2 – Alternate Bid Items for Grand Avenue Well**

	Consulting Firm	Cost / Foot
1	South West Pump & Drilling	\$250
2	Layne Christensen Co.	\$475
3	Pacific Coast Well Drilling	\$1,500

# Item 8.B.1

The potential additional drilling cost will vary depending on the actual soil formations encountered. The proposed well depth is 820 feet. If a total of 400 linear feet becomes subject to the 5 feet/hour drilling rate, the additional cost would be \$100,000, \$190,000, and \$600,000 for the three contractors, respectively.

Staff has reviewed the bid and financial information provided by the apparent low bidder (South West Pump & Drilling, Inc.) and has found the submittal to be complete. South West Pump & Drilling has successful experience on similar projects with various water agencies. Accordingly, staff recommends that, South West Pump & Drilling, Inc. be awarded the construction contract for the drilling/development phase of TVMWD's Grand Avenue Well, Project No. 58446. A contract budget of \$900,000 is requested to account for potential drilling contingencies. The construction work and related activities are anticipated to require approximately four months to complete.

## **Strategic Plan Objective(s)**

- 1.3 – Maintain diverse sources of water supplies and storage, and increase water storage supplies to 10,000 AF
- 1.4 – Capable of delivering 10,000 AFY from local sources in case of drought or catastrophe
- 2.1 – Utilize 10,000 AF of well production to meet annual demands



Staff Report/Memorandum

To: TVMWD Board of Directors
From: Richard W. Hansen, General Manager
Date: February 21, 2018
Subject: Project Summary Update

Form with checkboxes for For Action, Information Only, Fiscal Impact, Cost Estimate, and Funds Budgeted.

Discussion:

Brief status reports for projects are provided below:

Reservoir Effluent Pump Station Project – Project No. 58459

Staff met with the contractor recently to conduct the pre-construction meeting. The contractor is currently verifying delivery dates for the major components of the project and will provide a construction schedule thereafter. Staff anticipates construction will be completed in mid to late June 2018.

TVMWD Baseline Road Well Project – Project No. 58458

No additional update available.

Hydropneumatic Tank Replacement Project – Project No. 58460

The District’s engineering consultant has just completed the final design. Staff anticipates construction will be deferred to later in the calendar year or early 2019 so staff can fully exercise the use of the reservoir effluent pump station supply prior to shutting off the plant supply side.

Video Inspection Project – Project No. 58157

Downstream Services Inc. (DSI) completed the video inspection of the upper portion of the Miramar Pipeline during the same week as the planned shutdown at the Miramar Plant. This was the final reach of the main pipeline that had to be inspected during this cycle of inspections. TVMWD staff directed DSI on the work and equipment needed for the inspection. Staff also planned in advance the logistics for the pipeline shutdown and coordinated the schedule with affected member agencies. A pre-shut-down meeting was held in January among TVMWD and member agency operations staff to describe the proposed work to be completed during the shutdown and to finalize the schedule.

These activities included a visual inspection of approximately 10,000 linear feet of the Miramar Transmission Main's upper alignment from the plant's reservoir effluent to the Indian Hill connection at Indian Hill Blvd and Baseline Road.

Only a 2,700-linear-foot reach of TVMWD's transmission pipeline along Mills Avenue (from Miramar Avenue to Baseline Road) remains to be inspected. This section consists of a spur from the main line and can be easily isolated from the main flow. Staff will schedule its inspection at a future date when the line can be conveniently isolated and shut down.

### 36-inch Butterfly Valve Installation

To improve the flexibility of delivering water to GSWC's system, TVMWD staff coordinated with GSWC operations staff to install a main line isolation valve at a strategic location. This new valve now allows GSWC to receive water deliveries if the transmission pipeline is shutdown on either side of GSWC's Indian Hill connection, whether for planned shutdowns or emergency repairs. This valve installation was scheduled and successfully completed during the above annual shutdown and video inspection work.

### **Strategic Plan Objectives:**

- 1.4 – Capable of delivering 10,000 AFY from local sources in case of drought or catastrophe.
- 1.5 – Maintain water infrastructure to assure 100% reliability.
- 2.3 – Manage water infrastructure and staff operations to minimize costs.
- 3.3 – Be accountable and transparent with major decisions

**Three Valleys Municipal Water District  
Miramar Operations Report**

**JANUARY 2018**

**Water Quality**

The treatment plant produced treated water that met or exceeded state and federal drinking water standards.

Water quality data for the month of January (results of the combined filter effluent)

		Units	Results	Limits	
Nitrite	N	mg/L	<b>0.00495</b>	<0.008	
Turbidity	TU	NTU	<b>0.05</b>	0.3	<i>Results should be less than limits to comply</i>
Total Dissolved Solids	TDS	mg/l	<b>200</b>	500	
Total Trihalomethanes	TTHM	µg/l	<b>34.5-43.2</b>	80	<i>Ranges from 4 distribution locations (Dec results)</i>
Haloacetic Acids	HAA	µg/l	<b>12.2-14.3</b>	60	
		Units	Results	Minimum Limit	
Total Organic Carbon	TOC	RAA Ratio	<b>1.02</b>	1.00	<i>* RAA Results should be greater than minimum limit to comply</i>

Reportable violations made to SWRCB: **NONE**

*\*RAA - Running Annual Average*

**Monthly Plant Production**

		Capacity	Monthly %
<b>Potable water produced from Miramar Plant</b>	<b>1,112.3 AF</b>	1,844.60 AF	60.3%

**Monthly Well Production**

	Days in service		Same month prior year	Days in service
Well #1	<b>31</b>	<b>42.7 AF</b>	0.2 AF	<b>2</b>
Well #2	<b>31</b>	<b>77.0 AF</b>	48.8 AF	<b>27</b>
<b>Total monthly Well production</b>		<b>119.6 AF</b>	49.0 AF	

**Monthly Sales**

La Verne	<b>414.4 AF</b>	33.6%
GSWC (Claremont)	<b>455.3</b>	37.0%
GSWC (San Dimas)	<b>94.1</b>	7.6%
PWR-JWL	<b>265.5</b>	21.6%
Pomona (Mills)	<b>0.0</b>	0.0%
TVMWD Admin	<b>2.6</b>	0.2%
<b>Total Potable Water Sold</b>	<b>1,231.9 AF</b>	100.0%

**Year To Date 2017-18**

	Actual	Budget	% of Budget
Potable Water Sold from Miramar Plant (91.6%)	<b>8,112.1 AF</b>	9,646.4 AF	84.1%
Total Well Production (8.4%)	<b>742.5</b>	611.7	121.4%
<b>Total Potable Water Sold (Plant &amp; Wells)</b>	<b>8,854.6 AF</b>	10,258.0 AF	86.3%

Average monthly water sold **1,264.9 AF**



## Hydroelectric Generation (kWh)

	Monthly kWh		YTD kWh		
	Actual	Budget	Actual	Budget	% of Budget
Miramar					
Hydro 1	0	166,760	30,660	1,033,912	3.0%
Hydro 2	3,244	20,970	62,186	174,750	35.6%
Hydro 3	32,590	15,030	240,966	125,250	192.4%
Williams	0	69,201	111,040	563,467	19.7%
Fulton	0	54,313	53,480	336,739	15.9%
	<b>35,834</b>	<b>326,274</b>	<b>498,332</b>	<b>2,234,118</b>	<b>22.3%</b>

## Operations/Maintenance Review

### Special Activities

- ▶ The north and south sedimentation basins were cleaned out by Operations staff. By cutting the curbs and removing them from inside the basin, the cleaning was done in record time.
- ▶ MWD did maintenance on the PM-21 pressure transmitter. This will allow MWD to maintain a flow signal for the SCADA allowing the Operator to keep the plant in manual position.
- ▶ Operation's staff met with the member agencies in early January to discuss the plant shutdown in February. During the shutdown a video inspection of the manways will be done by the contractor so a partial pump back will be operated during this time. Prep work at the treatment plant in anticipation of the shutdown continues.

### Outages/Repairs

- ▶ There was a schedule outage at the Live Oak spreading grounds so SCE could do necessary maintenance.

### Unbudgeted Activities

- ▶ None

## Other

- ▶ Operations staff assisted with two field trips in January for several Glendora School District elementary schools.
- ▶ Operations staff provided a tour to high school students from Western Christian Academy.

Submitted by: \_\_\_\_\_



Steve Lang  
Operations Manager

### Distribution:

Board of Directors  
General Manager  
Manager of Engineering & Operations



**Staff Report/Memorandum**

**To:** TVMWD Board of Directors  
**From:** Richard W. Hansen, General Manager *RH*  
**Date:** February 21, 2018  
**Subject:** Strategic Plan FY 18-19 Draft

---

<input checked="" type="checkbox"/>	<b>For Action</b>	<input type="checkbox"/>	<b>Fiscal Impact</b>	<input type="checkbox"/>	<b>Funds Budgeted</b>
<input type="checkbox"/>	<b>Information Only</b>	<input type="checkbox"/>	<b>Cost Estimate:</b>	<b>\$</b>	

---

**Recommendation:**

Board approval of the FY 18-19 strategic plan attached.

**Discussion:**

The strategic plan is derived from TVMWD’s mission and vision statements, as these statements provide a big picture perspective about TVMWD. The purpose of the strategic plan is to:

- Clarify the purpose of TVMWD
- Create a roadmap for achieving TVMWD's mission and vision
- Communicate this information to employees, board members, member agencies and citizens affected by TVMWD

Provided for your review is a draft of the FY 18-19 strategic plan. Staff made slight improvements to the wording of the document and made very few changes. Items of note:

- Updated Organizational Chart to reflect addition of Assistant General Manager
- Updated Industry Outlook to be reflective of current information
- Eliminated a few action items that have been achieved
- Updated Reserve Policies to reflect current goal amounts
- Updated the Five-Year Capital Program
- Updated the Budget Priorities

**Strategic Plan Objective:**

3.3 – Be accountable and transparent with major decisions

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**FY 2018-2019**

**DRAFT**



**TABLE OF CONTENTS**

<u>Section</u>	<u>Page #</u>
District Mission .....	1
District Vision.....	1
District Core Values .....	1
District Profile.....	2
Industry Outlook.....	3
District Outlook .....	4
District Goals .....	4
Financial Policies .....	8
Reserve Policies .....	10
Debt Management Analysis.....	11
Compensation Philosophy .....	12
Five-Year Capital Program.....	13
Budget Priorities for FY 18-19.....	21
Acronyms and Abbreviations .....	22



## **DISTRICT MISSION**

***The mission of Three Valleys Municipal Water District is to supplement and enhance local water supplies to meet our region's needs in a reliable and cost-effective manner.***

## **DISTRICT VISION**

**The District meets its regional water supply needs through:**

- 1. Collaboration with its member agencies to understand their short-term and long-term needs,**
- 2. Development and implementation of a plan to address these needs in a cost-effective manner based on current water conditions, and**
- 3. Periodic update of the plan as needs or as major changes in water conditions occur.**

## **DISTRICT CORE VALUES**

**To achieve success, TVMWD must have a set of core values from which it bases its policies and actions. For TVMWD to meet current and future challenges, the single most important factor to our success is faithful and consistent adherence to these values.**

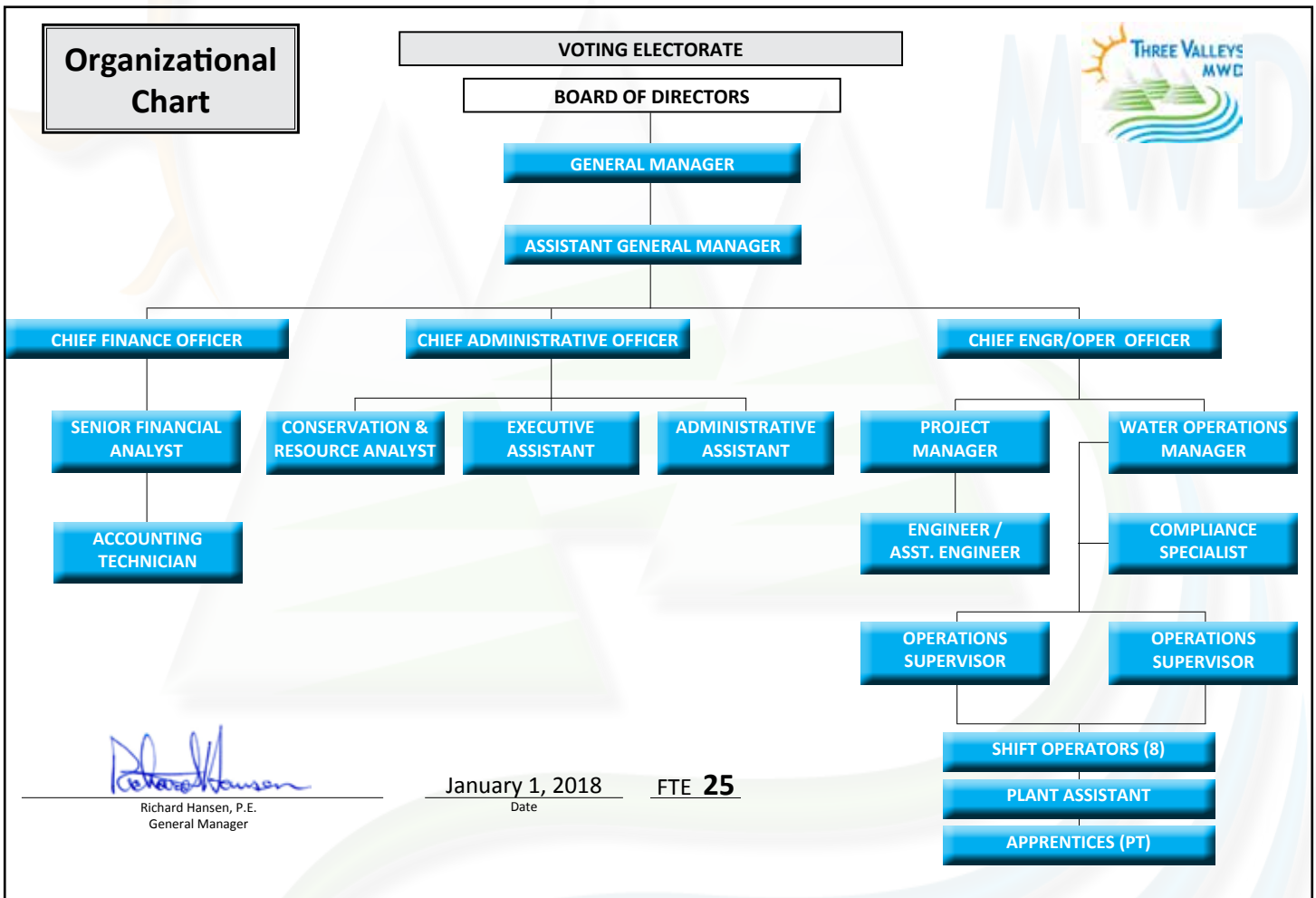
- Teamwork**
- Communication**
- Customer Service**
- Personal Responsibility**
- Professional Integrity**
- Employee Development**
- Innovation**
- Recognition**



## DISTRICT PROFILE

TVMWD is a special district formed by public election in 1950 and is the area's primary source of supplemental water covering the Pomona, Walnut and East San Gabriel Valleys. TVMWD is one of 26 member agencies of the Metropolitan Water District of Southern California (MWD) that is authorized to deliver wholesale water supplies from the Colorado River and Northern California. The region served by TVMWD spans over 133 square miles and serves 13 retail member agencies that in turn serve a population of over 500,000.

TVMWD's operations consist of a conventional surface water treatment plant (manned and operated 24 hours per day, 7 days per week, 365 days per year), a state certified laboratory, two groundwater wells, five hydroelectric generators rated at over 1.3 megawatts, residual solids removal, spreading pipelines, spreading grounds, pump stations, and transmission pipelines. Water is treated at the Miramar Treatment Plant and wholesaled to local agencies by way of several miles of pipeline. TVMWD receives a Tier 1 water supply allotment from MWD of 80,688 AFY.



TVMWD is governed by a Board of Directors elected by the registered voters residing within TVMWD's boundaries. The Board averages over 14 years of experience with TVMWD, this stability provides a tremendous benefit to TVMWD. The General Manager has over 40 years with TVMWD and has vast experience in the water industry. Approximately 70% of the TVMWD's water sales are wholesaled out of MWD's Weymouth Treatment Plant in La Verne. The remaining 30% is treated and sold out of TVMWD's Miramar Treatment Plant in Claremont. TVMWD has water storage accounts in Six Basins (stored: 3,496 AF; capacity: 3,500 AF) and Main San Gabriel Basin (stored: 65 AF; capacity: 40,000 AF).

## DISTRICT PROFILE (continued)

TVMWD is accredited by Special District Leadership Foundation as a District of Distinction, which demonstrates that TVMWD:



- Understands and respects the responsibilities inherent in providing essential public services.
- Has clean financial audits and operates in a fiscally responsible and transparent manner.
- Is conscious of the ever-changing operating environment by having current and relevant policies and procedures in place that conform to all statutes and regulations under state law.
- Places an emphasis on continuing education. Complete training by each of the district's board members and executive staff in ethics, governance and leadership.
- Focuses on having sound policies in the areas of governance, board conduct, district finances, transparency and reserves.

TVMWD was also recognized by SDLF with the District Transparency Certificate of Excellence. This certificate demonstrates TVMWD's commitment to being open, accessible and engaging to the public and creates a greater awareness of TVMWD's activities.

## INDUSTRY OUTLOOK

California experienced a very wet winter with near-record snowpack which helped in the steady recovery from a five-year long drought. The improved statewide hydrologic conditions allowed for increases in water reserves in reservoirs and local groundwater basins that were so severely depleted.

In addition to unprecedented water conservation, the plentiful winter rain and snow allowed Governor Brown to end the drought state of emergency in California on April 7, 2017. At that time, he released a long-term plan to better prepare the state for future droughts and make conservation a way of life. Taking into consideration the successes and lessons learned from the five-year long drought, Governor Brown's plan establishes a framework for long-term efficient water use that reflects the state's diverse climate, landscape and demographic conditions. The plan seeks to move California from the temporary, emergency conservation measures in effect during the drought to a more durable approach that will ensure all communities improve water use efficiency and extend their water supplies.

A month after Governor Brown declared an end to the statewide drought emergency, MWD's board approved a voluntary conservation approach termed "Water Supply Watch Condition". The board urged local agencies to continue water savings through voluntary conservation measures. The message MWD is conveying to the public is the drought emergency may be over but saving water is a lifelong habit. With the State Water Project allocation at 85 percent for 2017, MWD maximized deliveries by putting 1.2 million acre-feet of water in reserves to help restore regional reserve levels and continue saving for the future.

## DISTRICT OUTLOOK

TVMWD supports MWD and our member agencies in exploring and developing water resources at a reasonable cost that prepare our region for the ongoing water challenges created by our uncertain drought and climate changes. TVMWD remains committed to supporting the ongoing conservations efforts and finding new sources of water through local projects. Preserving our water supplies for the future and in case of emergencies such as a catastrophic earthquake is at the forefront of TVMWD’s goals.

TVMWD advertises in the local newspapers in both English and Spanish.



**Ahora es el momento perfecto para reemplazar su césped por un hermoso paisaje tolerante a la sequía. ¡Requiere menos agua y agrega MUCHA belleza!**



**Three Valleys Municipal Water District's Areas Served:**  
Azusa, Boy Scouts of America-Firestone Reservation, California State Polytechnic University-Pomona, City of Industry, Claremont, Covina, Covina Irrigating Co., Diamond Bar, Glendora, Golden State Water Co., Hacienda Heights, La Puente, La Verne, Mount San Antonio College, Pomona, Pomona-Walnut-Rowland Joint Water Line Commission, Rowland Heights, Rowland Water District, San Dimas, Suburban Water Systems, Valencia Heights Water Co., Walnut, Walnut Valley Water District and West Covina

## DISTRICT GOALS

The following goals have been identified to assist TVMWD in executing its mission:

1. Provide an adequate, reliable, high-quality water supply
2. Provide water supplies in the most cost-effective manner
3. Be financially responsible and maintain the public’s trust

Each goal has a number of specific objectives and actions to support the goal.



## DISTRICT GOALS (continued)

### Goal #1 - Provide an Adequate, Reliable, High-Quality Water Supply

Objective	Action
1.1 Secure water supplies that exceed the estimated annual demands by 10%	<ul style="list-style-type: none"> <li>▪ TVMWD Water Supply Master Plan               <ul style="list-style-type: none"> <li>○ Obtain information annually from member agencies regarding their short-term and long-term needs</li> <li>○ Update TVMWD's needs and obtain additional supplies if necessary</li> </ul> </li> </ul>
1.2 100% compliance with water quality standards	<ul style="list-style-type: none"> <li>▪ Comply with all EPA and State Water Board standards for safe drinking water</li> <li>▪ Update treatment methods as necessary</li> </ul>
1.3 Maintain diverse sources of water supplies and storage, and increase extractable water storage supplies to 10,000 AF	<ul style="list-style-type: none"> <li>▪ Comply with MWD 10-year Purchase Order agreement</li> <li>▪ Rehab underperforming wells or install new wells to increase extraction capabilities</li> <li>▪ Enhance spreading capabilities throughout TVMWD</li> <li>▪ Utilize full MWD Tier 1 allotment to increase storage in local basins</li> <li>▪ Participate in regional collaborative efforts to bolster water supplies</li> </ul>
1.4 Capable of delivering 10,000 AFY from local sources in case of drought or catastrophe	<ul style="list-style-type: none"> <li>▪ Rehab underperforming wells or install new wells to increase extraction capabilities</li> <li>▪ Continuously update emergency plans/procedures and perform test drills</li> </ul>
1.5 Maintain water infrastructure to assure 100% reliability	<ul style="list-style-type: none"> <li>▪ Update Five-Year Capital Investment Program</li> <li>▪ Recruit qualified personnel, provide proper training and strive for 90% retention of permanent staff</li> </ul>
1.6 Utilize water use efficiency programs to lower demand and stretch supplies	<ul style="list-style-type: none"> <li>▪ Maintain level of regional water use efficiency program assistance to comply with CUWCC and SBX7-7 requirements</li> <li>▪ Determine outcome of TVMWD Water Supply Master Plan and consider development of a WSDM Plan (similar to MWD) to outline actions at various conditions</li> </ul>
1.7 Advocate for a Bay Delta fix	<ul style="list-style-type: none"> <li>▪ Communicate importance of Bay-Delta to target audience</li> <li>▪ Utilize ACWA, MWD, CSDA and other resources to focus on the key elements and need for a Bay-Delta fix through the California Water Fix and related programs</li> </ul>

## DISTRICT GOALS (continued)

### Goal #2 – Provide Water Supplies in the Most Cost-Effective Manner

Objective	Action
2.1 Utilize 10,000 AF of well production to meet annual demands	<ul style="list-style-type: none"> <li>▪ Enhance spreading capabilities throughout TVMWD</li> <li>▪ Rehab underperforming wells or install new wells to increase extraction capabilities</li> <li>▪ Shift more demand from the Weymouth plant to well production</li> </ul>
2.2 Utilize 20,000 AF of Miramar treatment plant production to meet annual demands	<ul style="list-style-type: none"> <li>▪ Shift more demand from the Weymouth Plant to the Miramar Plant</li> <li>▪ Consider additional connections to maximize Miramar sales</li> </ul>
2.3 Manage water infrastructure and staff operations to minimize costs	<ul style="list-style-type: none"> <li>▪ Utilize full Tier 1 allotment by storing water or marketing water to other agencies when available</li> <li>▪ Update Five-Year Capital Investment Program</li> <li>▪ Recruit qualified personnel, provide proper training and strive for 90% retention of permanent staff</li> <li>▪ Utilize partnership opportunities to share costs with local basins, water agencies, etc.</li> <li>▪ Network with other treatment plants for BMPs</li> <li>▪ Maximize a safe working environment to decrease insurance costs and time lost</li> <li>▪ Utilize new technology or techniques to meet water quality standards efficiently</li> </ul>
2.4 Evaluate short-term and long-term workforce needs to achieve optimal efficiency and cost effectiveness without sacrificing employee morale or productivity	<ul style="list-style-type: none"> <li>▪ Evaluate technological advances that can increase staff efficiency</li> <li>▪ Evaluate whether tasks are best handled by outside contractors or in-house employees</li> <li>▪ Implement a succession plan requiring cross-training and knowledge sharing between employees</li> <li>▪ Recruit qualified personnel, provide proper training and strive for 90% retention of permanent staff               <ul style="list-style-type: none"> <li>○ Adhere to a compensation philosophy to maintain a total compensation at market levels</li> <li>○ Implement a succession plan that fosters qualified internal candidates for vacancies and retains institutional knowledge</li> <li>○ Utilize Target Safety to maintain certifications and provide training</li> <li>○ Maintain a health and wellness program to minimize absences and improve employee's overall well-being</li> </ul> </li> </ul>
2.5 Obtain grant funding to offset capital investment projects	<ul style="list-style-type: none"> <li>▪ Monitor grant funding opportunities available</li> <li>▪ Apply for grants when the grant funding benefits exceed the compliance requirements, staff time spent and likely timeline delays</li> </ul>
2.6 Advocate for MWD rate structure that is fair, predictable and creates financial stability	<ul style="list-style-type: none"> <li>▪ Utilize the rate refinement group to suggest take or pay contracts from MWD to ensure costs appropriately allocated among all MWD member agencies</li> </ul>

## DISTRICT GOALS (continued)

### Goal #3 – Be Financially Responsible and Maintain the Public’s Trust

Objective	Action
<p>3.1 Utilize and comply with a set of financial policies to maintain TVMWD’s financial health</p>	<ul style="list-style-type: none"> <li>▪ Adopt financial policies regarding:               <ul style="list-style-type: none"> <li>○ annual budget and rate making process</li> <li>○ use of debt</li> <li>○ accumulation and use of reserves</li> <li>○ cash management and investments</li> </ul> </li> <li>▪ Maintain accreditation of SDLF’s “District of Distinction”</li> </ul>
<p>3.2 Maintain TVMWD website with useful information</p>	<ul style="list-style-type: none"> <li>▪ Post board agendas, packets and minutes for prior 1 year period and financial &amp; water quality reports for prior 2 year period</li> <li>▪ Promote awareness of water issues</li> <li>▪ Post resources for efficient use of water</li> <li>▪ Post information which is repeatedly requested</li> <li>▪ Maintain SDLF’s “District Transparency Certificate of Excellence”</li> </ul>
<p>3.3 Be accountable and transparent with major decisions</p>	<ul style="list-style-type: none"> <li>▪ Each staff report will specify the goal/objective achieved with the requested action</li> <li>▪ Comply with state controller’s office and CalPERS’ requirements for compensation disclosure</li> <li>▪ Comply with TVMWD purchasing policy</li> <li>▪ Obtain board approval as needed for policy changes</li> </ul>
<p>3.4 Communicate TVMWD’s role in the delivery of water</p>	<ul style="list-style-type: none"> <li>▪ Promote achievement of TVMWD goals and objectives</li> <li>▪ Communicate with target audience the importance of TVMWD (a special district) so the value provided is recognized and supported</li> <li>▪ Coordinate communication efforts with member agencies so they reiterate the benefit provided</li> <li>▪ Develop fact sheet regarding information, projects, etc. to be utilized by staff &amp; board members</li> <li>▪ Provide tours of TVMWD facilities</li> </ul>
<p>3.5 Ensure that all of the region’s local government policy makers understand TVMWD’s role in delivery of water</p>	<ul style="list-style-type: none"> <li>▪ Coordinate communication efforts with member agencies</li> <li>▪ Develop fact sheet regarding information, projects, etc. to be utilized by staff &amp; board members</li> <li>▪ Provide tours of TVMWD facilities</li> </ul>
<p>3.6 Achieve an IT Risk rating of “low” according to industry standard vulnerability assessment methodologies of NIST and SANS</p>	<ul style="list-style-type: none"> <li>▪ Have an assessment performed of SCADA, accounting software, network access and other IT related issues</li> <li>▪ Implement recommendations for areas identified as vulnerable</li> <li>▪ Create a technology master plan to stay ahead of these issues</li> </ul>

## FINANCIAL POLICIES

TVMWD's practices are guided by the following financial policies:

### 1. Annual Budget

- a. The budget is the annual action plan for development and execution of TVMWD's mission and budget priorities. The budget is adjusted to reflect TVMWD's short-term and long-term goals.
- b. TVMWD shall adopt and adhere to a balanced budget. A balanced budget is defined as a budget where revenues less expenses are as close to zero as possible over a five-year period.
- c. Budget line items shall be based on reasonably predicted revenues and expenses rather than best or worst-case scenarios. Reasonable prediction involves the use of historical data, projected data and prudent judgment.
- d. The budget is utilized to estimate the required rate necessary to operate TVMWD rather than to reflect actual circumstances that occurred during the year. Budget amendments will be utilized to reflect any significant changes that occur during the year.
- e. The budget shall be adopted annually but prepared for a five-year period to smooth out increases and properly plan for future expenses.
- f. TVMWD shall segregate budget line items into separate funds:
  - i. Pass Through - this fund shall track MWD readiness-to-serve charges, capacity charges and any other costs where TVMWD is directly reimbursed.
  - ii. Operating - this fund shall track all expenses attributable to the operation of TVMWD.
  - iii. Capital - this fund shall track all capital expenses attributable to TVMWD's infrastructure.
- g. TVMWD will hold at least one workshop to afford member agencies and the public an opportunity to comment on the proposed budget.
- h. TVMWD will adopt the annual budget by April for the following fiscal year.
- i. TVMWD will provide to the Board a monthly budget to actual summary report.

### 2. Rate Making Process

- a. TVMWD shall adopt rates that produce a balanced budget.
- b. TVMWD will hold at least one workshop to afford member agencies and the public an opportunity to comment on the proposed rates.
- c. TVMWD will adopt rates by April for the following calendar year.
- d. TVMWD's activities are supported by a diversified revenue stream of water sales, charges, assessments, property taxes, hydroelectric and interest income.
- e. TVMWD shall generally utilize one-time revenues for payment of one-time expenses. TVMWD will not establish ongoing programs or expenditure commitments dependent upon anticipated one-time revenues or revenues that are not reasonably predictable.

### 3. Debt

- a. TVMWD will issue long-term debt only when the project makes good financial sense.
- b. Debt will be used for large one-time expenditures, not for ongoing costs such as operation and maintenance.
- c. The term of any debt will not exceed the useful life of the project or equipment purchased with the debt proceeds.
- d. Refunding of outstanding debt will be undertaken only if the generated savings makes good financial sense.

## FINANCIAL POLICIES (continued)

### 4. Cash Management and Investments

- a. TVMWD shall invest idle cash in a prudent manner according to established TVMWD investment policy that complies with California Government Code and applicable California law, ensuring TVMWD's cash flow requirements are met while meeting the objectives of safety, liquidity, and return on investment.
- b. TVMWD will strive to maximize the return on investment without sacrificing preservation of principal and daily cash requirements.
- c. Cash flow projections will be updated monthly for all daily receipts and disbursements, and will serve as the baseline for determining cash liquidity needs and funds available for investment.

### 5. Reserves

- a. Consistent with sound and prudent fiscal practices as well as legal requirements, TVMWD will maintain reserve funds that comply with adopted policy and legal bond documents.
- b. Objectives of reserve funds:
  - i. To balance short-term fluctuations in revenues/expenses without adopting unplanned significant rate increases that could severely impact ratepayers.
  - ii. To provide a safety net in the event of emergency.
  - iii. To minimize external borrowing and interest expense.
  - iv. To determine the most opportune time to issue debt when necessary.
- c. In setting reserve goals TVMWD will consider that reserve levels affect bond ratings and ultimately the ability to access debt markets at favorable interest rates.
- d. The Board shall annually reevaluate what is reasonable for each reserve fund.
- e. Although GASB 54 does not apply to TVMWD, staff will provide reserve schedules annually that comply with GASB 54 to provide more detail and greater visibility as to the level of fund balance available for use. The hierarchy of five possible classifications of fund balance is:
  - i. Non-Spendable - amounts that cannot be spent due to form such as inventories and prepaids.
  - ii. Restricted - amounts constrained for specific purpose by external parties, constitutional provision or enabling legislation.
  - iii. Committed - amounts constrained for specific purpose by government using its highest level of decision-making authority.
  - iv. Assigned - amounts intended to be used for specific purposes.
  - v. Unassigned - the residual fund balance.

## RESERVE POLICIES

Reserve	Goal	Description	Source
<b>Board Election</b>	\$120,000 - \$160,000	To cover biennial election and associated costs.	Water rate over the 2 subsequent years.
<b>Water Management</b>	\$200,000	To replenish storage of water pumped from local basins. Amount set at (TVMWD Six Basins storage capacity, less current storage, less MWD current storage) * expected rate for replenishment.	Six Basins water sales annually & then from Unassigned Reserves. Additional shortfalls replenished from water rate over the next 3 years.
<b>Water Rate Stabilization</b>	\$1,200,000 - \$1,800,000	To help fund operations when water sales are less than projected. Reserve shall be set at an amount to supplant lost income in the event of 10% water sales shortages over a 2-3 year period.	Unassigned Reserves. Additional shortfalls replenished from water rate over the next 3 years unless rate stabilization utilized to balance upcoming budget.
<b>Capital Investment Program</b>	\$4,100,000 - \$8,200,000	To cover expected and actual capital project/repair/replacement costs over the next 2-4 year period.	Unassigned Reserves. Additional shortfalls replenished from water rate over the next 3 years.
<b>Opportunity</b>	\$2,000,000 - \$3,000,000	For unbudgeted, unplanned or opportunistic projects that can increase supply reliability or decrease rates.	Unassigned Reserves. Additional shortfalls replenished from water rate over the next 3 years.
<b>Employee Benefit</b>	\$2,100,000	To accumulate funds to offset the unfunded portion of employee pension and OPEB actuarial accrued liabilities. Funds to be deposited at the close of each fiscal year to the Post Employment Benefit Trust until the balance of the trust and CalPERS assets reaches approximately 90% of the actuarial accrued liability. This reserve will maintain the remaining 10% to offset the unfunded liability and to ensure the trust is not overfunded.	Unassigned Reserves. The board will approve a rate funding strategy during the annual budget process.
<b>Emergency</b>	Total available reserve balances of at least \$10,000,000	To cover unexpected costs from litigation, catastrophic events, business interruptions, or other events deemed as emergencies by the Board	Unassigned Reserves. Additional shortfalls replenished from water rate over the next 3 years.
<b>Unassigned</b>	Remaining balance of unrestricted net assets	To replenish all other reserves and then accumulate excess reserves above goal amounts.	Excess retained earnings.



## DEBT MANAGEMENT ANALYSIS

### TVMWD DEBT SUMMARY

TVMWD is debt free.



### ANALYSIS

Based on budget/rate forecasts and the five-year capital improvement plan, TVMWD should not need to issue debt in the foreseeable future. However TVMWD is well positioned to obtain debt at favorable rates should the need arise.

## COMPENSATION PHILOSOPHY

In order to accomplish its mission, TVMWD must have sufficient competent staff to achieve the goals and objectives outlined in the strategic plan. This requires having a succession plan in place to identify needs and future challenges, recruiting qualified personnel with the appropriate skills to fill job openings, and retaining staff trained on how we operate.

To this end TVMWD demonstrates its commitment to treating staff fairly and equitably by compensating employees at market levels, defined as the average compensation at agencies that meet following criteria:

- Agencies with employees performing the same or directly related tasks
- Agencies competing to hire individuals with the same qualifications
- Agencies with similar ability to pay

The following agencies have been identified for comparison:

- Calleguas Municipal Water District
- Castaic Lake Water Agency
- Cucamonga Valley Water District
- Eastern Municipal Water District
- Inland Empire Utilities Agency
- Las Virgenes Municipal Water District
- Palmdale Water District
- Water Facilities Authority (WFA)
- West Basin Municipal Water District
- Western Municipal Water District

Compensation information is obtained from each agency by TVMWD staff. Information is compiled to reflect the **total dollar value compensation** for each position. Total dollar value quantifies total compensation (salary and benefits) so comparisons between agencies are easy to consider.

### **Salary Ranges**

TVMWD should maintain wide ranges to bring new inexperienced employees in at low base salaries to allow for many years of growth, yet recognize and reward experience and performance.

### **Annual Performance Review**

Employee performance is evaluated annually. Employees are eligible for a merit increase annually based on performance and within the constraints of the Board approved budget and the position's salary range. Employees are also eligible for a CPI increase based on employee performance. Salary ranges are adjusted annually by a CPI increase. The percentage increase is to be calculated per the annual change in Bureau of Labor Statistics Consumer Price Index for Urban Wage Earners and Clerical Workers for the Los Angeles-Riverside-Orange County.

### **Frequency**

Due to the time-consuming nature of compiling compensation information, a total dollar value compensation study is completed every three years. Information is presented to the GM for comparison and to serve as a guide to adjust salary ranges and benefits as the GM deems necessary. Any benefits with long-term implications are brought to the Board for approval.



**Project    Enhanced Groundwater Production**

**Description** Continued strategy to develop additional groundwater production capability within the groundwater basins that underlie TVMWD. This supply will augment imported water in the Miramar system for water delivery to the member agencies. Enhancing the capability to use local resources lessens the overall cost of water from Miramar and improves the reliability of supplies during emergencies. To the extent possible, existing wells that can be utilized will be incorporated into the strategy. In some cases, treatment may be required.

**Purpose**

- Serves as a cost-efficient source of water.
- Provides additional options during emergency situations or drought conditions.

**TVMWD Objective**

1.3 - Maintain diverse sources of water supplies and storage, and increase extractable water storage supplies to 10,000 AF.

1.4 - Capable of delivering 10,000 AFY from local sources in case of drought or catastrophe.

2.1 - Utilize 10,000 AF of well production to meet annual demands.



Fiscal Year	17/18*	18/19	19/20	20/21	21/22	22/23
Expenditures						
Cost Estimate	1,561,488	1,494,500	2,116,667	1,820,000	1,097,500	1,462,000
Encumbered		(2,615)		(465,748)		
Budgeted	(2,029,851)					
Grant or Other Funding						
<b>Budget Needs</b>	<b>(468,363)</b>	<b>1,491,885</b>	<b>2,116,667</b>	<b>1,354,252</b>	<b>1,097,500</b>	<b>1,462,000</b>

\*Estimated

<b>Annual O&amp;M Impact</b>	\$60,000
<b>Annual Staff Impact</b>	0.30 FTE



**Project Filter Modification**

**Description** Planning and design associated with modifications to the Miramar Plant filter bay gallery to improve water quality and address concerns associated with disinfection byproducts and taste and odor issues. This project will test and evaluate different filter media profiles to determine the optimum configuration that will achieve short-term and long-term objectives with regard to the potable water quality leaving the Miramar Plant.

- Purpose**
- Improves water quality.
  - Increases operational efficiency.

- TVMWD Objective**
- 1.2 - 100% compliance with water quality standards.
  - 1.5 - Maintain water infrastructure to assure 100% reliability.
  - 2.3 - Manage water infrastructure and staff operations to minimize costs.



Fiscal Year	17/18*	18/19	19/20	20/21	21/22	22/23
Expenditures						
Cost Estimate				120,833	201,167	98,222
Encumbered						
Budgeted						
Grant of Other Funding						
<b>Budget Needs</b>	-	-	-	<b>120,833</b>	<b>201,167</b>	<b>98,222</b>

\*Estimated



<b>Annual O&amp;M Impact</b>	\$0
<b>Annual Staff Impact</b>	0.00 FTE



**Project Filter Aid System Upgrades**

**Description** Removal and replacement of an obsolete filter aid system located in the Dry Chemical Building of the Miramar Treatment Plant. The new system provides more automated controls, a more accurate means of measuring chemicals to batch-process the polymer filter aid, and a better mixing system that will not degrade the product prior to use. The new system will be placed in the same general location, and the existing feed pumps will be utilized with the new setup.

- Purpose**
- Improves capability to monitor and control chemical feed process.
  - Adds operational features not currently part of existing system.
  - Optimizes batch-mixing process and improves accuracy of chemical additions.

- TVMWD Objective**
- 1.2 - 100% compliance with water quality standards.
  - 1.5 - Maintain water infrastructure to assure 100% reliability.
  - 2.3 - Manage water infrastructure and staff operations to minimize costs.



Fiscal Year	17/18*	18/19
Expenditures		
Cost Estimate		230,000
Encumbered		
Budgeted		
Grant or Other Funding		
<b>Budget Needs</b>	-	<b>230,000</b>

\*Estimated

<b>Annual O&amp;M Impact</b>	\$10,000
<b>Annual Staff Impact</b>	0.00 FTE



**Project**      **Miramar Pipeline Assessment & Repairs**

**Description**    Inspection and repair costs associated with the Miramar Transmission Pipeline. Initial visual inspections will be completed during FY 2017-2018. Required repairs based on these initial inspections will also be performed, if necessary. Subsequent pipeline inspections involving non-destructive techniques will be performed in following years to acquire a more precise assessment of the 30-year-old pipeline. Repair phases may take some time to complete in order to minimize the impact of shutdowns and the inability to deliver water.



- Purpose**
- Assists in determining the condition of assets.
  - Maintains pipeline integrity
  - Lengthens the useful life of the facilities.



**TVMWD Objective**    1.5 - Maintain water infrastructure to assure 100% reliability.

Fiscal Year	17/18*	18/19	19/20	20/21	21/22	22/23
Expenditures						
Cost Estimate	82,750					150,000
Encumbered						
Budgeted	(82,750)					
Grant or Other Funding						
<b>Budget Needs</b>	-	-	-	-	-	<b>150,000</b>

\*Estimated



<b>Annual O&amp;M Impact</b>	\$8,000
<b>Annual Staff Impact</b>	0.05 FTE



# FIVE-YEAR CAPITAL PROGRAM Item 8.C.1

**Project** PM-26 Expansion

**Description** Planning, design, environmental and construction costs to expand the spreading connection at the existing PM-26 location. The existing connection currently delivers untreated import water to the Little Dalton Spreading Grounds, for which delivery rates are very limited. The addition of pipeline and low-lift pumping capability would allow delivery of water from the Foothill Feeder into the adjacent Big Dalton Spreading Grounds and other potential recharge facilities downstream. This added capacity would allow TVMWD to utilize more spreading water over shorter periods of time in the Main San Gabriel Basin.



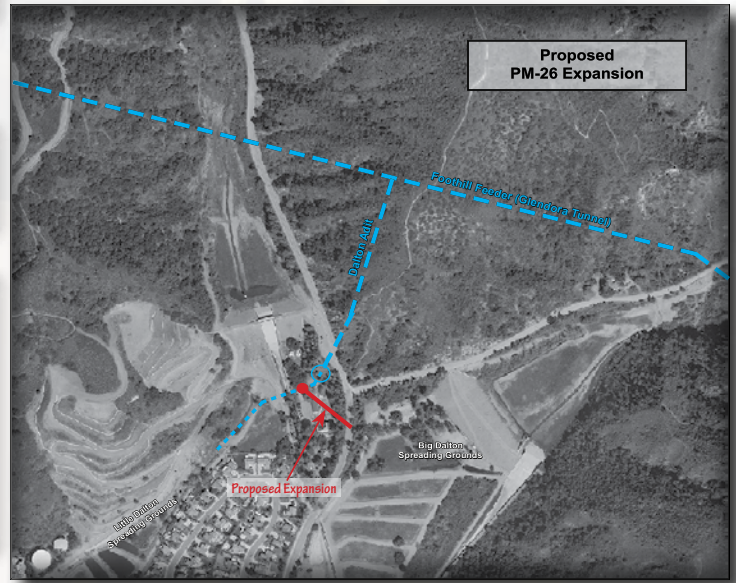
**Purpose**

- Increases spreading capabilities within the Main San Gabriel Basin.

**TVMWD Objective**

1.3 - Maintain diverse sources of water supplies and storage, and increase extractable water storage supplies to 10,000 AF.

1.4 - Capable of delivering 10,000 AFY from local sources in case of drought or catastrophe.



Fiscal Year	17/18*	18/19	19/20	20/21	21/22
Expenditures					
Cost Estimate			78,111	399,667	1,062,222
Encumbered			(78,111)	(129,702)	
Budgeted	(207,813)				
Grant or Other Funding					
<b>Budget Needs</b>	<b>(207,813)</b>	-	-	<b>269,965</b>	<b>1,062,222</b>

\*Estimated

<b>Annual O&amp;M Impact</b>	\$25,000
<b>Annual Staff Impact</b>	0.05 FTE



**Project** **Miramar Building and Site Improvements**

**Description** Design and construction of various upgrades and improvements for the 30-year old Miramar buildings and site. Projects to upgrade bathrooms and modify operations control room are envisioned over the next few years.



**Purpose** • Maintain TVMWD facilities in modern, working order to accommodate the needs of staff and visitors.



**TVMWD Objective** 2.3 - Manage water infrastructure and staff operations to minimize costs.

Fiscal Year	17/18*	18/19	19/20
Expenditures			
Cost Estimate		195,875	344,125
Encumbered		(195,875)	(76,585)
Budgeted	(272,460)		
Grant or Other Funding			
<b>Budget Needs</b>	<b>(272,460)</b>	<b>-</b>	<b>267,540</b>

\*Estimated

<b>Annual O&amp;M Impact</b>	\$10,000
<b>Annual Staff Impact</b>	0.00 FTE





**Project JWL Flow Control Valve**

**Description** Evaluation, design, and installation of equipment and instrumentation at the Joint Water Line connection. A new control valve is needed at this connection to work in conjunction with the operation of the Fulton Reservoir. The valve will control pressure and flow into the largest metered connection on the Miramar system. Additionally, it creates the potential capability to utilize the Fulton Reservoir to improve water quality conditions in the lower reaches of the system. In conjunction with work involved to install this valve, TVMWD will also make minor physical modifications in the associated pipeline to facilitate the periodic flushing required for this reach of pipe.



- Purpose**
- Provides coordinated operation between the JWL connection and the Fulton Reservoir.
  - Improves water quality in an area difficult to flush.



- TVMWD Objective**
- 1.2 - 100% compliance with water quality standards
  - 1.5 - Maintain water infrastructure to assure 100% reliability.
  - 2.2 - Utilize 20,000 AF of Miramar treatment plant production.
  - 2.3 - Manage water infrastructure and staff operations to minimize costs.

Fiscal Year	17/18*	18/19
Expenditures		
Cost Estimate		291,000
Encumbered		
Budgeted		
Grant of Other Funding		
<b>Budget Needs</b>	-	<b>291,000</b>

\*Estimated

<b>Annual O&amp;M Impact</b>	\$0
<b>Annual Staff Impact</b>	0.00 FTE



**Project Imported Water Connections**

**Description** Design, environmental, and construction costs associated with the replacement and/or installation of connections along the Miramar Pipeline to deliver potable import water to District customers. As the Miramar system ages, the District continues to discover assets that require upgrade or replacement. Pipes and valves have been found to be worn or broken, especially at the metered connections. In the upcoming years, the District will be replacing facilities at the Indian Hill and 6th/White connections. In subsequent years, the District will upgrade meters and valves at other existing connections.



- Purpose**
- Enhance capability of Miramar system to deliver potable water.
  - Upgrade/replace obsolete infrastructure.
  - Standardize instrumentation and improve accuracy.



- TVMWD Objective**
- 1.5 - Maintain water infrastructure to assure 100% reliability.
  - 2.2 - Utilize 20,000 AF of Miramar treatment plant production.
  - 2.3 - Manage water infrastructure and staff operations to minimize costs.



Fiscal Year	17/18*	18/19
Expenditures		
Cost Estimate		281,000
Encumbered		
Budgeted		
Grant of Other Funding		
<b>Budget Needs</b>	-	<b>281,000</b>

\*Estimated

<b>Annual O&amp;M Impact</b>	\$0
<b>Annual Staff Impact</b>	0.00 FTE





## BUDGET PRIORITIES FOR FY 18-19

Based on TVMWD's goals and objectives, the following budget priorities have been identified:

### 1. Maximize the Lowest Cost Water

- a. Enhanced Groundwater Production – TVMWD will determine options for developing additional groundwater production.
- b. JWL Flow Control Valve – Maintain water reliability and minimize costs.
- c. PM-26 Expansion – Maintain diverse sources of water supplies and storage, and increase extractable water storage supplies.

### 2. Increase Ability to Store and Extract Water

- a. Enhanced Groundwater Production – TVMWD will determine options for developing additional groundwater production.
- b. JWL Flow Control Valve – Maintain water reliability and minimize costs.
- c. Increase Storage in Six Basins – TVMWD will continue working with Six Basins Watermaster on their strategic plan. One expected goal from their plan will be to exercise the basins more, which aligns with TVMWD's desire to spread and recover more water. TVMWD would request an increase to our storage account within Six Basins.
- d. PM-26 Expansion – Maintain diverse sources of water supplies and storage, and increase extractable water storage supplies.

## ACRONYMS AND ABBREVIATIONS

- AF – Acre-Feet
- AFY – Acre-Feet per Year
- BMP – Best Management Practices
- CSDA – California Special Districts Association
- CUWCC – California Urban Water Conservation Council
- EPA – Environmental Protection Agency
- FY – Fiscal Year
- GASB – Governmental Accounting Standards Board
- IT – Information Technology
- JWJ – Joint Water Line
- MWD – Metropolitan Water District of Southern California
- NIST – National Institute of Standards and Technology
- O&M – Operations and Maintenance
- OPEB – Other Post-Employment Benefits
- SANS – System Administration Networking and Security
- SBX7-7 – 2009 Legislation requiring 20% reduction in urban per capita water use by 2020
  
- SCADA – Supervisory Control and Data Acquisition
- SDLF – Special District Leadership Foundation
- TVMWD – Three Valleys Municipal Water District
- WSDM – Water Surplus and Drought Management





**Staff Report/Memorandum**

**To:** TVMWD Board of Directors  
**From:** Richard W. Hansen, General Manager *RH*  
**Date:** February 21, 2018  
**Subject:** FY 18-19 Budget Review Schedule

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<input type="checkbox"/>	<b>For Action</b>	<input type="checkbox"/>	<b>Fiscal Impact</b>	<input type="checkbox"/>	<b>Funds Budgeted</b>
<input checked="" type="checkbox"/>	<b>Information Only</b>	<input type="checkbox"/>	<b>Cost Estimate:</b>	<b>\$</b>	

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**Discussion:**

Included below is the tentative schedule for review of the FY 18-19 budget. Meeting dates listed are tentative and subject to change by the General Manager and the Board. Staff requests that the Board review the schedule and provide comment throughout the budget process.

2/21/18	Board Workshop	Budget Review Schedule
3/7/18	Board Workshop	Budget Workshop Water Sales Predictions (1 <sup>st</sup> draft) Overall Budget and Rates (1 <sup>st</sup> draft)
3/13/18	Manager's Meeting	Water Sales Predictions (1 <sup>st</sup> draft) Overall Budget and Rates (1 <sup>st</sup> draft)
4/4/18	Board Workshop	Water Sales Predictions (2 <sup>nd</sup> draft) Overall Budget and Rates (2 <sup>nd</sup> draft)
4/10/18	Manager's Meeting	Water Sales Predictions (2 <sup>nd</sup> draft) Overall Budget and Rates (2 <sup>nd</sup> draft)
4/18/18	Board Meeting	Adoption of FY 18-19 Budget and 2019 Rates

**Strategic Plan Objective(s):**

- 3.1 – Utilize and comply with a set of financial policies to maintain TVMWD's financial health
- 3.3 – Be accountable and transparent with major decisions