

### AGENDA REGULAR BOARD MEETING

Wednesday, June 8, 2022, 12:00 P.M.
Board Room, UWCD Headquarters
1701 N. Lombard Street, Oxnard CA 93030

Board of Directors
Bruce E. Dandy, President
Sheldon G. Berger, Vice President
Lynn E. Maulhardt, Secretary/Treasurer
Mohammed A. Hasan
Edwin T. McFadden III
Michael W. Mobley
Daniel C. Naumann

General Manager Mauricio E. Guardado, Jr.

Legal Counsel David D. Boyer

### **BOARD MATTERS**

Normally, Action (Motion) Items will be considered and acted upon separately; Consent Items will be considered and acted upon collectively, although a Consent Item may be considered and acted upon separately; and Information Items will be considered separately without action.

The Board of Directors in its discretion may change the order of agenda items.

### 1. FIRST OPEN SESSION 12:00 P.M.

Items to be discussed in Executive (Closed) Session will be announced.

## 1.1 Public Comments Information Item

Members of the public may address the Board on any matter on the Closed Session agenda or on any non-agenda item within the jurisdiction of the Board. All comments are subject to a five-minute time limit. Virtual participants, please use "raise hand" option in "participants" menu.

### 1.2 EXECUTIVE (CLOSED) SESSION 12:05 P.M.

The Board will discuss matters outlined in the attached Executive (Closed) Session Agenda (Exhibit A).

### 2. SECOND OPEN SESSION AND CALL TO ORDER 1:00 P.M.

### 2.1 Pledge of Allegiance

### 2.2 Public Comment

### **Information Item**

Members of the public may address the Board on any item on the Consent Calendar or on any non-agenda item within the jurisdiction of the Board. No action will be taken by the Board on any non-agenda item. All comments are subject to a five-minute time limit.

## 2.3 Approval of Agenda Motion

## 2.4 Oral Report Regarding Executive (Closed) Session Information Item

Presented by District Legal Counsel David D. Boyer.

UWCD Board of Directors Meeting Agenda

June 8, 2022

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### 2.5 Board Members' Activities Report

### **Information Item**

The Board will receive and file information regarding meeting participation provided by each of the Board Members through Monthly Activities (aka per diem) Reports.

### 2.6 General Manager's Report

### **Information Item**

The General Manager will present information on his activities of possible interest to the Board and that may have consequence to the District.

### 2.7 Consider Cancelation of August Board Meeting

### **Motion**

As has been the District's tradition, the Board shall consider canceling its regular August 2022 Board meeting.

3. CONSENT CALENDAR: All matters listed under the Consent Calendar are considered routine by the Board and will be enacted by one motion. There will be no separate discussion of these items unless a Board member pulls an item from the Calendar. Pulled items will be discussed and acted on separately by the Board. Members of the public who want to comment on a Consent Calendar item should do so under Public Comments. (ROLL CALL VOTE REQUIRED)

### A. Approval of Minutes

### **Motion**

Approval of the Minutes for the Regular Board Meeting of May 11, 2022.

### **B.** Groundwater Basin Status Reports

### **Information Item**

Receive and file Monthly Hydrologic Conditions Report for the District.

### C. Monthly Investment Report

### **Information Item**

Report on the District's investments and the availability or restriction of these funds. All investments are in compliance with the District's investment policy, which is reviewed and approved annually by the Board.

D. Resolution 2022-21 Subsequent Finding that the Governor of California issued a Proclamation of a State of Emergency on March 4, 2020 relating to the COVID-19 virus and local officials continue to recommend social distancing measures to mitigate the spread of the COVID-19 virus and Authorizing remote teleconference meetings of the legislative bodies of United Water Conservation District for the period of June 8, 2022 through July 7, 2022, pursuant to Brown Act provisions

### Motion

The Board will consider adopting <u>Resolution 2022-21</u> continuing subsequent findings that the requisite conditions exist for remote teleconference meetings of the District's legislative bodies without compliance with Government Code section 54953(b)(3), as authorized by Government Code section 54953(e).

# 3.E <u>Resolution 2022-26</u> Authorizing Brian Zhan and Daryl Smith as Signatures for Fiscal Year 2022-23 through the County Auditor's Office Local Agencies Form and Wire Transfers Form

### Motion

The Board will consider adopting <u>Resolution 2022-26</u>, approving the District's Chief Financial Officer Brian Zahn and Controller Daryl Smith as authorized signers on the District's accounts with the Ventura County Auditor's Office and approving the completed Local Agencies Form and Wire Transfers Form as requested by the County's Auditor-Controller.

### 4. PRESENTATIONS AND MONTHLY STAFF REPORTS (By Department)

### Administrative Services Department – Brian Zahn and Josh Perez

## 4.1 Monthly Administrative Services Department Report – Josh Perez and Brian Zahn

### **Information Item**

Summary report on the monthly activities of the Administration Department including but not limited to issues associated with budget development, financial performance versus budget plan, financial accounting requirements and procedures, potential debt issuance and related financial services, status of District investments and reserves, updates on its capital improvement programs, human resources and safety, District property and facilities maintenance and administration, District records and reports, groundwater extraction statements administration, risk management and District liability insurance matters, management of District contracts, policy development, governance procedures, and supporting activities of Board and staff.

### **Engineering Department** – Dr. Maryam Bral

# 4.2 Monthly Engineering Department Report Information Item

Summary report on the monthly activities of the Engineering Department, including but not limited to water resources, planning efforts and department programs impacting the District, such as project design and construction; dam safety; FERC license compliance; Freeman Diversion; recycled water; pipeline operations and various engineering analysis.

### **Environmental Services Department** – Linda Purpus

# 4.3 Monthly Environmental Services Department Report Information Item

Summary report on the monthly activities of the Environmental Services Department, including but not limited to environmental and regulatory issues of note to the District, water releases, operations of the fish ladder at the Freeman Diversion, various monitoring efforts, study plans and issues associated with the Endangered Species Act, including the Section 10 MSHCP process, future fish passage requirements, compliance with the District's FERC license/Biological Opinion, the Santa Felicia Dam, studies and operations in and near Piru Creek, and any interactions with Rancho Temescal and Rancho Camulos.

### **Operations and Maintenance Department – Brian Collins**

## 4.4 Monthly Operation and Maintenance Department Report Information Item

Summary report on monthly activities of the Operations and Maintenance Department, including but not limited to the District's facilities (Santa Felicia Dam and hydroplant; the Piru Groundwater Recharge facility; the Freeman Diversion; the Saticoy and El Rio Groundwater Recharge facilities; the Pleasant Valley and Pumping Trough Pipeline systems; and the Oxnard Hueneme Pipeline system), encompassing operating plans, the quantity and quality of water diverted and delivered, fish ladder operations, major maintenance problems and repairs, status of Operations and Maintenance projects and safety and training issues.

### Park and Recreation Department - Clayton Strahan

## 4.5 Monthly Park and Recreation Department Report Information Item

Summary report on monthly activities of the Park and Recreation Department, including but not limited to the Lake Piru Recreation Area, encompassing camping and boating policies at the lake; operations and activities; financing and status of facility improvement projects; maintenance activities; security issues; and emergency response activities.

### Water Resources Department - Dan Detmer

# 4.6 Monthly Water Resources Department Report Information Item

Summary report on the monthly activities of the Water Resources Department including but not limited to updates to the Ventura Regional Groundwater Flow Model; brackish water treatment feasibility study; upper Santa Clara River Chloride TMDL; hydrologic and well conditions statewide and locally; available Forebay storage; Ventura County well ordinance update; Fox Canyon GMA issues; City of Oxnard's recycled water program; potential water supply and recycled water projects, including use of United's terminal reservoirs; and various user groups (including but not limited to Oxnard Plain and Pumping Trough Pipeline groups).

# 4.7 Update on Groundwater Sustainability Agencies (GSAs) and Sustainable Groundwater Management Act (SGMA) Information Item

Summary report on the monthly activities of the three local Groundwater Sustainability Agencies (Mound Basin GSA, Fillmore and Piru Basins GSA, and the Fox Canyon Groundwater Management Agency), for which the District serves as a member director, and the Santa Paula basin (adjudicated) Technical Advisory Committee (including formation of groundwater sustainability agencies in the District's basins, stakeholder and basin user groups, joint powers or governance agreements, development of water markets, and potential basin boundary changes). Staff may also report on state-wide issues related to the implementation of the Sustainable Groundwater Management.

### 5. MOTION ITEMS (By Department)

### Water Resources Department - Dr. Maryam Bral and Dan Detmer

5.1 PUBLIC HEARING Conclusion of Annual Groundwater Hearing, Acceptance of Public Comment and Setting of 2022-23 Zones and Extraction Charges

### Motion

In accordance with Part 9 of Division 21 of the California Water Code (Section 75500 et seq.), the Board annually conducts a public hearing to consider the conditions of groundwater resources within the District. An "Annual Investigation and Report of Groundwater Conditions" was submitted to the Board on March 23, 2022 and has been available for public review and comment. This hearing was opened on April 13, 2022 and continued until May 11, 2022, at which time it was again continued to June 8, 2022. During the hearing, the Board will receive information from District staff and consultant(s) in support of the establishment of zone(s) within the District and levying of groundwater extraction charges within such zone(s). Public comment will also be accepted. No Board decisions have yet been made. The Board may choose to conclude the hearing today and consider acting to establish zone(s) within the District and to levy groundwater extraction charges within such zone(s) for the 2022-23 water year.

### **Resolution 2022-22**

Making Findings and Determinations from the Evidence Submitted Concerning the Groundwater Conditions of United Water Conservation District.

### Motion

### **Resolution 2022-23**

Making Additional Findings and Determinations from the Evidence Submitted Concerning Groundwater Conditions of United Water Conservation District, Determining and Establishing Groundwater Extraction Charge Zones and Levying, Assessing and Fixing Groundwater Extraction Charges against All Persons Operating Groundwater Producing Facilities within Such Zones for the 2022-23 Water Year Motion

### Administration Services - Brian Zahn and Josh Perez

5.2 <u>Resolution 2022-24</u> Adopting the Proposed District Budget Plan, Financial Policies, Overhead Allocation Method, Staffing Levels and Salary Schedules for Fiscal Year 2022-23 and Appropriation Carryovers for Fiscal Year 2021-22

### Motion

The Board will consider adoption of <u>Resolution 2022-24</u>, adopting the proposed District Budget Plan, Fiscal Policies, Overhead Allocation Method, Staffing Levels and Salary Schedules for Fiscal Year 2022-23 and Appropriation Carryovers for Fiscal Year 2021-22.

5.3 <u>Resolution 2022-25</u> A Resolution of the Board of Directors of UWCD Requesting the Auditor-Controller to Compute and Affix a Tax Rate for the Fiscal Period 2022-23 Sufficient to Satisfy the State Water Project Charges Motion

The Board will consider adoption of <u>Resolution 2022-25</u>, requesting the County Auditor-Controller to compute and affix a tax rate for FY 2022-23 to provide approximately \$2,099,000 in property tax revenue sufficient to satisfy a portion of the voter approved debt for State Water Project costs.

5.4 Consolidate District's 457 Plan with Lincoln Finance Group Motion

The Board will consider the benefits of consolidating the District's 457 plan(s), currently available and offered to active and retired employees of the District. At present, the District has two providers of 457 plans -- Lincoln Financial Group and Empower. Staff is recommending the Board consolidate these plans by authorizing the General Manager and/or his designee to formally transition all current participants into a single modernized 457 plan with Lincoln Financial Group.

### **Environmental Services Department** – Linda Purpus

5.5 Resolution 2022-27 Approving Adoption of the California Environmental Quality Act (CEQA) Notice of Exemption and the Approval of the Information Collection for the Proposed Extraction Barrier and Brackish Water Project Motion

The Board will consider adopting <u>Resolution 2022</u>-27, adopting the California Environmental Quality Act (CEQA) Notice of Exemption (NOE) for the Information Collection for the Proposed Extraction Barrier and Brackish Water Project (Project), approving the Project, and directing staff to file the NOE in accordance with CEQA.

### **Engineering Department** – Dr. Maryam Bral

5.6 Resolution 2022-28 A Resolution of the United Water Conservation District Board of Directors Authorizing Entering Into a Funding Agreement with the State Water Resources Control Board and Authorizing and Designating United Water Conservation District's General Manager For the Phase 1 Pumping of Coastal Brackish Groundwater Wells to Control Seawater Intrusion, Oxnard Basin Project

### Motion

The Board will consider adopting <u>Resolution 2022-28</u>, which is necessary to support the District's submission of a 2022 Groundwater Grant Program Implementation Round 3 grant application to the State Water Resources Control Board.

### **Operations and Maintenance Department** - Brian Collins

# 5.7 Authorize the Supplemental Appropriation of Funds to Purchase a Replacement Pump for the Pumping Trough Pipeline (PTP) Reservoir Motion

The Board will consider recommending approval of the motion item, authorizing a supplemental appropriation in the amount of \$189,000 to support the unbudgeted purchase of a replacement pump and electrical motor for the Pumping Trough Pipeline (PTP) Reservoir, which includes a 10% contingency.

### <u>Administration Services</u> – Brian Zahn and Josh Perez

# 5.8 UWCD Proclamation presented to Director Edwin T. McFadden III Ceremonial Item

The Board will present a UWCD Proclamation to Director Edwin T. McFadden III in recognition of nearly nine years of service to the United Water Conservation District in his role as Director of Division 1 and, for the past five years, his additional service as the UWCD Member Director to the Fillmore and Piru Basins Groundwater Sustainability Agency.

## 5.9 Appointment of Director for Division 1 Motion

The Board will consider appointment of a new Director to the Division 1 seat.

## 5.10 New Division 1 Director Oath of Office Motion

The newly appointed Director for Division 1 will take an Oath of Office administered by the Clerk of the Board.

### 6. BOARD OF DIRECTORS READING FILE

### 7. FUTURE AGENDA ITEMS

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### 8. ADJOURNMENT

The Board will adjourn to the Regular Board Meeting scheduled for Wednesday, July 13, 2022 or call of the President.

All testimony given before the Board of Directors is recorded. Materials, which are non-exempt public records and are provided to the Board of Directors to be used in consideration of the above agenda items, including any documents provided subsequent to the publishing of this agenda, are available for inspection at the District's offices at 1701 N. Lombard Street, Suite 200, Oxnard CA 93030 during normal business hours.

The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied the benefits of, the District's services, programs or activities because of any disability. If you need special assistance to participate in this meeting, or if you require agenda materials in an alternative format, please contact the District Office at (805) 525-4431. Notification of at least 48 hours prior to the meeting will enable the District to make appropriate arrangements.

Approved:

Mauricio E. Guardado, Jr. - General Manager

Posted: (date) June 2, 2022

(time) 4:30p.m.

(attest) Kris Sofley

At: United Water Conservation District Headquarters, 1701 N. Lombard Street, Oxnard CA 93030

Posted: (date) June 2, 2022

(time) 4:45p.m.

(attest) Kris Sofley

At: www.unitedwater.org

# EXHIBIT A EXECUTIVE (CLOSED) SESSION AGENDA

### 1. LITIGATION

- 1.1 Conference with Legal Counsel-Anticipated Litigation
  Pursuant to Government Code Section 54956.9(d)(2), one (1) case.
- 1.2 Conference with Legal Counsel Existing Litigation Pursuant to Government Code Section 54956.9 (d)(1)
  - A. <u>City of San Buenaventura v. United Water Conservation District, et al,</u> Santa Barbara County Superior Court Case No. 19CV06168, pending before the Court of Appeal of the Stat eof California, Second Appellate District, Division 6, Court of Appeal No. B312471.
  - **B.** Wishtoyo Foundation, et al v. United Water Conservation District, U.S. District Court for the Central District of California, Case No.2:16-cv-03869 GHK (PLAx).
  - C. OPV Coalition v Fox Canyon Groundwater Management Agency, Superior Court of the State of California, County of Ventura, Case No. 56-2021-00555357-CU-PT-VTA; Complaint for Comprehensive Groundwater Adjudication of the Oxnard Groundwater Subbasin (No. 4-004.02) and Pleasant Valley Subbasin (No. 4-006) Pursuant to Sections 830, *Et Seq.* of the Code of Civil Procedure; Declaratory Relief; Quiet Title; and Petition for Writs of Mandate.
  - **D.** <u>UWCD v United States</u>, U.S. Court of Federal Claims, Case No. 22-542L; Complaint for Just Compensation under the 5<sup>th</sup> Amendment.



### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

From: Kris Sofley, Clerk of the Board

Date: May 26, 2022 (June 8, 2022 Meeting)

Agenda Item: 2.5 Board Members' Activities Reports

**Information Item** 

### **Staff Recommendation:**

The Board will receive and file information regarding meeting participation provided by each of the Board of Directors through Monthly Activities (aka per diem) Reports.

### **Discussion:**

This item is provided on the agenda of each regular District Board of Directors meeting in order to allow Directors to report on non-agenda activities such as:

- 1. UWCD Committee participation Committee Chair to report on Committee's objectives and actions to Board.
- 2. Meetings, workshops, conferences and functions attended during the previous month on behalf of the District.
- 3. Possible conflicts that Directors might have with respect to issues on the Agenda.

Attachments: A – Directors' Monthly Activities Reports (per diem)

B - 2022 Calendar of District's Standing Committee and Outside Agency meetings

C - 2022 AWA VC Calendar of Meetings and Events

Due on last day of month

Activities and Expenses for Month May

\_\_\_\_\_Year 2022

Director: Berger

1. UWCD Board Meetings			Date	Mileage
Regular, special or emergency meetin	gs.		5/11	20
		$\times$		
				***************************************
2. UWCD Committee/Advisory Body Meetings		Committee Name & Location	Date	Mileage
Environmental, Executive, Finance/Au	ıdit,	Finance	5/2	20
Groundwater, Operations, Planning, F	Recreation and	Finance	5/31	20
RiverPark JPA Committees.		Recreation	5/4	20
3. Meeting with GM or District Legal	W/ CN - IC		PA	n ant
Counsel (LC)		Meeting Description & Location	Date	Mileage
war is the fact of	GM	Updates	5/24	20
4. Conferences/Trainings. Includes co	onferences or	Event Name & Location	Date	Mileage
educational activities organized by AC CSDA.	WA, AWAVC &			
5. Appointed representative to meet	ings of other	Foths None & Location		
entities' Boards. Includes FCGMA, LA		Entity Name & Location  AWA Board	Date 5/5	Mileage
IPA, AWAVC BoD, Oxnard Chamber of		AVYA DOGIG	5/26	20
Water Committee, ACWA, CSDA and C preparatory meetings with GM regard meetings.		AWA Symposium	5/26	
6. Meetings of other government entities at request of BoD, BP or GM. Such as PVCWD, FCGMA		Entity Name & Location	Date	Mileage
or Oxnard City Council.	/CWD, FCGMA			
management of other agencies. Inclu	Meetings with board members or executive anagement of other agencies. Includes FCGMA,		Date	Mileage
AFCO, RiverPark JPA, AWAVC BoD, On Chamber of Commerce Water Commit CSDA, GSA.				
<ol> <li>Public meetings hosted by District District matters</li> </ol>	regarding	Meeting Description & Location	Date	Mileage

Due on last day of month

Per Diem and Expenses for Month May Year 2022

Meetings with state or federal legislators or officials or representatives from other entities.	Official Name/Meeting Description & Location	Date	Mileage
At the request of the BoD, BP or GM.			
a vice request of the Bob, Br of Givi.		***************************************	

Other Expenses	Total
Days of out of town travel	
Lodging*	\$
Meals*	\$
Transportation*	\$
Misc.*	\$

<sup>\*</sup> attach all receipts

This section to be comp	pleted by f	inance Department	only	***************************************
Phone Allowance			1	\$50.00
Total # of meetings** 3	@\$237/4@\$2	48 x \$237./per month	1 \$	1,466.00
**not to exceed 10 meeti	ngs and \$2,	260. per month or 1 me	eting p	
Total days of travel		x \$100.00/day	T	***************************************
Total # of miles	120	x \$0.585/mile	\$	70.20
Total other expenses	***************************************		\$	70,20
TOTAL MILEAGE AND C	THER EXP	ENSES	\$	1,586,20

Director Signature

General Manager Signature

Definitions

BoD: Board of Directors BP: Board President GM: General Manager

# Board of Directors Activities and Expenses for Month April Year 2022

Director: Bruce Dandy

1. UWCD Board Meetings			Date	Mileage	] ,
Regular, special or emergency meetin	gs.		4/13	8	<b>]</b> </td
		$\sim$	4/20		7~
			4/5		$\exists_{N^{A}}$
					7
2. UWCD Committee/Advisory Body	Meetings	Committee Name & Location	Date	Mileage	7
Environmental, Executive, Finance/Au	ıdit,	Executive	4/5	8	N/
Groundwater, Operations, Planning, F	Recreation and				7
RiverPark JPA Committees.					
		, , , , , , , , , , , , , , , , , , , ,			
3. Meeting with GM or District Legal	W/ GM or LC	Meeting Description & Location	Date	Mileage	٦.
Counsel (LC)	GM	Board Prep	4/12	8	7/
	Staff	FCGMA Prep	4/26	8	7/
4. Conferences/Trainings. Includes co	onferences or	Event Name & Location	Date	Mileage	],
educational activities organized by AC	WA, AWAVC &	AWAVC Water ilssues	4/19		٦٧,
CSDA.		AWAVC Breakfast	4/21		7/
5. Appointed representative to meet	ings of other	Entity Name & Location	Date	Mileage	٦,
entities' Boards. Includes FCGMA, LA	FCO, RiverPark	VCSDA	4/5	18	٦√
JPA, AWAVC BoD, Oxnard Chamber of		FCGMA	4/27		7/
Water Committee, ACWA, CSDA and C		CoLAB	4/30		٦.⁄
preparatory meetings with GM regard	ling above	002.10	1700		7
meetings.					7
6. Meetings of other government en	tities at	Entity Name & Location	Date	Mileage	1
request of BoD, BP or GM. Such as P					1
or Oxnard City Council.	,				┪
					1
					1
					1
7. Meetings with board members or	executive	Entity Name & Location	Date	Mileage	7
management of other agencies. Inclu				Trineage	-
LAFCO, RiverPark JPA, AWAVC BoD, O	xnard				-
Chamber of Commerce Water Commi	ttee, ACWA,				-
CSDA, GSA.			-		_
					-
					4
8. Public meetings hosted by District	regarding	Meeting Description & Location	Date	Mileage	4
District matters					4
Such as Section 10 HCP, Vern Freemar	n Fish Panel.				4
					_
					1

# Board of Directors Per Diem and Expenses for Month April

\_Year <u>2022</u>

9. Meetings with state or federal legislators or	Official Name/Meeting Description & Location	Date	Mileage
officials or representatives from other entities.			
At the request of the BoD, BP or GM.			

Other Expenses	Total	
Days of out of town travel		
Lodging*	\$	
Meals*	\$	
Transportation*	\$	
Misc.*	\$	

<sup>\*</sup> attach all receipts

Phone Allowance				\$50.00
Total # of meetings**	9	x \$237./per month	\$	2,133.00
**not to exceed 10 meeting	gs and \$2,	260. per month or 1 mee	ting p	er day
Total days of travel		x \$100.00/day		
Total # of miles	42	x \$0.585/mile	\$	24.57
Total other expenses			\$	
TOTAL MILEAGE AND OT	HER EXP	ENSES	\$	2,207.57

**Director Signature** 

**Bruce Dandy** 

Date: 5/1/22

General Manager Signature

**Definitions** 

BoD: Board of Directors BP: Board President GM: General Manager Activities and Expenses for Month 5 Year 22

Director: Mohammed A. Hasan, P.E.

1. UWCD Board Meetings			Date	Mileage
Regular, special or emergency meeting	gs.		5-11	12
		$\times$		
2. UWCD Committee/Advisory Body	Meetings	Committee Name & Location	Date	Mileage
Environmental, Executive, Finance/Au	dit,	Finance	5-2	12
Groundwater, Operations, Planning, R	ecreation and	Rec	5-4	12
RiverPark JPA Committees.		Finance	5-31	12
	×			
3. Meeting with GM or District Legal W/GM or LC		Meeting Description & Location	Date	Mileage
Counsel (LC)				
4. Conferences/Trainings. Includes co	onferences or	Event Name & Location	Date	Mileage
educational activities organized by AC	ganized by ACWA, AWAVC & AWA VC Symposium 5-26 10		10	
CSDA.				
· Appeinted representative to meetings of other		Entity Name & Location	Date	Mileage
entities' Boards. Includes FCGMA, LA				
JPA, AWAVC BoD, Oxnard Chamber of				
Water Committee, ACWA, CSDA and C				
preparatory meetings with GM regard meetings.	ing above			
meetings.			Well-out-	
6. Meetings of other government en	tities at	Entity Name & Location	Date	Mileage
request of BoD, BP or GM. Such as P		VCTA economic outlook	5-12	58
or Oxnard City Council.				
	1			
7. Meetings with board members or	executive	Entity Name & Location	Date	Mileage
management of other agencies. Inclu	ides FCGMA,	Santa Paula Chamber	5-19	24
LACCO, RiverPark JPA, AWAVC BoD, O.				
Chamber of Commerce Water Commi	Itee, ACWA,			
CSDA, GSA.				
0.0.11		Meeting Description & Location	Date	Mileage
8. Public meetings hosted by District	regarding	ivieeting Description & Location	Date	Willeage
District matters	Side Devel			
Such as Section 10 HCP, Vern Freeman	i risti Panet.			1

Due on last day of month

Per Diem and Expenses for Month 5

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γ	e	а	r	2

9. Meetings with state or federal legislators or officials or representatives from other entities.	Official Name/Meeting Description & Location	Date	Mileage
officials of representatives from other entities.			
At the request of the BoD, BP or GM.	A		

Other Expenses	Total
Days of out of town travel	
Lodging*	\$
Meals*	\$
Transportation*	\$
Misc.*	\$

<sup>\*</sup> attach all receipts

Phone Allowance				\$50.00
Total # of meetings**	2/5	x \$237./\$248.		1,714.00
**not to exceed 10 meeti	ngs and \$2	,260. per month or 1 m	eeting p	er day
Total days of travel		x \$100.00/day		
Total # of miles	140	x \$0.585/mile	\$	81.90
Total other expenses			\$	
TOTAL MILEAGE AND C	THER EX	PENSES	\$	1,845.90

Director Signature

ed Hann

Date: 6-1-22

General Manager Signature

Date

Definitions

BoD: Board of Directors BP: Board President GM: General Manager

### 

Year 2022

Director: Lynn E. Maulhardt

		Date	Mileage
UWCD Board Meetings  Regular, special or emergency meetings.		3/9	3.8
Market	Committee Name 9 Lacation	Date	Mileage
2. UWCD Committee/Advisory Body Meetings Environmental, Executive, Finance/Audit, Groundwater, Operations, Planning, Recreation and RiverPark JPA Committees.		3/7	Mileage 3.8
W/ GM or LC	Meeting Description & Location	Date	Mileage
GM		3/16	n/a
GM	prep meeting for FCGMA Board meeting	3/22	3.8
GM	at 2088 Camarillo	3/29	15.6
GM	meeting w/Dir McFadden @ HQ	3/30	3.8
	Event Name & Location	Date	Mileage
FCO, RiverPark	Entity Name & Location FCGMA Special Board meeting	<b>Date</b> 3/11	Mileage 13.6
GSA. Or	FCGMA Board Meeting	3/23	13.6
	Entity Name & Location	Date	Mileage
7. Meetings with board members or executive management of other agencies. Includes FCGMA, LAFCO, RiverPark JPA, AWAVC BoD, Oxnard Chamber of Commerce Water Committee, ACWA, CSDA, GSA.		Date	Mileage
8. Public meetings hosted by District regarding District matters Such as Section 10 HCP, Vern Freeman Fish Panel.		Date	Mileage
	Meetings udit, Recreation and  W/ GM or LC GM GM GM GM COMFERENCES OF CWA, AWAVC &  Stings of other AFCO, RiverPark of Commerce GSA. Or ding above  Stities at CVCWD, FCGMA  Texecutive udes FCGMA, Dxnard ittee, ACWA,	Meetings udit, Recreation and  I W/ GM or LC GM meeting Description & Location GM meeting w/Dir McFadden via zoom GM prep meeting for FCGMA Board meeting GM at 2088 Camarillo GM meeting w/Dir McFadden @ HQ Conferences or CWA, AWAVC &  Retings of other AFCO, RiverPark of Commerce GSA. Or ding above  Retities at CVCWD, FCGMA  Reti	Meetings addit, Recreation and Executive Committee Satisfies at PVCWD, FCGMA Sparard Ittee, ACWA, Meetings Scommittee Satisfies at Possible Scommittee Satisfies at PvCWD, FCGMA, AWAVC, Award Sparans States and Sparans States Scommand Satisfies Satisfies States

Per Diem and Expenses for Month March

Year 2022

Official Name/Meeting Description & Location	Date	Mileage

Other Expenses	Total
Days of out of town travel	
Lodging*	\$
Meals*	\$
Transportation*	\$
Misc.*	\$

<sup>\*</sup> attach all receipts

Phone Allowance				\$50.00
Total # of meetings**	8	x \$237./per month	\$	1,896.00
**not to exceed 10 mee	tings and	\$2,260. per month or 1 mee	ting	per day
Total days of travel		x \$100.00/day		
Total # of miles	58	x \$0.585/mile	\$	33.93
Total other expenses			\$	
TOTAL MILEAGE AND	OTHER E	EXPENSES /	\$	1,979.93

**Director Signature** 

General Manager Signature

Dates //s/ac

Date: 5/13/2022

**Definitions** 

BoD: Board of Directors BP: Board President GM: General Manager

Activities and Expenses for Month April Year 2022

Director: Lynn E. Maulhardt

gs on and	Committee Name & Location	4/5 SBM 4/13 4/20 SBM	3.8
	Committee Name & Location		3.8
	Committee Name & Location	4/20 SBM	
	Committee Name & Location		3.8
		Date	Mileage
on and	Finance and Audit Committee	4/4	3.8
Groundwater, Operations, Planning, Recreation and RiverPark JPA Committees.		4/5	3.8
	Executive Committee Engineering & Operations Committee	4/7	3.8
3. Meeting with GM or District Legal W/ GM or LC		Date	Mileage
Counsel (LC) GM		4/11	11.4
M	w/Greg Lewis (1795 S Victoria Ventura)	4/18	11.4
M	prep meeting for FCGMA Board meeting	4/26	3.8
ces or	Event Name & Location	Date	Mileage
VAVC &			
5. Appointed representative to meetings of other entities' Boards. Includes FCGMA, LAFCO, RiverPark JPA, AWAVC BoD, Oxnard Chamber of Commerce Water Committee, ACWA, CSDA and GSA. Or preparatory meetings with GM regarding above		Date	Mileage
		4/8	13.6
		4/27	13.6
ve			
CCNAA	Entity Name & Location	Date	Mileage
CGIVIA			
ve GMA	Entity Name & Location	Date	Mileage
management of other agencies. Includes FCGMA, LAFCO, RiverPark JPA, AWAVC BOD, Oxnard Chamber of Commerce Water Committee, ACWA,			
		200	
8. Public meetings hosted by District regarding		Date	Mileage
nel.			
	re GMA, WA,	Entity Name & Location  PEGMA  PERMA  PERMA	Entity Name & Location Date  Per Entity Name & Location Date  GMA,  WA,  Meeting Description & Location Date

Per Diem and Expenses for Month April

Year 2022

9. Meetings with state or federal legislators or	Official Name/Meeting Description & Location	Date	Mileage
officials or representatives from other entities.		111114	
At the request of the BoD, BP or GM.	MANUAL CONTRACTOR		
	1		

Other Expenses	Total	
Days of out of town travel		
Lodging*	\$	
Meals*	\$	
Transportation*	\$	
Misc.*	\$	

<sup>\*</sup> attach all receipts

Phone Allowance				\$50.00
Total # of meetings**	10	x \$237./per month	\$	2370.00
**not to exceed 10 mee	tings and \$	2,260. per month or 1 mee	ting	per day
Total days of travel		x \$100.00/day		
Total # of miles	72.8	x \$0.585/mile	\$	42.59
Total other expenses			\$	
TOTAL MILEAGE AND	OTHER E	XPENSES /	\$	2,462.59

Director Signature

General Manager Signature

Date: -

Date: 5/13/2022

**Definitions** 

BoD: Board of Directors BP: Board President GM: General Manager

NA

## Board of Directors Activities and Expenses for Month May

\_\_Year <u>2022</u>

Director: Lynn Maulhardt

1. UWCD Board Meetings			Date	Mileage
Regular, special or emergency meeting	ngs.		May 11	3.8
2. UWCD Committee/Advisory Body Meetings Environmental, Executive, Finance/Audit,		Committee Name & Location	Date	Mileage
Groundwater, Operations, Planning, F	ıdit,	Finance Committee	May 2	3.8
RiverPark JPA Committees.	tecreation and	(June)Water Resources Committee	May 31	3.8
		Finance Committee (June)	May 31	3.8
3. Meeting with GM or District Legal W/ GM or LG		Mosting Possinting 6.1		
Counsel (LC)	GM		Date	Mileage
	GIVI	Fox Canyon GMA Board prep	May 24	3.8
1. Care			***************************************	-
4. Conferences/Trainings. Includes co	nferences or	Event Name & Location	Date	Mileage
educational activities organized by AC <sup>r</sup> CSDA.	WA, AWAVC &	AWA Water Symposium	May 26	6.6
5. Appointed representative to meeti	ngs of other	Entity Name & Location	Date	Mileage
entities' Boards. Includes FCGMA, LAFCO, RiverPark IPA, AWAVC BoD, Oxnard Chamber of Commerce Water Committee, ACWA, CSDA and GSA. Or preparatory meetings with GM regarding above		Fox Canyon GMA Board meeting	May 25	***************************************
		meeting w/Dir Naumann re FCGMA		13.6
		meeting w/Jeff Pratt re FCGMA	May 13 May 23	3.8 13.6
neetings.	is above		,	10.0
. Meetings of other government enti	ties at	Entity Name & Location	Date	Mileage
equest of BoD, BP or GM. Such as PVor r Oxnard City Council.	WD, FCGMA			
	-			
Meetings with hoard mombass				
. Meetings with board members or executive nanagement of other agencies. Includes FCGMA,		Entity Name & Location	Date	Mileage
AFCO, RiverPark JPA, AWAVC BoD, Oxn	ard			
namber of Commerce Water Committe DDA, GSA.	ee, ACWA,			
,				
Public meetings hosted by District regarding		Meeting Description & Location	Date	Mileage
strict matters ch as Section 10 HCP, Vern Freeman F				- 73
,				
****				

Per Diem and Expenses for Month \_\_May\_\_\_\_\_ Year \_\_2022\_\_

9. Meetings with state or federal legislators or officials or representatives from other entities.	Official Name/Meeting  Description & Location	Date	Mileage
At the request of the BoD, BP or GM.			

Other Expenses	Total
Days of out of town travel	
Lodging*	\$
Meals*	\$
Transportation*	\$
Misc.*	\$

<sup>\*</sup> attach all receipts

This section to be con	npleted by I	inance Department	only	
Phone Allowance				\$50.00
Total # of meetings**	1@237/7@2	48\$237to5/10/\$248	\$	1,973.00
**not to exceed 10 mee	tings and \$2,	260. per month or 1 me	eting r	er day
Total days of travel		x \$100.00/day	7	
Total # of miles	52.80	x \$0.585/mile	\$	30.89
Total other expenses		ged, to the se-	\$	
TOTAL MILEAGE AND	OTHER EXP	ENSES	\$	2,053.89

**Director Signature** 

Date: 5/31/2022

General Manager Signature

ン/3//2 Date:

**Definitions** 

BoD: Board of Directors BP: Board President GM: General Manager

Effective May 11, 2022 - the new meeting reimbursement fee will be \$248 per day with a limit of 1 meeting per day and 10 reimbursable meetings per month

Activities and Expenses for Month April

\_\_\_Year 2022

Director: Edwin T. McFadden III

1. UWCD Board Meetings			Date	Mileage
Regular, special or emergency meetin	gs.		04/05/22	40
		$\times$	04/13/22	40
			04/20/22	40
2. UWCD Committee/Advisory Body Meetings Environmental, Executive, Finance/Audit, Groundwater, Operations, Planning, Recreation and RiverPark JPA Committees.		Committee Name & Location	Date	Mileage
		Engineering	04/07/22	40
3. Meeting with GM or District Legal W/ GM or LC Counsel (LC)		Meeting Description & Location	Date	Mileage
4. Conferences/Trainings. Includes conferences or educational activities organized by ACWA, AWAVC & CSDA.		Event Name & Location	Date	Mileage
5. Appointed representative to meet entities' Boards. Includes FCGMA, LAI JPA, AWAVC BoD, Oxnard Chamber of Water Committee, ACWA, CSDA and Gpreparatory meetings with GM regard	CO, RiverPark Commerce SA. Or	Entity Name & Location	Date	Mileage
meetings.				
6. Meetings of other government ent		Entity Name & Location	Date	Mileage
request of BoD, BP or GM. Such as PV or Oxnard City Council.	/CWD, FCGMA	FPBGSA BOD	04/21/22	O
7. Meetings with board members or executive management of other agencies. Includes FCGMA, LAFCO, RiverPark JPA, AWAVC BoD, Oxnard Chamber of Commerce Water Committee, ACWA,		Entity Name & Location	Date	Mileage
CSDA, GSA.				
8. Public meetings hosted by District regarding District matters Such as Section 10 HCP, Vern Freeman Fish Panel.		Meeting Description & Location	Date	Mileage

Per Diem and Expenses for Month April

Year 2022

9. Meetings with state or federal legislators or	Official Name/Meeting Description & Location	Date	Mileage
officials or representatives from other entities.			
At the request of the BoD, BP or GM.			

Other Expenses	Total	
Days of out of town travel		
Lodging*	\$	
Meals*	\$	
Transportation*	\$	
Misc.*	\$	

<sup>\*</sup> attach all receipts

Phone Allowance				\$50.00
Total # of meetings*	* 5	x \$237./per month	\$	1,185
**not to exceed 10 me	etings and	\$2,260. per month or 1 med	eting	per day
Total days of travel	0	x \$100.00/day	0	
Total # of miles	160	x \$0.585/mile	\$	93.60
Total other expenses			\$	
TOTAL MILEAGE AND	OTHER E	XPENSES	S	1,328.60

**Director Signature** 

General Manager Signature

Date: 5 |11 |21

Date:

Definitions

BoD: Board of Directors BP: Board President GM: General Manager

## Board of Directors Activities and Expenses for Month May

Year 2022

Director: Edwin T. McFadden III

UWCD Board Meetings			Date	Mileage
Regular, special or emergency meeting	igs.		05/11/22	40
2. UWCD Committee/Advisory Body	Meetings	Committee Name & Location	5	
Environmental, Executive, Finance/Au	idit,	Water Resources Committee	Date	Mileage
Groundwater, Operations, Planning, R	lecreation and	Water Resources Committee	05/31/22	40
RiverPark JPA Committees				
	-			
3. Meeting with GM or District Legal	W/ 584 15			
Counsel (LC)	W/ GIVI OF LC	Meeting Description & Location	Date	Mileage
4. Conferences/Trainings. Includes co	-6			
educational activities organized by AC	WA AWAYE &	Event Name & Location	Date	Mileage
CSDA.	, , , , , , , , , , , , , , , , , , ,			
5. <u>Appointed representative</u> to meetings of other entities' Boards. Includes FCGMA, LAFCO, RiverPark		Entity Name & Location	Date	Mileage
IPA, AWAVC BoD, Oxnard Chamber of	Commerce			
Water Committee, ACWA, CSDA and G	SA. Or			
preparatory meetings with GM regardi			****	
meetings.	-			
5. Meetings of other government enti-		Entity Name & Location	Date	Mileage
request of BoD, BP or GM. Such as PV	CWD, FCGMA	FPBGSA BOD	05/19/22	0
or Oxnard City Council.				
	-			
	-			
. Meetings with board members or e		Entity Name & Location	Date	Mileage
management of other agencies. Includ			Date	wineage
AFCO, RiverPark JPA, AWAVC BoD, Oxi hamber of Commerce Water Committ				
SDA, GSA.	ee, ACWA,			
3. Public meetings hosted by District regarding District matters		Meeting Description & Location	Date	Mileage
uch as Section 10 HCP, Vern Freeman	Fish Panel			
and the state of t	Jan and			

Per Diem and Expenses for Month May

Year 2022

9. Meetings with state or federal legislators or	Official Name/Meeting Description & Location	Date	Mileage
officials or representatives from other entities.			
At the request of the BoD, BP or GM.			

Other Expenses	Total
Days of out of town travel	
Lodging*	\$
Meals*	\$
Transportation*	\$
Misc,*	\$

<sup>\*</sup> attach all receipts

Phone Allowance		by Finance Department o		\$50.00
Total # of meetings*	* 3	x \$248./per month	\$	744.00
**not to exceed 10 me	etings and	\$2,260. per month or 1 mee	ting p	
Total days of travel	0	x \$100.00/day	0	
Total # of miles	80	x \$0.585/mile	\$	46.80
Total other expenses			\$	
TOTAL MILEAGE AND	OTHER E	XPENSES	S	840.80

Director Signature

I well on I walks

Date: 6 1 22

General Manager Signature

Date:6/2/22

Definitions

BoD: Board of Directors BP: Board President GM: General Manager

Activities and Expenses for Month May Year 2022

Director: Daniel C. Naumann

1. UWCD Board Meetings			Date	Mileage
Regular, special or emergency meetin	gs.		May 11	12
				12
2. UWCD Committee/Advisory Body Meetings Environmental, Executive, Finance/Audit, Groundwater, Operations, Planning, Recreation and RiverPark JPA Committees.		Committee Name & Location	Date	Mileage
		Water Resources (June mtng)	May 30	12
			***	
Committees.				
3. Meeting with GM or District Legal	W/ CM on I C	Naction Description St.		
Counsel (LC)	W/ GIVI OF LC	Meeting Description & Location	Date	Mileage
				7
4. Conferences/Trainings. Includes co	nferences or	Event Name & Location	Date	Mileage
educational activities organized by AC	WA, AWAVC &	ACWA Sacramento 5/3-5	May 3-5	NA
CSDA.		AWA Water Symposium	May 26	16.8
		J. J	1110) 110	10.0
5. Appointed representative to meet		Entity Name & Location	Date	Mileage
entities' Boards. Includes FCGMA, LAF JPA, AWAVC BoD, Oxnard Chamber of		w/Dir Maulhardt re FCGMA	May 13	12
Water Committee, ACWA, CSDA and G				
preparatory meetings with GM regardi				
meetings.	_			
6. Meetings of other government enti-		Entity Name & Location	Date	Mileage
request of BoD, BP or GM. Such as PV or Oxnard City Council.	CWD, FCGMA			
or omitted dity countries.	-			
	-			
	-			
7. Meetings with board members or e	xecutive	Factor Name Charles		
management of other agencies. Include		Entity Name & Location	Date	Mileage
LAFCO, RiverPark JPA, AWAVC BoD, Oxi	nard			
Chamber of Commerce Water Committ	ee, ACWA,			
CSDA, GSA.	-			
	F			
3. Public meetings hosted by District r	ogovdin-	Mosting Description 9 1		
o. Public meetings nosted by District r District matters	egaroing	Meeting Description & Location	Date	Mileage
Such as Section 10 HCP, Vern Freeman	ish Panel			
, , , , , , , , , , , , , , , , , , , ,				
	<u></u>			
			<u> </u>	

Per Diem and Expenses for Month May

\_Year\_2022

Meetings with state or federal legislators or officials or representatives from other entities.	Official Name/Meeting Description & Location	Date	Mileage
At the request of the BoD, BP or GM.			

Other Ex	Total	
Days of o	3	
Lodging*	\$	
Meals*	\$	
Transpor	tation*	\$ 102.00
Misc.*	Parking @ Airport	\$54.00

<sup>\*</sup> attach all receipts

This section to be com	pleted by F	inance Department	only	
Phone Allowance				\$50.00
Total # of meetings** 3	@237/4@2	48 x \$237/\$248 5/11	\$	1,703.00
**not to exceed 10 meeti	ngs and \$2,2	260. per month or 1 me	eting p	per day
Total days of travel	3	x \$100.00/day		300.00
Total # of miles	52.8	x \$0.585/mile	\$	30.89
Total other expenses				156.00
TOTAL MILEAGE AND OTHER EXPENSES			\$	2,239.89

Director Signature

General Manager Signature

Date: May 25, 2022

Date: 6/2/22

**Definitions** 

BoD: Board of Directors BP: Board President

GM: General Manager

Effective May 11, 2022 - the new meeting reimbursement fee will be \$248 per day with a limit of 1 meeting per day and 10 reimbursable meetings per month

DRIGINAL -DELTA CAB
MED#
DRIVER: 6496906
CUSTOMER COPY
05/03/22 TR 678
START END MILES
15:36 15:47 12.2
DOWNTOWN
RATE 3:\$ 35.00
SMFFEE:\$ 2.50
SURCH:\$ 0.00
SISRCH:\$ 0.00
TIP:\$ 7.50
TOTAL:\$ 45.00

CARD TYPE: VISA
XXXXXXXXXXXX86819
AUTH:037731

TO CONTACT SITUA 916-444-0008

Sherton

1, 100

Date 5-4-2027
From Storten To Opner
Amount of Fare \$
Other Charges \$
Total \$ 12.00
Driver's Name
Cab #

# PASSENGER'S RECEIPT, TAXI CAB FARE

S.I.T.O.A. Airport Taxi

Driver's Phone Number (916) 807-1838

Please call driver

Driver's Name & Co. ZULFIQAR DELTA CAB # 65 STATE OF THE PARTY OF THE PARTY

24 Hour Dispatch Service (916) 444-0008

Date : \*\*
Fare : \*\*

Other:

Total: 45-00

We appreciate your business. If you have any comments or concerns please contact us: Website: sacairportcab.com. Phone: (916) 284-6878. Email: sitoa1@vahoo.com

FROM: Shorator Sacranto TO: Sacraneto Singat

Saniel C. Naymann

Hollywood Burbank Airport Thank you for using Hollywood Burbank Airport

Valet

Please call 818-840-8840 if you have any questions or comments

Spot: 6238

Transet: 0000001170726

License/State: 44352E3 CA

Color White Make Mod. Ford

Garage Loc Main Garage Request Low Main Location

Arrival Date 05, 03, 2022 13, 24, 08

Trans Date, 05, 05, 2022 12, 52, 01

Customer NAUMANN.

Cashier, Marina

Park Chrg. 34 00

TH Charge: 54.000

Amt Tend: 7()()()()

Chg Due: 16 (10)



### 2022 UWCD Standing Committee and Outside Agencies Meeting Dates

#### JANUARY 04- Water Resources (9am-10:05am)

- 05- Recreation (9am-9:28am)
- 05 Special UWCD Board Meeting (10am-10:02am)
- 06- Engineering and Operations (9am-10:53am)
- 11- Finance and Audit (9am-10:02am)
- 12- Board Meeting (12noon-3:48pm)
- 19- CoLAB VC WHEEL (1pm)
- 20- Mound Basin GSA (1pm)

Fillmore and Piru Basin GSA (5pm)

26- Fox Canyon GMA (1:30pm)

#### FEBRUARY: 01- Water Resources (canceled)

- 02- Recreation (9am-9:48am)
- 03- Engineering and Operations (9am-10:30am)
- 08- Finance and Audit (9am-10:04am)
- 09- Board Meeting (12noon-3:54pm)
- 16- CoLAB VC WHEEL (1pm)
- 17- Mound Basin GSA (1pm)
  Fillmore and Piru Basin GSA (5pm)
- 23- Fox Canyon GMA (1:30pm)
- 28- Finance and Audit (9am-9:33am)

Special Board Meeting (12noon-12:14pm)

### MARCH: 01- Water Resources (9am-11:23am)

- 02- Recreation (canceled)
- 03- Engineering and Operations (canceled)
- 09- Board Meeting (12noon-2:52pm)
- 16- CoLAB VC WHEEL (1pm)
- 17- Mound Basin GSA (1pm)

Fillmore and Piru Basin GSA (5pm)

23- Fox Canyon GMA (1:30pm)

### APRIL: 04- Finance and Audit (9am-10:30am)

- 05- Water Resources (canceled)
- 05- Special Board Meeting (9am-9:02am)
- 5- Executive Committee Meeting (9:15am-10:45am)
- 6- Recreation (9am-9:38am)
- 7- Engineering and Operations (9am- 10:35am)
- 13- Board Meeting (12noon- 2:30pm)
- 20- Special Board Meeting (1pm-2:06pm)
- 20- CoLAB VC WHEEL (1pm)
- 21- Mound Basin GSA (canceled) Fillmore and Piru Basin GSA (5pm)
- 27- Fox Canyon GMA (1:30pm)

### MAY: 2 - Finance and Audit (8:30am-9:31am)

- 3 Water Resources (canceled)
- 4- Recreation (9am-9:33am)
- 5- Engineering and Operations (canceled)
- 11- Board Meeting (12noon-2:33pm)
- 18- CoLAB VC WHEEL (1pm)
- 19- Mound Basin GSA (1pm)
  Fillmore and Piru Basin GSA (5pm)
- 25- Fox Canyon GMA (1:30pm)
- 31 –Water Resources\* (9am-9:55am) Finance and Audit (10:05am-10:58am)

### JUNE: 01- Recreation (canceled)

- 02- Engineering and Operations (9am)
- 06- Special Board Meeting (2:30pm-)
- 08-Board Meeting (12noon)
- 15- CoLAB VC WHEEL (1pm)

#### JUNE, continued

16- Mound Basin GSA (1pm)

Fillmore and Piru Basin GSA (5pm)

22- Fox Canyon GMA (1:30pm)

JULY: 05- Water Resources (9am)

05 - Finance and Audit (10:30am)

06- Recreation (9am)

07 - Engineering and Operations (9am)

- 13- Board Meeting (12noon)
- 20- CoLAB VC WHEEL (1pm)
- 21- Mound Basin GSA (1pm)

Fillmore and Piru Basin GSA (5pm)

27- Fox Canyon GMA (1:30pm)

AUGUST - 17- CoLAB VC WHEEL (1pm)

18- Mound Basin GSA (1pm)

Fillmore and Piru Basin GSA (5pm)

24- Fox Canyon GMA (1:30pm)

SEPTEMBER: 01- Engineering and Operations (9am)

6- Water Resources (9am)

Finance and Audit (10:30am)

- 7- Recreation (9am)
- 14-Board Meeting (12noon)
- 15- Mound Basin GSA (1pm)

Fillmore and Piru Basin GSA (5pm)

- 26- CoLAB VC WHEEL (1pm)
- 28- Fox Canyon GMA (1:30pm)

OCTOBER: 03 - Finance and Audit (8:30am)

- 04- Water Resources (9am)
- 05- Recreation (9am)
- 06- Engineering and Operations (9am)
- 12 -Board Meeting (12noon)
- 19- CoLAB VC WHEEL (1pm)
- 20- Mound Basin GSA (1pm)
  Fillmore and Piru Basin GSA (5pm)
- 26- Fox Canyon GMA (1:30pm)
- 31\* -Finance and Audit (8:30am)

NOVEMBER: 01 - Water Resources (9am)

- 02- Recreation (9am)
- 03- Engineering and Operations (9am)
- 09- Board Meeting (12noon)
- 16- CoLAB VC WHEEL (1pm)
- 17- Mound Basin GSA (1pm)/Fillmore and Piru Basin GSA (5pm)

**DECEMBER:** 01- Engineering and Operations (9am)

- 05- Finance and Audit (8:30am)
- 06 Water Resources (9am -)
- 07- Recreation (9am)

Fox Canyon GMA (1:30pm)

- 14- Board Meeting (12noon
- 15 -Mound Basin GSA (1pm) Fillmore and Piru Basin GSA (5pm)
- 21- CoLAB VC WHEEL (1pm)
- \*scheduled to prevent dual meetings on the same day

# ASSOCIATION OF WATER AGENCIES OF VENTURA COUNTY 2022 CALENDAR OF EVENTS

### DATES ARE SUBJECT TO CHANGE

All AWA meetings are offered virtually until further notice. Hybrid (in-person & virtual) may occur when advisable (T.B.A.). Meeting/Event notices with all details will be sent via email prior to each occurrence. Contact AWA for more information

JANUARY	6 18 <b>20</b> 26	Board Meeting Water Issues Committee WaterWise Program Channel Counties/Water Systems	3:00 pm, Thursday 8:00 am, Tuesday 8:00 am, Thursday 8:00 am, Wednesday	(AWA Members Only)
FEBRUARY	3 15 17 23	Executive Committee Meeting Water Issues Committee WaterWise Program Channel Counties/Water Systems	3:00 pm, Thursday 8:00 am, Tuesday 8:00 am, Thursday 8:00 am, Wednesday	(AWA Members Only) (T.B.A.)
MARCH	3 15 <b>17</b>	Board Meeting (Annual Meeting-Elections) Water Issues Committee WaterWise Program (Installation/Directors)	3:00 pm, Thursday 8:00 am, Tuesday 8:00 am, Thursday	(AWA Members Only) (T.B.A.)
	23	<b>Channel Counties/Water Systems</b>	8:00 am, Wednesday	
APRIL	7 19 <b>21</b> <b>27</b>	Executive Committee Meeting Water Issues Committee WaterWise Program Channel Counties/Water Systems	3:00 pm, Thursday 8:00 am, Tuesday 8:00 am, Thursday 8:00 am, Wednesday	(AWA Members Only) (T.B.A.)
MAY	5	Board Meeting	3:00 pm, Thursday	
Date to be Confirmed  Date to be Confirmed	26 26	Annual Water Symposium & Exposition Operators Tech Workshop & Exposition	7:00am-1:00pm, Thurs. 7:00 am-3:30pm, Thurs.	Courtyard – Oxnard/T.B.A. Courtyard – Oxnard/T.B.A.
JUNE	2 16 21 22	Executive Committee Meeting WaterWise Program Water Issues Committee Channel Counties/Water Systems	3:00 pm, Thursday 8:00 am, Thursday 8:00 am, Tuesday 8:00 am, Wednesday	(T.B.A.) (AWA Members Only)
Date to be Confirmed	_	CC/Water Systems Workshop (Confined Space)	8-Noon	(Fire Dept-Camarillo/ T.B.A.)
JULY	7 19 <b>21</b> <b>27</b>	Board Meeting Water Issues Committee WaterWise Program Channel Counties/Water Systems	3:00 pm, Thursday 8:00 am, Tuesday 8:00 am, Thursday 8:00 am, Wednesday	(AWA Members Only) (T.B.A.)
AUGUST		DARK		
SEPTEMBER	1 15 20 <b>28</b>	Board Meeting Reception for Members/Elected Officials Water Issues Committee Channel Counties/Water Systems Luncheon	3:00 pm, Thursday 4:00 pm, Thursday 8:00 am, Tuesday 8:00 am, Wednesday	(AWA Members/Guests Only) (AWA Members Only)
OCTOBER  Date to be Confirmed	6 18 <b>20</b> <b>26</b>	Executive Committee Meeting Water Issues Committee WaterWise Program Channel Counties/Water Systems Luncheon Math Workshop: Water Distribution Exam Review	3:00 pm, Thursday 8:00 am, Tuesday 8:00 am, Thursday 8:00 am, Wednesday 8:00am–Noon	(AWA Members Only) (T.B.A.)
NOVEMBER	3	Board Meeting	3:00 pm, Thursday	
Date to be Confirmed	?	Annual VC Water Supply Bus Tour	8:00 am	
	15 <b>17</b>	Water Issues Committee WaterWise Breakfast Program	7:00 am, Tuesday 8:00 am, Thursday	(AWA Members Only) (T.B.A.)
Date to be Confirmed	*29	Channel Counties/Water Systems Lunch Math Workshop: Water Treatment Exam Review	8:00 am, Wednesday 8:00am–Noon	
DECEMBER	*08 <b>08</b>	Executive Committee Meeting Holiday Mixer/Corporate Night	3:00 pm, Thursday 4:00 pm, Thursday	(AWA Members/Guests Only)

\* Indicates change from typical event date

Board Approved 11/4/21



### **Staff Report**

To: UWCD Board of Directors

From: Mauricio E. Guardado, Jr., General Manager

Date: May 27, 2022 (June 8, 2022 meeting)

Agenda Item: 2.6 General Manager's Report

**Information Item** 

### **Staff Recommendation:**

The General Manager will present information on his activities of possible interest to the Board and that may have consequences to the District.

### **Discussion:**

The General Manager's primary responsibility is to ensure that the policies and directions of the Board of Directors are adhered to as he oversees and manages the efforts of the department managers and their staff in the day-to-day operation and administration of the District. All of these efforts are to be consistent with the District's Mission Statement and within the fiscal constraints set by the Board of Directors.

The District's managers provide detailed monthly updates to the Board of Directors which outline projects' statuses, accomplishments, issues of concern, projects planning, etc. The monthly General Manager's report provides an opportunity for the General Manager to discuss issues that may impact the efforts of the separate departments as they pursue their defined goals and objectives. The report also provides the Board with information on the District's efforts and involvement in local, regional and state-wide issues.

Finally, the monthly General Manager's report offers the Board of Directors an overview of how their policies and directions are being administered through discussion of the work plan and efforts of the General Manager.



### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

**From:** Kris Sofley, Clerk of the Board

**Date:** March 31, 2022 (June 8, 2022 meeting)

Agenda Item: 2.7 Consider Cancellation of August 2022 Regular Board Meeting

**Motion** 

### **Staff Recommendation:**

As has been the District's tradition, the Board shall consider canceling its regular August 2022 Board meeting.

### **Discussion:**

Pursuant to Board of Director Policies and Procedures, it is the District's policy to hold a regular Board meeting on the second Wednesday of each month; however, it has been the tradition of the District to not hold a regular Board meeting in August. Though the urgency to act on or discuss an issue might require a Special Board meeting in August, it is recommended that, due to Director and staff vacations, the Board cancel the regular Board meeting of August 10, 2022.



# MINUTES <u>UWCD BOARD MEETING</u> <u>Wednesday, May 11, 2022, 12:00 noon</u> <u>United Water Conservation District Headquarters</u>

1701 N. Lombard Street, Oxnard CA 93030

**DIRECTORS IN ATTENDANCE** 

Bruce E. Dandy, president
Sheldon G. Berger, vice president
Lynn E. Maulhardt, secretary/treasurer
Mohammed A. Hasan, director
Edwin T. McFadden III, director
Michael W. Mobley, director
Daniel C. Naumann, director

#### **STAFF IN ATTENDANCE**

David D. Boyer, legal counsel Dr. Maryam Bral, chief engineer John Carman, operations and maintenance program supervisor Brian Collins, chief operations officer Dan Detmer, water resources manager Anthony Emmert, assistant general manager Tony Huynh, risk and safety manager Murray McEachron, principal hydrologist Craig Morgan, engineering manager Josh Perez, chief human resources officer Zachary Plummer, technology systems manager Linda Purpus, environmental services manager Daryl Smith, controller Kris Sofley, executive assistant/clerk of the Board Clayton Strahan, chief park ranger Ambry Tibay, senior accountant Brian Zahn, chief financial officer

#### PUBLIC IN ATTENDANCE

Not identified

Board of Directors
Bruce E. Dandy, President
Sheldon G. Berger, Vice President
Lynn E. Maulhardt, Secretary/Treasurer
Mohammed A. Hasan
Edwin T. McFadden III
Michael W. Mobley
Daniel C. Naumann

General Manager Mauricio E. Guardado, Jr.

Legal Counsel David D. Boyer

#### 1. FIRST OPEN SESSION 12:00 P.M.

President Dandy called the meeting to order at 12noon, and asked the District's legal counsel to provide an overview of the items to be discussed by the Board in Executive (Closed) Session.

Mr. Boyer announced the Board, pursuant to Government Code Section 54956.9(d)(2), would be discussing two (2) cases of anticipated litigation and, pursuant to Government Code Section 54956.9 (d)(1), would be discussing three cases of existing litigation, including the Prop 26 litigation with the City of Ventura, the Wishtoyo Foundation lawsuit and the OPV Adjudication.

#### 1.1 Public Comments

#### **Information Item**

President Dandy then asked if there were any members of the public present who wanted to address the Board on any matter on the Closed Session agenda or on any non-agenda item within the jurisdiction of the Board. None were offered.

#### 1.2 EXECUTIVE (CLOSED) SESSION 12:02 P.M.

President Dandy adjourned the meeting into Executive (Closed) Session at 12:02p.m.

#### 2. SECOND OPEN SESSION AND CALL TO ORDER 1:06 P.M.

President Dandy called the second open session of the UWCD Board of Directors meeting to order at approximately 1:06p.m.

#### 2.1 Pledge of Allegiance

President Dandy invited UWCD Environmental Services Manager Linda Purpus to lead everyone in reciting the Pledge of Allegiance.

#### 2.2 Public Comment

#### **Information Item**

President Dandy asked if any members of the public wanted to address or provide a comment to the Board. None were offered.

#### 2.3 Approval of Agenda

#### **Motion**

President Dandy asked if there were any changes to the agenda. Assistant General Manager Emmert replied that there have been no changes to the agenda. President Dandy asked for a motion. Motion to approve the agenda, Director McFadden; Second, Director Mobley. Voice vote: seven ayes (Berger, Hasan, Maulhardt, McFadden, Mobley, Naumann, Dandy), none opposed. Motion carries 7/0.

# 2.4 Oral Report Regarding Executive (Closed) Session Information Item

District Legal Counsel David D. Boyer reported that the Board took no action during Executive (Closed) session that was reportable under the Brown Act.

# 2.5 Board Members' Activities Report Information Item

President Dandy explained that some of the Directors, including Director Maulhardt, Director McFadden and himself, had submitted their activities reports late and that those reports would be included in the June Board packet. He asked if anyone had any questions or comments on the reports. None were offered.

# 2.6 General Manager's Report Information Item

Assistant General Manager Emmert stated that he had no updates at this time.

# 2.7 2022 Richard V. Laubacher Water Conservation Award Motion

President Dandy explained that, due to the nature of the award presentation at the AWA Water Symposium later in the month, the candidates for the 2022 Laubacher award were only identified to the Board, for its consideration of a possible recipient, but if the public wanted to see the list, it would be provided to them through the Clerk of the Board. After some discussion among the Board, it was decided that each Board member would write the letter corresponding to their preferred candidate on a slip of paper and the Clerk of the Board would collect the slips of paper and tally the vote. The Board voted anonymously, with Candidate A receiving four votes; Candidate B receiving three votes; and Candidate C receiving no votes.

3. CONSENT CALENDAR: All matters listed under the Consent Calendar are considered routine by the Board and will be enacted by one motion. There will be no separate discussion of these items unless a Board member pulls an item from the Calendar. Pulled items will be discussed and acted on separately by the Board. Members of the public who want to comment on a Consent Calendar item should do so under Public Comments. (ROLL CALL VOTE REQUIRED)

President Dandy asked if there were any comments or questions regarding Consent Calendar items. None were offered.

#### A. Approval of Minutes

#### Motion

Approval of the Minutes for the Regular Board Meeting of April 13, 2022, and the Special Board Meeting of April 20, 2022.

#### **B.** Groundwater Basin Status Reports

#### **Information Item**

Receive and file Monthly Hydrologic Conditions Report for the District.

# C. Monthly Investment Report Information Item

Report on the District's investments and the availability or restriction of these funds. All investments are in compliance with the District's investment policy, which is reviewed and approved annually by the Board.

D. Resolution 2022-19 Subsequent Finding that the Governor of California issued a Proclamation of a State of Emergency on March 4, 2020 relating to the COVID-19 virus and local officials continue to recommend social distancing measures to mitigate the spread of the COVID-19 virus and Authorizing remote teleconference meetings of the legislative bodies of United Water Conservation District for the period of May 11 through June 8, 2022, pursuant to Brown Act provisions

#### **Motion**

The Board will consider adopting <u>Resolution 2022-19</u> continuing subsequent findings that the requisite conditions exist for remote teleconference meetings of the District's legislative bodies without compliance with Government Code section 54953(b)(3), as authorized by Government Code section 54953(e).

#### E. Third Quarter FY 2021-22 Financial Report and Budget Amendments Motion

The Board will receive and review the FY 2021-22 Third Quarter Financial Report for the period of July 1, 2021 through March 31, 2022 and approve the proposed modifications to the FY 2021-22 Budget.

F. Resolution 2022-20 Requesting Consolidation of the United Water Conservation District General Election with the Statewide General Election

#### **Motion**

The Board will consider adopting <u>Resolution 2022-20</u>, consolidating the District's November 8, 2022 general election with the County of Ventura.

Motion to approve the Consent Calendar, Director Hasan; Second, Director Berger. Roll call vote: seven ayes (Berger, Hasan, Maulhardt, McFadden, Mobley, Naumann, Dandy); none opposed. Motion carries unanimously 7/0.

#### 4. PRESENTATIONS AND MONTHLY STAFF REPORTS (By Department)

#### **Operations and Maintenance Department - Brian Collins**

# 4.1 Monthly Operation and Maintenance Department Report Information Item

Brian Collins provided a summary report on monthly activities of the Operations and Maintenance Department, and since there was no Engineering and Operations Committee meeting in May, he had no presentations to share with the Board. President Dandy asked if the Board had any questions or comments for Mr. Collins. None were offered.

#### <u>Park and Recreation Department</u> – Clayton Strahan

# 4.2 Monthly Park and Recreation Department Report Information Item

Chief Park Ranger Clayton Strahan provided a summary report and presentation on monthly activities of the Park and Recreation Department. He thanked Dr. Bral and the Engineering team for their help and support in expediting the Lake Piru Kiosk rehabilitation and showed before and after photos (see attached). Director Maulhardt asked a question about the Long Term Stay agreement and Chief Strahan replied that he would have a motion item later on the agenda and would be happy to explain the agreement at that time. President Dandy asked if there were any other comments or questions for Chief Strahan. None were offered.

#### Water Resources Department - Dan Detmer

# 4.3 Monthly Water Resources Department Report Information Item

Water Resources Manager Dan Detmer provided a summary report on the monthly activities of the Water Resources Department to the Board, but as there was no Water Resources Committee meeting in May, he had no presentation for the Board. He did say that he had one new item and reported to the Board that the District was entering into a dry period at the Freeman Diversion, with diversions reduced to 5 cfs and below. President Dandy aske the Board if they had any comments or questions for Mr. Detmer. None were offered.

# 4.4 Update on Groundwater Sustainability Agencies (GSAs) and Sustainable Groundwater Management Act (SGMA) Information Item

Mr. Detmer reported that the Mound and Fillmore Piru GSAs were discussing and planning monitoring wells in accordance with the agencies' GSPs. Fox Canyon GMA was awarded a grant that will include several of the District's projects. He also reported that a DWR Prop 1 Round 2 grant had funded Dr. Sun's modeling for the Extraction Barrier Brackish Water (EBB Water) project and that the District was invited to apply for another round of funding, Round 3, that, if awarded, would provide \$8.4 million in support of additional monitoring wells and production wells for the project and would require a 50-50 match. Mr. Detmer said the District would be submitting an application and that Fox Canyon GMA announced at its recent meeting that it would be providing a letter of support for the District's grant funding request. President Dandy asked the Board if they had any comments or questions for Mr. Detmer. None were offered.

#### Administrative Services Department - Brian Zahn and Josh Perez

# 4.5 Monthly Administrative Services Department Report – Josh Perez and Brian Zahn

#### **Information Item**

Chief Financial Officer Brian Zahn provided a summary report on the monthly activities of the Administration Department and included an overview presentation on the District's Third Quarter financials (see attached). President Dandy asked the Board if they had any comments or questions for Mr. Zahn. There was some discussion about the pumping activity in specific sectors, which Mr. Zahn said was being investigated, and a brief discussion about legal and professional fees, especially insurance costs, being higher than anticipated. President Dandy asked if there were any more questions or comments for Mr. Zahn. None were offered.

#### **Engineering Department** - Dr. Maryam Bral

# 4.6 Monthly Engineering Department Report Information Item

Chief Engineer Dr. Mary Bral provided a summary report on the monthly activities of the Engineering Department, and due to the fact that there was no Engineering and Operations Committee meeting in May, she did not have a presentation for the Board. President Dandy asked the Board if they had any comments or questions for Dr. Bral. None were offered.

#### **Environmental Services Department – Linda Purpus**

# 4.7 Monthly Environmental Services Department Report Information Item

Environmental Services Manager Linda Purpus provided the Board with a summary report on the monthly activities of the Environmental Services Department, and due to the fact that there was no Engineering and Operations Committee meeting in May, she did not have a presentation for the Board. President Dandy asked if the Board had any comments or questions for Ms. Purpus. None were offered.

#### 5. MOTION ITEMS (By Department)

#### <u>Administrative Services Department</u> – Anthony Emmert

#### 5.1 PUBLIC HEARING

# Continuation of Annual Groundwater Hearing to Accept Comment on Groundwater Conditions within the District

President Dandy stated that, in accordance with the District's principal act in the California Water Code, the Board annually conducts a public hearing to consider the conditions of groundwater resources within the District. An "Annual Investigation and Report of Groundwater Conditions" was submitted to the Secretary/Treasurer of the Board on March 23, 2022 and has been available for

public review and comment. This Public Hearing was initially opened at the April 13, 2022 Board of Directors meeting and was continued to the regular May 2022 Board meeting and will again be continued to the June 2022 Board meeting.

At this meeting, staff will give a report on current groundwater conditions, and members of the public will be permitted to give testimony. At its June 8, 2022 meeting, the Board may choose to close the hearing and consider the establishment of zones and the levying of groundwater extraction charges in those zones.

President Dandy then invited members of the public to provide testimony or comments. None were offered.

President Dandy then continued the Public Hearing to the Wednesday, June 8, 2022 Board of Directors meeting and reminded everyone that no Board decisions will be made until the final hearing on June 8, 2022.

# 5.2 FY 2022-23 Proposed Budget Workshop Motion

Mr. Zahn provided the Board with a presentation (see attached) regarding the Proposed FY 2022-23 District Budget. Pertinent information with respect to the budget was discussed among the Board members and staff, including a review of the development of the proposed budget, reserve needs, corresponding rates to be charged, the budget process and related issues. Mr. Zahn also addressed the District's Capital Improvement Plan and recommended funding for FY 2022-23; and additional information in connection with and in support of the proposed FY 2022-23 Budget and the District's groundwater extraction charges.

Mr. Zahn also addressed proposed changes to some of the District's Financial Policies, including increasing the dollar limits for budget transfers for the Chief Financial Officer and General Manager, dollar limit increase on the District's travel credit card, and a dollar limit increase on "Senior Leaders," also known as department heads (those reporting directly to the General Manager). Director Naumann asked if these policy changes had been reviewed by the Finance Committee. Mr. Zahn replied that they had not been presented to the Finance Committee. President Dandy stated that was concerning.

Mr. Zahn then addressed the Pumping Trough Pipeline (PTP) Reserve account, which currently has a limit of between \$200,000 and \$300,000, but stated that Operations had suggested increasing that reserve to a \$1,000,000 reserve balance. Director Maulhardt asked how that would impact the cost per acre foot for PTP customers. Mr. Zahn reported that there would be no changes currently and added the PTP Reserve account currently has a balance of \$996,000 at the end of the fiscal year, but that it could cause an increase in customer costs in the future.

Director Maulhardt asked why the PTP couldn't get a loan from another fund and repay it in the event of a major repair, as has been the process in the past. Mr. Zahn said that in 2022-23, there would be no impact to customers; but in going forward,

there could be a cost increase to customers. If the reserve amount is left as is, there is no effect to the customer rates.

Director Naumann strongly urged that the PTP Reserve Fund be left as it is. Director Maulhardt agreed and said the PTP was a solution to get people to stop pumping groundwater and he is opposed to charging those customers more. If the money is already in the reserve account, he said, leave it there, but don't change the reserve policy.

Director Mobley said that having three times the reserve amount doesn't look good to the public and supports no change in the rate for PTP users.

Director Naumann said it would be cheaper to amortize the costs of a new pump than to raise rates for the PTP customers.

Director Maulhardt repeated his earlier suggestion that the PTP Fund could borrow money in the event of an emergency repair from another fund and pay it back over time, as has been the practice in the past.

Director Berger said that this issue needs to be reviewed and addressed in the Finance Committee.

Director Maulhardt agreed stating that all financial policy requests need to be reviewed in advance by the Finance Committee, who will make a recommendation to the Board.

President Dandy reiterated that the Budget Workshop is for discussion purposes and that these financial policy changes need to be reviewed by the Finance Committee. President Dandy asked the Board if they had any additional comments or questions for Mr. Zahn. None were offered.

#### Park and Recreation Department - Clayton Strahan

# 5.3 <u>Resolution 2022-14</u> Adopting Amended and Restated Ordinance No. 15 and Authorizing Ordinance No. 15 Motion

Chief Strahan explained the changes that were being made to the District's Ordinance 15 (Section 5.6 and 5.9) are related to the long term stay agreement, which is also a motion item for the Board's consideration. Chief Strahan explained that the Peak period for Lake Piru Recreation Area visitation (March through October) limits stays to 14 consecutive days; the Non-Peak period (November through February), stays are available up to 90 days; there are two "shoulder" periods in the Spring and Fall (February/March and October/November) when stays will be limited to 30 days. The changes to the Ordinance also provide more flexibility for Special Events, such as night fishing, fishing tournaments and other events which require a special event permit.

Director Maulhardt asked for clarification of the peak and non-peak periods and the terms of the long stay agreement. Chief Strahan provided clarification and also stated that District's legal counsel, Suparna Jain, had reviewed all of the changes to the Ordinance as well as reviewed the new Long Term Stay agreement.

President Dandy asked the Board if they had any additional comments or questions for Chief Strahan. None were offered.

Motion to approve <u>Resolution 2022-14</u>, officially authorizing an amended and restated Ordinance No. 15, establishing rules and regulations for the Lake Piru Recreation Area, Director Naumann; Second, Director Hasan. Roll call vote: seven ayes (Berger, Hasan, Maulhardt, McFadden, Mobley, Naumann, Dandy); none opposed. Motion carries unanimously 7/0.

# 5.4 <u>Resolution 2022-17</u> Lake Piru Long Term Stay Agreement Motion

Chief Strahan explained that the District had inherited a long term stay agreement from the former park management firm, PMC, which had not undergone legal review. The new agreement provides options for the District with regarding to various issues relating to long term stays at the Lake Piru Recreation Area and was fully reviewed by the District's Legal Counsel.

President Dandy asked the Board if they had any additional comments or questions for Chief Strahan. None were offered.

Motion to adopt <u>Resolution 2022-17</u>, approving a revised long term stay agreement pursuant to adopted revisions of Ordinance No. 15 Rules and Regulations for Lake Piru Recreational Area, Section 5.9 (f) and (g), Director Hasan; Second, Director Maulhardt. Roll call vote: seven ayes (Berger, Hasan, Maulhardt, McFadden, Mobley, Naumann, Dandy); none opposed. Motion carries unanimously 7/0.

#### 6. BOARD OF DIRECTORS READING FILE

#### 7. FUTURE AGENDA ITEMS

President Dandy asked if the Board had any recommendations for future agenda topics. None were offered.

#### 8. ADJOURNMENT 2:33p.m.

President Dandy adjourned the meeting to the Regular Board Meeting scheduled for Wednesday, June 8, 2022 or call of the President.

UWCD Board of Directors Meeting MINUTES	3
May 11, 2022	
Page 10	

I certify that the above is a true and correct copy of the minutes of the UWCD Board of Directors meeting of May 11, 2022.

ATTEST:	
	Lynn E. Maulhardt, Board Secretary
	•
ATTECT.	
ATTEST:	
	Kris Sofley Clerk of the Board



1



Revenue Recap 2022 (Jan.-Apr.)

Year	Day Use Revenue	Camping Revenue	All Other Revenue	Revenue Collected	Revenue Received	Visitation (# of People)
2022	\$65,189.37	\$168,165.10	\$23,540.23	\$256,894.70	\$256,894.70*	23,582
2021	\$76,633.99	\$138,275.30	\$9,384.01	\$224,293.30	\$224,293.30	15,855

#### "Other" Revenue Breakdown:

- Dry Storage: \$7,000
  Filming: \$1,100
  Showers / Laundry: \$2,100
  Ice: \$2,200
- Firewood: \$4,400
- WiFi: \$5,300

\*as of 4-24-2022 United Water Conservation District

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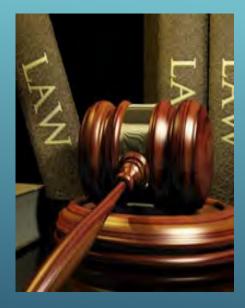
3.A) Ordinance 15 Revisions

Propose the following changes to Ordinance 15-Rules and Regulations Lake Piru:

- Section 5.6(i) Language changes expanding a prohibition on weapons, all weapons to include archery equipment
   These changes would also authorize exemptions for the use of archery equipment for bow fishing tournaments)
- Section 5.6(j) Extends hours of fishing to individual's engaged in special events (night fishing)
- 5.9(f) Language changes to clarifying the Chief Rangers role in executing long term stay agreements.
- designations

   Long terms stay will now be limited to 14 days for 6 months, and
  - Removes language associated with peak, non-peak and shoulder seasons

Sections 5.9 (j)(m) and 5.11(c) – Minor language changes aimed at providing guests and staff with more clarification



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4.A) Long Term Stay Agreement

#### **Long Term Stay Revisions:**

- Revise Ordinance 15 Sections 5.9(f)(g)
   Long term stay language revision setting stays at 14 days or less, for 14 days, 6 months of the year, and 30 days, the other six months of the year
   Removes language associated with peak, non-peak and shoulder seasons
- Adopt Resolution 2022-17 authorizing the General Manager and or his/her designee to execute long term stay agreement



5

# **QUESTIONS?**



# Third Quarter Fiscal Year 2021-2022 Financial Review

MAY 2, 2022



1

### Highlights



#### **REVENUE**

- Total operating revenue is approximately \$1.8M or 8% ahead of budget
- Pipeline revenues are favorable to budget by approximately \$1.6M or 22%
- Groundwater extraction fees are below budget by approximately \$1.0M or -11%

#### **EXPENDITURE**

- Personnel expenses are slightly below budget (-8%) in a couple of departments
- Professional and legal fees, maintenance and utilities drive underrun to budget (\$2.9M); however, an additional (\$1.6M) in the miscellaneous account attributable to principal reductions adds to the favorability
- Allocated overhead below budget on lower operating expenses (\$336k)

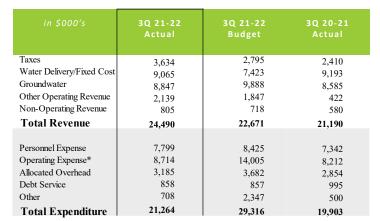
#### **FUND BALANCE**

• OH Pipeline Fund currently below minimum balance, however, the is performing better than budgeted and a surplus is projected for 6/30/2022

,

#### Overview

WATER VOLUMES CONTINUE TO DRIVE REVENUE UPSIDE



<sup>\*</sup>Includes Depreciation



#### **REVENUE**

- Revenue is up \$1.8M, despite the fact that groundwater extraction fees are \$1.0M (-11%) below budget
- Tax revenue is up \$839K, 30% above budget and 51% above the prior year

#### **EXPENDITURE**

- Maintenance, Legal, Professional Fees and Utilities combined are below budget \$2.9M
- With depreciation included, total Operating Expense was \$5.9M favorable to budget

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#### Q3 2021-2022 Revenue

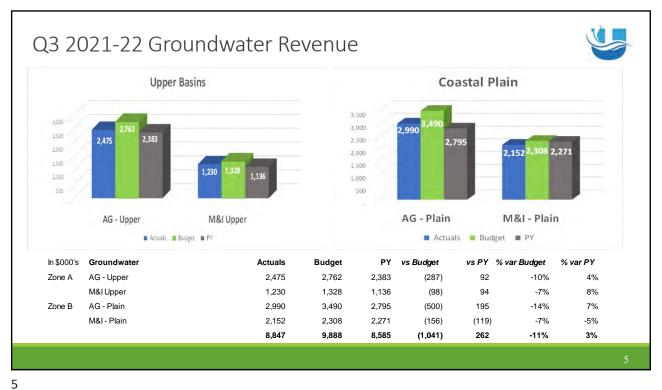
Q3 PIPELINE AND TAX REVENUE AHEAD OF BUDGET

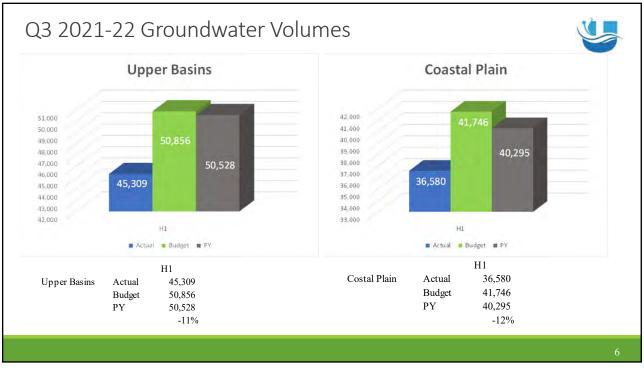


#### TOTAL OPERATING REVENUE \$1.8M OVER BUDGET

- Pipeline Revenue is \$1.6M above budget due to higher volumes delivered
- Tax revenue added to the revenue favorability as it was approximately \$840K above budget and \$1.2M above the prior year
- Other revenue is slightly higher than budget, \$379K; however, it is \$1.9M favorable to the prior year, in part due to the increased revenues at Lake Piru and state grants

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# Top-10 Groundwater Pumpers



#### AG

<b>Customer Name</b>	FY 21-22	FY 20-21	% Change
FARMERS IRRIGATION CO,	5,392	6,051	-11%
PLEASANT VALLEY CO WTR,	4,831	2,246	115%
FILLMORE FISH HATCHERY,	4,194	3,293	27%
SESPE AGRICULTURAL WATER,	2,752	3,860	-29%
REITER BROTHERS INC,	2,370	2,669	-11%
DUDA FARM FRESH FOODS INC	2,283	2,675	-15%
SOUTHLAND SOD FARMS,	2,040	2,736	-25%
DEL NORTE WATER COMPANY,	1,180	1,440	-18%
ALTA MUTUAL WATER CO,	1,147	1,434	-20%
NAUMANN RANCH,	959	1,040	-8%
Top 10 Total	27,148	27,443	6%
% of Billed AF	40%	36%	

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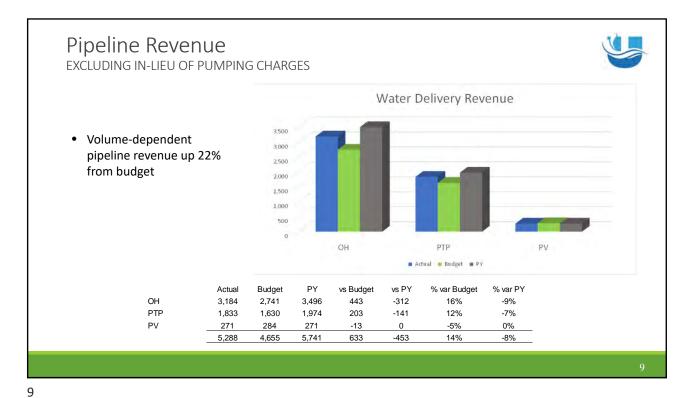
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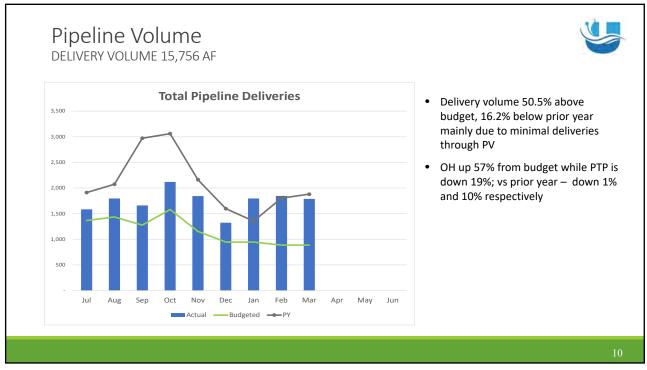
### Top-10 Groundwater Pumpers



#### **M&I**

Customer Name	FY 21-22	FY 20-21	% Change
SAN BUENAVENTURA, CITY OF	4,932	4,885	1%
OXNARD - WTR DIV, CITY OF	2,329	4,351	-46%
SANTA PAULA, CITY OF	2,235	2,369	-6%
FILLMORE, CITY OF	1,160	1,131	3%
CAMARILLO (A/P), CITY OF	761	456	67%
RIVER RIDGE GOLF COURSE	361	407	-11%
WARRING WATER SERVICE,	283	254	11%
STERLING HILLS GOLF CLUB,	189	167	13%
BOSKOVICH FARMS INC,	121	152	-21%
CALIFORNIA AMERICAN WATER	112	128	-13%
Top 10 Total	12,481	14,299	-2%
% of Billed AF	92%	92%	





# Personnel Expenses \$399K 7% BELOW BUDGET, 7% OVER PREVIOUS YEAR

\$000's	3Q 21-22 Actual	3Q 21-22 Budget	PY Actual	Var to Budget	% Var to Budget	Var to PY	% Var to
Regular Salary	4,747	5,072	4,449	-325	-6%	298	7%
,		,	,				
Over-time Salary	96	143	120	-47	-33%	-24	-20%
Part-time	240	267	166	-27	-10%	74	45%
Salaries	5,083	5,482	4,735	-399	-7%	348	7%
Retirement- Classic	1,370	1,461	1,226	-91	-6%	144	12%
Retirement - PEPRA	154	158	140	-4	-3%	14	10%
Soc Sec/457b Expense	316	317	289	-1	0%	27	9%
Medicare Expense	73	82	68	-9	-11%	5	7%
SUIExpense	10	16	12	-6	-38%	-2	-17%
Medical Ins Exp	537	700	502	-163	-23%	35	7%
LTD	13	12	9	1	8%	4	44%
Life Insurance	15	20	14	-5	-25%	1	7%
Worker's Comp Expens	182	154	176	28	18%	6	3%
OPEB	46	23	171	23	100%	-125	100%
Employee Benefits	2,716	2,943	2,607	-227	-8%	109	4%
Personnel Expenses	7,799	8,425	7,342	-626	-7%	457	6%



- Regular Salaries below budget by \$325K.
- CalPERS benefits are under budget by \$91K.
- Medical Insurance expense was below budget by \$163K, adding to the overall favorability.

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#### **Operating Expenses**

PROFESSIONAL FEES AND MAINTENANCE DRIVE PLAN UNDERRUN

	3Q 21-22	3Q 21-22	PY	Var to	% Var to	Var to	% Var to
\$000's	Actual	Budget	Actual	Budget	Budget	PY	PY
Profess Fees - Engineering	54	244	45	-190	-78%	9	20%
Prof. Fees - Environmental	452	1,071	276	-619	-58%	176	64%
Prof. Fees - IT consulting	25	122	48	-97	-80%	-23	-48%
Prof. Fees - GW Consulting	26	96	22	-70	-73%	4	18%
Prof. Fees - Other	531	1,300	906	-769	-59%	-375	-41%
Professional Fees	1,088	2,833	1,297	-1,745	-62%	-209	-16%
Legal Fees	1,798	2,165	1,912	-367	-17%	-114	-6%
Utilities	1,248	1,309	1,014	-61	-5%	234	23%
Maintenance	1,032	1,758	576	-726	-41%	456	79%
Field Supplies	266	398	279	-132	-33%	-13	-5%
Insurance	558	268	346	290	108%	212	61%
Office Expenses	284	393	255	-109	-28%	29	11%
Miscellaneous	2,292	3,901	2,246	-1,609	-41%	46	2%
Travel, Trainings and Meetings	64	193	23	-129	-67%	41	178%
Gasoline, Diesel, Fuel	130	150	71	-20	-13%	59	83%
Fox Canyon GMA	-176	472	92	-648	-137%	-268	-291%
Safety, supplies, clothing	81	100	52	-19	-19%	29	100%
Telephone	49	65	49	-16	-25%	0	0%
General Operating Expenses	5,828	9,007	5,003	-3,179	-35%	825	16%
State Water Import Costs	827	1,435	940	-608	-42%	-113	100%
Total Operating Expenses	9.541	15.440	9.152	-5.899	-38%	389	4%



- A combination of all Professional Fees are favorable to budget by \$1.7M, with a savings of \$619K in Environmental and \$190K in Engineering
- Miscellaneous is favorable to budget by \$1.6M and includes depreciation below budget by \$747K as well as \$1.4M in principal reduction in the budget
- Legal fees are favorable to budget by \$367K and prior year by \$114K
- State Water import costs are favorable to budget by \$608K



Top 10 Vendors Excluding: SWP, Taxes, Debt Service, and CIP

Vendor	FY 21-22	FY 20-21	\$ Change
ATKINSON, ANDELSON, LOYA, RUUD AND ROMO	\$ 1,923,191.78	\$1,586,291.13	\$ 336,900.65
SO. CALIFORNIA EDISON	\$ 1,852,298.86	\$1,054,900.10	\$ 797,398.76
GEI CONSULTANTS, INC	\$ 1,530,157.12	\$2,205,231.38	\$ (675,074.26)
BUREAU OF RECLAMATION - REGION: LOWER COLORADO	\$ 1,350,583.00	\$ 631,080.00	\$ 719,503.00
GSE CONSTRUCTION COMPANY INC	\$ 876,356.00	\$ -	\$ 876,356.00
UNIVERSITY OF IOWA	\$ 835,457.29	\$ -	\$ 835,457.29
OILFIELD ELECTRIC CO INC	\$ 747,154.98	\$ 1,052.00	\$ 746,102.98
QUINN COMPANY, INC	\$ 732,149.06	\$ 127,892.55	\$ 604,256.51
SPECIAL DISTRICT RISK	\$ 562,301.64	\$ 477,879.47	\$ 84,422.17
THE DRALA PROJECT INC	\$ 364,020.30	\$ -	\$ 364,020.30
Top 10 Total	\$10,773,670.03	\$6,084,326.63	\$4,689,343.40





# PERSONNEL COSTS

#### **Budget Assumptions 2022-23**

COLA 2%

\$160K

Merit 5%

\$168K

Medical 6%

\$ 70K

Promotions

\$ 52K

New FTE

\$362K

FY21-22 FTE

68

FY22-23 FTE

73

• 2022-23 Budgeted expenses are 8.2% higher than PY budget (\$1.0 million)

Total Expenditures \$12.9 million

#### **New Positions**

#### Rec

• New Park Ranger Cadet position – new position

#### **Water Resources**

• Water Resource Tech – carries over from last year

#### **Environmental Services**

• Principal Environmental Scientist – back-fill/train

- Receptionist new position
- HR Generalist back-fill/train

# PERSONNEL COSTS — OVERVIEW

# • Safety Equipment \$50 thousand • Security \$151 thousand • Vehicles postponed from prior budgest \$127 thousand • Normal Repairs & Maintenance \$480 thousand Total Expenditures \$883 thousand

5



Project Name	Project #	CURRENT		
		YEAR	FY 22-23	Total Spend
		Est Balance		rotal opolia
		to Carryover		
Well Replacement Program	8000	299,810	806,368	1,106,178
Freeman Diversion Expansion	8001	821,250	957,463	1,778,713
SFD Outlet Works Rehabilitation	8002	269,921	3,586,479	3,856,400
SFD Probable Maximum Flood Containment	8003	540,490	1,102,258	1,642,748
SFD Sediment Management	8005	79,036	103,625	182,661
Lower River Quagga Mussel Management Project	8006	406,311	-	406,311
OHP Iron and Manganese Treatment Facility	8007	1,834,091	2,948,375	4,782,466
Freeman Conveyance System Upgrade - Freeman to Ferro Recharge Basin	8018	794,479	754,256	1,548,736
Extraction Barrier Brackish Water Treatment	8019	291,879	2,053,103	2,344,982
Rice Avenue Overpass PTP	8021	3,009	16,503	19,512
PTP Metering Improvement Project	8022	505,499	134,328	639,828
Pothole Trailhead	8023	83,874	1,895	85,769
State Water Interconnection Project	8025	89,995	1,115	91,111
Replace El Rio Trailer	8028	110,000	240,000	350,000
Floc Building Emergency Generator	8033	29,860	-	29,860
Lake Piru Campground Electrical System Upgrade	8034	73,424	12,500	85,924
Piru WTP Emergency Generator	8037	16,510	-	16,510
Santa Paula Tower Emergency Generator	8039	(14,801)	312	(14,488)
Asset Management/CMMS System	8041	198,939	14,205	213,143
PTP Recycled Water Connection - Laguna Road Pipeline	8043	27,326	283,995	311,321
SCADA Hardware Update	8046	571,160	57,759	628,918
Lake Piru Recreation Area Pavement Maintenance Program	8047	49,786	209,758	259,545
Condor Point Improvement Project	8048	352,306	278,924	631,230
Lake Piru Entry Kiosk Renovation	8049	136,684	-	136,684
Security Gate Upgrade	8050	(229)	8,818	8,589
Server Replacement	8051	6,613	-	6,613
SCADA Continuous Threat Detection System	8052	100,000	-	100,000
Main Supply Pipeline Sodium Hypochlorite Injection Facility	8053	71,200	119,034	190,234
Dry Storage Fencing	8054	71,200	90,000	90,000
Lake Piru Campground and Recreation Area Renovations	8055	-	607,497	607,497
OHP Low-Flow Upgrades	8056	_	206,600	206,600
orn con rion opgitudes	0000		200,000	200,000
TOTAL		7,748,422	14,595,173	22,343,595

7

	CIF	)	PROJE	C.	T COST	S					
	FY 2021-22		Budget FY 2022-23		FY 2023-24		FY 2024-25	T	FY 2025-26		FY 2026-27 Beyond
CIP											
SFD	889,446		4,792,363		2,130,830	Т	31,207,022	Т	31,779,993		51,950,260
Freeman Diversion Expansion	821,250		957,463		4,380,000		4,500,000		51,000,000		50,000,000
Extraction Barrier Brackish Water Treatment	291,879		2,053,103		19,376,500		13,201,500		9,924,000		247,048,000
Other	5,745,847		6,792,244	П	3,930,274	1	3,390,000	Ŧ	250,000		-
Total	\$ 7,748,422	Н	\$ 14,595,173	Н	\$ 29,817,604	+	\$ 52,298,522	+	\$ 92,953,993	+	\$ 348,998,260

# 5-YEAR CIP — SUMMARY



9

- Grants include \$7.0 million for the Iron Manganese Treatment Plant
   Other grants are being pursued, but have not been approved yet
- Prior years budget had \$1.2 million in grants
- Budget also includes \$5.5 million in bond proceeds

REVENUE - GRANTS

10

	FY 21-22	FY 22-2	
	Actual	Projection	5 yr
July - Dec	21-2	<u>22-2</u>	average
Zone A AG (Upper River)	38,754	40,148	40,968
Zone B AG	29,504	33,385	34,066
Zone A M&I (Upper River)	6,556	6,788	6,927
Zone B M&I	7,076	7,359	7,510
Total	81,890	87,681	89,470
% of FY Total	56.3%	58.6%	58.6%
Jan - June	Projection	Projection	5 yr
	<u>22-1</u>	<u>23-1</u>	average
Zone A AG (Upper River)	29,213	27,845	28,413
Zone B AG	22,004	21,877	22,324
Zone A M&I (Upper River)	5,645	5,532	5,645
Zone B M&I	6,748	6,613	6,748
Total	63,611	61,868	63,131
% of FY Total	43.7%	41.4%	41.4%

145,500.30

- 2022-23 volume is less than 5yr average, but 3% higher that prior year
- Water Surcharge increased \$1.00 for AG and \$3.00 M&I
- 2022-23 ground water rate increase for zone A and B = 5.5%

# REVENUE — GROUND WATER

**FY Total** 

11

- OH Pipeline volume forecasted at 11,750 AF
- OH Pipeline fund balance resulted in higher fixed (\$5,934) and variable rates (\$162)

149,548.91 152,600.93

- PV Pipeline volume flat year over year 900 AF
- PV Pipeline rates flat over prior year
- PTP Pipeline volume lower that 5-year average, but 4% higher than prior year – 5,290 AF
- PTP Pipeline rates flat over prior year

# REVENUE — PIPELINE

	10 / General,		110		120	420		450		460	4	70	
	Conserv	/ation	State Water	Wa	ater Purchase	Freema		OH Pipeline	PV	Pipeline	PT Pi	peline	
in USD '000's	Fun	nd	Fund		Fund	Fund		Fund		Fund	Fu	und	Total
Proposed Budget 2022-23													
Property Tax		2,994	2,100		-		-	-		-			\$ 5,094
Water Deliveries		2,661	-		-	1,	546	5,599		362		2,313	\$ 12,581
Groundwater		13,506	-		-	3,	937	-		-		-	\$ 17,443
Other		9,160	15		1,295	1,	036	3,792		8		384	\$ 15,691
Revenue	\$	28,322	\$ 2,115	\$	1,295	\$ 6,	519	\$ 9,391	\$	370	\$	2,696	\$ 50,809
Budget 2021-22													
Property Tax		2,838	2,041		-		-	-		-		-	\$ 4,879
Water Deliveries		2,436	-		-	1,	507	3,550		362		2,228	\$ 10,083
Groundwater		12,951	-		-	3,	784	-		-		-	\$ 16,735
Other		4,344	12		1,095		763	4,560		8		604	\$ 11,386
Revenue	\$	22,569	\$ 2,053	\$	1,095	\$ 6,	053	\$ 8,109	\$	370	\$	2,833	\$ 43,083
Variance													
Property Tax		156	59		-		-	-		-		-	\$ 215
Water Deliveries		225	-		-		139	2,049		-		84	\$ 2,497
Groundwater		555	-		-		153	-		-		-	\$ 708
Other		4,816	3		201		273	(767)		(0)		(220)	\$ 4,305
Revenue	\$	5,753	\$ 62	\$	201	\$	565	\$ 1,282	\$	(0)	\$	(136)	\$ 7,726

# **REVENUE - OVERVIEW**

13

13

 State Water Fund
 \$ 4,920,000

 Ground Water Surcharge
 \$ 4,022,000

 Total
 \$ 8,942,000

# FUNDS AVAILABLE FOR STATE WATER (PROJECTED THROUGH 06/30/23)

4

		United	Water Conservati	on District				
		Propose	ed Operating Budg FY 2022-23	et Summary				
(\$ thousands)	General Water Conservation Fund	Water Purchase Fund	State Water Fund	Freeman Fund	O/H Pipeline Fund	PV Pipeline Fund	PT Pipeline Fund	TOTAL
CASH RESERVATIONS/WORKING CAPITAL								
Beginning Balance July 1, 2022	6,401	2,727	4,414	3,229	(616)	823	2,331	19,308
REVENUES								
Property Tax	2,994	-	2,100	-	-	-	-	5,094
Water Deliveries/Fixed Costs	2,661	-	- 1	1,646	5,599	362	2,313	12,581
Groundwater Revenue	13,506	-	-	3,937	-	-	-	17,443
Unrecovered Variable		-	-	-	-	-	-	-
Fox Canyon GMA		-	-	-	470	-	212	682
Recreation	915	-	-	-	-	-	-	915
Grant Revenue		-	-	-	7,030	-	-	7,030
Rents & Leases	221	-	-	20	30	5	14	290
nvestment/ Interest Earnings	109	-	15	22	19	3	9	177
Repayment of Interfund Loan	2,219	-	-	-	-	-	-	2,219
Proceeds from Financing	5,403	-	-	965	(3,756)	-	142	2,753
Water Purchase Surcharge		1,295	-	-	-	-	-	1,295
Other	293	-	-	29	-	-	8	329
Total Revenues	28,322	1,295	2,115	6,619	9,391	370	2,696	50,809
EXPENDITURES								
Personnel Costs	5,804	-	-	1,063	933	81	377	8,258
Operating Expenditures	7,165	-	1,495	2,569	2,685	80	1,124	15,119
Replacement/Depreciation	970	-	-	412	510	74	687	2,653
Allocated Overhead	4,170	-	-	1,192	778	53	555	6,748
Debt Service	1,392	-	113	220	621	3	190	2,539
Capital Outlay	226	-	-	43	261	5	364	899
Transfers Out-CIP	8,873			965	3,311	50	518	13,717
Total Expenditures	28,600		1,608	6,464	9,099	346	3,815	49,931
Net Surplus/(Shortfall)	(278)	1,295	507	155	292	23	(1,118)	877
Reservations/Designations			-	-	-	-	-	-
Add back Depreciation	970	-	-	412	510	74	687	2,653
Cash Reserves/Working Capital June 30, 2023	7,093	4,022	4,920	3,796	186	920	1,900	22,838



United Water Conservation District Overhead Allocation							
	Overhead	Overhead	Overhead	Overhead	Overhead	Change from	
	Allocation	Allocation	Allocation	Allocation	Allocation	FY 2021-22 to	
Fund	Rate	Rate	Rate	Rate	Rate	FY 2022-23	
General/Water Conservation Fund	57.16%	60.37%	61.53%	60.21%	61.80%	1.59%	
Freeman Fund	15.17%	15.75%	15.60%	17.98%	17.66%	-0.32%	
OH Pipeline Fund	14.04%	13.48%	12.41%	10.91%	11.53%	0.62%	
PV Pipeline Fund	3.03%	1.04%	1.13%	0.99%	0.79%	-0.20%	
PT Pipeline Fund	10.60%	9.36%	9.33%	9.91%	8.22%	-1.69%	
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%		

# OVERHEAD ALLOCATION RATES

17

17



#### **Budget Transfers**

#### **Current Approval Limit**

- \$0 \$10K
  - CFO
- \$10 \$100K CFO and GM

#### **Proposed Approval Limit**

- \$0 \$25K CFO
- \$25K \$100K CFO and GM

# **BUDGET AMENDMENT POLICY**

19

#### <u>Mileage</u>

Current IRS mileage \$0.56

New IRS mileage \$0.585

# **EXPENSE POLICY**

#### **Credit Card Limits**

#### **Travel Card Limit**

- Current \$12,500
- Proposed \$25,000

#### Sr. Leaders (direct report to GM) Card Limit

- Current \$2,000
- Proposed \$5,000

# PROCUREMENT POLICY

21

#### **Petty Cash**

#### Lake Piru Recreation Area

- Current \$3,000
- Proposed \$4,000

PROCUREMENT POLICY

22

#### PTP Pipeline Reserve

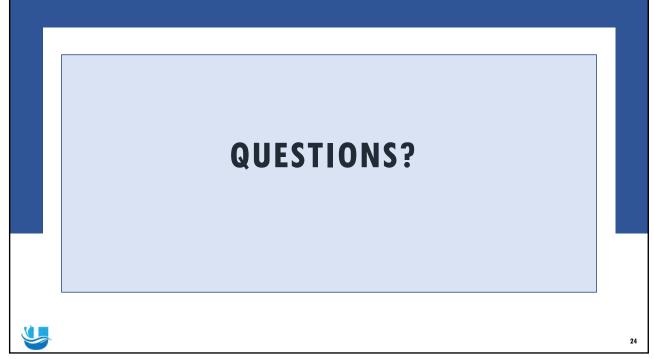
- Current \$200K \$300K
- Proposed \$1.0M

Per our discussions with Operations, one serious incident (rupture, damaged pipe, etc.) on the PTP Pipeline would cost in excess of \$1.0M.

**RESERVE POLICY** 

23

23



Account	Dept	Description	Total
80410 Equipment	200 Parks & Recreation	Sewage Pumping Unit Trailer	10,00
80410 Equipment	300 Operations & Maintenance	PTP Replace Isolation Valves	200,00
80410 Equipment	300 Operations & Maintenance	Gas Engine #4 Overhaul	175,00
80410 Equipment	300 Operations & Maintenance	PTP Well Backup Motors (2)	99,00
80410 Equipment	300 Operations & Maintenance	Fall Arrest System trailer mounted	50,00
80410 Equipment	300 Operations & Maintenance	SCADA Checkpoint Firewall replacement and upgrade	45,00
80510 Vehicles	300 Operations & Maintenance	Replacement Truck #19 - 4x4 truck with utility bed 3/4 ton	43,00
80510 Vehicles	300 Operations & Maintenance	Replacement Truck #42 - 4x4 truck with utility bed 3/4 ton	43,00
80510 Vehicles	300 Operations & Maintenance	SFD Replacement Truck #28	41,00
80410 Equipment	300 Operations & Maintenance	Security Camera System replacement	36,00
80410 Equipment	300 Operations & Maintenance	SCADA VPN Service replacement	35,00
80410 Equipment	300 Operations & Maintenance	Security System replacement	35,00
80410 Equipment	300 Operations & Maintenance	PTP: VFD Replacements	30,00
80510 Vehicles	300 Operations & Maintenance	Trailer for 50G Excavator	16,20
80410 Equipment	300 Operations & Maintenance	Saticoy Pressure Washer	12,76
80410 Equipment	300 Operations & Maintenance	Chlorine analyzer	6,50
80410 Equipment	300 Operations & Maintenance	Dayton trash pump	5,70
FY 22-23 TOTAL			\$ 883,16

# CAPITAL EXPENDITURES (CAPEX)

5



#### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

Dan Detmer, Water Resources Manager

From: Kathleen Kuepper, Hydrogeologist

Bram Sercu, Senior Hydrologist

**Date:** June 2, 2022 (June 8, 2022 Meeting)

Agenda Item: 3.B Groundwater Basin Status Report

**Informational Item** 

#### **Staff Recommendation:**

The Board will receive and file the Monthly Hydrologic Conditions Report for the District for the month of May 2022.

#### **Summary:**

Spreading and Pipeline Deliveries for Month of May 2022

Location	Amount (acre-feet)		
Saticoy	-103 (delivery from desilting basin)		
Noble and Rose Pits	0		
El Rio	223		
Piru	0		
Diverted at Freeman for Pipeline Deliveries	308.4		
Saticoy/O-H Deep Wells Pumped for Ag Pipeline Deliveries	0		
Lloyd-Butler Diversion	not available		

Groundwater Basin Available Storage at End of Month of May 2022

Basin	Available Storage (acre-feet)
Oxnard Forebay	107,800

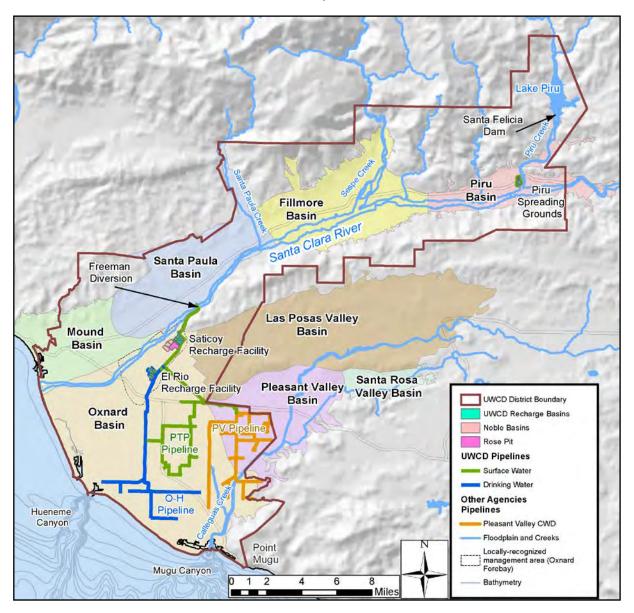
Precipitation for Month of May 2022

Location	Precipitation (inches)
Lake Piru	0.00
Santa Paula	0.05
El Rio	0.00



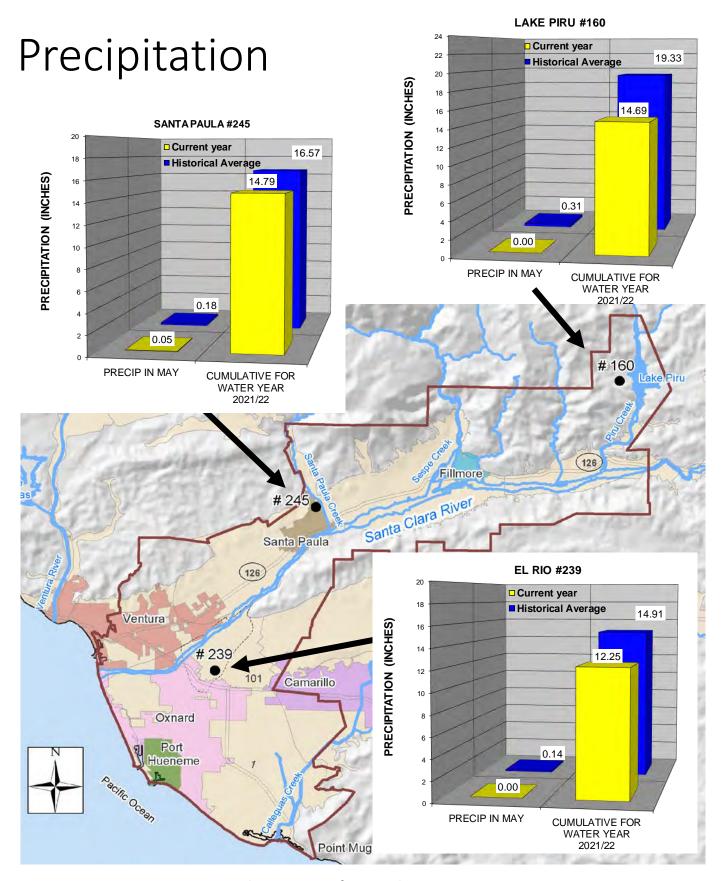
# May 2022 Hydrologic Conditions Report 2021/22 Water Year

June 1, 2022

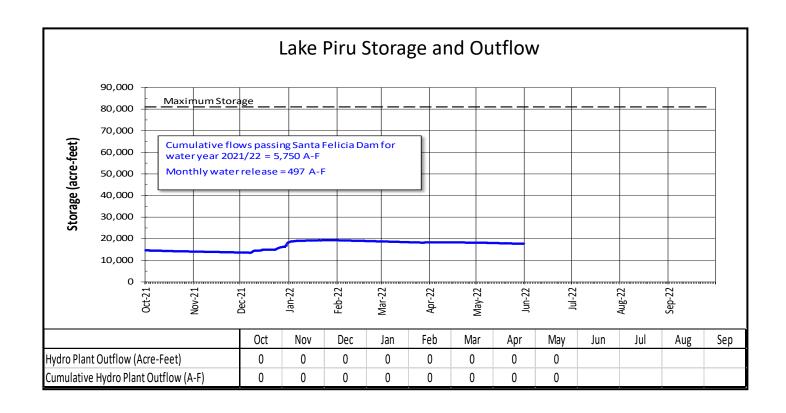


Note: This report may contain provisional data until final review at the end of the water year.

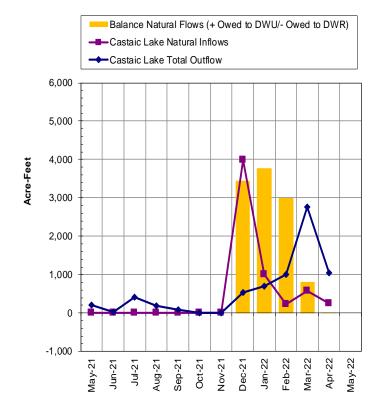
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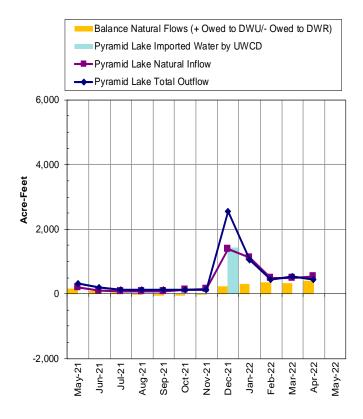
District-wide percent of normal precipitation = 82%

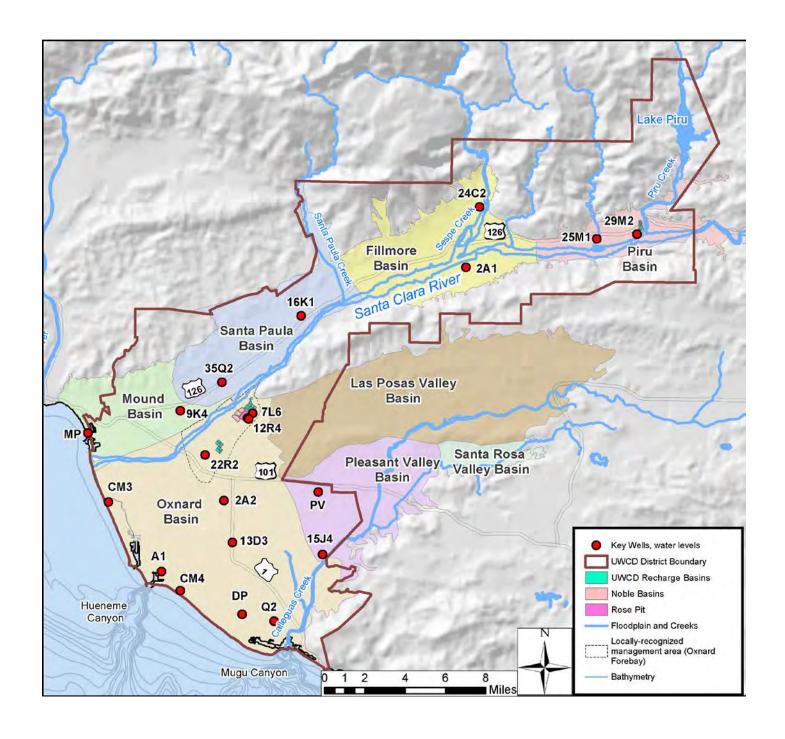


# Castaic Lake releases to downstream water users (DWU)



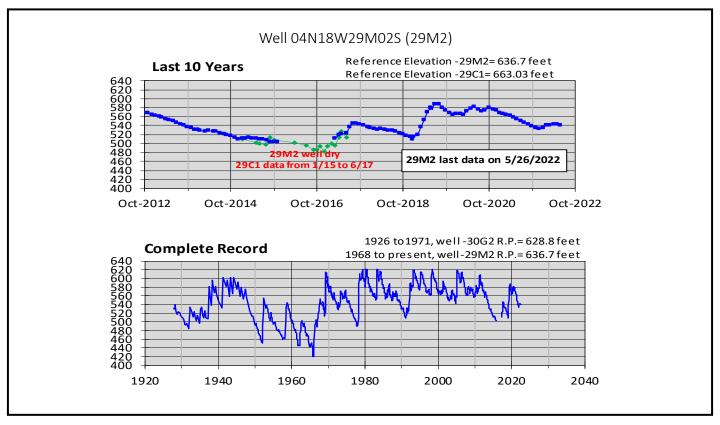
## Pyramid Lake releases to UWCD

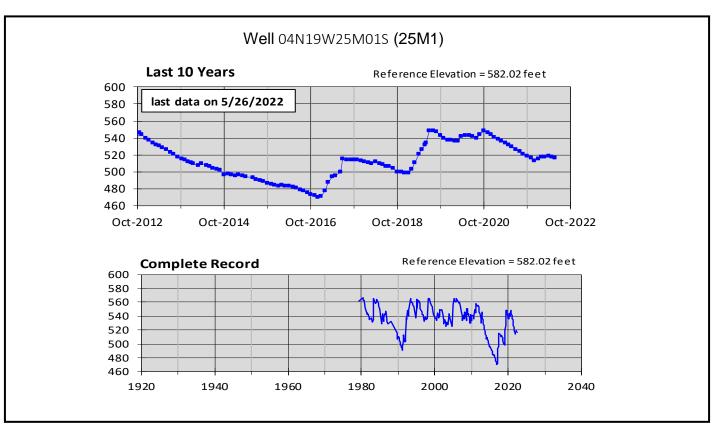




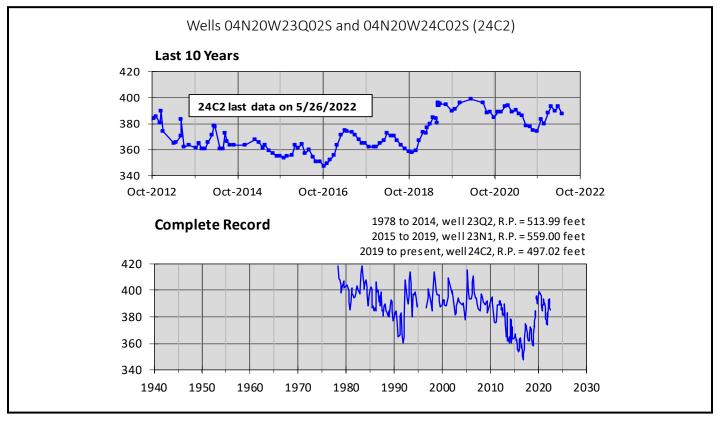
# Locations of Key Wells, Monthly Groundwater Elevation Monitoring

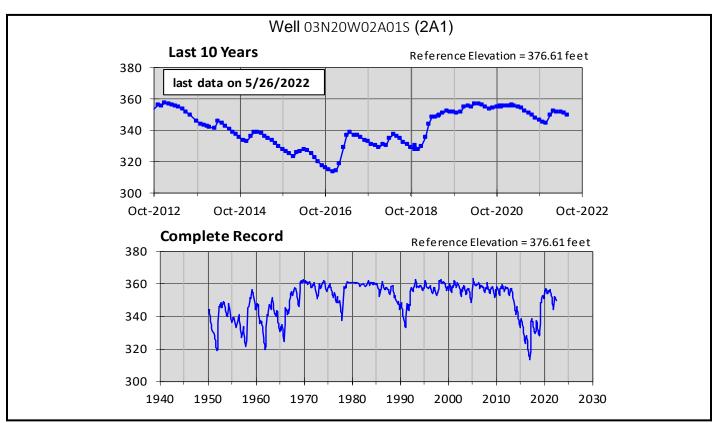
## Groundwater Elevation Records - Piru Basin



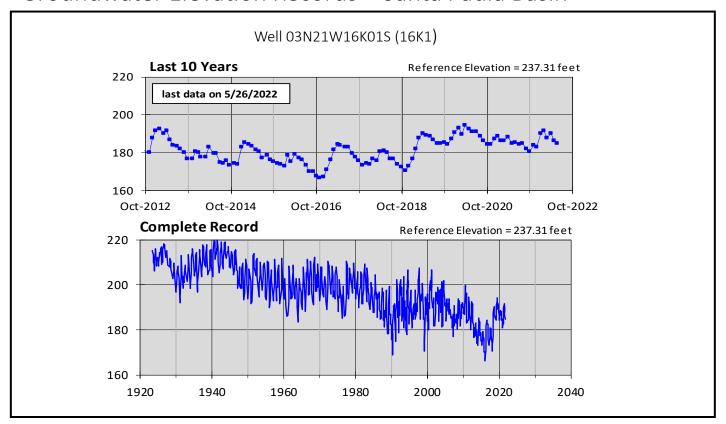


## Groundwater Elevation Records – Fillmore Basin

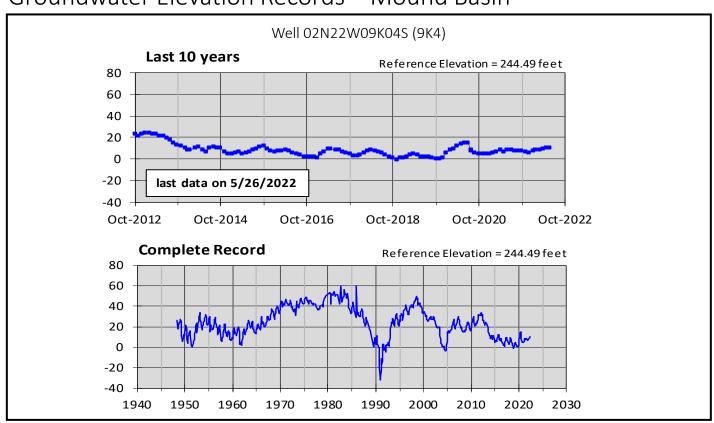




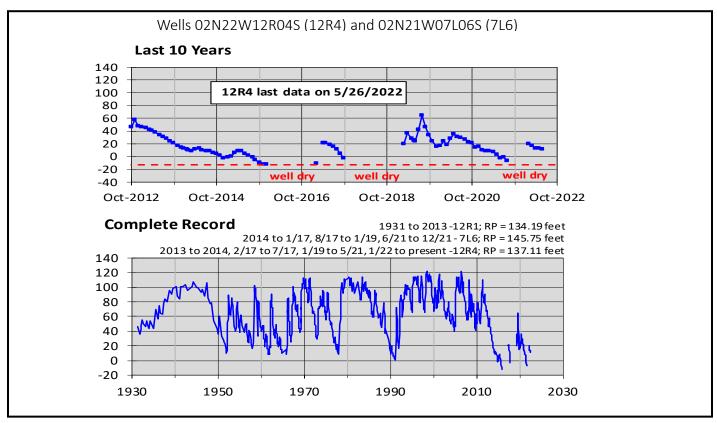
## Groundwater Elevation Records – Santa Paula Basin

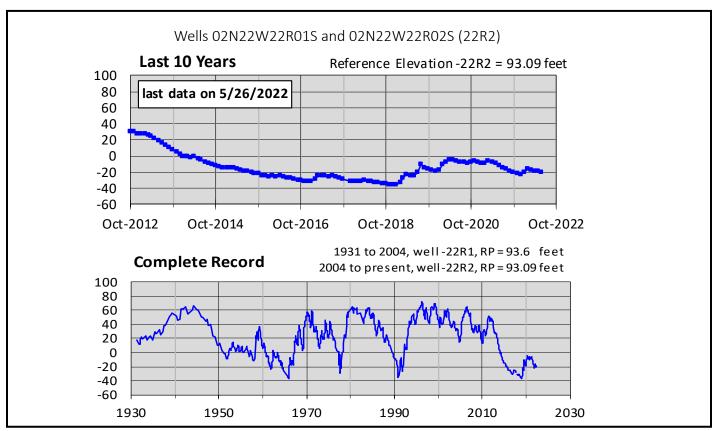


## Groundwater Elevation Records - Mound Basin

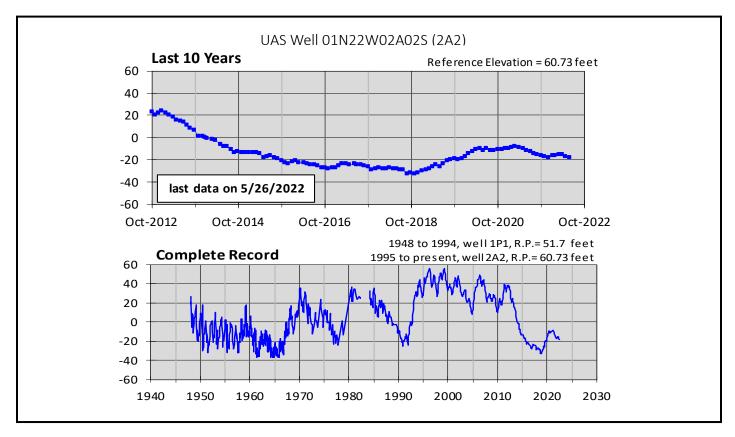


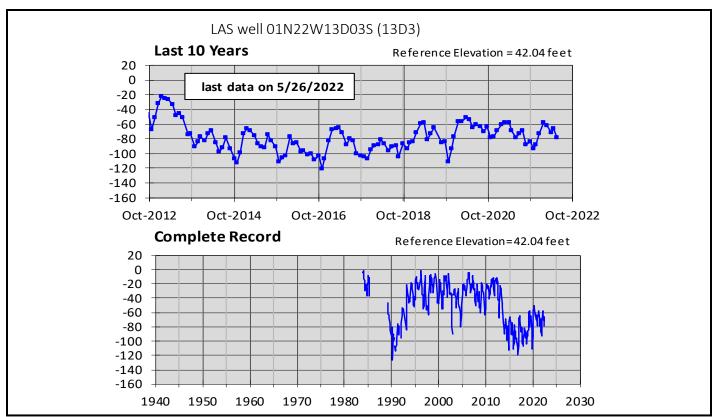
## Groundwater Elevation Records – Oxnard Basin, Forebay



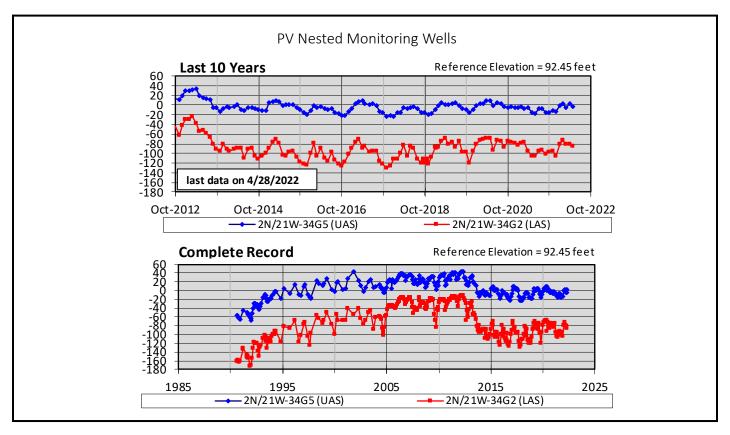


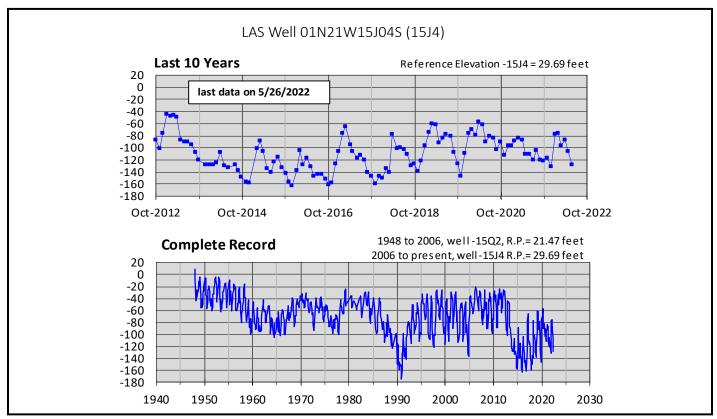
### Groundwater Elevation Records – Oxnard Basin



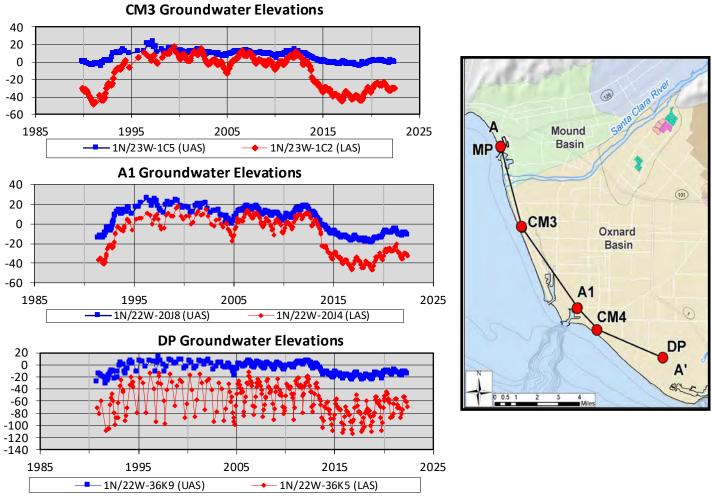


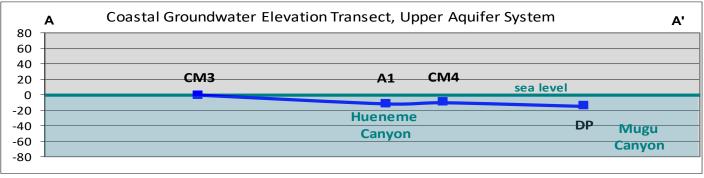
# Groundwater Elevation Records – Pleasant Valley Basin

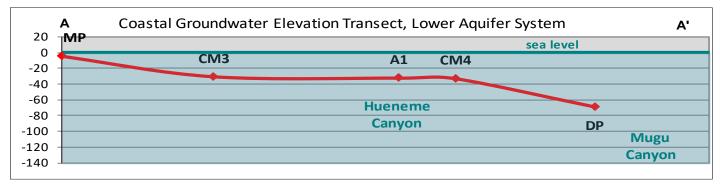




## Groundwater Elevation Records – Coastal Nested Monitoring Wells





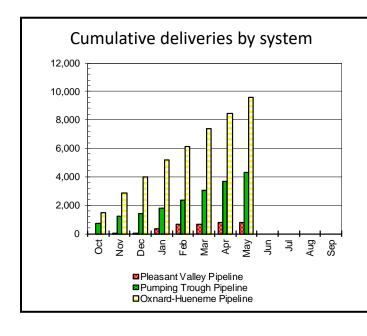


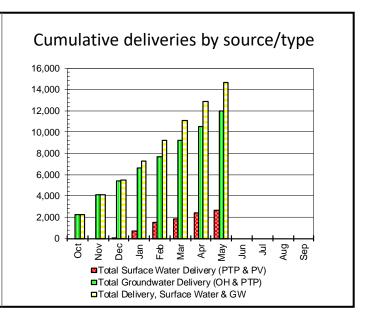
#### Monthly Water Deliveries, acre-feet (Water Year 2021/22)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
PV Pipeline (surface water)	0.0	0.0	15.2	342.3	304.9	0.0	99.4	8.2				
PV Pipeline (saticoy well field)	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0				
Total to Pleasant Valley Pipeline	0.0	0.1	15.2	342.3	304.9	0.0	99.4	8.2				
		•	•	•	•	•	•	•		•	•	,
Saticoy Well Field	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
PTP (surface water)	0.0	0.0	37.3	296.5	501.0	301.9	459.3	300.2				
PTP (groundwater)	695.3	557.9	139.7	36.7	123.4	342.6	186.6	347.0				
PTP (Saticoy well field)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
Total PTP	695.3	557.9	177.0	333.2	624.4	644.5	645.9	647.2				
		-	•	•	-	•	-	-		•	•	,
O-H Pipeline (groundwater)	1,497.9	1,346.1	1,161.3	1,148.7	993.9	1,210.7	1,074.2	1,130.6				
Total Surface Water Delivery (PTP & PV)	0.0	0.0	52.5	638.8	805.9	301.9	558.7	308.4				
Total Groundwater Delivery (OH & PTP)	2,193.2	1,904.0	1,301.0	1,185.4	1,117.3	1,553.3	1,260.8	1,477.6				
Total Delivery, Surface Water & GW	2,193.2	1,904.0	1,353.5	1,824.2	1,923.2	1,855.2	1,819.5	1,786.0				

#### Cumulative Water Deliveries, acre-feet (Water Year 2021/22)

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
PV Pipeline (surface water)	0.0	0.0	15.2	357.5	662.4	662.4	761.8	770.0				
PV Pipeline (saticoy well field)	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1				
Total to Pleasant Valley Pipeline	0.0	0.1	15.3	357.6	662.5	662.5	761.9	770.1				
Saticoy Well Field	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
PTP (surface water)	0.0	0.0	37.3	333.8	834.8	1,136.7	1,596.0	1,896.2				
PTP (groundwater)	695.3	1,253.2	1,392.9	1,429.5	1,552.9	1,895.5	2,082.1	2,429.1				
PTP (Saticoy well field)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
Total PTP	695.3	1,253.2	1,430.2	1,763.3	2,387.7	3,032.2	3,678.1	4,325.3				
O H Binding (groundwater)	1 407 0	20440	4 005 2	F 1F 1 0	C 1 4 7 0	7 250 6	0.422.0	0.502.4			l	<u> </u>
O-H Pipeline (groundwater)	1,497.9	2,844.0	4,005.3	5,154.0	6,147.9	7,358.6	8,432.8	9,563.4				
Total Surface Water Delivery (PTP & PV)	0.0	0.0	52.5	691.3	1,497.2	1,799.1	2,357.8	2,666.2				
Total Groundwater Delivery (OH & PTP)	2,193.2	4,097.2	5,398.2	6,583.5	7,700.8	9,254.1	10,514.9	11,992.5				
Total Delivery, Surface Water & GW	2,193.2	4,097.2	5,450.7	7,274.8	9,198.0	11,053.2	12,872.7	14,658.7				





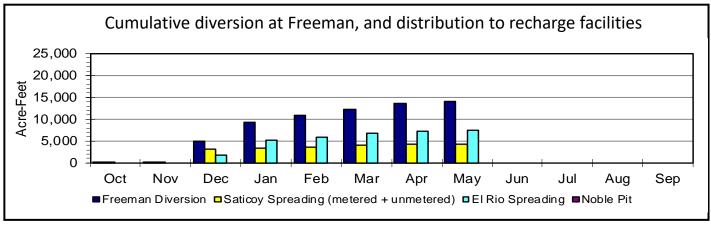
#### Monthly diversion and recharge totals by facility, 2021/22, in acre-feet

Month	Piru Spreading	Freeman Diversion	Saticoy Spreading (metered + unmetered)	El Rio Spreading	Noble Pit
Oct	0	2	2	0	0
Nov	0	76	76	0	0
Dec	0	4,936	3,037	1,860	0
Jan	0	4,168	371	3,262	0
Feb	0	1,702	204	807	0
Mar	0	1,445	439	744	0
Apr	0	1,337	270	621	0
May	0	428	-103 *	223	0
Jun					
Jul					
Aug					
Sep					

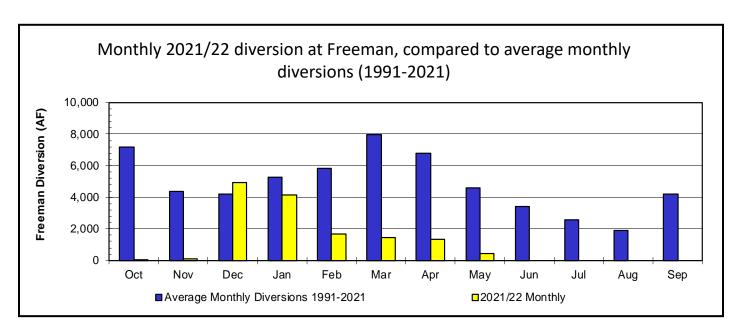
Lloyd-Butler diversion was not available at the time this report was prepared and therefore not accounted for in the calculation of Saticoy Spreading; \*Water delivered from desilting basin.

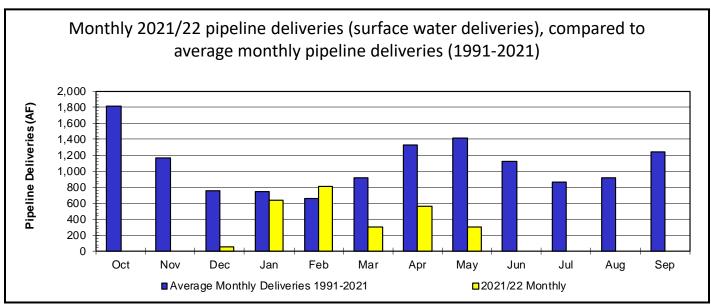
#### Cumulative diversion and recharge totals by facility, 2021/22, in acre-feet

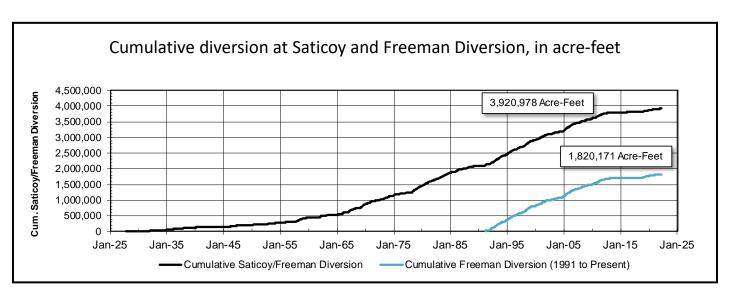
Month	Piru Spreading	Freeman Diversion	Saticoy Spreading (metered + unmetered)	El Rio Spreading	Noble Pit
Oct	0	2	2	0	0
Nov	0	78	78	0	0
Dec	0	5,014	3,115	1,860	0
Jan	0	9,182	3,486	5,122	0
Feb	0	10,884	3,690	5,929	0
Mar	0	12,329	4,129	6,673	0
Apr	0	13,666	4,398	7,294	0
May	0	14,094	4,295	7,517	0
Jun					
Jul					
Aug					
Sep					



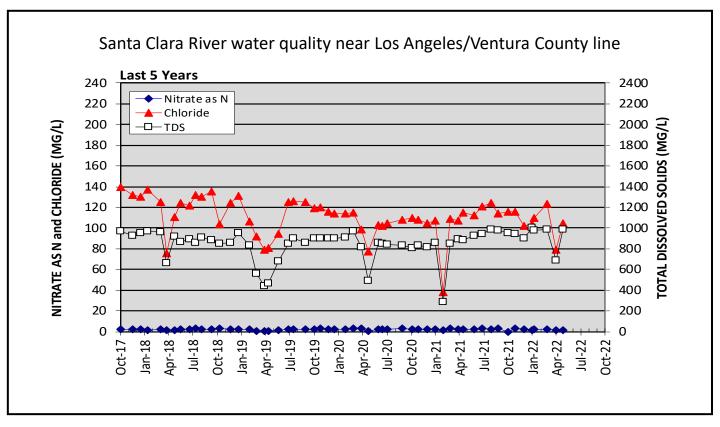
Cumulative diversions to Piru Spreading Grounds, 2021/22 = 0 AF

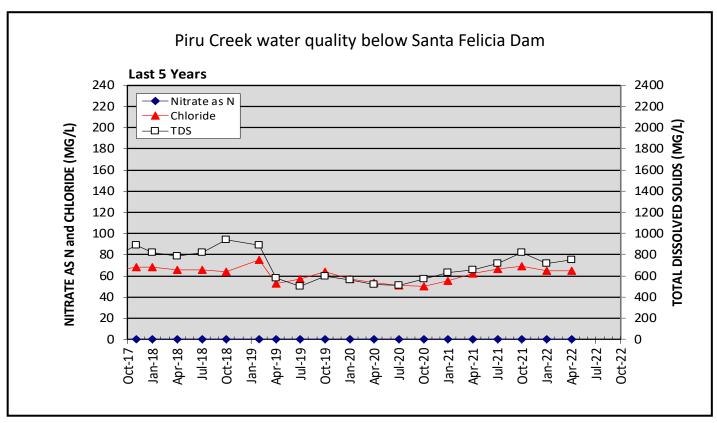




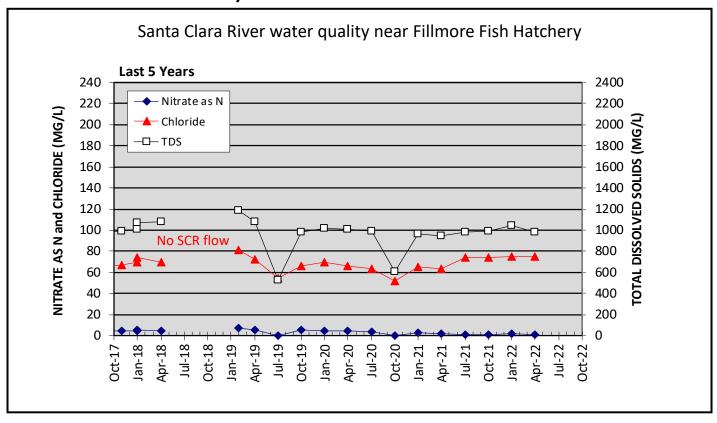


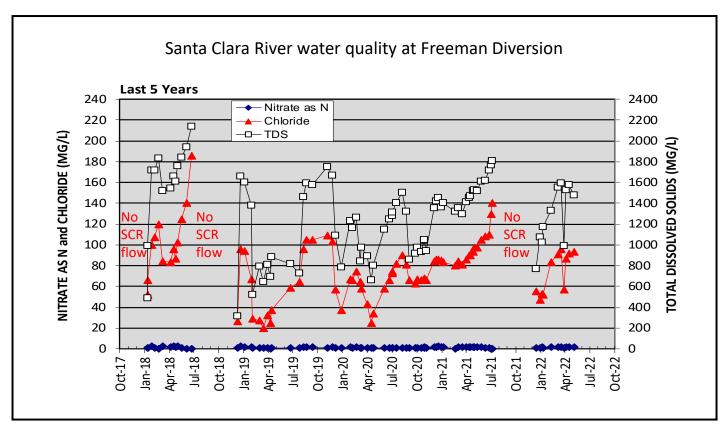
# Water Quality



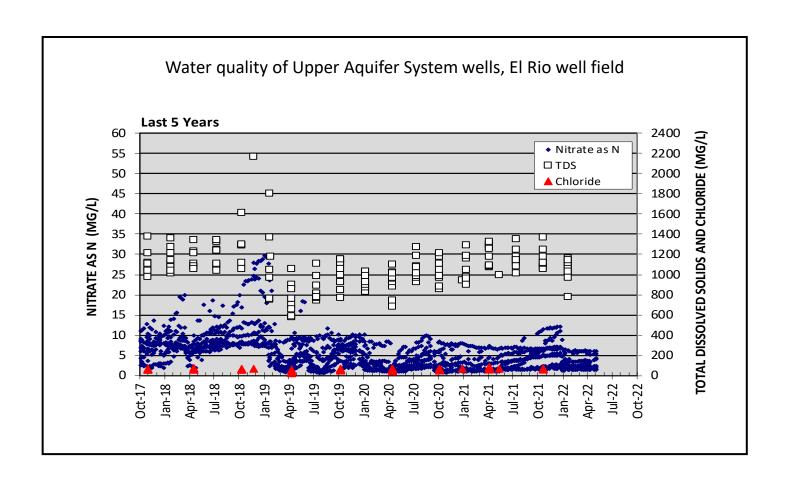


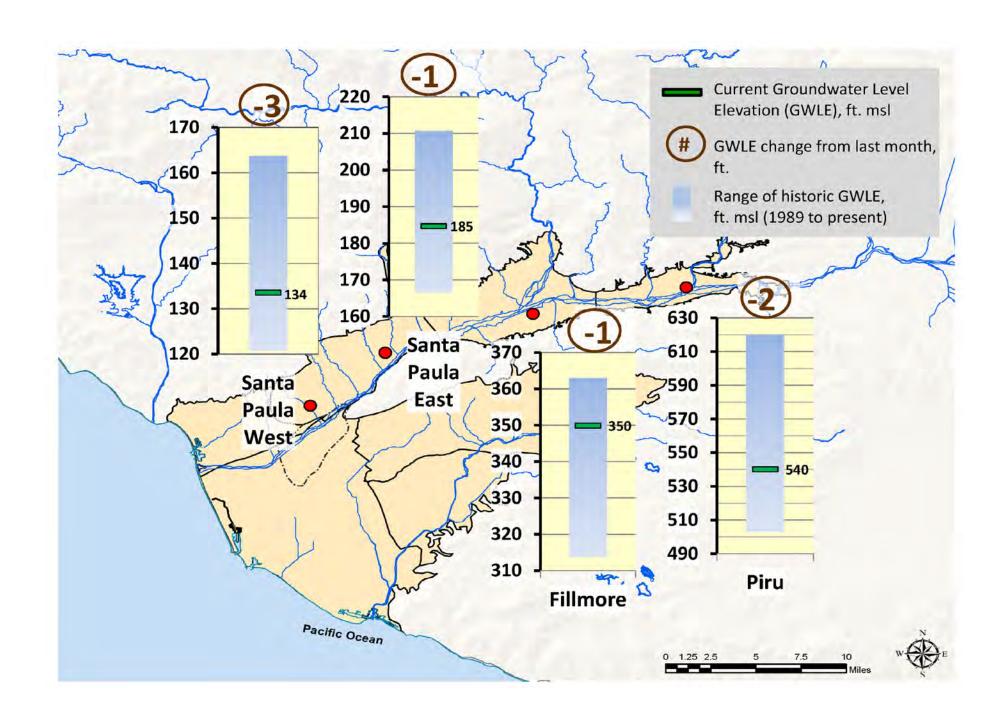
# Water Quality

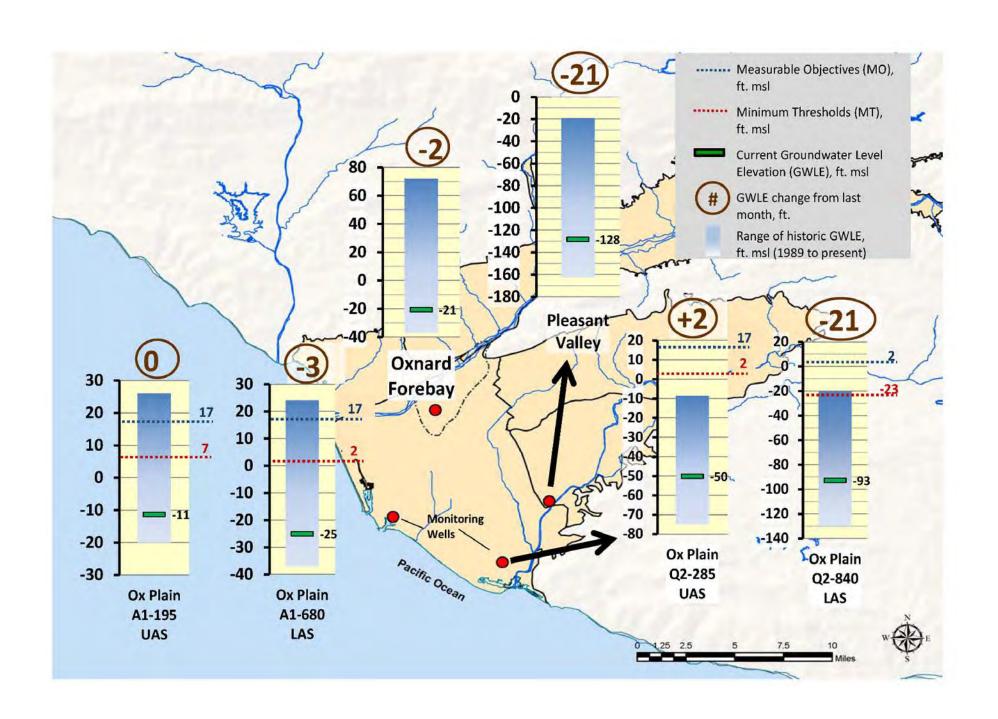




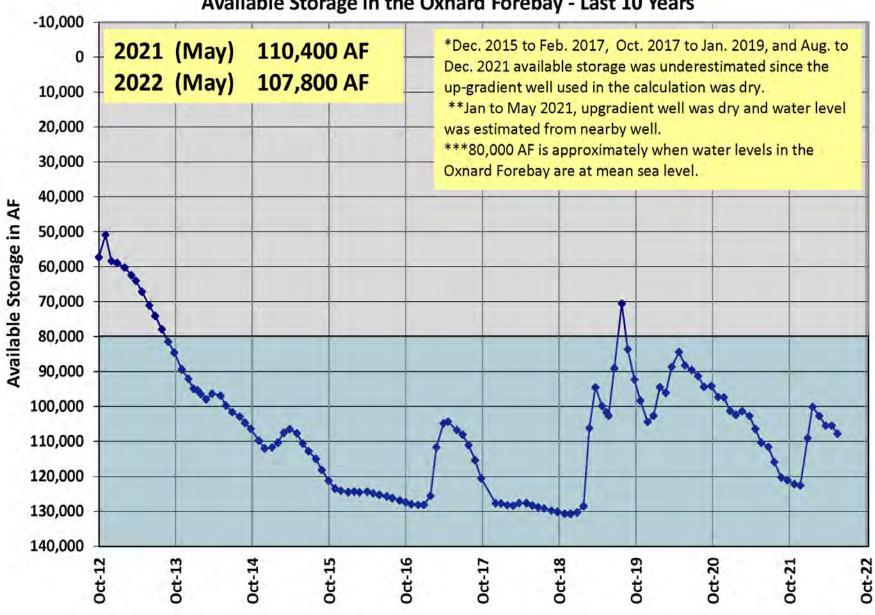
# Water Quality

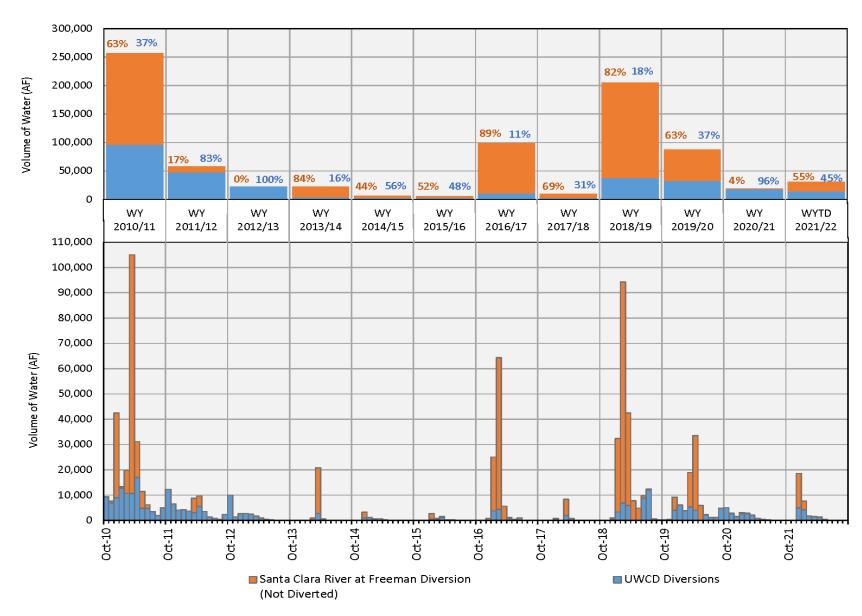












Water Year (WY) = October 1 to September 30; WYTD = Water Year To Date



#### **Staff Report**

To: UWCD Board of Directors

**Through**: Mauricio E. Guardado, Jr., General Manager

Anthony A. Emmert, Assistant General Manager

From: Brian Zahn, Chief Financial Officer

Daryl Smith, Controller

Date: May 23, 2022 (June 8, meeting)

Agenda Item: 3.C Monthly Investment Report

**Information Item** 

#### **Staff Recommendation:**

The Board will receive and review the most current investment report for April 30, 2022.

#### **Discussion:**

Informational purposes.

#### Fiscal Impact:

As shown.

Attachment: Combined Investment Report

#### United Water Conservation District Monthly Investment Report April 30, 2022

Investment Recap	G/L Balance	Weighted Avg Days to Maturity	Diversification Percentage of Total
Bank of the Sierra	2,784,504	1	5.46%
US Bank - 2020 COP Bond Balance	14,761,032	1	28.96%
Petty Cash	3,400	1	0.01%
County Treasury	1,644	1	0.00%
LAIF Investments	33,417,921	1	65.56%
<b>Total Cash, Cash Equivalents and Securities</b>	50,968,501		100.00%
Investment Portfolio w/o Trustee Held Funds	50,968,501		
Trustee Held Funds	· · · · · · · · · · · · · · · · · · ·		
Total Funds	50,968,501		

Local Agency Investment Fund (LAIF)	Beginning Balance 28,895,890	<b>Deposits (Disbursements)</b> 4,522,031	Ending Balance 33,417,921
	Interest	Interest	
	Earned YTD	Received YTD	Qtrly Yield
	53,538	76,793	0.32%

All District investments are shown above and conform to the District's Investment Policy. All investment transactions during this period are included in this report Based on budgeted cash flows the District appears to have the ability to meet its expenditure requirements for the next six months.

DocuSigned by:	5/17/2022
Mauricio E. Guardado, Jr., General Manager	Date Certified
DocuSigned by:	5/17/2022
Anthony Emmert, Assistant General Manager	<b>Date Certified</b>
Brian H Zalun	5/16/2022
Brian Zahn, Chief Financial Officer	Date Certified

Total District Cash & Investments

	United	l Water Conservation Di	strict
		Cash Position	
		<b>April 30, 2022</b>	
Fund	Total	Composition	Restrictions/Designations
General/Water Conservation Fund:			Revenue collected for district operations
General/Water Conservation	17,991,253	4,988,566	Includes General, Rec & Ranger, Water Conservation
		4,962,000	Reserved for legal expenditures
		5,809,000	Designated for replacement, capital improvements, and environmental projects
		2,231,687	Supplemental Water Purchase Fund
General CIP Funds	3,783,685	3,783,685	Appropriated for capital projects
2020 COP Bond Funds	12,890,580	12,890,580	Reserved for CIP Projects
Special Revenue Funds:			Revenue collected for a special purpose
State Water Project Funds	5,433,874	5,433,874	Procurement of water/rights from state water project
Enterprise Funds:			Restricted to fund usage
Freeman Fund	1,970,133	1,970,133	Operations, Debt Service and Capital Projects
		- -	Designated for replacement and capital improvements
		-	Reserved for legal expenditures
Freeman CIP Fund	(922,753)	(922,753)	Appropriated for capital projects
OH Pipeline Fund	2,553,757	2,553,757	Delivery of water to OH customers
OH CIP Fund	3,704,726	3,704,726	Appropriated for capital projects
OH Pipeline Well Replacement Fund	481,816	481,816	Well replacement fund
PV Pipeline Fund	504,929	504,929	Delivery of water to PV customers
PV CIP Fund	185,836	185,836	Appropriated for capital projects
PT Pipeline Fund	1,532,369	1,532,369	Delivery of water to PTP customers
PT CIP Fund	858,297	858,297	Appropriated for capital projects

50,968,501

50,968,501



#### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

**From:** Kris Sofley, Clerk of the Board

Date: May 26, 2022 (June 8, 2022 meeting)

Agenda Item: 3.D Resolution 2022-21 Subsequent Finding that the Governor of

California issued a Proclamation of a State of Emergency on March 4, 2020 relating to the COVID-19 virus and local officials continue to recommend social distancing measures to mitigate the spread of the COVID-19 virus and Authorizing remote teleconference meetings of the legislative bodies of United Water Conservation District for the period of June 8, 2022 through July 7, 2022, pursuant to Brown

**Act provisions** 

**Motion** 

#### **Staff Recommendation:**

The Board will consider adopting <u>Resolution 2022-21</u> continuing subsequent findings that the requisite conditions exist for remote teleconference meetings of the District's legislative bodies without compliance with Government Code section 54953(b)(3), as authorized by Government Code section 54953(e).

#### **Background:**

Starting in March 2020, amid rising concern surrounding the spread of COVID-19 throughout communities in the state, California Governor Gavin Newsom issued a series of Executive Orders aimed at containing the novel coronavirus. These Executive Orders (N-25-20, N-29-20, N-35-20) collectively modified certain requirements created by the Ralph M. Brown Act ("the Brown Act"), the state's local agency public meetings law.

On June 11, 2021, the Governor issued Executive Order N-08-21 which rescinds the aforementioned modifications made to the Brown Act, effective September 30, 2021. After that date, local agencies are required to observe all the usual Brown Act requirements status quo ante (as they existed prior to the issuance of the orders). Local agencies must once again ensure that the public is provided with access to a physical location from which they may observe a public meeting and offer public comment. Local agencies must also resume publication of the location of teleconferencing board members, post meeting notices and agendas in those locations, and make those locations available to the public in order to observe a meeting and provide public comment.

3.D Resolution 2022-21 Subsequent Finding that the Governor of California issued a Proclamation of a State of Emergency on March 4, 2020 relating to the COVID-19 virus and local officials continue to recommend social distancing measures to mitigate the spread of the COVID-19 virus and Authorizing remote teleconference meetings of the legislative bodies of United Water Conservation District for the period of June 8, 2022 through July 7, 2022, pursuant to Brown Act provisions Motion

On September 16, the Governor signed AB 361 into law, effective immediately, which extends the flexibilities provided in the Governor's prior executive order to local and state bodies to hold public meetings remotely beyond the executive order's September 30, 2021 expiration date.

On September 20, the Governor signed an executive order (N-15-21) waiving the application of AB 361 until October 1, 2021, when the provisions of prior Executive Orders that established certain requirements for public agencies to meet remotely during the COVID-19 emergency will expire. The September 20 order makes clear that, until September 30, local agencies may conduct open and public remote meetings relying on the authority provided under prior Executive Orders (rather than AB 361). The revised Order also explicitly permits a local agency to meet pursuant to the procedures provided in AB 361 before October 1, so long as the meeting is conducted in accordance with the requirements of AB 361.

All local agencies are being asked to be aware that they may not conduct remote teleconference meetings pursuant to the authority in the Governor's prior Executive Orders beyond September 30; after that date, all meetings subject to the Brown Act must comply with standard teleconference requirements (as they existed "pre-pandemic") OR must comply with the newly enacted provisions of AB 361. The adoption of this Resolution provide the District with compliance as it relates to the newly enacted provisions of AB 361.

#### **Fiscal Impact:**

There is no fiscal impact related to the approval of this Resolution.

**Attachment: Resolution 2022-21** 

#### **RESOLUTION 2022-21**

A RESOLUTION OF THE BOARD OF DIRECTORS OF UNITED WATER CONSERVATION DISTRICT REAFFIRMING THAT THE PROCLAMATION OF A STATE OF EMERGENCY BY THE GOVERNOR OF CALIFORNIA ISSUED ON MARCH 4, 2020 RELATING TO THE COVID-19 VIRUS REMAINS IN EFFECT AND LOCAL OFFICIALS CONTINUE TO RECOMMEND SOCIAL DISTANCING MEASURES TO MITIGATE THE SPREAD OF THE COVID-19 VIRUS AND RE-AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF UNITED WATER CONSERVATION DISTRICT FOR THE PERIOD OF JUNE 8, 2022 THROUGH JULY 7, 2022 PURSUANT TO BROWN ACT PROVISIONS.

WHEREAS, United Water Conservation District ("District") is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

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

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

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

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing; and

WHEREAS, the Board of Directors previously adopted a Resolution, Number 2022-20, May 11, 2022, finding that the requisite conditions exist for the legislative bodies of the District to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, as a condition of extending the use of the provisions found in section 54953(e), the Board of Directors must reconsider the circumstances of the state of emergency that exists, and the Board of Directors has done so; and

WHEREAS, the State of Emergency proclaimed by the Governor of California on March 4, 2020, due to the outbreak and spread of the COVID-19 virus remains in effect and active in order to be able to prepare, respond, and implement measures to mitigate the spread of the COVID-19 virus; and

WHEREAS, local officials within the County of Ventura continue to recommend social distancing measures to mitigate the spread of the COVID-19 virus; and

WHEREAS, as a consequence of the proclaimed state of emergency pursuant to the COVID-19 virus which continues to remain in effect, and local officials continuing to recommend social distancing measures to mitigate the spread of the COVID-19 virus, the Board of Directors does hereby find that the legislative bodies of the District shall continue to conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of

section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the meetings of the District's legislative bodies continue to be open to the public, in accordance with the law.

# NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. <u>Recitals</u>. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. <u>Reaffirmation of Governor's Proclamation of a State of Emergency</u>. The Board hereby finds that the Governor of the State of California's Proclamation of State of Emergency pursuant to the COVID-19 virus, effective as of its issuance date of March 4, 2020, continues to remain in effect.

Section 3. <u>Reaffirmation of Local Officials Recommendation of Social Distancing Measures</u>. The Board hereby finds that local officials within the County of Ventura continue to recommend social distancing measures to mitigate the spread of the COVID-19 virus.

Section 4. Remote Teleconference Meetings. The General Manager of the District and legislative bodies of the District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. <u>Effective Date of Resolution</u>. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) July 7, 2022, or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

**PASSED AND ADOPTED** by the Board of Directors of United Water Conservation District, this 8<sup>th</sup> day of June, 2022, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
ATTEST: Bruce E. Dandy, Board President
ATTEST:
Lynn F. Maulhardt Board Secretary/Treasure

ANTEC



#### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

From: Anthony Emmert, Assistant General Manager

Date: May 19, 2022 (June 8, 2022 meeting)

Agenda Item: 3.E Resolution 2022-26 Authorizing Brian Zhan and Daryl Smith as

Signatures for Fiscal Year 2022-23 through the County Auditor's Office

**Local Agencies Form and Wire Transfers Form** 

**Motion** 

#### **Staff Recommendation:**

The Board will consider adopting <u>Resolution 2022-26</u>, approving the addition of United Water Conservation District's (District) new Chief Financial Officer Brian Zahn and Controller Daryl Smith as authorized signatories on the District's accounts in the County Treasury Investment Pool and for use of the Ventura County Financial Management System.

#### **Background:**

This Resolution, if adopted by the UWCD Board, supports the Ventura County Auditor-Controller's Office request for Local Agency Signature Authorization forms for the Fiscal Year 2022-23 as well as Authorized Signatures for Wire Transfers Form (ASWT) enabling both gentlemen to access financial information or invests in the County's Treasury Investment Pool as well as initiate wire transfers between District accounts in the Treasury Investment Pool and the District's accounts with the Bank of Sierra.

#### **Fiscal Impact:**

There is no fiscal impact associated with the adoption of Resolution 2022-26.

**Attachment:** A. Resolution 2022-26

#### **RESOLUTION 2022-26**

# A RESOLUTION OF THE BOARD OF DIRECTORS OF UNITED WATER CONSERVATION DISTRICT APPROVING THE ADDITION OF THE CHIEF FINANCIAL OFFICER AND CONTROLLER AS AUTHORIZED SIGNATORIES TO UNITED WATER CONSERVATION DISTRICT'S (DISTRICT) ACCOUNTS IN THE COUNTY'S TREASURY INVESTMENT POOL AND THE VENTURA COUNTY FINANCIAL MANAGEMENT SYSTEM

**WHEREAS**, the United Water Conservation District has hired Brian Zahn as its Chief Financial Officer and Daryl Smith as its Controller; and

**WHEREAS**, the United Water Conservation District desires to authorize Mr. Zahn and Mr. Smith as signatories on the District's County Treasury Investment Pool and the Ventura County Financial Management System.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of United Water Conservation District authorizes the addition of Brian Zahn and Daryl Smith as authorized signers on its County Treasury Investment Pool accounts and authorizes Brian Zahn and Daryl Smith as approved users of the Ventura County Financial Management System on behalf of United Water Conservation District and approves both gentlemen as authorized signers for the District's wire transfer requests.

APPROVED AND ADOPTED THIS 8<sup>TH</sup> DAY OF JUNE 2022

Bruce E. Dandy, President	Lynn E. Maulhardt, Secretary/Treasurer



#### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

Anthony A. Emmert, Assistant General Manager

From: Josh Perez, Chief Human Resources Officer

Brian Zahn, Chief Financial Officer

Zachary Plummer, Technology Systems Manager

Tony Huynh, Risk and Safety Manager

Kris Sofley, Executive Assistant/Clerk of the Board

Date: May 24, 2022 (June 8, 2022, meeting)

Agenda Item: 4.1 Monthly Administrative Services Department Report

**Information Item** 

#### **Staff Recommendation:**

The Board will receive this staff report and attached presentation from the Administrative Services Department regarding its activities for the month of May 2022.

#### **Discussion:**

#### **Finance**

- Met with Department Managers to review their March YTD spend and created an updated projection and analysis of total FY 21-22 spend.
- Presented Proposed FY 22-23 Budget and Financial Policies at the May 11, 2022, Board meeting.
- Held meetings with the OH and PTP customers to discuss the FY 22-23 Budget and District activity.
- Held audit kickoff meeting and began interim fieldwork for the audit.
- Prepared FY 22-23 Proposed Budget for GSAs.
- Began recruitment for open Accounting Technician and Accountant II positions.
- Provided O&M with financial data needed for filling out the State Water Resources Control Board's Electronic Annual Report for the OH Pipeline.

#### **Administrative**

• Provided administrative assistance for drafting, finalizing, and distributing/posting materials for the UWCD's Recreation Committee and Finance and Audit Committee meetings as well as the regular UWCD Board meeting in May.

- Provided administrative assistance for drafting, finalizing, and distributing/posting materials for the Fillmore and Piru Basins Groundwater Sustainability Agency's Regular Board meeting May.
- Completion of UWCD Headquarters' decorating, including installation of over 40 John Carman photographs (printed on canvas and stretched on frames) throughout the second-floor space.
- Continued to host AWA VC Water Issues Committee and Board meeting events for May at the UWCD Boardroom with support from Administrative staff and IT Manager.
- Continued to host the Santa Clara River Watershed Committee meeting at the UWCD Boardroom with support from Administrative staff and IT Manager.
- Provided tour of Boardroom and demonstrations of audio, video, and computer technology for a group from Rancho Simi Recreation and Park District.
- Coordinated with AWA VC on UWCD's exhibition space at the annual Water Symposium (May 26); secured a video presentation at the opening of the Symposium's luncheon event; and arranged for the presentation of the 2022 Richard V. Laubacher Water Conservation Award.
- Admin Team also coordinated Directors and Staff travel, accommodation, and participation at the 2022 ACWA Spring Conference in Sacramento (May 3-5); the CSDA Legislative Days in Sacramento (May 17-18); and Staff visits to the Bureau of Reclamation and University of Iowa to evaluate modeling efforts for fish passage alternatives; in addition to individual training and event participation.

#### **Human Resources**

- Working on completing PAFs for merit pay and administrative leave for selected eligible staff members.
- Processed exit documents for several full-time and part-time staff that submitted retirement notices or resignations during the month.
- Processed employee evaluations and step increases that were scheduled for May.
- Processed employee payroll changes into InCode (address change, tax changes, changes in deductions, base pay, cash out requests).
- In coordination with Water Resources Department, assisted in gathering groundwater hearing exhibits for the 2022 groundwater/workshop hearings.
- Continued work on recruitments for the following positions:
  - o Accounting Technician
    - Selection made pending GM approval
  - Accountant II
    - Candidates being reviewed interviews to be scheduled shortly
  - o Environmental Services Lead Field Technician
    - Candidates being reviewed
  - Human Resources Generalist
    - Candidate review completed interviews being scheduled for June 3
  - o Park Ranger III
    - Candidates reviewed interviews scheduled for first week of June

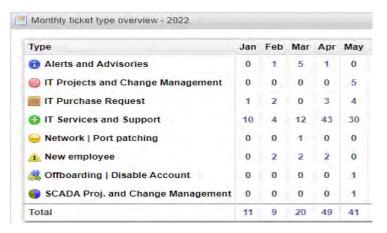
 Worked with SDRMA regarding several ongoing insurance claims submitted regarding vehicle damage.

#### Safety and Risk Management

- Led DHS Dams Sector Information Sharing Drill across multiple departments and partnered with IT Department on evaluating technology in District EOC.
- Trained and certified 10 new staff members in CRP/AED/First Aid at Lake Piru Recreation Area.
- Delivered Annual Heat Illness Prevention training at monthly safety meeting.
- Continued Respiratory Fit Testing Efforts throughout O&M.
- Procured audiometric device for in-house hearing testing which will begin in July.
- Supported IT Department with cyber security efforts as needed.
- Supported HR Department with HR Generalist candidate screenings/reviews.

#### **Technology Systems**

- IT and Risk Management Participated in a national wide drill exercise. Internal staff had the opportunity to assess our readiness to activate the EOC and evaluate our responses to the simulated scenarios.
- Completed cybersecurity review with the DHS Vulnerabilities detection team.
- IT staff provided Technology support for several district held hybrid meeting events, including services to AWA and Ventura Watershed, and OH/PTP User Meetings.
- IT staff continued to fulfill requests to deploy updated computer and mobile device equipment.
- IT staff provided technical assistance to relocate computer and network equipment into the modernized Lake Piru entrance Kiosk.
  - o IT has been coordinating network improvements with O&M Instruments Department to provide network availability for new security equipment coming online over the next few months at the Lake Piru Recreation Area.
- IT staff are continuing to recommend that staff submit their requests to the ticketing application allowing IT staff to prioritize support and security responses.
- Monthly ticket overview summarized below:





#### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

From: Maryam A. Bral, Chief Engineer

Craig A. Morgan, Engineering Manager Robert J. Richardson, Senior Engineer

Michel Kadah, Engineer

Adrian Quiroz, Associate Engineer

Erik Zvirbulis, GIS Analyst

Date: June 1, 2022 (June 8, 2022 meeting)

Agenda Item: 4.2 Monthly Engineering Department Report

**Information item** 

#### **Staff Recommendation:**

The Board will receive and file this summary report from the Engineering Department regarding its activities for the month of May 2022.

#### **Discussion:**

- 1. Santa Felicia Dam Safety Improvement Projects
  - Spillway Improvement Project
    - The 30% design analyses continued during the month of May. Staff attended the biweekly progress meetings and discussed the design progress with GEI Consultants (GEI).
    - o GEI revised the deliverable dates of the design technical memorandums. Staff reviewed and commented on the updated deliverable dates received from GEI.
    - o Staff coordinated the next BOC meeting date with FERC, DSOD, and BOC. The next BOC meeting (meeting No. 6) is scheduled for September 28-29, 2022.
  - Outlet Works Improvement Project
    - o The above updates reported for the Spillway Improvement Project are also applicable to the Outlet Works Improvement Project.
    - O Staff attended a coordination meeting with GEI and Catalyst to review potential design modifications of the new outlet works discharge channel including energy dissipating approaches to reduce the velocity during conservation releases at flows up to 500 cubic feet per second. A follow up coordination meeting will be scheduled to discuss the design criteria compatible with the new release channel design.

- FERC License Amendment Application, NEPA Documentation and Section 7 Consultation Staff is planning on submitting the draft Biological Assessment (BA) report to FERC as soon as NMFS and CDFW comments on the release channel design are received. Alternatively, Staff might choose to submit the draft BA to FERC to minimize any potential delays in completing the permitting process.
- Loan and Grant Applications

#### 2021 FEMA HMGP

On May 6, Staff prepared and submitted a response to the CalOES Request for Information regarding the \$68 million Hazard Mitigation Grant Program application in support of the Santa Felicia Dam Outlet Works Retrofit Project. Staff also responded to follow up questions received from CalOES on May 16. CalOES indicated that no additional clarification was required at that time.

#### PrepareCA Match – FEMA HMGP

- o The above updates are also applicable to the PrepareCA Match grant.
- On May 12, Staff received an acceptance notice from CalOES related to the receipt of the PrepareCA Match grant application for the Santa Felicia Dam Outlet Works Retrofit Project. Staff was informed that CalOES had received and reviewed the application and had no further questions.

#### WIFIA Loan

- On May 10, Staff was informed that EPA had published a proposed waiver to the Build America, Buy America Act (BABAA) requirements for the eligible projects that initiated project design plans prior to May 14, 2022. EPA requested comments on the proposed waiver by May 20. On May 18, Staff provided a letter response to EPA in favor of the waiver to the BABAA requirements for the WIFIA program.
- On May 16, Staff was assigned a new loan underwriter for the WIFIA program. On May 25, Staff received a request for additional information and a request for a "kick off call" between the WIFIA Staff and District Staff to review the Santa Felicia Safety Improvement project. Both Engineering Staff and Staff from the Finance Department will present responses to the loan underwriter's questions related to the project purpose and benefits, project timing and District finances at the "kick off call" meeting currently scheduled for June 22. Once the application is deemed complete, the WIFIA loan underwriter will work on a closing schedule with the District.

#### • Santa Felicia Dam Safety

- o Staff prepared the 2022 Santa Felicia Dam Supporting Technical Information Document (STID). The 2022 STID was e-filed with FERC on May 31.
- o Staff has begun work on the 2022 SFD Vulnerability and Security Assessment Updates and Reprints. FERC requires these assessments to be conducted on a 5-year basis. Staff held a planning meeting with Gannett Fleming (GF) on April 4, 2022, to discuss the possibility of them supporting the District with this scope of work. GF submitted a proposal to the District on April 29, 2022. However, after careful review, Staff has decided to complete the assessments in-house. Staff has conducted a series of planning

# **4.2** Monthly Engineering Department Report Information Item

meetings and workshops for completing these assessments in 2022. The latest workshop was conducted on May 23, 2022. Staff has received a proposal from GF for performing the 2022 SFD Owner Dam Safety Program (ODSP) External Audit. FERC requires an external audit of the ODSP on a 5-year basis. As required by FERC, the District must submit the resume of the proposed auditor to FERC for review and approval. District staff submitted the resume of the proposed GF ODSP auditor on January 28, 2022. FERC approved the GF ODSP auditor on March 30, 2022. The external audit will be performed by GF beginning in July 2022. The External ODSP Audit Report will be submitted to FERC by December 31, 2022. Staff executed an Agreement with GF on May 9, 2022.

- o The FERC requires an Independent Consultant (IC) to conduct a Part 12D Inspection for SFD on a 5-year basis. In a letter dated May 26, 2021, FERC notified the District that the twelfth Part 12D Independent Consultant's Safety Inspection Report for SFD is due on November 1, 2022. On February 11, 2022, Staff issued a Request for Proposal/Qualifications (RFP/Q) to two (2) consultants for the Independent Consultant for the 2022 SFD Part 12D Inspection. Two proposals were submitted to the District on March 10, 2022. Staff met internally to review and evaluate the proposals and selected GF to as the IC for the 2022 SFD Part 12D inspection. As required by FERC, the GF team resumes were submitted to FERC on March 24, 2022, and these were approved on April 25, 2022. The agreement with GF was executed on April 15, 2022. The Part 12D process began on May 12, 2022 with the 90-Day pre-PFMA conference call between the IC, FERC, and Staff. The Part 12D Site Inspection and Annual FERC Inspection have been scheduled for August 23, 2022. The PFMA Review session has been scheduled for August 24, 2022, at UWCD headquarters.
- o In April the Department of Water Resources Division of Safety of Dams (DSOD) notified Staff via a phone call on April 5 and a letter dated April 19 that the Santa Felicia Dam's condition rating was changed from "Fair" to "Poor". The DSOD's updated assessment and subsequent lower rating is based on the deficiencies identified with respect to the seismic stability of the Outlet Works and insufficient hydraulic capacity of the spillway. DSOD explained that the change in rating is consistent with the condition assessment definitions posted on their website. A dam in poor condition is defined as a dam with multiple deficiencies or a significant deficiency that requires remedial work

#### 2. Santa Felicia Dam Sediment Management Project

A geotechnical report summarizing the observations of the four test pits that were
established in February and the lab results from the test pit samples was prepared by Earth
Systems and submitted to GEI on April 18 to supplement GEI's Lake Piru Reservoir
Sediment Removal Study project. The first draft of the study by GEI is expected to be
received the week of August 8, 2022.

# **4.2** Monthly Engineering Department Report Information Item

#### 3. Pothole Trailhead Parking Area

• Staff executed a task order with ECG under the On Call Services Agreement for this work on May 9, 2022 and will meet with the Forest Service to discuss the completion of the easements to be granted to the Forest Service.

#### 4. Condor Point Improvement Project

- A Conditional Use Permit Adjustment application was submitted to Ventura County Planning (Planning) on April 20, 2022. The permit adjustment is required to obtain a zoning clearance. The permit adjustment will be issued after Planning conducts a site visit on June 3, 2022.
- On May 9, 2022, Staff executed an Agreement with Rincon Consultants (Rincon) for the graphic development of interpretive signage for the Condor Point Improvement Project. Rincon will develop two interpretive signs, one displaying the natural and cultural resources of Lake Piru and the other displaying the history and importance of Santa Felicia Dam and Lake Piru. The first draft of the cultural and natural resources sign was received by Staff on May 11, 2022.

#### 5. Freeman Diversion Expansion

- Staff, USBR, University of Iowa, Stantec and NHC participate in rotating weekly calls with NMFS and CDFW to provide updates on physical modeling, CFD modeling and design alternations.
- May 23 May 25, staff along with representatives from NHC, NMFS and CDFW visited USBR to witness the 1:12 and 1:24 scale physical model of the Hardened Ramp.

#### 6. Iron and Manganese Treatment Facility

- Meetings:
  - Weekly coordination meetings between Staff and the District's construction manager (HDR, Inc.)
  - Weekly construction progress meetings hosted by HDR and attended by GSE Construction, Taft Electric, Kennedy Jenks Consultants (KJ) and Staff.
- GSE Construction has submitted approximately 227 out of a total of 291 submittal packages anticipated for the project. HDR and design engineer (KJ) have provided responses on approximately 227 submittal packages including a requirement to comply with the Buy American Act.
- GSE Construction has submitted approximately 78 Requests for Information (RFI) to date. HDR, KJ and the District have been providing responses.
- GSE Construction advanced construction of the 20-inch Ductile Iron Backwash Supply Pipeline. Approximately 800 of 890 linear feet installed.
- GSE Construction advanced work on the Fe/Mn building. The installation of Concrete Masonry Units (CMU) was completed on May 11, 2022 (See Figure 1).

# **4.2 Monthly Engineering Department Report Information Item**

- GSE Construction advanced construction of the 20-inch Ductile Iron Overflow pipeline. Approximately 50 of 261 linear feet installed.
- The tentative date for construction completion and implementation is January 3, 2023. A total of five (5) inclement weather days have been counted.

# 7. OH System Backup Generator at the El Rio Booster Plant

- To fully comply with the Hazard Mitigation Grant Program requirements, CalOES requested a Corrective Action Plan (CAP) for federally funded projects. Staff submitted the CAP to CalOES by the due date on May 13, 2022.
- Staff prepared and submitted Corrective Action Plan (CAP) to CalOES in accordance with the grant assessment compliance finding report. The CAP included the District's schedule to implement corrective actions to update the District procurement policy and standard contract in accordance with Title 2 C.F.R. 200, for the federally funded projects.
- On May 17, Staff received a CAP acceptance letter from CalOES that marked the conclusion of the compliance assessment and compliance with the Hazard Mitigation Grant Program requirements by the District. This project is deemed complete, and no further updates will be provided in the future staff reports.

# 8. PTP Metering Improvement Project

- Total number of meters installed: 35 of 61 or 57.3% complete.
- An additional four (4) meter installations are planned by mid-2022.
- Easement acquisition completion: 19 of 42 obtained or 45.2% complete (no change)
- On May 11, Staff met with Hamner, Jewell and Associates to review the status of easement acquisitions. The new property owner that handles PTP Turnout Nos. 135, 139 and 146 requested non-substantial changes to the revised utility easement deed which were accepted. The three (3) utility easement deeds are now pending the property owner's partial execution.
- Prepared draft letter requesting two (2) year time extension for completion from the Department of Water Resources (DWR) for the Proposition 1 Agricultural Water Use Efficiency grant. Should it be approved by DWR, this would extend the grant agreement expiration to October 19, 2024.

### 9. PTP Recycled Water Connection – Laguna Road Pipeline Project

- The 30% design progress continued during the month of May. Staff attended the bi-weekly progress meetings and discussed the design progress with District's consultant, Kennedy Jenks.
- As part of the design coordination with the Pleasant Valley County Water District (PVCWD), Staff prepared and submitted to MKN (PVCWD's consultant) the standard plans for the PTP new irrigation efficiency meter installed at the PTP system turnouts.
- Staff has scheduled a coordination meeting with PVCWD on June 7 to discuss the hydraulic model process and a recycled water agreement between the two districts.

# **4.2** Monthly Engineering Department Report Information Item

- Staff reviewed aerial and topographic survey data received from the Encompass Consultant Group (ECG) for Laguna Road.
- Staff coordinated the removal of the geotechnical boring drums from the private property north of Laguna Road with Kennedy Jenks and Yeh & Associates. The drums were removed from the site on May 20, and the property owner was notified of this activity by Staff.

# 10. Rice Avenue Grade Separation Project and Impact on PTP

- As previously reported, the State of California Department of Transportation (CalTrans) has offered to acquire two easements at the PTP Well Site No. 4. During a follow up phone call with CalTrans in May, the offer made for the two easements was corrected to a total of \$6,300 for a 3,000 square foot of permanent easement and a 1,436 square foot of a temporary construction easement at PTP Well Site No. 4. Staff is currently working with CalTrans Staff to finalize the right of way contract and grant deeds.
- Staff has requested a meeting with CalTrans to discuss the impact of the Rice Avenue Grade Separation Project on the District's 30-inch transmission pipeline north of the Fifth Street and Rice Avenue intersection. Staff is awaiting a response from CalTrans. Approximately 800 linear feet of the 30-inch pipeline requires reconstruction and reinforcement to resist additional new loading of approximately 14-foot soil cover. To allow the work to proceed, the County has requested the District execute a Utility Agreement without committing to cover pipe reconstruction costs estimated at \$1.5 million.

# 11. State Water Project (SWP) Interconnection Pipeline Project

• No update to report.

#### 12. Extraction Barrier and Brackish Water Treatment Project

- Meetings:
  - o May 2, 2022 Kick-off meeting with District Staff and Kennedy/Jenks Consultants (K/J) held for preparation of a full grant proposal under the Proposition 1 Groundwater Grant Program (GWGP) Round 3 Implementation Grant administered by the State Water Resources Control Board (SWRCB).
  - o May 19, 2022 Held monthly progress meeting with Navy and District staff. Some key discussion and action items are:
    - Coastal Commission Meeting on May 16<sup>th</sup> involving Poseidon Water's Coastal Development Permit (CDP) application.
    - Draft Phase 1A license agreement submitted to the Navy for review on May 10<sup>th</sup>. Navy's real-estate team has reviewed the license agreement with early indications of acceptance. The District's legal counsel reviewed the agreement and did not take any exceptions. The license agreement is still under review by the Navy.

- Draft Phase 1A Notice of Exemption under the California Environmental Quality Act for consideration at the June 8, 2022 Board of Directors meeting.
- Draft Request for Qualifications/Proposals (RFQ/P) for permitting assistance underway.
- Water Resources progress on the breakout hydrogeological flow model.
- Progress on grants (listed below).

#### • Grants:

- o Prop 1 Round 3 Ground Water Grant Program (GWGP) application
  - District staff prepared an updated project description, preliminary extraction well design, updated construction cost estimate, list of applicable permits, list of applicable environmental documentation, and project schedule and budget as part of the grant application package.
  - Full proposals are due July 15, 2022.
- Sustainable Groundwater Management (SGM) Grant Program
  - Final execution of grant agreements pending.

### • Design:

- May 16, 2022 Meeting with Trussell Technologies to discuss Groundwater Under the Direct Influence (GWUDI) considerations for permitting and design, and the progressive design-build approach.
- May 23, 2022 Proposal received from Trussell Technologies to assist with the determination of whether GWUDI applies to the project (potential implication is additional treatment requirements).
- May 27, 2022 Preliminary results received from Eurofins Laboratory for baseline groundwater sampling performed between April 20 to 21, 2022. Full results are anticipated in June 2022.

### • CEQA/NEPA:

- May 23, 2022 CEQA Notice of Exemption (NOE) prepared for the Information Collection for the Proposed Extraction Barrier and Brackish Water Project (Phase 1A exploration phase).
- o May 23, 2022 Board Resolution 2022-27 prepared for the adoption of the CEQA NOE for Phase 1A (exploration phase).
- o June 8, 2022 Pending Board of Directors approval, the CEQA NOE will be filed with the County of Ventura and Office of Planning a Research.
- May-June Prepare Request for Qualifications/ Request for Proposal (RFQ/P) for CEQA and Regulatory Permitting consultant services for Phase 1B (demonstration phase).
- o June-July Release RFQ/P for CEQA and Regulatory Permitting consultant services for Phase 1B (demonstration phase).
- August-September Conduct interviews and select consulting firm(s) for CEQA and Regulatory Permitting consultant services for Phase 1B (demonstration phase).
- Upcoming (scheduled and tentative dates):

# **4.2** Monthly Engineering Department Report Information Item

- May-July Prepare and negotiate draft license agreement with U.S. Navy for the Phase
   1A project
- o June Develop scope of work for regulatory support services with Trussell Technologies
- o June Meeting with Calleguas to discuss use of Salinity Management Pipeline for groundwater extraction well discharge and brine disposal
- July-Aug Issue Request for Proposals for design services related to Phase 1B (demonstration phase)
- July Meeting with Navy subject matter experts related to California Coastal Zone Management Act
- July Motion item to the Board of Directors requesting consideration of executing a license agreement for Phase 1A with the U.S. Navy
- o August Leadership Meeting No. 4 between District and U.S. Navy

# 13. Asset Management/ CMMS System

- May 25 UWCD Staff met with MKN Consulting to see what they have provided for other local agencies to help them advance their asset management programs.
- Staff continues to work on tables and graphs for the end of year reporting from Santa Felicia Dam monthly reporting Survey123 app data exports.

# 14. Main Supply Line Sodium Hypochlorite Injection Facility

• Staff have met with designers from Hazen and Sawyer, received a scope of work for the project and are awaiting a proposal for the design of a liquid sodium hypochlorite injection facility at the Moss Screen.

### Other Topics, Meetings and Training - ALL

- May 3-5, 2022 Maryam attended ACWA Conference in Sacramento, CA.
- May 3-4, 2022 Staff partially attended DHS Dams Sector Information Sharing Drill.
- May 10, 2022 Dr. Bral presented the OPV groundwater conditions at the County Board of Supervisors.
- May 10, 2022 Robert Richardson presented the Iron and Manganese Treatment Facility Status Update to the Channel Islands Breach Community Services District Board of Directors.
- May 19, 2022 Adrian Quiroz presented the construction updates of the Iron and Manganese Treatment Facility Project to the Santa Clara Watershed Commission meeting.
- May 19, 2022 Dr. Maryam Bral provided a status update on water supplying projects to the Santa Clara Watershed Commission meeting.
- May 23-25 Craig Morgan traveled to Denver to meet with the design team and partner agencies to review the Hardened Ramp physical modeling results at the USBR laboratory.

# 4.2 Monthly Engineering Department Report <u>Information Item</u>



Figure 1 – Fe/Mn Building CMU Construction



### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

Anthony A. Emmert, Assistant General Manager

From: Linda Purpus, Environmental Services Manager

Date: June 1, 2022 (June 8, 2022, meeting)

Agenda Item: 4.3 Monthly Environmental Services Department Report

**Information Item** 

#### **Staff Recommendation:**

The Board will receive and file this staff report from the Environmental Services Department regarding its activities for the month of May 2022.

#### **Discussion:**

- 1. <u>Santa Felicia Project Operations and Federal Energy Regulatory Commission (FERC) License Support</u>
  - Santa Felicia Fish Passage Pre-Implementation Studies

During the month of May, operation of the fyke net fish trap in middle Piru Creek was ceased in response to receding flows. On May 23, 2022, Evan Lashly received approval from the U.S. Fish and Wildlife Service (USFWS) to serve as the "designated biologist" to conduct surveys for arroyo toad and least Bell's vireo before removing the trap equipment from the stream channel. Surveys will be conducted in coordination with the USFWS and U.S. Forest Service, and all trapping equipment is anticipated to be completely removed in early June.

 California Department of Water Resources (DWR) and Los Angeles Department of Water and Power (LADWP) FERC License (No. 2426) – South State Water Hydropower Project (Pyramid Lake)

On March 16, 2022, DWR and LADWP submitted an application to the State Water Resources Control Board (SWRCB) to amend the 401 Water Quality Certification (Certification) for the South State Water Hydropower Project FERC relicensing process. (The Certification will not become effective until Pyramid's FERC license is reissued.) As part of coordination with DWR, LADWP, and SWRCB, United Water Conservation District (United) contributed to the application for amendment to the Certification, providing input and suggested language on the conditions relevant to United's interests. The application for amendment to the Certification was posted for public review on April 12, 2022. The public review and comment period closed on May 3, 2022.

# 4.3 Monthly Environmental Services Department Report Information Item

# • Water Release Plan and Water Release and Ramping Rate Implementation Plan

Under the Water Release Plan and FERC license for the Santa Felicia Project, United is required to make certain water releases from Santa Felicia Dam for steelhead habitat and migration, when specific triggers are met. Triggers for habitat water releases are based on cumulative rainfall within the water year. United evaluates whether the trigger is met on the first day of each month, between January and June. The table below presents trigger criteria for each month and minimum required releases if those triggers are met. Each month that the trigger is not met, the minimum required habitat water release is 7 cubic feet per second (cfs). The trigger was not met on June 1, 2022. The minimum required habitat water release for the month of June is 7 cfs.

2022 Habitat water release trigger date	Trigger criteria (total cumulative precipitation on trigger date)	Minimum required water release if trigger is met	2022 Measured cumulative precipitation	Actual minimum required habitat water release for mo.
January 1	4.80 inches	15 cfs	12.48 inches	15 cfs
February 1	8.10 inches	20 cfs	12.88 inches	20 cfs
March 1	12.00 inches	20 cfs	12.98 inches	20 cfs
April 1	14.90 inches	20 cfs	14.45 inches	7 cfs
May 1	16.30 inches	10 cfs	14.69 inches	7 cfs
June 1	17.50 inches	9 cfs*	14.69 inches	7 cfs

<sup>\*</sup> If triggered, the minimum required water release will remain at 9 cfs through October 1, at which time, minimum required water release will be 7 cfs through January 1 of next calendar year.

# 2. Freeman Diversion Operations

On May 10, 2022, Environmental Services staff issued a request for onsite assistance to National Marine Fisheries Service (NMFS), NMFS-Office of Law Enforcement, and California Department of Fish and Wildlife (CDFW) to support capture and relocation of O. mykiss from the fish screen bay at the Freeman Diversion. The request was intended to facilitate proactive measures to ensure any O. mykiss present within the fish screen bay would be relocated to suitable habitat (based on life stage) before water quality conditions within the bay begin to degrade as Santa Clara River flows recede with the oncoming summer. On May 19, 2022, CDFW staff successfully captured and relocated 10 O. mykiss individuals from the fish screen bay. Four O. mykiss individuals were transported downstream and released to the Santa Clara River estuary while the remaining six O. mykiss were transported and released upstream. Numerous other fish (native and non-native) were encountered, including arroyo chub, fathead minnow, mosquitofish, suckers, and green sunfish. Notably, over 7,500 partially armored threespine stickleback were also captured and relocated; a number significantly higher than ever previously recorded at the facility. Environmental Services staff were onsite and assisted CDFW with activities; however, all handling and transport of O. mykiss was conducted by CDFW staff.

# 4.3 Monthly Environmental Services Department Report Information Item

### 3. California Endangered Species Act (CESA) Listing Petition for Southern California Steelhead

Following the California Fish and Game Commission's (Commission) determination that listing of southern California steelhead under CESA "may be warranted," the Commission published their Notice of Findings on May 11, 2022. Within 12 months of the publication of the Notice of Findings, CDFW must complete a peer-reviewed status review of the species pursuant to Fish and Game Code (FGC) section 2074.6. CDFW's final status review report, including their recommendation on whether full listing to Endangered status is warranted, is due to the Commission on May 13, 2023. Note that CDFW can request a 6-month extension of time to complete the status review which would be subject to Commission approval. United staff will remain engaged with other stakeholder agencies in the regulated community, as well as with CDFW regarding their status review.

# 4. Quagga Mussel Management

#### Consultation

On May 9, 2022, Environmental Services staff held the annual Quagga Mussel Program consultation meeting with staff from CDFW.

# Monitoring

Environmental Services staff continues to conduct routine monitoring under the Quagga Mussel Monitoring and Control Plan (QMMCP) including monthly water quality sampling, monthly veliger (microscopic planktonic larvae) sampling, monthly artificial substrate sampling in Lake Piru (plate sampling), and natural substrate sampling in lower Piru Creek (surface surveys).

#### 5. Miscellaneous

- On May 3-5, 2022, Environmental Services staff completed a Wilderness First Aid and Stream Rescue Training with Sierra Rescue International.
- On May 4-5, 2022, Hannah Garcia-Wickstrum completed the California Native Plant Society's Riparian/Wetland Plant Identification Workshop.
- On May 9, 2022, Environmental Services staff attended a Fish Identification Training hosted by the U.S. Geological Survey at Big Tujunga Wash.
- On May 10, Environmental Services staff hosted USFWS staff on a site tour of the Santa Felicia Dam and middle Piru Creek to discuss multiple projects.
- On May 20, 2022, Evan Lashly attended a Santa Clara River Invasive Weed Task Force meeting.
- Cherie Windsor's last day of working in-person was on May 13, 2022. She will continue to work remotely for United until mid-June. She and her husband have relocated to Idaho to care for family.



# **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

Brian Collins, Chief Operations Officer

From: John Carman, Programs Supervisor

Date: May 25, 2022 (June 8, 2022 Meeting)

Agenda Item: 4.4 Monthly Operations and Maintenance Department Report

**Information Item** 

#### **Staff Recommendation:**

The Board will receive and file this staff report from the Operations and Maintenance department regarding its activities for the month of May.

# 1. Water Releases, Diversions and Deliveries

- Lake Piru dropped 0.93 feet in May to 17,553 acre-feet (AF) of storage.
- 428 AF of water was diverted by the Freeman Diversion facility in May.
- 0 AF of water was diverted to the Saticov recharge basins in April (metered).
- -103 AF of water was diverted to the other Saticoy basins in April (unmetered). Negative value because water was pumped from Desilt Basin.
- 223 AF of surface water was delivered to the El Rio recharge basins in May.
- 300 AF of surface water was delivered to the PTP system in May.
- 8 AF of surface water was delivered C customers in May.
- 0 AF of surface water was delivered to Pleasant Valley County Water District in May.

### 2. Major Facilities Update

#### • Santa Felicia Dam

- On June 1, 2022 the lake level was 72.1 feet below the spillway lip.
- Habitat water releases from Santa Felica Dam (SFD) were maintained at 7 cubic feet per second (cfs), for the month of May, as per the Water Release and Ramping Rate Implementation Plan for Lower Piru Creek.
- o Contractor Rayco performed annual security test of SFD shop and hydroelectric facilities.
- o On May 19, 2022 staff performed annual compliance testing of all SFD facilities back flow devices.
- Freeman Diversion, Saticoy, and El Rio Recharge Facilities

# **Agenda Item: 4.4 Monthly Operations and Maintenance Department Report – Information Item**

- o Flows at the Freeman Diversion averaged 7 cfs for the month of May, with 8 cfs of surface water being diverted on June 1, 2022.
- o Static water levels (distance of water from the well pad to the water table):

	2022	2021	2020
Saticoy	119'	128'	102'
El Rio	134.4'	125.7'	114.5'
PTP	120' - 169'	120' - 155'	107' - 169'

#### • Noble/Rose/Ferro Basins

# • Oxnard-Hueneme (OH) Delivery System

- o OH distribution pipeline was flushed and quarterly disinfection byproduct samples were obtained.
- Staff serviced VFD #3 check valve, replacing worn disk gasket and inspected VFD #4 check valve.

# • Pleasant Valley County Water District (PVCWD)

- PVCWD received surface water from the Conejo Creek Project and also received some highly treated recycled water from the City of Oxnard's Advanced Water Purification Facility (AWPF).
- o Staff installed new 3" air-vac for the 78" pipeline on Central Avenue.
- o Staff spayed herbicide Lifeline on embankment and grounds at PV Reservoirs.

#### • Pumping Trough Pipeline (PTP)

- o During the month of May, the PTP system demand was met with a combination of surface water from the Freeman Diversion and PTP wells.
- o The vertical up-flow meter was changed for turnout 114.
- o Staff performed sand testing on distribution system wells 1-5.
- o Staff rebuilt sodium hypochlorite chemical injection manifold piping at reservoir.

#### • Instrumentation

- o District staff replaced backup power supply battery banks at SFD Fire Station siren.
- o Staff assisted contractor GSE with temporary power for turbidity building cutover.
- o Instrumentation staff upgraded the El Rio Booster Plant ammonia injection programmable logic controller.
- o Staff assisted contractor MDJ Management with the Piru kiosk networking and configurations.

# Agenda Item: 4.4 Monthly Operations and Maintenance Department Report – Information Item

# • Lake Piru Water System

- o All chlorine residuals and turbidity readings for the drinking water system were within proper ranges for the month of May.
- o District staff made repairs to leaking manifold to NaOCL chemical injection system.
- o Monthly pH, turbidity and coliform samples were obtained for Lake Piru, as part of the Long Term 2 Enhanced Surface Water Treatment Rule compliance monitoring.

# 3. Operations and Maintenance Projects Update

• The Iron and Manganese grant funded project is progressing well at El Rio Booster Plant.

# 4. Other Operations and Maintenance Activities

- The Santa Felicia Dam Emergency Action Plan sirens located in Piru were exercised on May 6, 2021.
- Staff attended Annual AWA Water Symposium and CCWUC Vendors Fair.
- Staff installed new logo OH Booster Plant sign.
- OH Booster Plant emergency natural gas engine oil samples obtained.
- The monthly inspection of Santa Felicia Dam was performed.
- Monthly bacteria samples were obtained for the PTP system.
- Monthly meter readings were obtained for the OH, PTP, and PV Pipelines.
- Completed and electronically transmitted the monthly OH Pipeline report to the State Water Resources Control Board Division of Drinking Water.
- Static water levels were obtained for all El Rio, Saticoy, and PTP wells.
- Weed abatement continued throughout the District.
- Action priority update biweekly meetings for operations staff were continued.

#### 5. Safety and Training

- During the month of April, approximately 3100 hours of work, within the O & M department, were performed with no reportable accidents. The department's YTD safety record is 0 recordable injuries.
- Safety Meeting was conducted on site at UWCD Headquarters, covering refresher training on Heat Illness Prevention. Safety video entitled Heat Illness, by U.S. Army Safety was presented. The primary objective was to provide awareness and reinforcement on preventing and responding to heat-related injuries. SDRMA safety handout entitled "Outdoor Hazards" was briefed to staff, that covered protection against insects, snakes, and poisonous plants.
- Tailgate safety meetings were conducted at all individual O&M field locations, topic included refresher training on equipment used at the various O&M locations. The online target safety assignments for May was, "Water Industry Working in Extreme Temperatures."

Attachments: A - Operations Log for May

<b>OPER</b>	TIONS	LOG	v 10/7/	21																						
			SA	NTA FEL	CIA DAM					FREEMA	N DIVERS	SION**				RECHARGE					IRRIGA	TION			0	)-H
DATE	SFD EI.	Stor.	Surface	Evap.	Inflow Balance	Outflow USGS	Hydro	Rain 106E	River	Diverted	Fish*** Facility	Bypass Channel	Crest	El Rio	Saticoy	Facility	Noble/ Rose	Piru	T.I.D.	P.T.P.	PVCV	VD	L.P.	Saticoy Wells	Total	CI2
	Ft.	A/F	Acres	Inches	Av. CFS	Av. CFS	Kw	Inches	Av. CFS	Av. CFS	Av. CFS		Av. CFS	Av. CFS	Misc CFSI	Weir CFS	Av. CFS	Av. CFS	A/F	A/F	A/F	%	A/F	A/F	A/F	Lbs.
A/F*		18063			9,383	5,253		14.69	30,916	13,666	1,832	3,490		7,294	44	102	0	0.0	1,888	1,618	449		0.0	0	8,422	65,920
5/1/22	983.74	18052	540.90	0.232	5	8.12	0	0.00	14	14	0	0	0	4.05	7	0	0	0.0	5.5	7.8	0.0	0.00	0.0	0.0	34.3	271
5/2/22	983.72	18042	540.70	0.210	5	8.13	0	0.00	12	12	0	0	0	5.29	1	0	0	0.0	10.6	13.1	0.0	0.00	0.0	0.0	37.7	294
5/3/22	983.70	18031	540.60	0.203	5	8.13	0	0.00	6	6	0	0	0	0.43	0	0	0	0.0	10.9	14.4	0.0	0.00	0.0	0.0	40.3	316
5/4/22	983.68	18020	540.40	0.214	5	8.09	0	0.00	6	6	0	0	0	0	0	0	0	0.0	10.1	13.1	0.0	0.00	0.0	0.0	37.1	299
5/5/22	983.65	18004	540.20	0.245	3	8.11	0	0.00	6	6	0	0	0	0	4	0	0	0.0	3.1	4.3	0.0	0.00	0.0	0.0	37.4	276
5/6/22	983.70	18031	540.60	0.244	25	8.09	0	0.00	5	5	0	0	0	0	3	0	0	0.0	3.5	5.2	0.0	0.00	0.0	0.0	38.3	305
5/7/22	983.69	18025	540.50	0.266	8	8.11	0	0.00	5	5	0	0	0	0	3	0	0	0.0	4.4	6.6	0.0	0.00	0.0	0.0	39.5	322
5/8/22	983.61	17982	539.80	0.230	-11	8.13	0	0.00	8	8	0	0	0	0	5	0	0	0.0	4.6	6.1	0.0	0.00	0.0	0.0	33.0	265
5/9/22 5/10/22	983.54 983.54	17945 17945	539.30 539.30	0.237	-8 11	8.14	0	0.00	10	10	0	0	0	3.6	-5 0	0	0	0.0	11.8	14.6 15.3	0.0	0.00	0.0	0.0	34.9	275 253
5/11/22	983.51	17928	539.00	0.244	2	8.12	0	0.00	8	8	0	0	0	8.17	-6	0	0	0.0	10.5	13.6	0.0	0.00	0.0	0.0	33.0	256
5/12/22	983.49	17918	538.90	0.302	6	8.07	0	0.00	7	7	0	0	0	0	5	0	0	0.0	3.3	5.0	0.0	0.00	0.0	0.0	38.9	330
5/13/22	983.43	17885	538.40	0.275	-6	8.03	0	0.00	5	5	0	0	0	0	4	0	0	0.0	3.6	5.0	0.0	0.00	0.0	0.0	41.5	318
5/14/22	983.40	17869	538.20	0.284	3	8.04	0	0.00	5	5	0	0	0	0	1	0	0	0.0	7.9	10.7	0.0	0.00	0.0	0.0	39.9	335
5/15/22	983.36	17848	537.80	0.252	0	8.05	0	0.00	6	6	0	0	0	5.27	-2	0	0	0.0	6.5	8.2	0.0	0.00	0.0	0.0	33.9	280
5/16/22	983.34	17837	537.70	0.232	5	8.07	0	0.00	8	8	0	0	0	8.78	-7	0	0	0.0	11.8	14.9	0.0	0.00	0.0	0.0	36.8	294
5/17/22	983.30	17815	537.30	0.253	0	8.09	0	0.00	7	7	0	0	0	0	5	0	0	0.0	4.4	6.5	0.0	0.00	0.0	0.0	37.7	294
5/18/22	983.26	17794	537.00	0.269	1	8.07	0	0.00	7	7	0	0	0	0	5	0	0	0.0	3.1	5.0	0.0	0.00	0.0	0.0	36.3	293
5/19/22	983.23	17778	536.80	0.213	2	8.09	0	0.00	6	6	0	0	0	0	2	0	0	0.0	7.7	10.1	0.0	0.00	0.0	0.0	33.2	258
5/20/22	983.19	17756	536.50	0.213	-1	8.08	0	0.00	5	5	0	0	0	0	0	0	0	0.0	9.7	12.1	0.0	0.00	0.0	0.0	36.6	295
5/21/22	983.19	17756	536.50	0.172	10	8.06	0	0.00	5	5	0	0	0	0	1	0	0	0.0	9.4	11.9	0.0	0.00	0.0	0.0	35.6	293
5/22/22	983.14	17730	536.10	0.226	-2	8.09	0	0.00	5	5	0	0	0	11.13	-8	0	0	0.0	3.8	4.8	0.0	0.00	0.0	0.0	31.8	255
5/23/22	983.11	17713	535.80	0.248	2	8.11	0	0.00	6	6	0	0	0	11.55	-12	0	0	0.0	12.9	16.1	0.0	0.00	0.0	0.0	35.1	280
5/24/22	983.07	17692	535.50	0.222	0	8.12	0	0.00	7	7	0	0	0	0	1	0	0	0.0	10.3	13.5	0.0	0.00	0.0	0.0	37.0	307
5/25/22	983.03 982.97	17671	535.20 534.70	0.213	-5	8.18	0	0.00	7	6 7	0	0	0	5.19	-4 4	0	0	0.0	11.0 5.2	14.4	0.0	0.00	0.0	0.0	35.5 37.4	284 274
5/26/22	982.92	17639 17612	534.70	0.267	-3	8.13	0	0.00	7	7	0	0	0	8.17	-5	0	0	0.0	7.3	10.6	0.0	0.00	0.0	0.0	37.4	285
5/28/22	982.94	17623	534.50	0.222	16	8.09	0	0.00	6	6	0	0	0	5.05	-3	0	0	0.0	8.2	11.1	0.0	0.00	0.0	0.0	39.4	290
5/29/22	982.90	17601	534.20	0.208	-1	8.04	0	0.00	7	7	0	0	0	9.74	-4	0	0	0.0	3.3	4.7	0.0	0.00	0.0	0.0	34.5	280
5/30/22	982.85	17574	533.80	0.250	-3	8.04	0	0.00	7	7	0	0	0	9.47	-7	0	0	0.0	9.5	11.6	0.0	0.00	0.0	0.0	36.8	303
5/31/22	982.81	17553	533.50	0.258		8.04	0	0.00	8	8	0	0	0	8.41	0	0	0	0.0	11.6	13.7	0.0	0%	0.0	0.0	39.1	298
TOTAL CFS					77	251		0.00	216	216	0	0	0	113	-10	0	0	0.0								
						201		0.00	2.0	2.0		-		110		Ü	J	0.0								
AVERAGE	CFS				3	8			7	7	0	0	0	4	0	0	0	0.0								
TOTAL A/F					152	497			428	428	0	0	0	223	-20	0	0	0.0	237	315	0		0	0.0	1131	8978
MONTHLY	REVENUE T	O DATE (	approx.)				\$0	K																		
AVERAGE A	4/F				5	16			14	14	0	0	0	7	-1	0	0	0.0	8	10	0	0%	0	0.0	36	290
WATER YE	AR TOTAL	SA/F			9,535	5,750		14.69	31,344	14,094	1,832	3,490	0	7,517	4,3	382	0	0.0	2,125	1,933	449		0	0	9,553	74,898
	A/F previo																									
	erages impo				pe and smo	It hypace r	nine																			-
								and Pon-	l d B, JLB div	ersions los	l ses betwe	en meters	Negativ	l /es mean v	l minr storage	trom nord	l B or desilt	ing hasin is	: discharo	ina to oth	l er metere	d some	ces			
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# **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

From: Clayton W. Strahan, Chief Park Ranger

Date: May 22, 2022 (June 8, 2022 meeting)

Agenda Item: 4.5 Monthly Park and Recreation Department Report

**Information item** 

#### **Staff Recommendation:**

The Board will receive and file this staff report from the Parks and Recreation Department regarding its activities for the month of May 2022.

#### **Discussion:**

During May, visitation continued to increase, and staff continued preparations for Memorial day weekend holiday. As boaters began to enjoy the warmer weather and pull their vessels from storage, there were numerous disabled vessels requiring Rangers to assist them back to the marina. Staff established the seasonal swim beach with the assistance of O&M staff, installed new traffic, informational and directional signage around the Recreation Area, and celebrated the completion of the entry kiosk renovation project. IT and Electronics & Instrumentation staff completed the final touches on the kiosk project to include upgraded connectivity, security cameras and new hardware. In addition to the special projects completed during May, the Recreation Area also hosted two filming shoots which generated \$8,300.00 in revenue, while also hosting a wilderness first aid / stream rescue training. Additionally, staff completed certification in CPR / AED / First Aid, as well as aquatic invasive species inspection training put on by the Pacific State Fisheries Commission. The primary focus throughout the month was the preparation of facilities, grounds, and staff for the Memorial Day weekend, which is considered the start of the peak season.

Note – this report contains tasks and incidents that occurred during the month of April after the filing of the previous staff report and are included here to ensure the Board is fully informed of activities at the Recreation Area.

### 1. Staff Tasks and Activity Highlights

- April 26, May 1, 17: Staff continued efforts on annual brush clearance and weed abatement around the Recreation Area to maintain safety and compliance with county fire regulations.
- April 29, May 5, 8: Staff installed safety signage and floating delineators at the designated

swim area to ensure guest safety over the coming summer season.

- April 29, May 21: Staff performed major anchor and dock movements of the marina in order to keep pace with falling lake levels as a result of mandated habitat releases and evaporation loss.
- **April 30:** Staff utilized divers from Ecomarine Consulting to aid in a significant repair and respooling of cable associated with the marina dock anchoring system.
- May 1: Staff developed an implemented a new cash reconciliation process for lake staff. This was done in an effort to reduce the number of variances from shift to shift at the lake and to improve cash handling practices.
- May 2: Staff constructed and installed a new window in the rental office on the marina to provide better security and improved environmental controls for employees of Tommy's Marina.
- May 6, 7, 10, 13, 14: Staff replaced traffic, informational and directional signs around the Recreation Area, providing a more clear and professional appearance to our guests.
- May 7, 9, 12, 13, 15: Staff performed plumbing renovation projects in the Olive Grove restroom facilities to include faucet replacements and valve replacements.
- May 8: Staff conducted an audit of and performed annual maintenance to the floating restrooms, ensuring reliable service for boaters, while maintaining compliance with the Department of Boating and Waterways grant which funded the purchase of the facilities.
- May 11: Staff completed repairs to the electrical system of Patrol Boat 2 to ensure preparedness in case of emergencies.
- May 13: Staff unloaded and took delivery of 12 pallets of firewood in preparation for high sales volume over the Memorial Day holiday. In total 1,152 bundles of firewood were offloaded, and stored for future sale.
- May 16: Staff repurposed two unused sections of old dock to construct a roof to cover a breezeway area between two connex storage containers, providing shade and cover to vehicles parked underneath.
- May 18 20: Staff performed ongoing weed abatement efforts to meet the June 1 Ventura County fire clearance deadline.
- May 24: Staff reviewed and pushed out several new law enforcement policies via Lexipol, the District online law enforcement policy and training provider. Once pushed out to staff, they are required to review and acknowledge the new policies within 30 days of receipt.

# 2. Staff Training/Meetings/Events

- April 25, May 16: Staff met with representatives to discuss and review a proposal for developing a recreation facilities improvement plan.
- May 3, 4: Staff participated in the Department of Homeland Security Dams Sector Information Sharing Drill, which was held virtually and was designed to prepare and evaluate communication and planning procedures in the event of an emergency.
- May 5: Staff participated in stream safety and rescue training with District personnel from the Environmental Services and Water Resources divisions.
- May 6, 20: Staff held interdepartmental meetings to improve communication and planning, as well as sharing information.

- May 6-20: Staff hosted meeting with Mysites, the District's camping reservation software provider, to address programming issues leading to reporting issues.
- May 7-14: Lake Piru hosted filming for an ABC reality TV show focusing on families traveling around the country in RV's. In addition, a second event was hosted for a still photo ad for GE.
- May 10, 12: Staff completed annual CPR / AED / First Aid training from Risk & Safety Manager Tony Huynh.
- May 19: Chief Strahan attended the Kern County Water Summit hosted by the Kern Water Agency as a representative of the General Manager.

# 3. Revenue and Visitation Recap

2022 Day Use Revenue Recap and Compariso	n						
2022 Day Use Revenue (Jan. 1 – May 24)	\$						
2021 Day Use Revenue (Jan. 1 – May 31)	\$128,083.00						
Total Revenue Increase/Decrease from Prior Year	\$						
Annual Increase/Decrease in %	%						
2022 Camping Revenue Recap and Comparison	on						
2022 Camping Revenue (Jan. 1 – May 24)	\$						
2021 Camping Revenue (Jan. 1 – May 30)	\$217,600.80						
Total Revenue Increase/Decrease from Prior Year	\$						
Annual Increase in %	%						
Current and Previous Year Comparison (2021 vs. 2022)							
2022 Combined Revenue (Jan. 1 – May 24)	\$						
2021 Combined Revenue (Jan. 1 – May 30)	\$345,683.80						
Annual Increase in %	%						

<sup>\*\*\*</sup> It should be noted that 2019 was one of the highest revenue years in the history of the park. 2022 is on pace to exceed the 2019 day-use and camping figures..

2022 Total Visitation Figures							
Month	# Nights/Sites	# People	# Vehicles	# Vessels			
January	153	1,450	822	155			
February	203	1372	685	155			
March	314	4,585	1,405	292			
April	527	16,175	2,314	437			
May							
Total	1,197	23,582	5,226	1,039			

# 4. Incidents/Arrests/Medicals

Rangers responded to five incidents of note during the month of May.

o **May 3:** Rangers responded to a report of a vehicle stuck on the edge of the cliff along Piru Canyon Road. It was determined that the driver accidentally backed up too far and the soil along the edge of the road collapsed under the vehicle, causing

- it to become stuck on the edge at a 45-degree angle. A local tow company responded to remove the vehicle, there were no injuries or damage to report.
- o May 7: Rangers and Ventura County Fire responded to a report of a child experiencing a severe allergic reaction from a bee sting. Paramedics administered medication to counteract the reaction and the child was able to enjoy the rest of the weekend with family.
- May 8: Rangers responded to a small fire in a dumpster caused by hot coals and were able to extinguish it quickly using buckets of water. No additional resources were needed.
- O May 10: Rangers responded to a transferred call of a disabled vessel on the lake. The vessel was stuck in the north end of the lake and staff was unable to safely access the area due to extremely high winds. Ventura County Fire responded to assist and helped the boaters get to shore and back to their vehicle. The vessel was safely retrieved the next day when the wind was reduced.
- O May 14: Rangers observed several people on the north face of the Santa Felicia Dam in a restricted area. Rangers and Ventura County Sheriff's deputies contacted the individuals, who had walked into the area to fish. The individuals were advised of the trespassing violation and the incident was appropriately documented.

#### 5. Citations/Enforcement Summary

Throughout May, two citations were issued for violations of Ordinance 15 (fishing outside posted hours).

It should be noted that numerous other enforcement contacts were made for violations of District Ordinances, however, as it is the district's goal to use education as a means for compliance in most cases, Park Rangers used these incidents as an opportunity to educate the guests via a verbal warning. Citations are typically issued as a last resort when the violation is egregious or voluntary compliance cannot be obtained.

#### 6. Grants

Nothing new to report at this time.



#### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

From: Maryam Bral, Chief Engineer

Dan Detmer, Water Resources Manager

Date: May 23, 2022 (June 8, 2022 meeting)

Agenda Item: 4.6 Monthly Water Resources Department Report

**Information Item** 

#### **Staff Recommendation:**

The Board will receive a summary report on various Water Resources Department activities for the month of May 2022.

#### **Discussion:**

### **Staff Activities**

In addition to the Department's routine, ongoing groundwater monitoring and reporting programs and its support of Groundwater Sustainability Agencies (summarized in a separate staff report), notable efforts and activities conducted by staff during the past month included the following:

- Groundwater Modeling:
  - O Staff has converted the 2018 version of the groundwater flow model (Coastal Plain Model) to a new software version MODFLOW-USG-Transport that allows for the simulation of salinity and water density changes associated with seawater intrusion in the coastal areas surrounding Point Mugu and Port Hueneme. Staff used the new model to simulate various extraction barrier scenarios near Point Mugu as part of a feasibility study for the Extraction Barrier and Brackish (EBB) Water Treatment Project. Staff has since updated the MODFLOW-USG-Transport version of the Coastal Plain Model to include the years 2016-2019, consistent with the Regional Model. The transport model is also being used to estimate the inland extent of chloride impacts in the primary production aquifers of the Oxnard basin.
  - Staff continues to develop a break-out Perched Aquifer Model (PAM) for groundwater flow in the unconfined Semi-perched aquifer in the EBB Water Treatment Project study area. The break-out model will allow higher resolution (both horizontally and vertically) forecasting of groundwater flow paths extent of the seawater density wedge in the project area.

- O Staff have completed modeling of the initial round of alternatives for integrating (optimizing) new and existing water-supply and conjunctive-use projects to increase sustainable yield and provide sufficient water to meet current and future water demands in the Oxnard and Pleasant Valley (OPV) basins. This effort incorporated both surface-water-distribution modeling and groundwater modeling to evaluate different combinations of water-supply and conveyance infrastructure to maximize sustainability, resiliency, and environmental benefits while keeping potential project costs reasonable. Staff are currently drafting an open-file report summarizing results.
- Staff continue to help the Environmental Services Department (ESD) evaluate effects of existing and potential future surface water flow conditions at the Freeman Diversion.
  - o Staff are assisting the Environmental Services and Engineering Departments in evaluating fish passage design modifications under consideration for United's Habitat Conservation Plan (HCP), including assisting with planning of physical modeling efforts at the Bureau of Reclamation's facility in Denver and at the University of Iowa.
- Staff continue to assist with planning and coordination for the purchase and release of Table A water and supplemental State Water Project (SWP) water acquired from other SWP contractors.
- Staff continue to collaborate with the Engineering Department to develop, design, and implement a portfolio of new or improved water-supply projects within the District's service area. The collaborative effort is currently focused on refining the conceptual design of water-supply projects and new conveyance systems so that they yield the best value in terms of sustainable yield for the groundwater basins in United's service area.
  - Staff assisted with development of site layouts and construction planning for extraction and monitoring wells to be included as Phase 1 of the EBB Water Treatment project.
  - O DWR announced in a May 2 press release that the projects included in the FCGMA's SGM Grant application for the Oxnard Basin were awarded. United's Ferro-Rose Artificial Recharge, Laguna Road Recycled Water Interconnection, and Phase 1 EBB Water Treatment projects are components of that SGM Grant (a total of \$6.48 million in grant funding is being awarded for United's three projects). Staff are awaiting the final agreement on terms and conditions.
  - Staff continue to prepare a full proposal for a Prop 1 Round 3 grant to develop Phase 1B of the EBB Water Project. United proposed construction of production wells and control systems, discharge pipes and monitoring wells (\$7 million) and related design, permitting, sampling and reporting (\$1.4 million) to build the demonstration phase of the EBB Water Treatment Project before additional investments are made in water treatment and distribution. The full proposal is due July 15 and the grant requires a 50% funding match.

#### Outreach and Educational Activities:

- Staff continue to participate in meetings or phone calls with the FCGMA, State and local government representatives, and other stakeholders to provide information regarding sustainability issues and water-supply projects, as requested.
- Staff attended training webinars on conducting tracer tests in groundwater.
- Staff supported development of Chief Engineer Maryam Bral's presentation regarding regional groundwater conditions (Santa Clara River watershed area) to the Ventura County Board of Supervisors on May 10.
- Senior Hydrogeologist John Lindquist gave a presentation on regional groundwater conditions to the Ventura Council of Governments on May 12.
- On May 17 Zach Hanson and Chris Hendricks (O&M) attended "Farm Day" hosted by California Women for Agriculture Ventura County at Monte Vista Independent Learning Academy in Simi Valley, and presented to many third grade students on how water moves within Ventura County as well as how United's activities support agricultural activities.



# **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

From: Maryam Bral, Chief Engineer

Dan Detmer, Water Resources Manager

Date: May 23, 2022 (June 8, 2022 meeting)

Agenda Item: 4.7 Update on Groundwater Sustainability Agencies (GSAs) and

**Sustainable Groundwater Management Act (SGMA)** 

**Information Item** 

#### **Staff Recommendation:**

The Board will receive a summary report on the monthly activities of the three local Groundwater Sustainability Agencies (Fox Canyon Groundwater Management Agency, Fillmore and Piru Basins GSA, and Mound Basin GSA), for which District board members serve as member directors, and the Santa Paula basin (adjudicated) Technical Advisory Committee, for which District staff serve as members. Staff may also report on state-wide issues related to the implementation of the Sustainable Groundwater Management Act of 2014.

#### **Discussion:**

# Fox Canyon Groundwater Management Agency (FCGMA)

Staff continue to monitor and, where appropriate, participate in the FCGMA's groundwater sustainability planning and implementation efforts in the Oxnard, Pleasant Valley, and Las Posas Valley basins. United staff continue to meet periodically with FCGMA and other stakeholders to develop analyses of benefits and impacts of water-supply projects and different variations of those projects in support of developing a sustainable, resilient water-supply portfolio for the service areas of both agencies.

As noted in the Monthly Water Resources Department Report for May, Staff are awaiting the final agreement on terms and conditions for the SGM Grant, which includes awards totaling approximately \$6.48 million for United's Ferro-Rose Artificial Recharge, Laguna Road Recycled Water Interconnection, and monitoring wells installation in support of the Extraction Barrier and Brackish (EBB) Water Treatment projects (through the FCGMA).

Agenda Item: 4.7 Update on Groundwater Sustainability Agencies (GSAs) and Sustainable Groundwater Management Act (SGMA) Information Item

Page 2

United staff also attended and, where appropriate, contributed to, FCGMA Board and Committee meetings, as follows:

Board of Directors meetings – The next regular FCGMA Board meeting is scheduled for May 25, at 1:30 pm. The meeting will be held after the submission of this staff report, and therefore a summary will be included in next month's staff report. Notable meeting agenda items include:

- The Board will receive an update on the Agency's processing of applications for variance to the Allocation Ordinance for the Oxnard and Pleasant Valley groundwater basins. The Board will consider granting of temporary variances and suspending payment of surcharges pending decision on variance applications.
- The Board will receive a presentation by staff on a proposed amendment to the Agency Ordinance to require monthly extraction reporting from all facilities equipped with an advanced metering infrastructure. A public hearing will be held before consideration of adoption.
- The Board will receive a presentation by staff on the allocation and surcharges associated with two CombCodes and an appeal on a variance request by one CombCode. The Board will consider whether to reduce or waive surcharges and conduct a hearing on the appeal on the variance request decision.

Operations Committee meetings – The FCGMA's Operations Committee held a regular meeting on May 2 at 2:00 PM. The sole topic was development of recommendations for guidelines, policies, and procedures to rank water-supply and infrastructure projects for funding prioritization and FCGMA support. Staff gave a presentation summarizing past FCGMA approaches to ranking projects. The Committee directed staff to evaluate those past approaches for applicability to future projects and develop draft recommendations to be considered at a Special Operations Committee Meeting tentatively scheduled for June 6 at 2:00 pm.

Executive Committee meetings – None were held in May.

Fiscal Committee meetings – None were held in May.

*OPV Variance Review Committee meeting* – None were held in May.

Ad Hoc OPV Projects Committee meetings – None were held in May.

### Fillmore and Piru Basins Groundwater Sustainability Agency (FPBGSA)

Staff continue to participate in FPBGSA activities supporting SGMA compliance and GSP preparation for the Fillmore and Piru basins, as follows:

Board of Directors meetings – The FPBGSA held a regular Board meeting on May 19. Notable topics included:

- The Board received a presentation by legal counsel and GSA staff regarding the development of the Agency's Well Permitting Review Process, with consideration of recent developments such as Executive Order N-7-22 and AB 2201 (proposed).
- The Board approved an agreement with the Brucker Family Trust for a perpetual easement on the Mike Brucker Ranch property for the construction, maintenance, and operation of the East Grove Monitoring Well near the western boundary of the Fillmore basin.
- The Board received a briefing from staff on a summary of Fiscal Year 2022-2023 Budget and rate issues. A budget meeting is scheduled for the evening of June 2.

The next regular FPBGSA Board meeting is scheduled for June 16 at 5:00 pm.

GSP implementation – Staff is helping coordinate land access agreements with area landowners in opportune locations for new monitoring wells funded by a DWR Technical Support Services (TSS) grant. Staff is also assisting with the preparation of a monitoring plan and other grant submittal documents as part of the TSS grant. In May, staff put out a request for proposal for well drilling services. The proposal submittal deadline is June 16 and a site visit is scheduled for June 8 for potential contractors.

Data Resources - A web-based data management and mapping system that includes well construction information and available water level and water quality records for wells within the Piru and Fillmore basins remains available on the agency website, as are numerous technical references relating to the basins and development of the GSPs.

# Mound Basin Groundwater Sustainability Agency (MBGSA)

Staff continue to participate in MBGSA activities supporting SGMA compliance and GSP implementation for the Mound basin, as follows:

Board of Directors meetings – The MBGSA held a regular Board meeting on May 19. Notable topics included:

- The Board approved the draft Fiscal Year 2022-2023 Budget and scheduled a public hearing during the next regular Board meeting in June to consider adoption of the associated groundwater extraction charges.
- The Board authorized the Executive Director to issue a work order to Intera, Inc. for asneeded GSP implementation support for an amount no-to-exceed \$25,000.

The next regular MBGSA Board meeting is scheduled for June 16, at 1:00 pm.

GSP implementation —United staff has instrumented four existing shallow monitoring wells in the vicinity of the Santa Clara River estuary with pressure transducers. During May, staff visited the wells to measure water levels and download data from the transducers. This on-going effort supports the evaluation of surface water-groundwater interaction as planned in the Mound Basin GSP. Drilling and construction of a cluster of new monitoring wells just south of Ventura Harbor

Agenda Item: 4.7 Update on Groundwater Sustainability Agencies (GSAs) and Sustainable Groundwater Management Act (SGMA) Information Item

Page 4

commenced this month and is expected to be completed in June. This work is being performed by DWR's drilling contractor under a technical support services (TSS) grant from the State.

# Santa Paula Basin Technical Advisory Committee (TAC)

Staff continue to participate in the Santa Paula basin TAC in support of the Santa Paula Basin Judgment and in conformance with SGMA reporting requirements for adjudicated basins, as follows:

- Staff are preparing a draft version of the Santa Paula Basin Annual Report for 2021.
- Harold Edwards was elected to be the new TAC representative for the Santa Paula Basin Pumpers Association, and Bryan Bondy will now support the association on groundwater matters, following the retirement of Alex Teague and the passing of long-term technical representative Frank Brommenschenkel, respectively.



To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

From: Dan Detmer, Supervising Hydrogeologist

Date: May 31, 2022 (June 8, 2022 Meeting)

Agenda Item: 5.1 **PUBLIC HEARING** Continuation of Annual Groundwater Hearing,

Acceptance of Public Comment and Setting of 2022-23 Zones and

**Extraction Charges** 

**Motion** 

#### **Staff Recommendation:**

Continuation of Annual Groundwater Hearing.

#### **Discussion:**

In accordance with the California Water Code, the Board annually conducts a public hearing to consider the conditions of groundwater resources within the District. An Annual Engineering Investigation and Report of Groundwater Conditions within the United Water Conservation District was submitted to the Board's Secretary/Treasurer on March 23, 2022, and has been available for public review and comment. The hearing was opened at the Board's April 13, 2022 meeting and was continued through each regular Board meeting through June. During its June meeting, the Board may choose to close the hearing and consider the establishment of zones and the levying of groundwater extraction charges in those zones.

Staff will present a summary of the groundwater conditions detailed in the 2022 Annual Report. The Water Code Section 75574 uses specific definitions for terms such as "overdraft" and "total of annual overdrafts"; these terms will be explained in the context of their use in the Annual Report.

	2020-2021 (previous year)	Water Year 2021-2022 (current year)	2022-2023 (ensuing year)
<b>Annual Overdraft</b>	95,000 AF	68,000 AF (projected)	0 – 90,600 AF
<b>Accumulated Overdraft</b>	20,000 – 25,000 AF	20,000 – 25,000 AF	-
Total of Annual Overdrafts	2,173,000 AF	-	-
Estimated Groundwater Pumping for Agriculture	-	-	140,000 AF
Estimated Groundwater Pumping for M&I	-	-	43,000 AF

5.1 <u>PUBLIC HEARING</u> Continuation of Annual Groundwater Hearing, Acceptance of Public Comment and Setting of 2022-23 Zones and Extraction Charges

Motion

	2020-2021 (previous year)	Water Year 2021-2022 (current year)	2022-2023 (ensuing year)
Estimated Surface Water Distribution	-	-	Much less than 58,000 AF
<b>Total Water Distribution</b>	-	-	241,000 AF

The Forebay area of the Oxnard groundwater basin is an important element of the water resources management program implemented by the District. Staff calculates the available storage in the Forebay area on a monthly basis. The available storage, as of May 31, 2022, is approximately 107,800 AF. For reference, an available storage value of about 80,000 AF means that water levels in the Forebay area are at about sea level and these lower water levels cannot provide the positive pressures on the seawater-intruded aquifers at the coast to retard landward migration of saline waters.

### Public comment will be accepted at this time.

After hearing public comments and accepting testimony and/or evidence, the Board President may decide to conclude today's hearing and ask the Board to consider the establishment of zones and the levying of groundwater extraction charges in those zones.

- Attachment A: Annual Engineering Investigation and Report of Groundwater Conditions within the United Water Conservation District
- Attachment B: Resolution 2022-22 Making Findings and Determination from the Evidence Submitted concerning the Groundwater Conditions of United Water Conservation District
- Attachment C: Resolution 2022-23 Making Additional Findings and Determinations from the Evidence Submitted concerning Groundwater Conditions of United Water Conservation District, Determining and Establishing Groundwater Extraction Charge Zones and Levying, Assessing and Fixing Groundwater Extraction Charges against all Persons Operating Groundwater Producing Facilities within such Zones fort the 2022-2023 Water Year

### **RESOLUTION 2022-22**

# A RESOLUTION OF THE BOARD OF DIRECTORS OF UNITED WATER CONSERVATION DISTRICT MAKING FINDINGS AND DETERMINATIONS FROM THE EVIDENCE SUBMITTED CONCERNING THE GROUNDWATER CONDITIONS OF UNITED WATER CONSERVATION DISTRICT

WHEREAS, in compliance with California Water Code Section 75560 et al, United Water Conservation District ("United" or "District) previously caused an engineering investigation and report to be made upon groundwater conditions of the District, including those relating to the annual overdraft for the current water year and the ensuing water year, and the accumulated overdraft as of the last day of the preceding water year, all in connection with consideration of the establishment of zone(s) and the levying of groundwater charges for such zone(s) for the 2022-23 water year; and

**WHEREAS**, in compliance with Water Code Section 75570, the engineering investigation and report ("engineering investigation and report") was delivered in writing on March 23, 2022, to the Secretary of the Board of Directors of United Water Conservation District; and

**WHEREAS**, in compliance with Water Code Section 75571 notice of the receipt of the engineering investigation and report and notice of public hearings thereon were duly published consistent with statutory requirements; and

WHEREAS, public hearings on the engineering investigation and report and the matters presented thereby were duly held by the Board of Directors of the District beginning on April 13, 2022. Said hearing was continued and further hearings were duly held by the Board during its meetings on May 11, 2022 and June 8, 2022. At each of the public hearings the Board invited any operator of a water producing facility within the District, and any person interested in the condition of the groundwater or surface water supplies of the District, to appear and submit evidence concerning the groundwater conditions and the surface water supplies of the District, and to provide testimony either supporting or protesting the engineering investigation and report; and

WHEREAS, at the hearing on April 13, 2022, evidence was presented on the engineering investigation and report relating to the matters addressed therein, and at each continued hearing an opportunity was offered for submission of evidence and such evidence, including exhibits, was submitted at the hearing during the Board meeting of June 8, 2022; and

**WHEREAS**, the Board of Directors of the District during its June 8, 2022, hearing has considered public testimony and evidence concerning the groundwater conditions and surface water supplies of the District and the engineering investigation and report;

**NOW, THEREFORE, BE IT RESOLVED**, that based on the testimony and evidence presented at the prior referenced hearings and this June 8, 2022 hearing, the Board of Directors

continued

of United Water Conservation District does hereby make the following findings and determinations:

- (1) The average annual overdraft of all groundwater basins within the District for the immediate past ten water years is estimated to be approximately 90,600 acre-feet.
- (2) The annual overdraft for the current water year of all groundwater basins within the District is estimated to range up to 68,000 acre-feet. This positive number implies that extractions will exceed replenishment for the District, as a whole.
- (3) The annual overdraft for the ensuing water year of all groundwater basins within the District is estimated to be between 0 and 90,600 acre-feet.
- (4) The accumulated overdraft as of the last day of the preceding water year of all groundwater basins within the District is estimated to range between approximately 20,000 and 25,000 acre-feet.
- (5) The accumulated overdraft as of the last day of the current water year for all groundwater basins within the District, is estimated to range between 20,000 and 25,000 acrefeet.
- (6) The estimated amount of agricultural water to be withdrawn from all of the groundwater supplies of the District for the ensuing water year is 140,000 acre-feet.
- (7) The estimated amount of water other than agricultural water (i.e. for M&I purposes) to be withdrawn from all the groundwater supplies of the District for the ensuing water year is estimated to be approximately 43,000 acre-feet.
- (8) The estimated amount of water for surface distribution within the District for the ensuing water year, July 1, 2022 through June 30, 2023, is expected to be much less than the long-term average of 58,000 acre-feet.
- (9) The amount of water which is necessary for the replenishment of the groundwater supplies of all of the groundwater basins within the District for the ensuring water year is estimated to be at least 1,738,000 acre-feet.
- (10) The District is not obligated by contract to purchase any amount of water except State Project water ordered for and reimbursed by the Port Hueneme Water Agency. This amount is not to exceed 1,850 acre-feet per year.
- (11) The total production of water from the groundwater supplies of the District during the preceding water year was approximately 183,800 acre-feet.
- (12) The total of annual overdrafts for the District as of the end of the preceding water year was approximately 2,173,000 acre-feet.
- (13) During the ensuing water year, July 1, 2022 through June 30, 2023, the production of water from the Lower Aquifer System of the Oxnard Plain will exceed the natural replenishment of such groundwater supplies.
- (14) There is hydraulic connection between and among the aquifers and basins within the boundaries of the District. The extent of this connection varies from basin to basin.
- (15) It is necessary that water be replaced in the recharge area of the aquifers in the Upper and Lower Aquifer Systems of the Oxnard Forebay area (specifically hereinafter in the District's Saticoy, El Rio, Rose and Noble spreading grounds) in order to prevent the further landward movement of salt water into the fresh groundwater in the Oxnard Basin and the Pleasant Valley Basin and to assist in reversing such landward movement of salt water.

continued

- (16) It is necessary that water be replaced in the recharge areas of the aquifers in the Upper and Lower Aquifer System of the Oxnard Forebay area in order to replenish and repressurize those aquifer systems in the Oxnard Plain, including those aquifers beneath the Oxnard Basin, Mound Basin, Pleasant Valley Basin and West Las Posas Basin.
- (17) Groundwater studies by the U.S. Geological Survey and United have shown that progress has been made toward reversing seawater intrusion in the Upper Aquifer System of the Oxnard Basin, but additional efforts to mitigate seawater intrusion is required. The limitation and curtailment of production of groundwater from the Upper Aquifer System of the Oxnard Basin which is adjacent to the area where saltwater intrusion has occurred continues to be necessary to prevent further saltwater intrusion into the Upper Aquifer System.
- (18) The same studies show that the effects of overpumping in the District are also clearly manifested in the aquifer systems associated with the Oxnard Plain where it is subject to further saltwater intrusion. The pumping of additional limited quantities of groundwater from the Lower Aquifer System of the Oxnard Basin is necessary as a reasonable interim and temporary measure to be taken until replacement water can be provided immediately to those producers whose production of groundwater from the Upper Aquifer System of the Oxnard Basin must be limited and reduced in order to prevent further intrusion of salt water into that aquifer system.
- (19) Continuing replacement of water in the recharge areas of the aquifers in the Upper and Lower Aquifer Systems of the Oxnard Plain is necessary to make additional groundwater available for areas that are adjacent to the areas in which saltwater intrusion has occurred because such intrusion will continue to expand unless such remedial action is taken.
- (20) Replacement of water in the recharge areas of the aquifers in the Upper and Lower Aquifer Systems of the Oxnard Plain, limited pumping of groundwater from the Lower Aquifer System of the Oxnard Plain and surface delivery of water from one area of the District to other areas such as the cities of Oxnard and Port Hueneme, as well as the Del Norte, Pleasant Valley and Pumping Trough Pipeline delivery areas, are essential groundwater management elements for the Oxnard Plain.
- (21) The replacement of water in recharge areas which replenish the aquifers located within the Oxnard Plain, the limitation and curtailment of production of groundwater from that portion of the Lower Aquifer System of the Oxnard Basin that is adjacent to the area in which salt water intrusion has occurred, the increased pumping when appropriate from the Upper of Lower Aquifer System in the Oxnard Forebay area and delivery of that water to the Oxnard Plain in lieu of lower aquifer pumping and the development of a continuing, long-range source of additional water for spreading in said recharge areas and for delivery to producers in the area of the Oxnard Plain, are necessary actions to be taken by the District in order to maintain the availability on a continuing, long-term basis of adequate supplies of groundwater for all producers and other persons within the District who rely on the groundwater supplies of the District.
- (22) Construction of the Freeman Diversion Project was necessary in order to protect the historic capability of United to divert waters from the Santa Clara River and to increase that capability so that additional water may be diverted from the Santa Clara River and spread into the District's groundwater recharge basins, so that the findings and determinations described in Paragraphs (15), (16), (19), (20) and (21) can be accomplished.

continued

- (23) The acquisition of the Nobel gravel mine on the Oxnard Plain and the conversion of the mine into recharge basins was necessary and the continued operation of those recharge basins is necessary because such basins will:
  - (i) Prolong the beneficial life of the Lower Aquifer System in which saltwater intrusion has occurred by reducing the demand on the Lower Aquifer System;
  - (ii) Limit further saltwater intrusion into said Lower Aquifer System and ultimately bring about at least a reversal of the saltwater intrusion process;
  - (iii) Provide additional replacement water to those producers whose production of groundwater from the Lower Aquifer System on the Oxnard Plain must be limited and reduced in order to prevent further intrusion of saltwater into that basin.
  - (iv) The continued operation of the Noble recharge basin (and the acquisition of the Ferro and Rose Basins) will assist the District in maintaining the availability on a continuing long-term basis of adequate supplies of groundwater for all producers within the District so that the findings and determinations described in Paragraphs (15), (16), (19), (20), and (21) can be accomplished. Such recharge basins will benefit all persons who rely directly or indirectly on the groundwater supplies of the District and the Oxnard Plain.
- (24) Establishing a separate zone or zones for reducing the groundwater extraction charges in various areas of the Oxnard Plain is not warranted because persons and groundwater producers throughout the Oxnard Plain rely on groundwater supplies within the United Water Conservation District and also on water delivered to various areas on the Oxnard Plain from United through its lower river distribution system.
- (25) Groundwater extraction charges levied on and paid by water producers on the Oxnard Plain area for the Freeman Diversion Project facilities are for the direct benefit of persons on the Oxnard Plain, and provide indirect benefits District-wide, because the Freeman Diversion Project:
  - (i) Preserves the District's ability to continue to divert and spread water from the Santa Clara River at Saticoy as the District has historically performed. The historic diversion and spreading of water from the Santa Clara River at Saticoy was estimated and projected by Price Engineering Company in its October 1983 Report on the proposed Freeman Diversion Improvement Project Public Law 84-984 to be approximately 43,000 acre-feet each water year, and
  - (ii) Allows United to increase the amount of water diverted and spread from the Santa Clara River in the Oxnard Forebay. Since the construction of the Freeman Diversion, the average annual yield has been approximately 58,500 acre-feet per year, from January 1991 through December 2022, thereby replenishing and repressurizing the underground aquifers throughout the Oxnard Plain which are utilized by water producers on the Oxnard Plain area and thereby also extending the effective life of these aquifers, and
  - (iii) Preserves and protects United's ability to continue to deliver water by pipelines to the various areas of the Oxnard Plain. Pipeline deliveries are one of the District's methods used to fight seawater intrusion and related groundwater concerns, and to optimize the yield of the basins.
- (26) The continuation of a District-wide groundwater extraction charge in Zone A constitutes an approval by a public agency of a charge for the purpose of meeting operating

continued

expenses for the District's water conservation purposes. A continuation of a groundwater extraction charge in Zone B constitutes an approval by a public agency of a charge to pay for operation and maintenance of, and any improvement to, the Freeman Diversion Project facilities.

- (27) The actions described in Paragraphs (15) through (26) are each in furtherance of District activities for the protection and augmentation of the water supplies for users within the District or a zone or zones thereof which are necessary for the public health, welfare and safety of the people of the State. Additionally, the groundwater charges levied to pay for such activities are for the benefit of all who rely directly or indirectly upon the groundwater supplies of the District or a zone or zones thereof.
- (28) The actions described in the findings above will replenish and repressurize the underground water supplies of the District or a zone or zones thereof and these underground water supplies are immediately available for use by all persons who rely on the underground water supplies within the District or a zone or zones thereof.

We, the undersigned, being the duly qualified and current President and Secretary, respectively, of the Board of Directors of United Water Conservation District, do hereby certify that the above and foregoing resolution was duly and regularly adopted and passed by resolution of the Board of Directors of United Water Conservation District at a meeting thereof held on the 8<sup>th</sup> day of June, 2022, by the following vote:

In favor thereof, Directors:
Abstain, Directors:
Not in favor, Directors:
Absent, Directors;
ATTEST:
Board President Bruce E. Dandy
ATTEST:
Board Secretary Lynn E. Maulhardt

#### **RESOLUTION 2022-23**

A RESOLUTION OF THE BOARD OF DIRECTORS OF
UNITED WATER CONSERVATION DISTRICT
MAKING ADDITIONAL FINDINGS AND DETERMINATIONS
FROM THE EVIDENCE SUBMITTED CONCERNING GROUNDWATER
CONDITIONS OF UNITED WATER CONSERVATION DISTRICT,
DETERMINING AND ESTABLISHING GROUNDWATER EXTRACTION
CHARGE ZONES AND LEVYING, ASSESSING AND FIXING
GROUNDWATER EXTRACTION CHARGES AGAINST
ALL PERSONS OPERATING GROUNDWATER PRODUCING FACILITIES
WITHIN SUCH ZONES FOR THE 2022-2023 WATER YEAR

WHEREAS, pursuant to the Water Conservation District Law of 1931 (Water Code Section 74000 et seq.), a water conservation district is authorized in accordance with Water Code Section 74508 to levy and collect a groundwater charge for the production of water from the groundwater supplies within the district or within a zone or zones thereof in the manner prescribed in Part 9 of Division 21 of the Water Code of the State of California, commencing with Section 75500 of said code; and

WHEREAS, as explained by the California Supreme Court in *City of San Buenaventura* v. *United Water Conservation District* (2017) 3 Cal.5<sup>th</sup> 1191, under California Constitution, article XIII C as amended by Proposition 26, in order for groundwater extraction charges levied by the United Water Conservation District ("District" or "UWCD" or "United") to be considered exempt from consideration as a tax, the amount of the charges must be no more than necessary to cover the reasonable costs of the District's services, and the manner in which those charges are allocated to a payor must bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, governmental activity, and that the manner in which those charges are allocated to a payor must bear a fair or reasonable relationship to the payor's burdens on, or benefits received from the District;

WHEREAS, following (a) the preparation by United of an engineering investigation and report upon groundwater conditions of the District, as required by Water Code Sections 75560 and 75561, (b) the timely delivery in writing of the investigation and report to the Secretary of the Board of Directors of United Water Conservation District and the District, and (c) the publishing of notice of such receipt and notice of public hearings thereon pursuant to Water Code Sections 75571 and 75572, public hearings were held on the investigation and report and the condition of the groundwater and surface water supplies of the District beginning on April 13, 2022, which were regularly continued until May 11, 2022, and then to June 8, 2022, when such hearings were completed; and

WHEREAS, following said hearing, on June 8, 2022, the Board of Directors of United Water Conservation District ("Board of Directors of the District") by Resolution No. 2022-22 made certain findings and determinations as permitted and required by Part 9 of Division 21 of the Water Code, including Section 75574 of said code, which findings and determinations are each specifically incorporated herein by reference as though fully set forth at this point;

- **NOW, THEREFORE, BE IT RESOLVED** based on the testimony and evidence (including exhibits) presented at the referenced hearings ("said hearings") that the Board of Directors of the District hereby makes the following additional findings and determinations:
- (a) The Board of Supervisors of the County of Ventura, State of California, did by defining and establishing the boundaries of the United Water Conservation District determine that all land within such boundaries would be benefitted by the formation of the District and by actions of the District for purposes authorized by the Water Conservation District Law of 1931;
- (b) All persons residing within the boundaries of the District rely directly or indirectly upon the groundwater supplies of each of the groundwater basins within the District and within any zone or zones established therein;
- (c) The production of groundwater from all water producing facilities, whether public or private, within the District or any zone or zones established therein, is for the benefit of all of the persons residing within the boundaries of the District and of each zone or zones established therein;
- (d) The protection and augmentation of such groundwater supplies for all users within the District and of any zone or zones established therein is necessary for the public health, welfare and safety of all people residing within the District and the people of this state;
- (e) The replacement of water in the recharge areas of the aquifers, the limitation and reductions of production of groundwater from that portion of said aquifers that are adjacent to the areas in which seawater intrusion has manifested, the transportation of water from one area of the District to other areas for surface delivery, and the construction and operation of the Freeman Diversion Project facilities and the District's spreading grounds and reservoirs (and the acquisition of the Ferro and Rose basins) are necessary in order to protect and increase the historic ability of the District to divert and recharge water from the Santa Clara River near Saticoy in order to avoid a situation which would require producers to develop facilities for treatment of groundwater from aquifers that are impacted by seawater intrusion exacerbated by the District-wide use of groundwater, and in order to permit persons and entities presently producing groundwater from such other aquifers to continue such production at present rates and levels without worsening an overdraft condition that would permit seawater intrusion thus placing greater initial burden on those parcels located near the coast;
- (f) In enacting Water Code Section 74450, the Legislature of the State of California has by Section 2 of Statutes 1965, Chapter 1836, page 4262, found and declared that the entire United Water Conservation District is engaged District-wide in combating the problem of seawater intrusion, although it is basically an urban problem;
- (g) A portion of the District's general operation and maintenance expenses for the ensuring (2022-23) water year will be directly attributable to United's District-wide effort to prevent the landward movement of seawater into the District's fresh groundwater aquifers and basins and to prevent subsidence of land within the District;

- (h) The continuation of a District-wide groundwater extraction charge in Zone A constitutes an approval by a public agency of a charge for the purpose of meeting expenses for the District's water conservation purposes. A continuation of a groundwater extraction charge in Zone B constitutes an approval by a public agency of a charge to pay for operation and maintenance of, and any improvements to, the Freeman Diversion Project facilities.
- **BE IT FURTHER RESOLVED** that based on the testimony and evidence (including exhibits) presented at said hearings the Board of Directors of the District hereby makes the following additional findings and determinations:
- 1. One of United Water Conservation District's ("UWCD") resource management objectives it to prevent and mitigate groundwater overdraft in the basins within its service area; and
- 2. One of UWCD's replenishment activities involves the recharge of aquifers in the groundwater basins within its service area; and
- 3. UWCD's replenishment activities do not involve the direct delivery of water to groundwater users at their well sites; and
- 4. Annual groundwater overdraft is the extent by which annual groundwater pumping exceeds the average annual recharge including reuse of groundwater beneficially reaching the basins within the UWCD service area; and
- 5. The portion of groundwater used for agricultural purposes that beneficially returns to the basins within UWCD's service area ("groundwater reuse") exceeds the portion of groundwater used for municipal purposes that beneficially returns to the basins within UWCD's service area; and
- 6. A reasonable estimate of the portion of agricultural groundwater use beneficially returning to the aquifers within UWCD's service area is 24.1 percent of the amount pumped; and
- 7. An acre-foot of groundwater use by agricultural users contributes 0.759 acre-feet towards groundwater overdraft in the basins within UWCD's service area; and
- 8. A reasonable estimate of the portion of municipal groundwater use beneficially returning to the aquifers within UWCD's service area is 14.8 percent of the amount pumped; and
- 9. An acre-foot of groundwater use by municipal users contributes 0.852 acre-feet towards groundwater overdraft in the basins within UWCD's service area; and
- 10. Agricultural land use is more conducive to rainfall beneficially percolating into basins from the overlying lands within UWCD's service area than municipal and industrial (M&I) land use; and

- 11. Fifty-six one hundredths (0.56) acre-feet per acre of rainfall less runoff from agricultural lands is a reasonable estimate of the amount of rainfall potentially available for beneficial recharge into the basins from overlying lands within UWCD's service area; and
- 12. Thirty-five one hundredths (0.35) acre-feet per acre of rainfall less runoff from municipal lands is a reasonable estimate of the amount of rainfall potentially available for beneficial recharge into the basins from overlying lands within UWCD's service area; and
- 13. The percentage of precipitation that potentially serves as natural recharge on overlying lands and beneficially reaches the basins within UWCD's service area is reasonably anticipated to be between 50 percent and 95 percent; and
- 14. UWCD's annual cost of acquiring supplemental replenishment water is reasonably estimated at \$1,400 per acre foot in Fiscal Year 2022-23; and
- 15. Ninety percent (90%) of UWCD's annual cost of replenishment activities do not vary with the annual volume of replenishment water; and
- 16. Ten percent (10%) of UWCD's annual cost of replenishment activities do vary with the annual volume of replenishment water; and
- 17. Agricultural pumpage was well established at the time UWCD was formed in 1950 and the majority of M&I pumpage was initiated after the formation of UWCD; and
- 18. The formation of UWCD enabled UWCD to construct facilities to meet the anticipated growth in M&I pumpage and the need to provide a reliable source of water to M&I water users, who have priority over agricultural users; and
- 19. The Santa Felicia Dam was built primarily to respond to the need to preserve and store an available and reliable source of water for urban use; and
- 20. The Freeman Diversion was built to mitigate and stabilize the effects of the gravel mining of the Santa Clara riverbed; and
  - 21. The basin safe yield is 140,000 acre-feet; and
- 22. While some progress has been made toward reversing seawater intrusion in the Upper Aquifer System of the Oxnard Basin, additional efforts are required.
- 23. Water Code section 106 states that it is the established policy of the state that the use of water for domestic purposes is the highest use of water and that the next highest is for irrigation; and
- 24. UWCD has the authority to seek reduction or termination of agricultural water in order to ensure adequate domestic water availability; and

- 25. UWCD provides services associated with replenishment, regulatory compliance and water supply reliability. The costs of these services have been identified and reasonably allocated between Agricultural and M&I pumpers based on a determination of their respective burdens on and benefits from the District's services; and
- 26. Replenishment services are allocable between Agricultural and M&I pumpers in proportion to adjusted consumptive use, which is their respective pumpage adjusted for the return flows and percolation or precipitation; and
- 27. Overdraft mitigation costs are allocable between Agricultural and M&I pumpers in proportion to their contributions to overdraft. The contributions to overdraft are determined based on the order of occurrence whereby Agricultural pumpage preceded the majority of M&I pumpage; and
- 28. Reliability costs are allocable between Agricultural and M&I pumpers in proportion to their shares of the basin's safe yield. The shares of basin safe yield are based on the ability to prevent or lower Agricultural pumpage due to its lower priority of beneficial use; and
- 29. The ratio of the costs of M&I water compared with the cost of Agricultural water is determined by dividing their respective allocated shares of the cost of service by their pumpage; and
- 30. UWCD's replenishment activities are not comparable to a public utility that delivers water service directly to customers; and
- 31. UWCD's allocation of the costs of its services address the unique circumstances of a water conservation district and the system-wide complexities inherent in managing a water conservation district; and
- 32. An acre-foot of pumping for agricultural purposes increases the groundwater overdraft within UWCD's service area by <u>less</u> than an acre-foot of pumping for municipal and industrial purposes; and
- 33. An acre foot of pumping for agricultural purposes increases UWCD's replenishment costs by 75.9 percent of UWCD's variable cost per acre-foot of replenishment water; and
- 34. An acre-foot of pumping for municipal and industrial purposes increased UWCD's replenishment costs by 85.2 percent of UWCD's variable cost per acre-foot of replenishment water; and
- 35. An acre of land in agricultural use generally contributes <u>more</u> natural recharge to the basins within UWCD's service area than an acre of land in municipal use; and

- 36. An acre of land in agricultural use within UWCD's service area generates natural recharge of 0.07 acre-feet per acre more than the District-wide average of natural recharge per acre from overlying lands using groundwater; and
- 37. An acre of land in municipal and industrial use within UWCD's service area generates natural recharge of 0.16 acre-feet per acre <u>less</u> than the District-wide average of natural recharge per acre from overlying lands using groundwater; and
- 38. The difference in natural recharge per acre between agricultural lands and municipal and industrial lands means that agricultural lands contribute less to the annual groundwater overdraft in UWCD's service area than municipal lands; and
- 39. It is reasonable that UWCD's water conservation and extraction charges take into account the different contributions toward natural recharge of lands in agricultural, municipal and industrial uses; and
- 40. The computation of UWCD's water conversation and extraction fees can be reasonable based on an apportionment of variable replenishment costs and fixed replenishment costs; and
- 41. Apportioning annual variable replenishment costs by the amount of groundwater pumping (adjusted for reuse) reasonably reflects how additional groundwater pumping increases UWCD's need for replenishment water; and
- 42. Apportioning annual fixed replenishment costs by the differential amount overlying lands increase natural recharge through rainfall less runoff percolating beneficially into the basins within UWCD's service area reasonably reflects how land use impacts UWCD's need for replenishment water; and
- 43. Based upon the foregoing findings, the Board finds that M&I water users place greater burden and receive greater benefit from United's activities than do Agricultural water users; and
- 44. The ratio reflected in the rates below for municipal use and agricultural use bears a fair and reasonable relationship to the respective burdens and benefits placed on the UWCD from the differences in hydrologic impacts of groundwater pumping and land use by municipal versus agricultural water users.
- **BE IT FURTHER RESOLVED** that based upon the findings and determinations from said hearings, the Board of Directors of United Water Conservation District does hereby determine that zones should be established and that groundwater extraction charges should be levied therein.
- **BE IT FURTHER RESOLVED** that the Board of Directors of United Water Conservation District does hereby affirm its establishment of two zones for groundwater extraction charges as follows:

Zone A: All lands lying within the boundaries of the United Water Conservation

District.

Zone B: All lands within the Oxnard Basin and the Forebay area, the Pleasant Valley

Basin and the West Las Posas Valley Basin within the boundaries of the

District.

**BE IT FURTHER RESOLVED** that the Board of Directors of United Water Conservation District does hereby affirm its levy, assessment and fixing of groundwater extraction charges in compliance with law against all persons operating groundwater producing facilities within such zones during the ensuring water year from July 1, 2022 through June 30, 2023, as follows:

		Production of All
	Production of	Water Other Than
	Agricultural Water	Agricultural Water
Zone A – (District-wide):	\$66.48 per acre-foot	\$199.43 per acre-foot
Zone B – (Freeman):	\$41.17 per acre-foot	\$123.51 per acre-foot
Water Purchase Surcharge:	\$ 5.50 per acre-foot	\$ 16.50 per acre-foot

**BE IT FURTHER RESOLVED** that based on the testimony and evidence (including exhibits) presented at said hearings, the Board of Directors of United Water Conservation District does hereby find and determine that the sums which will be raised by the groundwater extraction charges levied by the District in Zones A and B above will not produce funds for District purposes that will exceed the amount which is considered necessary for the conservation, management, protection and augmentation of water supplies for beneficial use by users within the District and the zones hereinabove established.

**BE IT FURTHER RESOLVED** that based on the testimony and evidence (including exhibits) presented at said hearings, the Board of Directors of United Water Conservation District does hereby find and determine, based on the prior findings herein, that the groundwater extraction charges set forth in this Resolution are levied by the District for the specific purposes enumerated in Public Resources Code section 21080(b)(8) and 14 Cal. Code Regs. Section 15273(a) and therefore are exempt from the requirements of the California Environmental Quality Act.

BE IT FURTHER RESOLVED that based on the testimony and evidence (including exhibits) presented at said hearings the Board of Directors of United Water Conservation District does hereby find and determine that those persons relying directly or indirectly on the groundwater supplies in Zone A all benefit substantially from the District's water conservation activities, in the District's activities in protecting and defending area water rights against users from outside the District, and from the District's activities and regional planning for use, protection and augmentation of water supplies for beneficial use within the District; and that those persons relying directly or indirectly on the groundwater supplies of Zone B benefit specifically and additionally from the District's activities in operating, maintaining and improving the Freeman Diversion Project facilities which protects the District's ability to divert water from the Santa Clara River so it can be spread into the underground aquifers thereby replenishing and repressurizing the underground water supplies of the District within the area of Zone B.

- **BE IT FURTHER RESOLVED** that based on the testimony and evidence (including exhibits) presented at said hearings, for purposes of calculating the groundwater extraction charges, the Board of Directors of United Water Conservation District hereby establishes the following methods to be used in computing with reasonable accuracy the amount of water produced from a water-producing facility: (a) a permitted water flow meter; or (b) Edison electrical meter with such extraction calculations made pursuant to the District's Groundwater Extraction Reporting Policy;
- **BE IT FURTHER RESOLVED** that based on the testimony and evidence (including exhibits) presented at said hearings, the Board of Director of United Water Conservation District finds that any person who produces less than one acre-foot of groundwater during a six-month reporting period may, at the option of such person, account for such production by payment on the basis of one acre-foot at the appropriate rate and without any detailed determination or statement of actual production;
- **BE IT FURTHER RESOLVED** that in levying groundwater charges in Zones A and B for the 2022-2023 water year as set forth herein, the Board of Directors of United Water Conservation District makes the following findings, based upon the testimony and evidence (including exhibits) presented at said hearings:
- (a) Revenues derived from the groundwater extraction charges will not exceed the funds required to provide the District's services.
- (b) Revenues derived from the groundwater extraction charges shall not be used for any purpose other than that for which the groundwater charges are imposed.
- (c) Given the system-wide complexities inherent in managing a water conservation district, it is impractical and infeasible for the District to allocate the costs of its services except between the two classes of groundwater use, Agricultural and M&I.
- (d) The District's allocation of the groundwater extraction charges between Agricultural and M&I pumpers bears a fair or reasonable relationship to their respective burdens on, or benefits received from, the District's services.

We, the undersigned, being the duly qualified and current President and Secretary, respectively, of the Board of Directors of United Water Conservation District, do hereby certify that the above and foregoing resolution was duly and regularly adopted and passed by resolution of the Board of Directors of said water conservation district at a meeting thereof held on the 8<sup>th</sup> day of June 2022, by the following vote:

In favor thereof, Directors:
Abstain, Directors:
Not in favor, Directors:
Absent, Directors:
ATTEST:Board President Bruce E. Dandy
ATTEST:Board Secretary/Treasurer Lynn E. Maulhardt



#### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado Jr., General Manager

Anthony A. Emmert, Assistant General Manager

From: Brian Zahn, Chief Financial Officer

Date: May 20, 2022 (June 8, 2022, meeting)

Agenda Item: 5.2 Resolution 2022-24 Adopting the Proposed District Budget Plan,

Financial Policies, Overhead Allocation Method, Staffing Levels and

Salary Schedules for Fiscal Year 2022-23 and Appropriation

**Carryovers from Fiscal Year 2021-22** 

**Motion** 

#### **Staff Recommendation:**

The Board will review and consider adoption of <u>Resolution 2022-24</u>, adopting the proposed District Budget Plan, Financial Policies, Overhead Allocation Method, Staffing Levels and Salary Schedules for Fiscal Year 2022-23 and Appropriation Carryovers from Fiscal Year 2021-22. Staff will present the final changes of the Financial Policies to the Board.

- 1. Consider the <u>FY 2022-23 Budget</u> (which includes, among other things amended District financial policies, the overhead allocation methodology, staffing levels and salary schedule) and recommended revisions to the original budget proposals identified later in this report and comments from Board members and the public.
- 2. Adopt Resolution 2022-24 (Attachment A) that:
  - a. Approves the FY 2022-23 Budget, noting and including any changes agreed to by the Board as part of its budget deliberations at the May 11, 2022 meeting to the proposed budget submitted on April 22, 2022;
  - b. Authorizes necessary FY 2020-21 appropriation carryovers;
  - c. Approves Overhead Allocation Rates for FY 2022-23;
  - d. Approves staffing levels and salary schedules; and
  - e. Approves the financial policies that accompany the Proposed FY 2022-23 Budget document.

#### **Summary:**

The District's Proposed FY 2022-23 Budget was made available on April 22, 2022, and formally presented to the Board on May 11, 2022, in a public budget workshop. The presentation included an overview of the budget process, development of revenues and expenditures projections, rate

Agenda Item: 5.2 Resolution 2022-24 Adopting the Proposed District Budget Plan,

Financial Policies, Overhead Allocation Method, Staffing Levels and Salary Schedules for Fiscal Year 2022-23 and Appropriation

**Carryovers from Fiscal Year 2021-22** 

**Motion** 

changes recommended, how costs are fairly and proportionally allocated to the various funds, and a review of the Proposed FY 2022-23 Budget in detail. The proposed Oxnard Hueneme Pipeline budget was reviewed with the Oxnard Hueneme Pipeline contractors on April 27, 2022. The Pumping Trough Pipeline (PTP) users were addressed by District staff on April 28, 2022.

#### **Discussion:**

The District's budget is comprised of the General/Water Conservation Fund (combination of Water Conservation Activities Sub Fund (Zone A), General Operating Activities Sub Fund and Recreation Activities Sub Fund), four enterprise funds, a special revenue fund (State Water Import Fund) and the Overhead Fund. The Water Conservation Activities Sub Fund (Zone A) includes District-wide water conservation activities such as groundwater recharge operations, groundwater monitoring, modeling and analysis and the necessary environmental compliance required to support the District's core mission to preserve and augment groundwater resources. The Water Conservation Activities Sub Fund is funded primarily by revenue generated from groundwater extraction charges and in-lieu water delivery charges and may be partially augmented by available property tax revenue at the discretion of the Board. The General Operating Activities Sub Fund includes all activities that indirectly support District-wide water conservation efforts in Zone A. The General Operating Activities Sub Fund and the Recreation Activities Sub Fund are supported primarily by the District's property tax receipts.

The District's four enterprise funds are comprised of the Freeman Diversion Fund (Zone B), Oxnard/Hueneme Pipeline Fund (OH), Pleasant Valley Pipeline Fund (PV) and the Pumping Trough Pipeline Fund (PTP). All expenses directly related to each enterprise fund are charged to that fund and are part of the equation used to determine delivery charges for each pipeline and how the groundwater extraction charge (Zone B) is determined for the Freeman Diversion.

The District maintains a State Water Importation Fund to account for the purchase and importation of water from the State Water Project, which is funded through a voter approved special property tax assessment, separate from the property tax receipts accounted for in the General/Water Conservation Fund, as discussed earlier.

The District's budget includes the Supplemental Water Fund which will account for the purchase of water other than the Table A allocation from the State Water Project. The fund will be funded through a surcharge on groundwater extraction and in-lieu fees. The Supplemental Water Fund will be utilized exclusively for purchases of outside water and not for any other District expenses.

The District's Overhead Fund is used to account for the indirect administrative costs of operating the District. These costs are proportionally distributed to the five primary operating funds used by the District via the overhead allocation rate setting methodology specified in the OH Pipeline Water Delivery contract and approved by the Board prior to each fiscal year as part of the budget approval process. Every month during the fiscal year, actual expenditures in the Overhead Fund are charged against the operating funds (excluding the State Water Importation Fund) and revenues

Agenda Item: 5.2 Resolution 2022-24 Adopting the Proposed District Budget Plan,
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are transferred to the Overhead Fund to match revenues with expenditures; although overhead costs for liability/property insurance premiums and capital asset purchases are allocated and charged directly to the five operating funds.

The District is currently comprised of two zones: Zone A - Water Conservation Activities Sub Fund (also sometimes referred to as the Zone A Water Conservation Fund) and Zone B (Freeman Fund). California Water Code Section 75540 provides the Board with the authority to establish zone(s) at its discretion, based on the District's annual investigation and report on groundwater conditions. A zone may include the entire District. The Board has consistently established the entire District as Zone A, in recognition that all of the groundwater basins in the District are hydrogeologically connected and it is acknowledged annually that there is an average annual and accumulated overdraft "of all the groundwater basins in the District." Zone A (Water Conservation Activities Sub Fund) charges are used to provide services, operations, infrastructure, and facilities that the District's Board has determined benefit all of the groundwater basins within the District by assisting in the District's efforts to combat the average annual and accumulated overdraft and corresponding seawater intrusion, as well as promote safe, reliable, sustainable and cost-effective local water supplies. Zone A charges do not include any metered or potable water utility or delivery operations, other than the Saticoy Well Field, established and used as a groundwater management facility. The FY 2022-23 Budget document includes more detailed information on the programs and activities funded under the General/Water Conservation Fund, and the Freeman Diversion Fund (Zone B). Groundwater extractions and pipeline delivery customers in Zone B pay both the Zone A and B groundwater extraction charges.

The FY 2022-23 Budget as discussed at the May 11, 2022, budget workshop includes:

- 1. Changes to the Water Conservation Sub Fund Groundwater Extraction Charge (Zone A).
  - Agricultural \$63.01/AF to \$66.48/AF
  - Municipal & Industrial \$189.03/AF to \$199.43/AF
- 2. Changes to the Freeman Extraction Charge (Zone B).
  - Agricultural \$39.02/AF to \$41.17/AF
  - Municipal & Industrial \$117.07/AF to \$123.51/AF
- 3. Changes to the Water Purchase Surcharge to facilitate the purchase of Article 21 or other supplemental water in future years.
  - Agricultural \$4.50/AF to \$5.50/AF
  - Municipal and Industrial \$13.50/AF to \$16.50/AF
- 4. Changes in Oxnard Hueneme Pipeline Fixed Costs per unit of peak capacity of \$26,621 to \$32,555.

Agenda Item: 5.2 <u>Resolution 2022-24</u> Adopting the Proposed District Budget Plan, Financial Policies, Overhead Allocation Method, Staffing Levels and

Salary Schedules for Fiscal Year 2022-23 and Appropriation

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**Motion** 

- 5. Changes in the projected volume of groundwater extractions in the Upper and Lower Basins for agricultural pumpers decreased by approximately 2% from prior year's budget.
- 6. Changes in Oxnard Hueneme Pipeline Variable Rate O&M Charge of \$200.56 to \$363.17.
- 7. No changes to the Oxnard Hueneme Pipeline Fixed Well Replacement Charge of \$13.14.
- 8. Inclusion of FY 2021-22 appropriation carryovers including ongoing capital improvement projects and open contractual or purchase order commitments that have been made but not yet completed and would run into the next fiscal year.

With the adoption of the FY 2022-23 Budget, the Board approves the various components included within the budget document such as:

- District Financial Policies (printed separately) and includes amended sections noted below.
  - o Budget Amendment Policy (page 8)
  - o Expense Policy (page 45)
  - Expense and Compensable Activity Policy Board Members and District Executives (page 50)
  - o Procurement Policy (page 78)
  - o Reserve Policy (page 88)

A <u>redlined version</u> of the of the Proposed Financial Policies for FY2022-23 is posted to the UWCD website and available upon request (link-path provided: <a href="https://www.unitedwater.org/wp-content/uploads/2022/05/UWCD-Proposed-Financial-Policies-FY-22-23-REDLINE-Version.pdf">https://www.unitedwater.org/wp-content/uploads/2022/05/UWCD-Proposed-Financial-Policies-FY-22-23-REDLINE-Version.pdf</a>).

- Staffing levels and related salary/compensation schedules (pages 13-15)
- Overhead allocation plan (page 32)

#### **Fiscal Impact**:

Adoption of the FY 2022-23 Budget, as modified and recommended sets the District's rates and the Board's spending plan for staff for the upcoming fiscal year. This spending plan represents the authorization to expend funds over the next 12 months per the policies and established objectives and goals of the Board of Directors. The budget can be amended throughout the fiscal year as often and whenever the Board so desires, via a majority vote of its members. If a budget is not adopted, staff would not have the authority to expend funds or carry out District operations.

Attachments: A Resolution 2022-24

#### **RESOLUTION 2022-24**

A RESOLUTION OF THE BOARD OF DIRECTORS OF UNITED WATER CONSERVATION DISTRICT ADOPTING THE PROPOSED DISTRICT BUDGET, FINANCIAL POLICIES, OVERHEAD ALLOCATION METHOD, STAFFING LEVELS AND SALARY SCHEDULES FOR FISCAL YEAR 2022-23 AND APPROPRIATION CARRYOVERS FROM FISCAL YEAR 2021-2022

#### **SECTION 1. FISCAL YEAR 2022-23 BUDGET**

WHEREAS, the General Manager, on April 22, 2022, submitted the Proposed Budget Plan for United Water Conservation District ("District") for the Fiscal Year 2022-23, commencing July 1, 2022; and

WHEREAS, as required by the "WATER SUPPLY AGREEMENT FOR DELIVERY OF WATER THROUGH THE OXNARD/HUENEME PIPELINE" the following activities were undertaken by the District:

- 1. A preliminary draft of the District's Fiscal Year 2022-23 Budget Plan, including the Oxnard/Hueneme Pipeline Fund (OH) budget, was submitted to the contractors for their review on April 22, 2022;
- 2. The preliminary draft of the budget included a summary of projected water deliveries; fixed and variable costs and projected fixed, variable and marginal rates;
- 3. The District held an OH contractors' meeting on April 27, 2022; and

**WHEREAS**, a Board of Directors' Budget Workshop was held on May 11, 2022, wherein the following was reviewed and discussed:

- 1. The budget preparation process; and
- 2. The FY 2022-23 Budget Plan and five-year CIP Plan, as recommended by the General Manager, and

**WHEREAS**, the Board of Directors conducted a hearing on June 8, 2022, to discuss and consider the proposed Fiscal Year 2022-23 Budget Plan as originally submitted.

# RESOLUTION 2022-24

(continued)

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of United Water Conservation District, hereby approves and adopts the Fiscal Year 2022-23 Budget Plan as proposed to the Board of Directors on June 8, 2022, with the following revisions, as directed by the Board:

# **SECTION 2:** FISCAL YEAR 2021-22 APPROPRIATION CARRY-OVERS (Encumbrances)

WHEREAS, the completion of District work does not necessarily coincide with the calendar dates of the fiscal year, and as such work is in progress, contracts are in progress, or work otherwise is unavoidably delayed beyond June 30, 2022.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of United Water Conservation District hereby authorizes the carryover of specific appropriations from one budget year (FY 2021-22) to the next (FY 2022-23) to complete Board authorized work plan(s) and other operating needs, and therefore, effective June 30, 2022, before closing the District's financial accounting records for FY 2021-22, the Board of Directors hereby appropriates and authorizes the carryover in the General/Water Conservation Fund and other specified District funds for use in FY 2022-23, those appropriations from the Fiscal Year 2021-22 Budget deemed necessary by the General Manager to complete specific projects or services that could not be finalized prior to June 30, 2022.

#### **SECTION 3.** FISCAL YEAR 2022-23 FINANCIAL POLICIES

**BE IT RESOLVED** that the Board of Directors of United Water Conservation District hereby approves the following proposed changes to the financial policies listed below as submitted by staff in the proposed Fiscal Year 2022-23 District Budget:

Budget Amendment Policy
Expense Policy
Expense and Compensable Activity Policy – Board Members and District
Executives
Procurement Policy
Reserve Policy

#### SECTION 4. OVERHEAD ALLOCATION METHOD

WHEREAS, District management has reviewed the relationship of overhead expenses to the various funds and programs of the District; and

WHEREAS, the review considered the relative proportion of each fund's expenditures to total operating expenditures, the units of billings per fund, the direct labor hours worked in each fund, the number of accounts payable transactions in each fund and the revenue generated in each fund based on prior year activity; and

**WHEREAS**, in the judgment of management and after review by the Finance and Audit Committee the following allocation of overhead expenses is equitable, proportional and rational.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of United Water Conservation District hereby approves District overhead expenses to be proportionately allocated for Fiscal Year 2022-23 to the District's operating funds as follows:

General/Water Conservation Fund	61.80 %
Freeman Fund	17.66 %
OH Pipeline Fund	11.53 %
PV Pipeline Fund	0.79 %
PT Pipeline Fund	8.22 %
Total	100.00 %

#### **SECTION 5.** STAFFING LEVELS AND SALARY SCHEDULES

**BE IT RESOLVED** that the Board of Directors of United Water Conservation District hereby approves the Position Titles and Annual Salary Ranges and Staffing Levels as amended in the proposed Fiscal Year 2022-23 Budget Plan.

ATTEST:	Bruce Dandy, President
A TTEGT.	

Lynn Maulhardt, Secretary/Treasurer

**ADOPTED AND PASSED** this 8<sup>th</sup> day of June 2022.

# FY 2022-23 PROPOSED FINANCIAL POLICIES BOARD OF DIRECTORS Bruce E. Dandy, President Michael W. Mobley, Director Sheldon G. Berger, Vice President Edwin T. McFadden III, Director

Lynn E. Maulhardt, Secretary/Treasurer Mohammed A. Hasan, Director

Daniel C. Naumann, Director



# **United Water Conservation District**

# Financial Policies FY 2022-23

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# **ACCOUNTS RECEIVABLE WRITE-OFF POLICY**

Effective July 1, 2022

#### **POLICY STATEMENT**

It is the District's policy to comply with government accounting standards and accurately report revenue by regularly writing off previously recognized revenue that has been determined to be uncollectable.

Types of receivables covered by this policy include, but are not limited to:

- Groundwater Extraction fees;
- Water Delivery charges;
- Fees for services:
- Fines and penalties;
- Recovery for damage to District property;
- Legal judgments; and
- Various unpaid fees.

A write-off of uncollectible accounts receivable from the District's accounting records does not constitute forgiveness of the debt or a gift of public funds. Accounts receivable should generally be written-off during the fiscal year in which an account is determined to be uncollectible. Subsequent collection of an account previously written-off will be treated as new revenue in the appropriate fund.

This policy does not supersede any provisions contained in the District's principal act, including but not limited to the procedures for levying and collection of groundwater extraction charges set forth in Chapter 3 of Part 9 of Division 21, Water Code Section 75560 et seq. In the event of any conflict between the District's principal act and the procedures set forth in this policy, the principal act shall govern.

#### **POLICY OBJECTIVE**

The purpose of this policy is to set authorization levels and standard guidelines to write-off uncollectible accounts receivables.

#### **POLICY PROCEDURES**

#### A. Prevention Procedures:

- 1. The District shall not pay for third party obligations, unless legally obligated to do so.
- 2. Whenever possible, the District shall require advance payment of all fees and costs in accordance with the District's Rates and Fees Schedule.

#### B. Write-Off Procedures:

#### 1. Designation of an Account as Uncollectible:

After the appropriate collection procedures have been followed, an account will be considered uncollectible if it meets one or more of the following criteria:

- The debt is disputed and the District has insufficient documentation to pursue collection efforts;
- The cost of further collection efforts will exceed the estimated recovery amount:
- The amount is up to \$50 and remains unpaid after one year;
- The account remains unpaid after the lesser of four years or the applicable period for commencement of a recovery action (statute of limitations);
- The debtor cannot be located, nor any of the debtor's assets:
- The debtor has no assets and there is no expectation they will have any in the future:
- The debtor has died and there is no known estate or guarantor:
- The debtor is a company that is no longer in business;
- The debt is discharged through legal action (bankruptcy or court judgment);
   and
- The debt has been forgiven by action of the Board or as outlined under Section E.3 of this policy.

#### 2. Preparation of Write-off of Accounts Receivable List:

Annually or as warranted, the Chief Financial Officer or his/her designee will identify any accounts receivable that meet the criteria for designation as an uncollectible account.

An itemized list of uncollectible accounts to be written-off will be compiled specifying the following:

- Debtor name;
- Account balance;
- Due date:
- Brief description of receivable type;
- Criteria under which the account was deemed uncollectible; and
- Account number of the receivable in the District's financial system if applicable.

For each uncollectible account, documentation should be attached supporting the uncollectible account designation and substantiating that collection procedures have been followed and due diligence has been exercised in collection efforts. Due diligence documentation should, at a minimum, include:

- Invoices, reminder letters, returned checks and/or collection letters (and any documentation that is returned as undeliverable, no known forwarding address, etc.);
- Bankruptcy claims and any documents supporting a claims court or other judgment rendered by proper authority;
- Judgment awarded by a court or settlement agreement; and
- Notice of discontinuation of services.

#### 3. Approval Authority for Write-off Requests:

The Chief Financial Officer will review the list of uncollectible accounts to ensure that it is complete and that all necessary due diligence documentation has been attached. Once the review is complete, the qualified accounts will be written-off after approval from the corresponding authority is received. Subsequent to the write-off step, the write-off list will be presented to the appropriate reporting party according to the following approved authority levels:

Transaction Amount (per account):	Write-Off Authority:	Reported to:
Up to \$100	CFO	General Manager
\$101 up to \$5,000	General Manager	Finance Committee
Excess of \$5,000	District Board	District Board

If new developments arise suggesting that a possibility exists for collection of an account previously written-off, the collections process will be resumed.

#### C. Criteria for Maintaining Accounts Receivable:

Accounts receivable write-off will not be performed based on the criteria listed below:

- a. Insufficient collection efforts have been made or demonstrated;
- b. Existence of a lien and future collection is possible;
- c. Knowledge that the debt will be collected in the future; and
- d. Lack of proper approval as outlined in Section E.3.

# ACCOUNTS RECEIVABLE COLLECTIONS POLICY

Effective July 1, 2022

#### **POLICY STATEMENT**

It is the District's policy to minimize the District's loss exposure by:

- 1. limiting the creation of accounts receivables to necessary and essential items or services
- 2. requiring payment at or before services are rendered when practical and feasible
- 3. regularly reviewing all past-due accounts
- 4. actively pursuing collection of past-due accounts receivable

Types of receivables covered by this policy include, but are not limited to:

- Groundwater Extraction fees:
- Water Delivery charges;
- Fees for services:
- Fines and penalties;
- Recovery for damage to District property;
- · Legal judgments; and
- Various unpaid fees.

This policy does not supersede any provisions contained in the District's principal act, including but not limited to the procedures for levying and collection of groundwater extraction charges set forth in Chapter 3 of Part 9 of Division 21, Water Code Section 75560 et seq. In the event of any conflict between the District's principal act and the procedures set forth in this policy, the principal act shall govern.

#### **POLICY OBJECTIVE**

The purpose of this policy is to set authorization levels and standard guidelines to prevent accounts receivable, administer accounts receivable and to outline the procedures and actions the District will pursue in the collection of past-due accounts receivable.

#### **POLICY PROCEDURES**

#### A. Prevention Procedures:

- 1. The District shall not pay for third party obligations, unless legally obligated to do so.
- 2. Whenever possible, the District shall require advance payment of all fees and costs in accordance with the District's Rates and Fees Schedule.

#### **B. General Collection Procedures:**

Collection procedures are established by the Finance Division and will vary depending on the nature of the receivable. Whenever possible, the District will avoid advancing District resources. Once a receivable exists, the District will take the following steps in collection efforts:

- 1. Generate multiple reminder and/or collection notices.
- 2. Attempt phone collection.
- 3. Determine further collection costs and if warranted, refer to the District's Legal Counsel or collection agency for collection assistance.

#### C. Collection Procedures for Past Due Groundwater Extraction Fees

For purposes of collecting delinquent Groundwater Extraction Fees, the District follows a five (5) step process that shall be followed with each delinquent account unless the Board directs otherwise.

- 1. Upon an account becoming delinquent, the Finance Division will send a minimum of two (2) reminder and collection notices to the accountholder before proceeding to the second (2<sup>nd</sup>) step of the process. Notices are sent out once an account becomes more than 30 and more than 45 days past due
- Once an account is more than 90 days past due, the Finance Division will attempt
  to collect the past due amount by calls to the telephone number provided by the
  accountholder to the District. Each call will be listed by date and time in a written
  log.
- 3. When an account becomes 120 days past due, a letter will be sent by District Legal Counsel advising the accountholder of the amount past due (including all accrued interest, fees and costs), and of the legal remedies available to the District for collecting this debt. Pursuant to Water Code section 75635.5, these legal remedies include the right to seek a writ of attachment against the property of any named defendant in suits for the collection of delinquent groundwater charges, interest and fees. The accountholder shall also be responsible for all fees and costs charged for the preparation and issuance of the letter by District Legal Counsel. This amount shall be added to the total amount past due.
- 4. If an account becomes more than one (1) year past due and exceeds \$250, including all accrued interest, penalties, fees and costs, or less if the amount due is unverified due to non-reporting, the Board shall schedule a hearing pursuant to Water Code section 75637, subdivision (b) for the purpose of determining whether the District should order the accountholder and any other operator of a water producing facility associated with the account to cease extraction of groundwater until all delinquent fees and charges are paid.
  - 4a) Should the hearing result in an injunction restraining the operation of a water-producing facility, Water Code section 75637.5 allows the District to require that the operator post a bond or cash deposit equal to the amount of delinquent groundwater changes due for the preceding six-month period prior to the injunction being lifted.
- 5. At the same Board meeting at which the Section 75637(b) hearing is held, the Board shall discuss with District Legal Counsel in closed session any legal action available to the District to collect all amounts owed by the accountholder.

District staff shall follow these steps for each and every delinquent account unless otherwise directed by the Board. Prior to an account becoming more than one (1) year past due, the Finance Division is authorized to enter into a written payment plan with the accountholder that ensures full payment of all delinquent amounts within three (3) months of the date the plan is approved. Board approval is required for any payment plan extending the payment of the delinquent amounts beyond six (6) months. Once an account is more than one (1) year past due only the Board may approve a payment plan or settlement.

#### D. Appeal Process:

If a Debtor is unable to reach an agreement on the debt amount and/or payment terms with Finance Division staff, the Debtor may request a hearing with the General Manager within 30 days of the determination notice. If the results of the General Manager hearing are not to the satisfaction of the Debtor, at the Debtor's request, the matter may be appealed to the Board in an open meeting within 30 days of the hearing determination.

#### **SUMMARY**

The above guidelines cannot cover every issue, exception, or contingency that may arise in operating the District. Staff's best judgment will prevail in situations where these guidelines lack specific direction. The District acknowledges the occasional need for flexibility in resolving debt delinquency matters and therefore the Board reserves the right to evaluate and address each case individually without being bound by the provisions of this policy.

# **AUDITOR ROTATION & SELECTION POLICY**

Effective July 1, 2022

#### **PURPOSE**

The purpose of this policy is to provide for the periodic rotation of independent auditing firms who perform the annual examination of the District's financial statements and render an opinion thereon.

#### **SELECTION PROCESS**

A full-scale competitive process will be held at a minimum every five years for the selection of the independent auditing firm. The Finance Division is responsible for conducting the interview and selection process and recommending a firm to the Board.

The then current auditing firm will not be reconsidered to serve beyond a five-year consecutive period. Firms may serve more than a five-year period so long as there is a minimum three-year break in their service.

#### **TERM OF CONTRACT**

The initial contract term should be for three years. Providing services are satisfactory, the firm may be retained for an additional two years thereafter.

#### SCOPE OF SERVICE

The firm will perform the annual audit, prepare required reports and assist staff in analyzing/implementing accounting pronouncements.

#### **AMENDMENTS OR EXCEPTIONS**

Amendment of or exceptions to this policy may be made by action of the Board of Directors.

#### BUDGET AMENDMENT POLICY

Effective July 1, 2021

#### **ESTIMATED REVENUES**

Amendments to revenue estimates, which may have a significant effect on the adopted budget, will be presented to the Finance Committee and the Board of Directors for discussion as they become known. Staff will present proactive recommendations to the Board to provide options to respond to any known or anticipated significant revenue fluctuation.

#### **APPROPRIATIONS**

Consistent with the District's Procurement Policy, the General Manager is authorized to approve supplemental appropriations (additional spending authority) of up to \$50,000 for any one service or purchase. Supplemental appropriations of more than \$50,000 will be presented to the Board of Directors for consideration and approval prior to the commitment of funds. The Board will approve all supplemental appropriations over \$10,000 if the fiscal year-to-date supplemental appropriations approved by the General Manager exceeds \$500,000. This includes contract amendments for any one service or purchase during the fiscal year to contracts with original amounts that exceed the General Manager's authority. Services or purchases necessitating the need for a supplemental appropriation cannot be separated to avoid the requirement for requesting prior Board approval. Resources needed to fund the supplemental appropriation (i.e. reserves, new/additional revenues, grants, etc.) must be identified at the time of the supplemental appropriation request to the Board. Whenever possible, a budget appropriation transfer should be requested in lieu of a supplemental appropriation request if savings in other line items (internal to each fund) can be identified without impacting other operational needs. When a supplemental appropriation is requested for the Oxnard-Hueneme Pipeline Fund, all Contractors will be given proper notice as required by the Water Delivery Agreement, of the recommendation proposed to the Board of Directors for their approval seven (7) days prior to the commitment of funds. When an unbudgeted expenditure greater than \$50,000 has been made in the course of an emergency, the appropriation will be presented to the Board of Directors at their next regular Any planned or potential reduction in expenditures that were appropriated (approved) by the Board that may result in service, operations, program or policy changes will be presented to the Board of Directors for discussion as they become available. The Finance Committee will review all supplemental appropriations at their regular monthly meetings.

#### **BUDGET TRANSFERS**

In an effort to operate within the approved budget, it may become necessary to shift spending authority from one purpose to another. Budget transfers must be internal to each fund (General Water Conservation sub funds are considered one fund) and cannot result in a change in policy without the Board of Director's approval. Appropriations not exceeding \$25,00010,000 can be transferred between line items with the approval of the Chief Financial Officer. Line-item transfers between \$25,00010,000 and \$100,000 can be transferred with the approval of both the Chief Financial Officer and the General Manager. Transfer requests over \$100,000 will be presented to the Board of Directors for consideration and approval. Any balance remaining for completed capital improvement projects will be transferred back to the operating funds that funded the project with the approval of the project manager and the General Manager.

Exceptions: Line-item transfers within a specific project are not subject to the above approval limits and transfers can be made up to the amount of available funding with the approval of

the General Manager. This exception applies to specific projects, such as the Habitat Conservation Plan project, the Quagga Mussels project, or any capital improvement project. It does not apply to general projects, such as departmental General & Management projects; the Saticoy/El Rio Operations Center projects; the Freeman, O.H. Pipeline, P.V. Pipeline, or P.T. Pipeline projects; etc.

# **BUDGET SUBMITTAL POLICY**

Effective July 1, 2022

United Water Conservation District operates on a fiscal year beginning on the first day of July and ending on the thirtieth day of June of the following year.

The District's annual operations and capital improvement budget is the principal vehicle for developing the Board of Directors' plans and policies for the District.

In order to ensure appropriate time for Board review, consideration and revisions (if necessary), on or before the first business day of May of each year, the General Manager shall submit to the Board of Directors a proposed/recommended operations and capital improvement budget for the next fiscal year.

The proposed budget shall provide a complete financial plan, including a 5-year Capital Improvement Project Plan, of all District funds and activities for the next fiscal year. The total of proposed expenditures for each fund shall not exceed the total estimated revenue and/or estimated funds/resources available.

Any proposed rate adjustments which impact estimated revenue must be clearly documented. The District's legal positions that such charges: (a) are not fees for property related services or charges incident to property ownership and are not subject to the requirement of Proposition 218 [California Constitution, Article 13D, Section 6 (b)]; (b) are not a general or special tax subject to Proposition 26 [California Constitution, Article 13C]; (c) do not exceed the reasonable cost of providing District services and do not violate Proposition 13 or various statutory or common law provisions; and (d) are not capacity charges. The City of San Buenaventura has sued the District concerning these and other legal issues in connection with the District's groundwater charges, and such issues are being addressed in litigation.

On or before June 30, the Board of Directors shall adopt, by resolution, the proposed/recommended budget with any amendments directed by the affirmative vote of a majority of the Board. While the Board adopts the next - fiscal year's budget by June 30. The budget can be amended at any time throughout the fiscal year via approval by a majority of the Board, consistent with the District's Budget Amendment Policy.

### CAPITAL ASSET POLICY

Effective July 1, 2022

#### OBJECTIVE/PURPOSE

- To account and record the District's capital assets as required by Generally Accepted Accounting Principles (GAAP) and the Governmental Accounting Standards Board (GASB) Statement No. 34.
- To maintain a listing of all capital assets at original cost.
- To calculate depreciation and determine book value of all capital assets.

#### **GENERAL GUIDLINES**

- All capital purchases must conform to the procurement policy.
- With each budget cycle all capital outlay and capital project requests are reviewed by a District Accountant for applicability to the capitalization threshold and general definitions for fixed assets.
- Structures and improvements, tangible equipment, intangible assets and vehicles purchased are capitalized each accounting period and depreciation begins the following month after the effective "in operation" date of the asset.
- Construction in progress projects are reviewed semi-annually in December and June. Assets that are completed during the six-month period are capitalized and begin depreciation as of December 31 or June 30. Qualifying expenditures related to construction in progress projects, including any District employee's compensation (i.e. salary and employee benefits), are capitalized as part of the overall cost of the project.

#### **CAPITALIZATION THRESHHOLD**

The capitalization threshold for tangible equipment, intangible assets and vehicles purchased or constructed is \$5,000 or greater with a useful life of two years or more per item. The threshold for structures and improvements purchased or constructed is \$25,000 or greater.

#### **DISCRETE COMPONENTS OF LARGER ASSETS**

A single capital asset may be composed of one or more discrete components with a significantly shorter useful life (e.g., roof). In such cases the cost of the components is included in the cost of the larger asset and replacements are treated as a repair. Infrastructure rehabilitation projects are capitalized.

#### **DEPRECIATION METHOD**

The District uses the straight-line depreciation method. Land is not depreciated and construction is not depreciated until completed.

The following is the useful life table, by category, used to calculate depreciation:

Asset Class	Type		Years
Equipment	Construction Type (i.e. Tractors, Graders)	25	
	Durable Equipment	10	
	Furniture	10	
	Office Furniture/Equipment	10	
	Computer Programs and Models	10	
	Meters, Test Equipment, Gauges	5	
	Phone Systems	5 5 5	
	Radio Equipment	5	
	Computer Equipment	3	
Structures & Improvements	Dams	100	
·	Buildings	50	
	Wells	50	
	Pipelines	40	
	Dam Structures, Canals	40	
	Park & Recreation Facilities	30	
	Hydro-Plant	30	
	Tanks	25	
	Asphalt	20	
	Irrigation System	20	
	Communication towers	20	
	VFD Variable Drives	15	
	Recreation Playground/Picnic	15	
	Fences, Gates	15	
	Valves and Associated Gates	10	
	Floating Restrooms	10	
	Pumps	5	
Vehicles	Boats	10	
	Automobiles	7	
	Trucks, SUVs	7	

## **DEBT MANAGEMENT POLICY**

Effective July 1, 2022

#### **OBJECTIVE**

The purpose of this Debt Management and Disclosure Policy (this "Debt Policy") is to organize and formalize debt issuance and management-related policies and procedures for the District. The debt policies and procedures of the District are subject to and limited by applicable provisions of state and federal law and to prudent debt management principles.

This Debt Policy is intended to comply with Government Code Section 8855(i) and shall govern all debt undertaken by the District.

The District hereby recognizes that a fiscally responsible debt policy is required in order to:

- Maintain the District's sound financial position.
- Maintain cost-effective access to the capital markets through prudent fiscal management policies and practices.
- Protect the District's credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the District.
- Ensure that the District's debt is consistent with the District's planning goals and objectives and capital improvement plan or budget, as applicable.

#### SCOPE AND DELEGATION OF AUTHORITY

This Debt Policy will govern the issuance and management of all debt funded through the capital markets, including the selection and management of related financial and advisory services and products, and the investment of bond proceeds.

This Debt Policy will be reviewed and updated as deemed necessary, or annually in conjunction with the District's other financial policies. Any changes to the policy are subject to approval by the Board of Directors (the "Board") at a legally noticed and conducted public meeting. Overall policy direction of this Debt Policy will be provided by the Board. The Chief Financial Officer will be responsible for the implementation of the Debt Policy, as well as the structure, implementation, and management of the District's debt and finance program. The Board's adoption of the District's Annual Budget and Capital Improvement Program (CIP) does not, in and of itself, constitute authorization for debt issuance for any capital projects. This Debt Policy requires that the Board specifically authorize each debt financing.

While adherence to this Debt Policy is required in applicable circumstances, the District recognizes that changes in the capital markets, District programs and other unforeseen circumstances may from time to time produce situations that are not covered by the Debt Policy and will require modifications or exceptions to achieve policy goals. In these cases, management flexibility is appropriate, provided specific authorization from the Board is obtained.

#### POLICY GOALS RELATED TO PLANNING GOALS AND OBJECTIVES

The District is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Policy and to implement policy decisions incorporated in the District's annual operations budget.

The District will pay for infrastructure, projects, and other financing needs from a combination of current revenues, available reserves, and issued debt. The District acknowledges that debt can provide an equitable means of financing projects for its customers and provide access to new capital needed for infrastructure and project needs. Debt will be used to meet financing needs if (i) it meets the goals of equitable treatment of all customers, both current and future; (ii) it is the most cost-effective means available, (iii) it is financially prudent, responsible and diligent under the prevailing economic conditions; and (iv) there are other important policy reasons therefor.

It is a policy goal of the District to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest feasible borrowing costs.

The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

#### RELATIONSHIP OF DEBT TO CAPITAL IMPROVEMENT PROGRAM AND BUDGET

The District is committed to long-term capital planning. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's capital outlay and improvement plan.

The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The District shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that funds are available when needed.

#### APPROACH TO DEBT MANAGEMENT

The District's approach to its financings is to ensure continued market access at the lowest cost of borrowing. As such, the Debt Policy designates affordability or capacity targets which are established by the rating agencies (Moody's Investor Service, Standard & Poor's, and Fitch). Debt capacity is defined as annual debt service payments as a percentage of operating expenditures and debt service payments.

A presentation of the District's debt capacity and affordability shall be made to the Board of Directors with the proposed approval of any debt, lease financing or other instruments of installment repayments with maturities longer than 5 years.

#### **TYPES OF DEBT**

The District will evaluate the use of all financial alternatives available including, but not limited to, long-term debt, short-term debt, fixed rate debt, variable rate debt, idle cash reserves, and interfund borrowing. The District will utilize the most advantageous financing alternative available while limiting the District's risk exposure. The following types of debt are allowable under this Debt Policy:

- general obligation bonds
- bond or grant anticipation notes
- lease revenue bonds, certificates of participation and lease-purchase transactions
- other revenue bonds
- tax and revenue anticipation notes
- land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes
- tax increment financing to the extent permitted under state law
- lines of credit
- refunding obligations
- inter-fund loans of idle funds

The District may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

#### PURPOSES FOR WHICH DEBT MAY BE ISSUED

- 1. <u>Long-Term Debt</u>. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the District.
  - a. Long-term debt financings are appropriate when the following conditions exist:
    - When the project to be financed is necessary to provide basic services.
    - When the project to be financed will provide benefit to constituents over multiple years.
    - When total debt does not constitute an unreasonable burden to the District and its taxpayers and ratepayers.
    - When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.
  - b. Long-term debt financings will not be considered for current operating expenses and routine maintenance expenses.
  - c. The District shall not construct or acquire a facility if it is unable to adequately provide for the subsequent annual operation and maintenance costs of the facility throughout its expected life.
  - d. The District may use long-term debt financings subject to the following conditions:
    - The project to be financed must be approved by the Board.
    - The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project

- to be financed by more than 20%, and in no event should exceed the lesser of 40 years or the period of time until the sunset of a revenue source used to repay the bonds.
- The District estimates that sufficient revenues will be available to service the debt through its maturity.
- The District determines that the issuance of the debt will comply with the applicable state and federal law.
- 2. <u>Short-term debt</u>. Short-term debt may be used to finance certain essential equipment and vehicles. The underlying asset must have a minimum useful life of one year or more and equal to or greater than the term of the debt. Short-term financings, including loans and capital lease purchase agreements, are executed to meet such needs.

Short-term borrowing may also be utilized for the temporary funding of operational cash flow deficits or anticipated revenues (defined as an assured source with the anticipated amount based on conservative estimates). The District will determine and utilize the least costly method for short-term borrowing. The District may issue short-term debt when there is a defined repayment source or amortization of principal, subject to the following policies:

- a. <u>Bond Anticipation Notes (BANs)</u> may be issued instead of capitalizing interest to reduce the debt service during the construction period of a project or facility. The BANs shall mature not more than 3 years from the date of issuance. The BANs shall mature within 6 months after substantial completion of the financial facility.
- b. <u>Tax and Revenue Anticipation Notes (TRANs)</u> shall be issued only to meet projected cash flow needs consistent with a finding by bond counsel that the sizing of the issue fully conforms to Federal IRS requirements and limitations.
- c. <u>Lines of Credit</u> shall be considered as an alternative to other short-term borrowing options. The lines of credit shall be structured to limit concerns as to the Internal Revenue Code.
- d. Other Short-Term Debt, including commercial paper notes, may be used.
- 3. <u>Variable Rate Debt.</u> Debt shall be issued as fixed rate debt unless the District makes a specific determination as to why a variable rate issue would be beneficial to the District in a specific circumstance.
- 4. <u>Refunding Financing</u>. Refunding bonds are issued to retire all or a portion of an outstanding bond issue. Refunding issuances can be used to achieve present-value savings on debt service or to restructure the payment schedule, type of debt instrument used, or covenants of existing debt. The District must analyze the refunding issue on a present-value basis to identify economic effects before approval. The District will consider the following issues when evaluating possible refunding opportunities:
  - a. <u>Debt Service Savings</u>. The District has established a minimum savings threshold goal of (i) three (3%) percent of the refunded bond principal amount or \$100,000 in present value savings and (ii) present value debt service savings equal to or greater than 100% of any escrow fund negative arbitrage unless there are other compelling reasons for defeasance. The present value savings will be net of all costs related to the refinancing.

- b. <u>Restructuring.</u> The District will refund debt when it is in its best interest to do so. Refunds will include restructuring for purposes of meeting unanticipated revenue expectations, achieving cost savings, mitigating irregular debt service payments, releasing reserve funds or removing unduly restrictive bond covenants.
- c. <u>Term of Refunding Issues.</u> The District will generally refund bonds within the term of the originally issued debt. However, the District may consider maturity extension, when necessary to achieve a desired outcome, provided that such extension is legally permissible. The District may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed asset and the concept of inter-generational equity will be given due consideration in formulating these decisions.
- d. <u>Escrow Structuring.</u> The District will utilize the least costly securities available in structuring refunding escrows. A certificate from a third party agent, who is not a broker-dealer, is required stating that the securities were procured through an arms-length, competitive bid process (in the case of open market securities), that such securities were more cost effective than State and Local Government Obligations (SLGS), and that the price paid for the securities was reasonable within federal guidelines. Under no circumstances will an underwriter, agent or financial advisor sell escrow securities to the District from its own account.
- e. <u>Arbitrage.</u> The District will take all necessary steps to optimize escrows and to avoid negative arbitrage in its refunds. Any resulting positive arbitrage will be rebated as necessary according to federal guidelines.
- 5. <u>Inter-fund Borrowing</u>. The District may borrow internally from other funds with idle cash in lieu of issuing bonded debt. Purposes warranting the use of this type of borrowing could include short-term cash flow imbalances due to grant terms, interim financing pending the issuance of bonds, or long-term financing in lieu of bonds for principal amounts under \$5 million. The District funds from which the money is borrowed shall be repaid with interest based upon the earning rate of the District's highest yielding investment pool. The Chief Financial Officer shall exercise due diligence to ensure that it is financially prudent for the fund making the loan.

Inter-fund loans will be evaluated on a case-by-case basis. Any borrowing between two District funds which exceeds 24 months requires a repayment schedule approved by the Board and shall include an associated interest rate. The purpose of inter-fund borrowing is to finance high priority needs and to reduce the costs of interest, debt issuance and/or administration.

Inter-fund loans may be made at a fixed or variable interest rate, as appropriate. If an inter-fund loan is made at a variable rate, it will be based on an earning rate, such as LAIF, or other similar investment tool.

6. <u>Joint Powers Authority.</u> In addition to the financing instruments mentioned above, the District may also consider joint arrangements with other governmental agencies when a project serves the District's interest.

#### TERMS AND CONDITIONS OF DEBT

- 1. <u>Capitalized Interest.</u> In general, the District will avoid the use of capitalized interest to avoid unnecessarily increasing the bond size. However, certain types of financings may require the use of capitalized interest from the issuance date until the District has constructive use/benefit of the financed project. Interest will not be funded (capitalized) beyond three (3) years or a shorter period if further restricted by statute.
- 2. <u>Lien Levels.</u> Senior and junior liens for each revenue source will be utilized in a manner that will maximize the most critical constraint, typically either cost or capacity, thus allowing for the most beneficial use of the revenue source securing the bond.
- 3. <u>Debt Service Structure</u>. Debt issuance shall be planned to achieve relatively rapid repayment of debt while still matching debt service to the useful life of facilities. The District shall avoid the use of bullet or balloon maturities except in those instances where these maturities serve to levelize existing debt service.
- 4. <u>Call Provisions.</u> In general, the District's securities will include a call feature that is no later than ten (10) years from the date of delivery of the debt. The District will generally avoid the sale of non-callable debt.
- 5. <u>Original Issue Discount</u>. An original issue discount will be permitted only if the District determines that such discount results in a lower true interest cost on the debt and that the use of an original issue discount will not adversely affect the project identified by the legal documents related to the debt.
- 6. <u>Deep Discount Bonds.</u> Deep discount bonds may provide a lower cost of borrowing in certain markets. The District will carefully consider their value and effect on any future refinancings as a result of the lower-than-market coupon.
- 7. <u>Additional Bonds Test.</u> Any new senior lien debt issuance must not cause the District's debt service to exceed the level at which the lesser of
  - a. revenues from any consecutive 12 months out of the last 18 months or
  - b. tax revenues estimated by the District for the Fiscal Year in which the debt is issued
  - are at least 150 percent (1.50x) of the maximum annual principal and interest for the aggregate outstanding senior lien bonds including the debt service for the new issuance.
- 8. <u>Debt Limits</u>. The cumulative annual debt service of all bond issues supported by the General/Water Conservation Fund is restricted to no more than 15 percent of annual General/Water Conservation Fund revenue. Bond issues supported by Enterprise Funds should maintain a minimum ratio of net operating income to annual debt service that the Chief Financial Officer concludes is beneficial to the District.

#### **CREDIT ENHANCEMENTS**

The District will consider the use of credit enhancement on a case-by-case basis, evaluating the economic benefit versus cost for each case. Only when a clearly demonstrable savings can be

shown will enhancement be considered. The District will consider each of the following enhancements by evaluating the cost and benefit of such enhancement.

- Bond Insurance. The District may purchase bond insurance when such purchase is deemed prudent and advantageous. The predominant determination will be based on such insurance being less costly than the present value of the difference in the interest on insured bonds versus uninsured bonds.
  - a. <u>Provider Selection</u>. The Chief Financial Officer or his/her designee will solicit quotes for bond insurance from interested providers, or in the case of a competitive sale submit an application for pre-qualification on insurance. In a negotiated sale, the Chief Financial Officer or his/her designee shall have the authority to select a provider whose bid is most cost effective and whose terms and conditions governing the guarantee are satisfactory to the District. The winning bidder in a competitive sale will determine whether it chooses to purchase bond insurance for the issue.
- 2. <u>Debt Service Reserve Surety Bond.</u> When required, a reserve fund will be funded from the proceeds of each series of bonds, subject to federal tax regulations and in accordance with the requirements of credit enhancement providers and/or rating agencies. The District may purchase reserve equivalents (i.e., the use of a reserve fund surety) when such purchase is deemed prudent and advantageous. Such equivalents will be evaluated in comparison to cash funding of reserves on a net present value basis.
- 3. <u>Letter of Credit.</u> The District may enter into a letter of credit agreement when such an agreement is deemed prudent and advantageous.

#### **METHOD OF BOND SALE**

The District will determine, on a case-by-case basis, whether to sell its bonds competitively or through negotiation. Generally, there are three methods of sale: competitive, negotiated and private placement. Each type of bond sale has advantages and the potential to provide the lowest cost given the right conditions.

- 1. Competitive Sale. A competitive bond sale is used by established issuers, with strong credit ratings during times in which there are stable market conditions. In a competitive sale, the issuer's bonds are awarded to the bidder providing the lowest true interest cost as long as the bidder adheres to the requirements set forth in the official notice of sale. A competitive sale is preferable when the bond type and structure are conventional, bond insurance is included or pre-qualified, and the transaction is of a manageable size. Pursuant to this policy, the General Manager and/or Chief Financial Officer is hereby authorized to sign the bid form on behalf of the District fixing the interest rates on bonds sold on a competitive basis.
- 2. Negotiated Sale. In a negotiated bond sale, the issuer selects the underwriter several months before the sale of bonds through a competitive RFP process. The underwriter is selected based upon relevant experience, recent bond sale performance and fees, among other factors. The final pricing of the bonds is directly negotiated with the underwriter based upon investor demand and orders received on the day of sale. The issuer generally relies upon the financial advisor during the negotiation process.

A negotiated sale is common for a new or infrequent issuer or an issuer with a weak bond rating. A negotiated sale can be advantageous during high volatility in the financial markets or during periods of low investor demand. A negotiated sale is appropriate when market timing is important, the bond type and/or structural features are unusual, bond insurance is not available, or the par amount for the transaction is significantly larger than normal.

Pursuant to this policy the General Manager and/or Chief Financial Officer is hereby authorized to sign the bond purchase agreement on behalf of the District fixing the interest rates on bonds sold on a negotiated basis.

3. Private Placement. A private placement is a sale that is structured specifically for one purchaser such as a commercial bank. A direct purchase agreement or revolving credit facility is a form of private placement. Such placement shall be considered if this method is likely to result in a cost savings, more attractive terms and conditions to the District, or both relative to other methods of debt issuance.

#### **CONSULTANTS**

The District shall generally select its primary consultant(s) by a competitive qualifications-based process through Request for Proposals.

1. <u>Financial Advisor.</u> The District shall utilize a financial advisor to assist in its debt issuance and debt administration process. The financial advisor will advise the District on refunding opportunities for current outstanding debt and determine the most appropriate structure to ensure effective pricing that meets the District's near-term and long-term cash flow needs. The financial advisor will work with all parties involved in the financing transaction, including the District's bond counsel, trustee, underwriters, and credit liquidity providers, to develop and monitor the financing schedule and preparation of the Official Statement. The financial advisor may assist the District in developing and distributing bid specifications for desired services and assist the District in its review process. The District also expects that its financial advisor will provide objective advice and analysis, maintain confidentiality of the District's financial plans and be free from any conflict of interest.

Selection of the District's financial advisor(s) shall be based on, but not limited to, the following criteria: (a) experience in providing consulting services, (b) knowledge and experience in structuring and analyzing issues, (c) experience and reputation of assigned personnel, and (d) fees and expenses.

- 2. <u>Bond Counsel.</u> Transaction documentation for debt issues shall include a written opinion by legal counsel affirming that the District is authorized to issue the proposed debt, that the District has met all constitutional and statutory requirements necessary for issuance, and a determination of the proposed debt's federal income tax status. The approving opinion and other documents relating to the issuance of debt will be prepared by counsel experienced in public finance and tax issues.
- 3. <u>Disclosure Counsel.</u> When undertaking a bond sale, disclosure counsel may be retained to prepare the official statement if additional independence or expertise is needed. Disclosure counsel will be responsible for ensuring that the official statement complies with all applicable rules, regulations and guidelines. The official statement and other documents related to disclosure will be prepared by counsel experienced in public finance.

- 4. <u>Underwriter.</u> The District shall have the right to select a senior manager and co-managers for a proposed negotiated sale. The District may establish a pool of eligible underwriters or select firms on an as-needed basis. The criteria for selection as reflected in the Request for Proposals (RFP) or Request for Qualifications (RFQ) shall include but not be limited to i) the firm's ability and experience in managing similar transactions, ii) prior knowledge and experience with the District, iii) the firm's willingness to risk capital and demonstration of such risk, iv) the firm's ability to sell bonds, v) quality and experience of personnel assigned to the District's engagement, and vi) the financing plan presented.
  - a. <u>Underwriter's Discount</u>. The District will evaluate the proposed underwriter's discount against comparable issues in the market. If there are multiple underwriters in the transaction, the District will determine the allocation of fees with respect to any management fee. The determination will be based upon participation in the structuring phase of the transaction. All fees and allocation of the management fee will be determined or reasonably estimated and approved by the District prior to the sale date. The senior manager will submit an itemized list of expenses charged to members of the underwriting group. Any additional expenses must be substantiated.
  - b. <u>Evaluation of Financing Team Performance</u>. The District will evaluate each bond sale after its completion to assess the following: cost of issuance including underwriters' compensation, pricing of the bonds in terms of the overall interest cost and on a maturity-by-maturity basis, and the distribution of bonds and sales credits.
  - c. <u>Syndicate Policies</u>. For each negotiated transaction, the senior manager will prepare, and the District will approve, syndicate policies that will describe the designation policies governing the upcoming sale.
  - d. <u>Designation Policies</u>. To encourage the pre-marketing efforts of each member of the underwriting team, order for the District's bonds will be net designated, unless otherwise expressly stated. The District shall require the senior manager to:
    - i. Equitably allocate bonds to other managers and the selling group.
    - ii. Comply with MSRB regulations governing the priority of order and allocations.
    - iii. Within 10 working days after the sale date, submit to the Chief Financial Officer a detail of orders, allocations and other relevant information pertaining to the District's sale.
  - e. <u>Selling Groups</u>. The District may establish selling groups in certain transactions. To the extent that selling groups are used, the Chief Financial Officer at his or her discretion, may make appointments to selling groups from within the pool of underwriters or from outside the pool, as the transaction dictates.
- 5. <u>Underwriter Counsel.</u> In any negotiated sale of District debt in which legal counsel is required to represent the underwriter, the lead underwriter will make the appointment, subject to District approval.

6. Conflict of Interest Disclosure by Financing Team Members. All financing team members will be required to provide full and complete disclosure, relative to agreements with other financing team members and outside parties. The extent of disclosure may vary depending on the nature of the transaction. However, in general terms, no agreements will be permitted which could compromise the firm's ability to provide independent advice that is solely in the District's interests or which could reasonably be perceived as a conflict of interest.

#### **RATING AGENCIES**

The General Manager and the Chief Financial Officer will be responsible for maintaining the District's relationships with Moody's Investors Service, Standard & Poor's and Fitch. The District may, from time-to-time, choose to deal with only one or two of these agencies as circumstances dictate. In addition to general communication, the General Manager and the Chief Financial Officer may: (1) meet with credit analysts at least once each fiscal year, or (2) prior to each competitive or negotiated sale, offer conference calls with agency analysts in connection with the planned sale. The Chief Financial Officer in consultation with the District's financial advisor shall be responsible for determining whether a rating shall be requested on a particular financing, and which of the major rating agencies shall be asked to provide such a rating.

The Chief Financial Officer shall report to the Board of Directors feedback from rating agencies and/or investors regarding the District's financial strengths and weaknesses and recommendations for addressing any weaknesses.

#### **INTERNAL CONTROL PROCEDURES**

When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable policies regarding initial bond disclosure, disclosure, post-issuance compliance, and investment of bond proceeds.

The District will periodically review the requirements of and will remain in compliance with the following:

- Any continuing disclosure undertakings under SEC Rule 15c2-12,
- Any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and
- The District's investment policies as they relate to the investment of bond proceeds.

To ensure that bond proceeds are spent for their intended purposes, the Finance Department shall be responsible for undertaking a review of expenditures for each bond issue to determine that bond proceeds were in fact spent in the manner detailed in the bond documents on the date of issuance. If bond proceeds were spent in a manner different than as set forth on the date of issuance (for example, because of substitution projects or change in scope of expected projects), the Chief Financial Officer, with the assistance of the District's bond counsel, if necessary, will review the new expenditures to verify that expenditure of the bond proceeds is otherwise permitted to be financed. All projects being funded with bond proceeds shall be designated as such and included in the District's annual Capital Improvement Plan as approved or amended by the Board. The Finance Department shall maintain books and records of information showing how bond proceeds are spent, including the following:

- Requisitions to the bond trustee from the project fund
- Bond trustee records relating to other funds and accounts
- Verifiable information showing payments to third parties
- An accounting of all bond proceeds spent by approved capital project

#### **INVESTMENT OF BOND PROCEEDS**

Whenever reasonably possible, proceeds of debt will be held by a third-party trustee and the District will submit written requisitions for such proceeds. The District will submit a requisition only after obtaining the signature of the General Manager or Chief Financial Officer of the District. In those cases where it is not reasonably possible for the proceeds of debt to be held by a third-party trustee, the Chief Financial Officer of the District shall retain records of all expenditures of proceeds through the final payment date for the debt.

Proceeds from refunds will be held at the escrow agent and spent in accordance with the associated defeasance schedule outlined in the escrow agreement. The District will not have access to these funds.

When bonds are issued, proceeds are deposited in various accounts, such as a construction fund, debt service fund and debt service reserve fund. Monies deposited in these funds are invested until needed. The investment strategy for each fund depends on federal/state statutes and regulations governing the types of instruments permitted to be used, the yield goals for the fund, requirements from rating agencies or credit enhancement providers, and the anticipated drawdown of bond proceeds.

The primary objectives for the investment activities of these funds will mirror that of the District's Investment Policy, in order of priority, of safety, liquidity and yield. The investment of bond proceeds will be made in a manner that ensures legal and regulatory requirements are met, fair market value bids and offers are received and objectives for the uses of proceeds are attained. An evaluation will be conducted of investment alternatives including individual securities or a portfolio of securities, investment agreements and mutual or pooled investment funds.

Investments will be permitted for bond proceeds as defined in the bond indenture document which will list an array of allowable options such as nonmarketable U.S. Treasury securities sold to state and local governments (SLGS), the Local Agency Investment Fund (LAIF) and various other investment alternatives as allowed in the California Government Code with the goal of earning the maximum arbitrage yield.

The District will fully comply with federal arbitrage and rebate regulations. Existing regulations require that issuers calculate annual rebates, if any, related to each bond issue, with rebate, if due, paid every five years. Therefore, the Chief Financial Officer shall ensure that proceeds and investments are tracked in a manner which facilitates accurate calculation, that calculations are completed, and rebates, if any, are made in a timely manner.

#### **DISCLOSURE & RECORDS RETENTION**

 Review and Approval of Official Statements. The Chief Financial Officer shall review any Official Statement prepared in connection with any debt issuance by the District in order to ensure there are no misstatements or omissions of material information in any sections that contain description of information prepared by the District. The District may consult with third parties, including outside professionals assisting the District, to the extent that the Chief Financial Officer concludes they should be consulted so that the Official Statement will include all material information (as defined for purposes of federal securities law).

- 2. Board approval of all Official Statements is required. The Board shall undertake such review as deemed necessary by the Board, following consultation with the Chief Financial Officer, to fulfill the Board's responsibilities under applicable federal and state securities laws. In this regard, the Chief Financial Officer shall consult with the District's disclosure counsel to the extent the Chief Financial Officer considers appropriate.
- 3. Continuing Disclosure. It is the District's policy to remain in compliance with SEC Rule 15c2-12, Municipal Securities Disclosure, by filing our annual financial statements and other financial information for the benefit of our bondholders no later than the last day of the seventh month following the close of the fiscal year and file material event notices in a timely manner. The Chief Financial Officer shall be responsible for providing ongoing disclosure information to the Municipal Securities Rulemaking Board's (MSRB's) Electronic Municipal Market Access (EMMA) system, the central depository designated by the Securities and Exchange Commission for ongoing disclosure by municipal issuers.
- 4. Records Retention. The District will maintain all debt-related records according to the District's Records Management Retention and Destruction Policy and the repository will include all official statements, bid documents, ordinances, indentures, trustee reports, etc. for all District debt. To the extent that official transcripts incorporate these documents, possession of a transcript will suffice (transcripts may be hard copy or stored electronically). The District will collect all available documentation for outstanding debt and will maintain a standard procedure for archiving transcripts for any new debt. The District has established internal controls to ensure compliance with the Debt Policy, all debt covenants and any applicable requirements of state and federal law.

#### **COMPLIANCE WITH OTHER BOND COVENANTS**

In addition to financial disclosure and arbitrage, the District is also responsible for verifying compliance with all undertakings, covenants, and agreements of each bond issuance on an ongoing basis. This typically includes ensuring:

- Annual appropriation of revenues to meet debt service payments
- Taxes/fees are levied and collected where applicable
- Timely transfer of debt service payments to the trustee
- Compliance with insurance requirements
- Compliance with rate covenants

The District shall comply with all covenants and conditions contained in governing law and any legal documents entered into at the time of the bond offering. The Chief Financial Officer will coordinate verification and monitoring of covenant compliance.

#### ETHICS AND CONFLICTS OF INTEREST

Employees and Board Members of the District involved in the debt management program will not engage in any personal business activities that could conflict with proper and lawful execution of securing capital financing.

#### **GLOSSARY**

**Arbitrage.** The difference between the interest paid on the tax-exempt securities and the interest earned by investing the security proceeds in higher-yielding taxable securities. IRS regulations govern arbitrage on the proceeds from issuance of municipal securities.

**Balloon Maturity.** A later maturity within an issue of bonds which contains a disproportionately large percentage of the principal amount of the original issue.

**Bond Anticipation Notes (BANs).** Notes issued by the government unit, usually for capital projects, which are paid from the proceeds of the issuance of long-term bonds.

**Bullet Maturity.** A maturity for which there are no sinking fund payments prior to the stated maturity date.

**Call Provisions.** The terms of the bond contract giving the issuer the right to redeem all or a portion of an outstanding issue of bonds prior to their stated dates of maturity at a specific price, usually at or above par.

**Capitalized Interest.** A portion of the proceeds of an issue which is set aside to pay interest on the securities for a specific period of time. Interest is commonly capitalized for the construction period of the project.

**Certificates of Participation (COP).** A bond from an issue, which is secured by lease payments made by the party leasing the facilities, financed by the issue. Typically certificates of participation ("COPs") are used to finance construction of facilities (i.e., schools or office buildings) used by a state or municipality, which leases the facilities from a financing authority. Often the leasing municipality is legally obligated to appropriate moneys from its general tax revenues to make lease payments.

**Commercial Paper.** Very short-term, unsecured promissory notes issued in either registered or bearer form, and usually backed by a line of credit with a bank.

**Competitive Sale.** A sale of securities by an issuer in which underwriters or syndicate of underwriters submit sealed bids to purchase the securities in contrast to a negotiated sale.

**Continuing Disclosure.** The principle that accurate and complete information material to the transaction which potential investors would be likely to consider material in making investment decisions with respect to the securities be made available on an ongoing basis.

**Credit Enhancement.** Credit support purchased by the issuer to raise the credit rating of the issue. The most common credit enhancements consist of bond insurance, direct or standby letters of credit, and lines of credit.

**Debt Service Reserve Fund.** The fund in which moneys are placed which may be used to pay debt service if pledged revenues are insufficient to satisfy the debt service requirements.

**Deep Discount Bonds.** Bonds which are priced for sale at a substantial discount from their face or par value.

**Derivatives.** A financial product whose value is derived from some underlying asset value.

**Designation Policies.** Outline of how an investor's order is filled when a maturity is oversubscribed when there is an underwriting syndicate. The senior managing underwriter and issuer decide how the bonds will be allocated among the syndicate. There are three primary classifications of orders, which form the designation policy.

The highest priority is given to Group Net orders; the next priority is given to Net Designated orders and Member orders are given the lowest priority.

**Escrow.** A fund established to hold moneys pledged and to be used to pay debt service on an outstanding issue.

**Expenses.** Compensates senior managers for out-of-pocket expenses including: underwriters' counsel, DTC charges, travel, syndicate expenses, dealer fees, overtime expenses, communication expenses, computer time and postage.

**Lease-Purchase.** A financing lease which may be sold publicly to finance capital equipment, real property acquisition or construction. The lease may be resold as certificates of participation or lease revenue bonds.

**Letters of Credit.** A bank credit facility wherein the bank agrees to lend a specified amount of funds for a limited term.

**Management Fee.** The fixed percentage of the gross spread which is paid to the managing underwriter for the structuring phase of a transaction.

*Members.* Underwriters in a syndicate other than the senior underwriter.

**Negotiated Sale.** A method of sale in which the issuer chooses one underwriter to negotiate terms pursuant to which such underwriter will purchase and market the bonds.

*Original Issue Discount.* The amount by which the original par amount of an issue exceeds its public offering price at the time it is originally offered to an investor.

**Overlapping Debt.** That portion of the debt of other governmental units for which residents of a particular municipality are responsible.

**Present Value.** The current value of a future cash flow.

**Private Placement.** The original placement of an issue with one or more investors as opposed to being publicly offered or sold.

**Rebate.** A requirement imposed by Tax Reform Act of 1986 whereby the issuer of the bonds must pay the IRS an amount equal to its profit earned from investment of bond proceeds at a yield above the bond yield calculated pursuant to the IRS code together with all income earned on the accumulated profit pending payment.

**Selling Groups.** The group of securities dealers who participate in an offering not as underwriters but rather who receive securities less the selling concession from the managing underwriter for distribution at the public offering price.

**Special Assessments.** Fees imposed against properties, which have received a special benefit by the construction of public improvements such as water, sewer and irrigation.

**Syndicate Policies.** The contractual obligations placed on the underwriting group relating to distribution, price limitations and market transactions.

**Tax Increment.** A portion of property tax revenue received by an agency, which is attributable to the increase in assessed valuation since adoption of the project area plan.

**Underwriter.** A dealer that purchases new issues of municipal securities from the Issuer and resells them to investors.

**Underwriter's Discount.** The difference between the price at which bonds are bought by the Underwriter from the Issuer and the price at which they are reoffered to investors.

**Variable Rate Debt.** An interest rate on a security, which changes at intervals according to an index or a formula or other standard of measurement, as stated in the bond contract.

# **DISPOSITION OF SURPLUS ASSETS POLICY**

Effective July 1, 2022

#### **PURPOSE**

The purpose of this policy is to provide guidelines for the efficient and cost-effective disposal of United Water Conservation District (District) surplus property in a manner consistent with the best interest of the District.

#### SCOPE

This policy applies to all District personal property that has been deemed surplus, meaning that it has no value or useful purpose to District operations. This policy does not apply to real property.

#### **DEFINITIONS**

Within the context of this policy, the following definitions apply:

- Personal Property An asset held in the name of the District, including but not limited to equipment, furniture, vehicles, disposables, consumables and other movable assets.
- Disposal The sale, trade, donation, destruction, scrap, recycle or waste disposal.
- Surplus Property Regardless of cause, property that no longer has a value or useful purpose for District operations. Property may be declared surplus if the cost to maintain it and/or repair it to a safe and operable condition is deemed not to be cost effective by the General Manager.
- Trade-In A credit or deduction received for property that is being replaced.
- Real Property Real estate, building, or other property.

#### **DETERMINATION OF SURPLUS PROPERTY**

- 1. The appropriate department manager will declare an item as surplus and will recommend an appropriate method of disposal consistent with the provisions of this policy.
- 2. The appropriate department manager will notify the Finance Division of the identification of surplus property no less than annually and provide detailed information.

## **REUTILIZATION (TRANSFER) OF SURPLUS GOODS**

 If surplus property from a department does not pose a health or safety risk and is economical to maintain, it may be transferred for use by another District department. The department manager releasing the surplus property must notify the Finance Division and provide information about the property prior to the transfer. The Finance Division will record the transfer of property to the new department and associated fund(s). 2. Careful consideration should be given to the transfer of surplus vehicles. If the surplus vehicle is unsafe or not economical to maintain in a safe condition, it should not be transferred but disposed of in a more appropriate manner as provided by this policy. Transfers of a surplus vehicle to another department must be approved by the General Manager in advance.

#### **DISPOSAL OF SURPLUS**

- A. If surplus property has some economic value, it may be disposed of using one of the following methods:
  - 1. Trade-In If the item is being replaced and it is determined to have reasonable -trade-in value and it is in the best interest of the District to trade-in the property to receive credit or price deduction against the purchase price of replacement item, then the surplus property should be disposed as a trade-in. This is most often applicable for vehicles.
  - 2. Public Sale (Auction) District surplus property may be disposed of through a public auction. The auction will be conducted through an online auction service. The auction process will include announcement in a local daily newspaper and on the District's website and social media. Upon receipt of payment from the bidder (buyer), the Finance Division will transfer title of the item, if appropriate, and/or sign a letter of sale. All surplus property will be sold "as is" and the buyer will be required to release the District from all liability.
  - 3. If the greater economic value of surplus property is in its parts, the property can be disassembled and sold for scrap or to a recycler.
  - 4. In the event that the District is disposing of surplus property that has value only for a very specific purpose or user, the General Manager is authorized to approve a sales arrangement that does not involve a public solicitation process.
- B. Surplus property that has no economic value may be disposed of using one of the following methods:
  - 1. Surplus property that cannot be sold or donated can be given to a scrap service or recycler for no payment to the District by the vendor or at cost to the District if this is the most economically effective disposal method.
  - Surplus property that has been determined to have no cash or scrap value can be disposed of as trash following proper and legal solid waste disposal practices. Hazardous substances should be disposed of using appropriate hazardous waste disposal methods.

#### C. Other

1. The General Manager may approve the donation of surplus property to a charitable or non-profit organization if doing so is the most cost-effective method of disposal. This is often applicable to computer equipment.

## **BOARD AUTHORIZATION**

The Board will review this policy annually with all other policies. By approval of this policy, the Board authorizes staff to dispose of surplus assets in accordance with this policy.

# **INTERNAL CONTROLS**

The Finance Division will maintain a listing of District surplus assets and all capital assets at original cost.

# DISPUTED OR REVISED GROUNDWATER PUMPING REPORTS

Effective July 1, 2022

## Policy:

## A. Presumption of Correctness

All statements of water production submitted to the District pursuant to Water Code section 75611 are presumed correct, unless the District has probable cause to believe that production is in excess of that disclosed. In which case, the District will follow the procedures set forth in Water Code section 75619, et seg.

## B. Request to Revise Water Production Statement within Six Months of Filing

As set forth in Water Code section 75618, upon good cause shown, an amended statement of water production may be filed or a correction of records may be made at any time prior to the final date for filing the next semiannual water production statement under Water Code section 75611.

## C. Request to Revise Statement after Six Months of Filing

Under no circumstances will the District consider a request to revise a water production statement that is more than five years old at the time of the request. The District expects that requests for revisions to a water production statement that is made more than six months after filing will be infrequent. The District, in its sole discretion, may grant such a request subject to the following conditions.

The request must be made by the operator of the subject water–producing facility. No request will be considered if made by an operator delinquent in the payment of ground water charges to the District.

The operator requesting the revision bears the burden of providing sufficient evidence of past misreported extraction volumes and/or amounts sufficient to warrant a change in reporting in the sole discretion of the District. The District is not obligated to provide any information other than the original groundwater extraction reports and confirmation of amounts paid to the District.

Requests for reporting revisions will be considered only for periods in which the well in question was under its current ownership. A well owner cannot request a reporting change for a period that pre-dates their acquisition of the well.

In the case of revisions of extraction reports that result in a refund owed the operator, the refund will be paid within 30 days of the mailing of the notice of determination approving the revision request. In the case that the revision results in additional charges owed the District, a notice of determination and an invoice will be issued to the pumper that will include a 10% late penalty and 1% monthly interest on the amount owed calculated from the date of the original statement. That invoice will be due and payable in 30 days following issuance of the invoice, after which point, a 10% late penalty will be assessed and 1% monthly interest will begin to accrue.

#### Procedure:

- I. The operator of a water-producing facility seeking to revise a past water production statement will initiate the process with a request in writing submitted to the District office. The request must include the following to be considered:
  - 1. Revision request form (District template)
  - 2. Original groundwater reports submitted for period(s) in question
  - 3. Any legitimate documentation supporting claim for revised extraction such as:
    - a. Photographs of meter
    - b. Electric bills
    - c. Crop reports
    - d. Written explanation of reasons for revision
    - e. Authorization permitting District staff to inspect the subject water producing facility and property.
- II. a) If the reporting period in question ended less than 12 months from the date of the request AND the total value of the adjustment in extraction fees would be less than \$5,000, District Finance will make a recommendation to the District General Manager, who will approve or deny within 30 days of the receipt of the request. Written notice of the determination shall be mailed to the operator of the water-producing facility at the address as shown by the District's records.

In the event the request is approved, District Finance will issue an invoice or a refund check, as appropriate, within 30 days of the decision. Any invoices issued will be payable within 30 days of the mailing of the invoice, after which period, a 10% penalty will be assessed, and 1% monthly interest will accrue.

A determination made by the District shall be conclusive on all persons having an interest in the water-producing facility involved, and the ground water charges, and the interest and penalties thereon, shall be paid forthwith, unless any such person files with the District's Board of Directors, within 10 days after the mailing of the notice of the determination, a written protest setting forth the ground or grounds for protesting.

Upon the filing of a written protest, the Board shall hold a hearing at which time the determination by the District General Manager will be reviewed. The determination shall be upheld and deemed conclusive if based upon substantial evidence.

At least 10 days before the date fixed for the hearing, a notice of the hearing shall be mailed to the protestant at the address shown on the District's records at least 10 days before the date fixed for the hearing.

Notice of the determination of the Board at the hearing shall be mailed to each protestant at the address shown on the District's records.

III. If the reporting period in question ended more than 12 months prior to the date of the request, OR if the value of adjustment in extraction fees would be greater than \$5,000, the initial and final determination must be made by the Board. In this case, District Finance will review the request within 30 days of receipt. The Board will then take the request into consideration at the earliest regularly scheduled Board meeting for which time is available on the Board agenda, but no later than 90 days after receipt.

# **EMPLOYEE RECOGNITION POLICY**

Effective July 1, 2022

#### **POLICY STATEMENT**

The effectiveness of any organization rests largely with the productivity and efficiency of its employees. Furthermore, a correlation exists between a high level of employee morale and a highly productive workforce. In recognition of these factors and acknowledging employees as our greatest asset, the District policy establishes recognition programs, activities and events that work to bolster morale, teamwork and productivity in the workplace. The purpose of this policy is to provide a formalized structure within which such programs, activities and events will be administered.

#### **PROGRAM GUIDELINES**

All District recognition programs shall be administered by the Administrative Services Department and shall extend to all employees. Programs shall include recognition awards, employee gatherings, educational and enrichment forums, and celebrations. Examples of which, are described as follows:

- All Hands Meetings recognition activity and information sharing for all employees in attendance:
- Lunch & Learns optional topical enrichment and education programs for employees over the lunch hour;
- Years of Service Awards pins, framed certificates, mounted awards and gift cards for employees achieving milestones with the District:

5 Years of Service: Award not to exceed \$25.00
10 Years of Service: Award not to exceed \$50.00
15 Years of Service: Award not to exceed \$75.00
20 Years of Service: Award not to exceed \$100.00
25 Years of Service: Award not to exceed \$125.00
30 Years and Beyond: Award not to exceed \$150.00

- Employee Appreciation or Recognition Events lunches or similar activities aimed at recognizing and celebrating District accomplishments; and
- Recognized Holiday celebrations, events, competitions and rewards.

The Board of Directors empowers and authorizes the General Manager and his/her designee to establish, implement and fund future recognition programs and activities, subject to the following criteria:

- That programs must recognize and appreciate staff and support the goal of attracting and retaining employees;
- That programs must be available to all employees equally; and
- That the total funds budgeted for all such programs shall be approved by the Board of Directors as part of the budget adoption process.

## **Existing Program Implementation**

**Employee Retirement Recognition** 

Regular competitive service (full and part time) and management employees with five or more years (60 plus months) of full-time service will receive a retirement recognition gift. For this full-time calculation, unpaid leave of absence time will not be included and regular part-time hours will be converted to equivalent full-time years with the District. There is no cash value for this retirement benefit if the employee elects to not receive a retirement gift. The dollar limits for the gift will be based on completed full-time equivalent service time with the District. Employees retiring upon completing five years of service will be entitled to a gift with a value of \$200.00. For each full year of service thereafter, the value of the retirement gift will increase \$25.00 with a final not-to-exceed amount of \$600.00.

The employee retirement program applies to employees who are retiring from the California Public Employee Retirement System (CalPERS).

Recognition of Elected Officer Service Program

Elected officials, having served eight consecutive years or more in office, will receive a recognition gift not to exceed \$200.00 when they leave office. There is no cash value for this gift if the elected official elects to not receive a gift.

# **ENGINEERING PROJECTS ADMINISTRATION POLICY**

Effective July 1, 2022

#### **POLICY GOALS**

To the extent possible:

- A. Obtain the long-term best value for the public's resources.
- B. Adhere to an objective decision-making process utilizing documented procedures.
- C. Provide fair competition for District work.

#### **DESIGN**

A. In designing improvements, attempt to achieve the following objectives:

The features designed should:

- 1) Be safe to construct and operate;
- 2) Achieve the highest economy;
- 3) Provide maximum operational simplicity and flexibility;
- 4) Utilize redundancy where appropriate;
- 5) Utilize industry standards where appropriate; and
- 6) Incorporate those components for which service and parts may be expected to remain readily available in the future.
- B. Design responsibility rests with engineering staff. Design shall be performed in-house to the fullest extent possible. Outside consultants are to be utilized when the schedule, scale or scope of a project exceeds the available in-house capabilities. The use of outside consultants is encouraged for design or peer-review of specialty components of a particular project, such as electrical, geotechnical, or complex structural, mechanical and hydraulic items.
- C. Engineering Drawings should be plotted on either "11x17" or "22x34" sheets. Final Record Drawings are logged in the drawing log and filed in the central drawing files. Backup documentation including calculations, specs, permits, survey data, approved submittals, etc., is organized and placed in appropriately labeled folders and filed in the project drawers in the Engineering Department. One copy of the specifications should also be filed sequentially on the spec shelf.

#### **CONSULTANT SELECTION**

## A. On-Call Services

An on-call services agreement may be used for projects that are

- Under \$100.000 AND
- Less than 6 months in duration AND
- Time critical

The Engineering department accepts proposals from firms to be included in the District's list of on-call services firms every 5 years. The proposals are evaluated based on the basis of demonstrated competence and on the professional qualifications necessary for the satisfactory

performance of the services required. Upon inclusion in the list, the District signs a contract with the firm which specifies rates and other terms of engagement. At the time on-call services are to be utilized, District staff selects a firm from this list and initiates a work order for the needed work. The department must document the reason that on-call services are needed. A firm may be used more than once per fiscal year for on-call services, but the total amount of work ordered under on-call services must be limited to \$250,000 cumulative per firm per fiscal year.

#### B. Qualification Based Selections

Qualification Based Selections will be used for projects that are

- Over \$100,000 OR
- Greater than 6 months in duration OR
- Construction management projects

For larger one-time capital projects (with Engineering Fees expected to be greater than \$100,000), specialized studies and similar matters, consultants should be through a process known as Qualification Based Selection (QBS).

The QBS process is accomplished through the following steps:

- 1. Write a detailed "Request for Proposals" and transmit to a list of appropriate firms. The proposal's fee schedule may be requested, but if a project estimate is desired, require that it be included only in a separate sealed envelope.
- 2. Select a review panel of no fewer than two and no more than four. If outside individuals are to participate on a panel, they should have no financial interest in the outcome and if privately employed they should be willing to sign a non-collusion affidavit.
- Create a table in which specific responses are to be graded with appropriate weighting factors. DO NOT SHARE THE FINAL TABLE WITH ANYONE OUTSIDE THE REVIEW PANEL.
- 4. Each panel member rates each proposal's merits on the rating table. The weighting factors are multiplied and the products summed to yield ranking values, which are then compared.
- 5. If deemed necessary by the review panel, the top 2 to 4 firms are interviewed by the review panel.
- 6. A second table is used for rating and ranking the interview responses.
- 7. If requested, the pricing envelope for the interviewed firm(s) may be opened and reviewed.
- 8. Begin negotiation for a professional services agreement with the highest ranked firm. If agreement is not reached, begin negotiations with second highest ranked firm and so on.

## PROFESSIONAL SERVICES AGREEMENT

A standardized agreement is utilized. There are three templates: one for time and materials, one for a fixed amount, and a third for on-call services. The standard agreements were created in-house and reviewed and approved by the District's Legal Counsel and should not be

modified without additional legal review of the proposed change(s). This standard is used for all professional services, not just for design engineering. The use of a consistent format for administrating services greatly simplifies the administration of multiple contracts. It is recommended that staff copy the template into their project folders and begin modifications there to avoid writing over the template.

Each specific agreement requires modification to the firm's name, address and type of business, the District's contact person, the not-to-exceed cap as well as to the four attached exhibits. These exhibits detail the scope of services (Exhibit A), the fee schedule(s) to be used (Exhibit B), the time of delivery schedule(s) (Exhibit C), and insurance requirements (Exhibit D).

Legal Counsel has confirmed that the language in the templates conforms to California law. Changes to the templates may be approved by the General Manager and, when necessary, reviewed by legal counsel.

Administration of professional service agreements includes checking that each billing shows the actual hours worked by each class of consultant as well as division of incidental costs in compliance with Exhibit B. United's project administrator should also track overall time and costs relative to the schedule provided in Exhibit C.

Consultants who have exceeded the not-to-exceed amount in the contract must inform the project administrator and submit written requests for extra compensation. Clear justification for the expense should be included. The District has full discretion to approve/disapprove such requests. Approval authority will be determined by the total contract value including amendments.

#### **EQUIPMENT SUPPLY CONTRACTS**

When purchasing major equipment, proposals rather than bids are solicited from potential suppliers. The proposals are then ranked according to predetermined criteria. Typical ranking criteria include cost, operability, durability, efficiency, schedule of delivery, ease of installation, availability of parts and location of fabrication / assembly.

The District has a form for Request for Quotations for the purchase of equipment over \$40,000. This form will be used to the extent possible.

#### CONSTRUCTION CONTRACTS

The District's standard construction contract shall be used for jobs exceeding \$100,000.

#### **GRANT COMPLIANCE**

Grant-required language will be incorporated in bid documents, professional services agreements, equipment supply contracts and construction contracts as needed. District contracts will provide language required to be in all subcontracts and disclosure of any audit requirement.

#### **PREVAILING WAGES**

State Law requires that contractors pay their workers "prevailing wages" when a project is a "public work". The meaning of "public works" is defined in the California Labor Code Section 1720-1743. Therefore, the district will affirmatively state in all "public works" contracts over \$1,000 that contractors are required to pay their workers "prevailing wages".

#### CONSTRUCTION ADMINISTRATION

- A. The District goals in Construction Management (CM) are as follows:
  - 1. Complete a safe, accident-free project.
  - 2. Acquire the quality required by the design.
  - 3. Eliminate cost increases.
  - 4. Complete work in a timely manner.
- B. The sequence of construction project administration should be as follows:
  - 1. Bidding (Public Bidding is recommended for Projects not involving critical infrastructure (security information) and estimated over \$100,000).
    - a. Advertise: Draft Notice for publication in the Ventura County Star & give to Clerk of the UWCD Board.
    - b. Bid Package Distribution: Each plan set is numbered and accounted for. Determine a fair price for each set. Finance Division sells the packages and tracks the plan holders.
    - c. Addenda Issuance: Make sure each set of plans receives an addendum. Fax addenda are acceptable. Follow up faxed copies with a telephone call. The bidders are to acknowledge any addenda in their bid.
    - d. Public Bid Opening: The preferred schedule is 2:00 PM on Tue., Wed., or Thur. Bids may be submitted electronically or at the District headquarters. The front desk will accept sealed bids until the scheduled time. The sealed bids are taken together to the meeting area.
      - i. Engineer's Estimate: Provide this information prior to opening bids. If the lowest bids are more than 15% above or below estimate, ascertain the reasons for the discrepancy and include in the staff recommendation for the Board's decision.
      - ii. Bid reading: Open each envelope, scan for completeness, state and log the bidder's names and the appropriate bid amount(s).
      - iii. Bid Bonds: Must be attached. Declare the presence of the bond during the opening.
      - iv. Bid Information / Subcontractor listing: This can be verbally shared with the other bidders after opening all bids. Copies of bid documents are provided should they be requested in writing.
      - v. Apparent Low Bid: Always refer to the bidder with the lowest dollar amount by this term. There may be inconsistencies with the bid package that are not apparent until a detailed review is performed.
      - vi. Waiver of Irregularities: This is complicated and can have specific timing and wording requirements. Refer to <u>Acret Calif. Construction Law Manual</u> and discuss with Legal Counsel.

Projects involving critical infrastructure (especially certain features of Santa Felicia Dam) should also include a modified section 1) Notice which references an additional document named, "Confidential and Proprietary Information Protection Agreement." A template is available for this purpose. This agreement is to be signed by any prospective bidder prior to receiving bid documents containing information of a secure nature. In order to limit the number of copies of secure bid documents, staff may limit the number of bidders on critical infrastructure projects to invited firms.

- Award / Rejection: Prepare a staff report recommending the Board to authorize the General Manager to execute the construction contract for the amounts specified, or reject all bids and direct staff to reconsider project specifics.
- 3. Contract Execution: Receive, review and check dollar amounts and Best ratings of all insurance and bond documents. These shall include Payment Bond, Performance Bond, Liability Insurance and Worker's Compensation Insurance as specified in the bid documents. Have the contractor sign the agreement documents and submit for the execution by the General Manager's signature.

#### 4. Contract Administration

- a. Pre-construction Meeting: Create an agenda to include schedule, testing, etc. Take and publish minutes for all parties.
- b. Notice to Proceed: This document must be issued prior to mobilization onto District right of way. The notice's date starts the time clock for the construction period.
- c. Preliminary Notices: Subcontractors will submit these to maintain their lien rights for work performed on the property. Legally, contractors cannot lien public property, however subs can file claim against the District and are entitled to fair payment. Accordingly, all preliminary notices should be logged in for later use. (see "release of retention" below)
- d. Construction Observation: The Department representative assures that a daily construction progress log is kept that includes activities, key conversations and the weather conditions. Inspections should be scheduled promptly. It is often best to spend extra observation / testing effort at the start of any specific activity. The Contractor's work force then understands what quality is acceptable.
- e. Pay Requests: On a monthly basis the Department representative should estimate the degree of completion (or units) that is expected to be complete by the 1st of the next month. The bill is then submitted to the Finance Division for each pay cycle. The Department will assure that each bill accurately depicts the status of the construction under contract, showing all change orders, liquidated damages, retainages, etc. The District will retain 5% of the construction cost for each invoice until the project is completed.
- f. Submittals: These should be reviewed and returned promptly. Log and track submittals on an appropriate form. Always have the appropriate O&M staff member review the specific items of mechanical or electrical equipment that will be operated or periodically maintained by O&M staff.

- g. Record Drawings / O&M Manual: The Contractor is to keep an active set of drawings with as-built changes marked thereon. These and three sets of binders containing all approved submittals should be provided during startup and prior to issuing the Notice of Completion.
- h. The General Manager is authorized to approve change orders in accordance with the District's Procurement Policy.
- h. Notice of Completion: Department representative shall complete our standard form and file a copy with the County Recorder's Office. The date of recordation starts a 35 -calendar-day period for release of retention. It also starts a 1-year period in which the performance bond remains in effect to secure the contractor's warranties.
- i. Release of Retention: The contractor shall be required to submit Unconditional Waivers from each subcontractor that filed a preliminary notice. If there are any missing or if conditional waivers are submitted, contact the subs, ascertain the amount owed and request written authorization to release retention from the Payment Bond Surety.

# **ENVIRONMENTAL ACTIVITY COST ALLOCATION POLICY**

Effective July 1, 2022

#### **PURPOSE**

The purpose of this policy is to provide direction on how activities associated with the District's efforts to comply with environmental regulatory requirements, including but not limited to, prescriptions under the federal and state Endangered Species Acts (ESA), California Environmental Quality Act (CEQA), National Environmental Policy Act (NEPA), the Clean Water Act (CWA), and California Fish and Game Codes (environmental compliance activities) are funded. This policy will be used by staff to charge direct and indirect costs related to environmental compliance activities.

#### SCOPE

This policy applies to direct and indirect costs associated with the District's environmental compliance activities. The policy may be revised in the future in response to changes in law or assertion of environmental regulatory requirements.

### **BACKGROUND**

The District must ensure that its activities are in compliance with all applicable federal, state, and local environmental laws and regulations. Non-compliance with environmental laws and regulations can impact the District's ability to carry out its water resource management mission. Currently, the majority of costs incurred by the environmental program is centered on compliance with the federal ESA. In 1997, the southern California steelhead was listed as endangered under the ESA. This resulted in the District needing to ensure that its current and future activities, including the operations of the Santa Felicia Project and the Freeman Diversion, comply with the ESA. To do this, the District is faced with, among other things, making operational changes at both facilities, developing and implementing numerous studies, and modifying the facilities. In addition to southern California steelhead, the District's activities have the potential to affect other sensitive species and their habitats that are protected under various federal, state, and local laws and regulations. Compliance with the ESA and other environmental regulatory requirements has and will continue to have fiscal impacts for the District.

General/Water Conservation Activities Fund — The Water Conservation Activities Fund covers expenditures directly related to the District's statutory responsibilities and authorities including, but not limited to, activities, facilities and operations that benefit, or are performed on behalf of, all customers within the District's entire service area. The Water Conservation groundwater extraction charges, water delivery charges and investment earnings are the major funding sources for the Water Conservation Activities Fund and are used primarily to pay for water conservation activities including but not limited to various stormwater runoff capture, storage, conveyance and groundwater recharge facilities, operations and maintenance activities, groundwater management services, engineering services, capital improvement projects, and debt service. The Water Conservation Fund groundwater extraction charge and the District-wide in lieu of replenishment (water delivery) charges are collected from customers within the District's Zone A, which encompasses the entire District.

<u>Freeman Fund</u> – The Freeman Fund was established to design and construct the Freeman Diversion facility to divert and more efficiently manage surface water from the Santa Clara River. The fund is now used for the cost of operating and maintaining the Freeman Diversion, including fish passage facilities and associated capital improvements. Freeman Fund facilities charges are collected from customers within the District's Zone B. Zone B encompasses the areas that benefit from the Freeman Diversion: those lands within the Oxnard Basin, the

Pleasant Valley Basin and the West Las Posas Basin within the boundaries of the District. In addition to paying Zone B facilities charges, customers in Zone B also pay the Zone A groundwater extraction charge and District-wide in lieu of replenishment (water delivery) charge.

## **POLICY**

The following is a set of guidelines to be used in determining which environmental activities should be charged to the Water Conservation Activities Fund – Zone A, which should be charged to the Freeman Fund – Zone B, or which, if any, should be shared between the two funds.

The Water Conservation Activities Fund – Zone A: Environmental compliance activities are to be charged 100% to the Water Conservation Activities Fund when they have a District-wide benefit. For example, the Santa Felicia Project benefits the entire District. The District's efforts to comply with the ESA and other environmental regulatory requirements for the project are necessary to ensure that the District is able to continue its operations at the facility to deliver water downstream for water conservation purposes. Therefore, all expenses associated with Santa Felicia Dam environmental compliance are charged to the Water Conservation Activities Fund, including legal costs. All other environmental compliance activities with similar District-wide benefits are to be charged entirely to the Water Conservation Activities Fund, including, but not limited to activities involving the Piru Groundwater Recharge facility, and Saticoy Groundwater Recharge facility (Saticoy, Noble, Rose, and Ferro basins). In addition, all environmental compliance activities associated with undertaking physical improvements and modification to facilities covered here are also charged 100% to the Water Conservation Activities Fund under the specific Capital Improvement Project.

Environmental program administrative activities such as, but not limited to, travel, training, office supplies and equipment, office lease, utilities, Board of Directors activities, fuel and vehicles and related costs are to be charged entirely to the Water Conservation Activities Fund.

<u>Freeman Fund – Zone B:</u> Activities that are primarily associated with the Freeman Diversion facility are to be charged to the Freeman Fund. The primary environmental activities that fall into this category are those associated with the actual physical operation and maintenance of the Freeman Diversion. Currently, most of these activities are focused on efforts to minimize effects of the facility on migration and passage of steelhead. Specific activities include monitoring bypass flows, operating the fish ladder and associated monitoring equipment, and ensuring that the fisheries related components of the facility are maintained in operational condition. The activities being undertaken for the HCP include design and implementation of a new fish passage facility. These and any future environmental compliance activities associated with the physical operations and maintenance, and physical improvements and modification to the Freeman Diversion, which are also charged 100% to the Freeman Fund under the specific Capital Improvement Project.

Legal fees and any other costs related to the *Wishtoyo Foundation*, et. al v. United Water Conservation District will be charged 75% to the Water Conservation Activities Fund and 25% to the Freeman Fund. This allocation reflects changes in the nature of the claim from FY 2019-20 onward; therefore, this allocation is retroactive to FY 2019-20.

## **POLICY REVIEW**

Over time, environmental activities will change, as will the District's operations resulting from the implementation of various federal, state, and local environmental laws and regulations. The cost allocation of certain activities may change as well. As a result, from time to time,

this policy will be reviewed by the General Manager to ensure that costs associated with environmental compliance activities are charged to the appropriate fund based on proportional benefit. While exact proportional benefit is difficult to establish, reasonable efforts will be made to spread costs as equitably as is feasible, given certain limitations. When necessary, changes to the policy may be recommended by the General Manager to ensure the integrity of the cost allocation policy and direction set by the Board. The Board will be asked to incorporate the General Manager's recommended changes at the time it annually reviews the District's other financial policies in June.

# **EXPENSE POLICY - STAFF**

Effective July 1, 20224

### SCOPE

This policy applies to District staff that have occasion to incur expenses on behalf of the District, with the exception of executive management (General Manager and Assistant General Managers).

### **PURPOSE AND GENERAL PROVISIONS**

The intent of this policy is to establish equitable standards and achieve reasonably consistent and fair treatment relating to reimbursement of actual and necessary expenses incurred in the service of the District. It is further intended as a guide for both the preparation of expense reports and for approval of such reports. It is also a means of informing all concerned of their privileges and obligations in the use of District funds for travel, education, and other expenses.

The District recognizes that attendance at workshops, seminars, meetings and conferences provides District staff with a vital forum for the exchange of ideas and methods in all areas of governmental administration, for presenting and receiving information, to provide training and professional growth opportunities, and for advocating legislation of benefit to the District. It is the District's policy to reimburse individuals for all actual and necessary expenses incurred while engaged in such activity. Individuals are expected to exercise good judgment in the expenditure of District funds. Items deemed to be of a purely personal nature are not reimbursable.

#### ADVANCE APPROVAL

Supervisor or Department Manager approval is required in advance for attendance at all training programs, meetings, seminars and conferences, and/or professional growth events.

Advance approval by the Department Manager and General Manager is required for attendance at all training programs, meetings, seminars and conferences, and/or professional growth events beyond Los Angeles and Santa Barbara Counties that require an overnight stay, air travel and/or involves an expense exceeding \$500.

## ALLOWABLE EXPENSES

## A. Travel Expenses

1. <u>Airline or other travel accommodations</u> shall be economy class. Travel arrangements will be made through District staff. Airline travel will be arranged so as to be as cost efficient to District as possible, including early booking to minimize costs. Baggage fees are considered part of the cost of airline travel and are an allowable expense.

In cases of trips longer than three hours scheduled flight time, tickets may be booked in premium economy class. (eg; Economy Plus on United Airlines, Main Cabin Extra on American, etc.). Where possible, this class should be booked at time of ticket purchase. The District will not pay for upgrades in any other circumstances. When travelling on District business, the work/meeting schedule will take priority over the travel schedule. As such, opportunities for premium bookings and upgrades may not be available on every trip.

When scheduling flexibility is necessary, a refundable ticket may be purchased.

Travel arrangements and costs for guests are the responsibility of the individual attending and are not considered a District expense.

- 2. <u>District owned vehicles</u> shall be used by staff assigned a District-owned vehicle or staff that do not receive a mileage allowance, whenever possible when traveling on District business.
- 3. Personal vehicles may be used if necessary and the staff shall be reimbursed at the standard IRS mileage rate (i.e. \$0.58.5 cents a mile for calendar year 20224), but for a total of no more than the cost of round trip airfare. Mileage is to be calculated via the shortest route between the District worksite or point of origin for staff, whichever is less, to the destination and the return. The owner's/driver's auto insurance is responsible for any damage, accident, etc. incurred. Staff who do not receive a monthly mileage allowance must seek approval from their department manager in advance for use of personal vehicles on District business. Employees must provide the District with evidence of personal auto insurance, including liability insurance, in advance of travel.
- 4. Mileage reimbursement for staff's use of their personal vehicle shall be from the point of origin to destinations in Southern California, including District offices or facilities, as defined as counties south of and including: Monterey, Kern and Inyo Counties and any other destination involving total round-trip mileage equal to or less than such destinations. If the destination is outside these geographic areas (e.g. is in San Francisco, Sacramento, etc.), the individual may elect to drive rather than fly, but shall receive a mileage reimbursement not greater than the cost of a round trip standard economy or coach class airline ticket to that destination.
- 5. Rental automobile costs are reimbursable when justified by the nature of the trip. Except in cases where there are more than three District-affiliated individuals travelling together, only rental of vehicles of full-size standard or smaller are permitted to be reimbursed. Rental of SUVs, minivans or premium/luxury vehicles will not be reimbursed for fewer than four individuals in one vehicle. In such cases, the names of all District-affiliated individuals will be recorded in the expense report. All drivers of rental vehicles must provide their own insurance that covers the rental vehicle. Charges for insurance provided by the rental company will not be reimbursed. Fuel costs will be reimbursed with appropriate receipts.
- 6. <u>Taxis and other local transportation</u> costs, including ride share apps, incurred to and from businesses, hotels or airports, or in other District-related activities are reimbursable upon submittal of a receipt (see tipping guidelines under Tipping section).
- 7. <u>Government</u> and group rates offered by a transportation provider shall be used when available.

### B. Hotels

1. The cost of hotel or motel accommodations incurred on approved business trips is reimbursable. It is expected that an individual will use accommodations appropriate to the nature of the business trip. Accommodations may be reserved for guests attending a District-approved function; however, the District will reimburse only the cost of the single person room rate.

2. Government and group rates offered by a lodging services provider will be utilized when available. If a lodging expense is incurred in connection with a conference or organized educational activity conducted in compliance with Government Code Section 54952.2(c), including but not limited to ethics training required by Government Code Section 53234 et seq., reimbursement of lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Board member or District staff at the time of booking. If lodging is available at the group rate, and a Board member or District staff elects to stay at a non-group rate hotel which has a higher rate, reimbursement to the director or staff shall not exceed the maximum group rate published by the activity or group sponsor, that is the Board member or staff shall be financially responsible for the difference. If rooms at the group rate are not available, the Board member or staff shall use comparable lodging that is consistent with the requirements of Government Code Section 53232.2(c) and (e), respectively. In such event, a Board member or staff may be reimbursed for up to 110% of the group rate, that is the Board member or staff shall be financially responsible for any amount in excess of 110% of the group rate.

The rates specified in the above paragraph refer to base rates and shall not include transient occupancy taxes or parking.

## C. Meals

The actual costs of meals, including tips, incurred on approved business trips is reimbursable. Meals for guests in attendance are the responsibility of the individual, except for business guests invited as part of a District-hosted event.

For staff attending functions, such as training or meetings of professional organizations, the District will reimburse the cost of the event including meals provided. For functions occurring during normal mealtimes and which do not provide meals, meal reimbursement will not exceed \$125 for each full day of travel. For partial days of travel, managers will use their discretion in approving their employees' meal expenses.

See tipping guidelines in section I, below. <u>Itemized Rreceipts</u> are required for all meal expenditures.

The daily meal allowance will be adjusted for those meals included in the cost of the conferences and seminars. It is not the intent ofer the District to pay twice for the same meal. Exceptions may be made by the General Manager when the traveler is unable to partake in the meal provided.

The limits for daily meals include all aspects of the meal, e.g. appetizer, entrée, dessert and beverages, excluding tip. Meal costs eligible for reimbursement do not include alcohol. Any amount in excess of the maximum limit for the day (excluding tip) shall be the responsibility of the individual.

It is recognized that periodically, District staff may need to use their District-issued credit cards (if issued) or directly pay for meals with and for District guests while conducting District business. Reasonable use of this privilege for this purpose is permissible, provided there is adherence to the above limits, and documentation is provided as to the participants and the business discussed.

## D. Communications (Phone calls)

All necessary business calls and messages are reimbursable. It is expected that the least expensive method of communications (i.e. use of a mobile phone in lieu of hotel phone) that is consistent with the best interest of the District will be used whenever possible. Staff receiving a cellular phone allowance will adhere to the District's Cellular Phone Allowance Policy.

## E. <u>Travel Requiring Advance Approval [District Staff]</u>

When overnight lodging is required, a travel authorization form "Request for Travel/Training Approval" must be completed by the staff as follows:

- The completed travel authorization form must list all actual and anticipated costs associated with attendance at the event and required approvals per the Purpose and General Provisions section. Please include the account number to be used to pay for the associated expense costs and all background information describing the event and attendance arrangements.
- 2. When required the travel authorization form is submitted to the General Manager for final approval.
- 3. If the General Manager's approval is granted, a copy of the request is submitted to the designated Finance personnel. If the request is denied, all paperwork is returned to the Department Manager.

## F. Advances

If an advance is required for approved travel, please indicate such on the "Request for Travel/Training Approval" form. Advances and District-issued credit cards are appropriate means of funding District-related trips. As stated above, whenever possible, the District- will prepay hotel, tuition, airline, etc. costs to vendors with an approved purchase requisition, therefore an advance for these costs will not be necessary. Staff may request an advance for meals, not to exceed the maximum per diem amounts, via a Check/Petty Cash Request form. Upon return, all receipts must be submitted and any excess advance shall be returned to the District.

#### G. Non-Use of Advance Paid Reservations

Whenever staff makes an advance paid reservation, or the District staff makes a reservation on behalf of the staff, whether for travel, lodging or meals (e.g. conference meal tickets), if the reservation or ticket is unused and the associated expense is not refundable and the staff utilizes alternative arrangements, the expense associated with such alternative arrangements is not reimbursable by the District.

## I. Tipping

The District shall cover tipping up to 20% of the cost of meal and transportation service charges.

### J. Non-reimbursable expenses

This document covers all reimbursable expenses. Any expenses not specifically mentioned will not be reimbursed without prior General Manager approval.

In no circumstances will the following be reimbursed:

Hotel movie rentals

- Personal medical expenses not related to a workplace injury
- Personal entertainment such as sight-seeing, movies/theater, golf or other sports (except in the course of District outreach activities).

#### **ADMINISTRATION**

This policy shall be administered by the General Manager. The key to prompt reimbursement is proper documentation. This includes a clear statement of the business purpose of the trip, a copy of the meeting/conference agenda, and receipts for business expenses.

Expenses rendered for reimbursement shall be itemized and sufficiently described as to the nature and intent of the expense. Expense reports should be prepared on a monthly basis and submitted to the Finance Division on prescribed forms. To receive reimbursement for authorized travel, please submit a "Travel Expense Claim" form to the Finance Division. A separate Travel Expense Claim is to be submitted for each trip taken. Original documents such as receipts or bills for all hotel charges, the last page of the airline ticket showing the itinerary and costs, usually called the "passenger receipt," and receipts for other expenses must be attached to the Travel Expense Claim for documentation. Credit card charge slips will not serve as adequate documentation for transportation, room or car rental expense. In the event a receipt is lost please provide a written explanation. A copy of the approved "Request for Travel/Training Approval Form" should be attached to the Travel Expense Claim when the travel required advance approval.

The traveler is required to sign the Travel Expense Claim certifying that the amounts included on the report are actual and reasonable. Refunds of unused advances, by a check payable to the United Water Conservation District, should be submitted to the Finance Division with the Travel Expense Claim.

It is the responsibility of each individual, as well as each person approving the Travel Expense Claim, to ensure that there is no appearance nor occurrence of extravagant and/or unsupported expenditures for travel. During the review of these reports, any questionable or incomplete reports may be returned to the individual in order to obtain additional approval or documentation to support expenses.

The Chief Financial Officer shall advise the General Manager of any outstanding matters relating to the administration of this policy. Exceptions to this policy may be authorized by the General Manager.

The Chief Financial Officer or his/her designee shall provide overall oversight of the reimbursement of expenses and shall provide a quarterly report to the Board Finance Committee detailing the expenses of the District of at least one hundred dollars (\$100.00) for each individual charge for service or product received. Additionally, in compliance with Government Code §53065.5, by September 30<sup>th</sup> of each year, the Finance Division will submit a detailed report to the Board's Finance Committee that discloses any reimbursement paid to any one employee or member of the Board by the District within the immediately preceding fiscal year of at least one hundred dollars (\$100.00) for each individual charge for service or product received. The report shall be made available for public inspection at the first meeting of the Board of Directors following the Finance Committee submittal.

# EXPENSE AND COMPENSABLE ACTIVITY POLICY – BOARD MEMBERS AND DISTRICT EXECUTIVES

Effective July 1, 20224

#### **SCOPE**

This policy applies to members of the Board of Directors and to District executive staff (General Manager and Assistant General Managers) that have occasion to incur expenses on behalf of the District.

This policy additionally sets forth the types of activities for which board members may receive compensation and reimbursement for their actual and necessary expenses thereto in accordance with Government Code Section 53232 et seg.

#### PURPOSE AND GENERAL PROVISIONS

The intent of this policy is to establish equitable standards and achieve reasonably consistent and fair treatment relating to reimbursement of actual and necessary expenses incurred in the service of the District. It is further intended as a guide for both the preparation of expense reports and for approval of such reports. It is also a means of informing all concerned of their privileges and obligations in the use of District funds for travel, education, community and legislative outreach, and other expenses.

The District recognizes that attendance at workshops, seminars, meetings and conferences provides Board members and District staff with a vital forum for the exchange of ideas and methods in all areas of governmental administration, for presenting and receiving information, to provide training and professional growth opportunities. The District also recognizes the importance of building relationships with legislators, regulators and key opinion leaders in local, state and federal government centers. It is the District's policy to reimburse individuals for all actual and necessary expenses incurred while engaged in activities critical to building these relationships. Individuals are expected to exercise good judgment in the expenditure of District funds. Items deemed to be of a purely personal nature are not reimbursable or covered by the District.

#### A. District Executives

Advance approval by the immediate supervisor and General Manager is required for attendance at all training programs, meetings, seminars and conferences, and/or professional growth events beyond Los Angeles and Santa Barbara Counties that require an overnight stay, air travel and/or involves an expense exceeding \$500.

#### B. District Board Members

Consistent with the requirements of this policy, Board members may receive reimbursement for their actual and necessary expenses incurred when participating in those activities listed in the "Compensable Activities" section of this policy. Pre-approval of the Board for these expenses is not required.

However, any expenses which are incurred for activities not set forth in the "Compensable Activities" section, or which do not fall within the requirements of this policy (e.g. which exceed the maximum permissible rate), must be approved by the Board of Directors in a public meeting before the expense is incurred, or the expense will not be reimbursed. The only exception to this requirement pertains to lodging expenses, as set forth below.

#### ALLOWABLE EXPENSES

## A. Travel Expenses

1. <u>Airline or other travel accommodations</u> shall be economy class. Travel arrangements will be made through District staff. Airline travel will be arranged so as to be as cost efficient to District as possible, including early booking to minimize costs. Baggage fees are considered part of the cost of airline travel and are an allowable expense.

In cases of trips longer than three hours scheduled flight time, tickets may be booked in premium economy class. (eg; Economy Plus on United Airlines, Main Cabin Extra on American, etc.). Where possible, this class should be booked at time of ticket purchase. Upgrades to premium economy purchased at check-in will be reimbursed. The District will not pay for upgrades in any other circumstances. When travelling on District business, the work/meeting schedule will take priority over the travel schedule. As such, opportunities for premium bookings and upgrades may not be available on every trip.

When scheduling flexibility is necessary, a refundable ticket may be purchased.

Travel arrangements and costs for guests are the responsibility of the individual attending and are not considered a District expense.

- 2. <u>District-owned vehicles</u> shall be used by executive management staff assigned a District-owned vehicle or staff that do not receive a mileage allowance, whenever possible when traveling on District business.
- 3. Personal vehicles may be used if necessary and the Board member or staff shall be reimbursed at the standard IRS mileage rate (i.e. \$0.58.56 per mile for calendar year 20224), but for a total of no more than the cost of round-trip airfare. Mileage is to be calculated via the shortest route between the District worksite or point of origin for staff, whichever is less, and from the point of origin for Directors, to the destination and the return. The owner's/driver's auto insurance is responsible for any damage, accident, etc. incurred. Executive management staff receiving a monthly mileage allowance shall abide by the terms of this section except where it conflicts with their employment agreement, in which case the terms of the employment agreement shall apply. Staff who do not receive a monthly mileage allowance must seek approval from their department manager in advance for use of personal vehicles on District business. Employees must provide the District with evidence of personal auto insurance, including liability insurance, in advance of travel.
- 4. <u>Mileage reimbursement</u> for a Board member's use of their personal vehicle shall be from the point of origin to destination and return. Executive management staff receiving a monthly mileage allowance shall abide by the terms of this section except where it conflicts with their employment agreement, in which case the terms of the employment agreement shall apply. Board members may be reimbursed for mileage for up to 10 meetings per month in accordance with Section B of the District Board Members: Compensation and Compensable Activities section of this policy.
- 5. Rental automobile costs are reimbursable when justified by the nature of the trip. Except in cases where there are more than three District-affiliated individuals travelling together, only rental of vehicles of full-size standard or smaller are permitted

to be reimbursed. Rental of SUVs, minivans or premium/luxury vehicles will not be reimbursed for fewer than four individuals in one vehicle. In such cases, the names of all District-affiliated individuals will be recorded in the expense report. All drivers of rental vehicles must provide their own insurance that covers the rental vehicle. Charges for insurance provided by the rental company will not be reimbursed. Fuel costs will be reimbursed with appropriate receipts.

- 6. <u>Taxis and other local transportation</u> costs, including ride-share apps, incurred to and from businesses, hotels or airports, or in other District-related activities are reimbursable upon submittal of a receipt (see tipping guidelines under Tipping section).
- 7. <u>Government</u> and group rates offered by a transportation provider will be utilized when available.

#### B. Hotels

- 1. The cost of hotel or motel accommodations incurred on approved business trips is reimbursable. It is expected that an individual will use accommodations appropriate to the nature of the business trip. Accommodations may be reserved for guests attending a District-approved function; however, the District will reimburse only the cost of the single person room rate.
- 2. Government and group rates offered by a lodging services provider will be utilized when available. If a lodging expense is incurred in connection with a conference or organized educational activity conducted in compliance with Government Code Section 54952.2(c), including but not limited to ethics training required by Government Code Section 53234 et seq., lodging costs covered by the District shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the Board member or District staff at the time of booking. If lodging is available at the group rate, and a Board member or District staff elects to stay at a non-group rate hotel which has a higher rate, District charges shall not exceed the maximum group rate published by the activity or group sponsor, that is the Board member or staff shall be financially responsible for the difference. If rooms at the group rate are not available, the Board member or staff shall use comparable lodging that is consistent with the requirements of Government Code Section 53232.2(c) and (e), respectively. In such event, the District may pay for up to 110% of the group rate, that is the Board member or staff shall be financially responsible for any amount in excess of 110% of the group rate.

The rates specified in the above paragraph refer to base rates and shall not include transient occupancy taxes or parking.

#### C. Travel Per diem

In order to provide for the costs of ad-hoc expenses related to District travel, the District will reimburse \$100 per full day of authorized travel outside of the District that requires an overnight stay. The per diem is expected to cover all meals not part of outreach activities and other District business as well as any and all incidental expenses not specifically addressed in this document. The per diem will be claimed on the standard business expense report and will not be paid in advance of travel.

#### D. District Outreach Events

Periodically Board Members and District Executives engage in activities related to legislative outreach. Recognizing that these events often have irregular schedules and venues, food and

beverages provided as part of these activities will be reimbursed, provided the cost is reasonable for the situation as determined by the General Manager. Alcohol of reasonable cost and quantity may be provided at these events at District expense. Third-party attendees of such events must be verbally approved by the General Manager in advance to assure that the event is pursuant to District objectives and not social in nature.

Meetings of District personnel prior to or following outreach events where food and beverage are provided will be considered part of the outreach activities and as such will be covered by the District and not an incidental expense covered by the abovementioned travel per diem.

Expenses for such activities will be comprehensively documented. Supporting documentation will include a detailed check or invoice (not just a credit card receipt) and a clear accounting of the names, positions and affiliations of all attendees at the event.

## E. Communications (Phone calls)

All necessary business calls and messages are reimbursable. It is expected that the least expensive method of communications (i.e. use of a mobile phone in lieu of hotel phone) that is consistent with the best interest of the District will be used whenever possible. The Board of Directors will be reimbursed \$50.00 per month for District business related phone/fax costs. Each Director is also eligible for reimbursement of business-related long-distance calls from their personal phone that are not covered by an all-inclusive phone plan upon submittal of their phone bill. Staff receiving a cellular phone allowance will adhere to the District's Cellular Phone Allowance Policy.

## F. <u>Travel Requiring Advance Approval (District Executives)</u>

When overnight lodging is required, a travel authorization form "Request for Travel/Training Approval" must be completed by the staff as follows:

- The completed travel authorization form must list all actual and anticipated costs associated with attendance at the event and required approvals per the Purpose and General Provisions section. Please include the account number to be used to pay for the associated expense costs and all background information describing the event and attendance arrangements.
- 2. When required the travel authorization form is submitted to the General Manager for final approval (Allowable Expenses -Section A).
- 3. If the General Manager's approval is granted, a copy of the request is submitted to the designated Finance personnel. If the request is denied, all paperwork is returned to the Department Manager.

### G. Advances

The District will not provide cash advances for travel to board members or executives. Airfare will be paid directly by the District. Whenever possible, the District will prepay hotel, tuition, etc. costs to vendors with an approved purchase requisition, therefore an advance for these costs will not be necessary.

### H. Non-Use of Advance Paid Reservations

Whenever staff or Board member makes an advance paid reservation, or the District staff makes a reservation on behalf of the staff or Board member, whether for travel, lodging or meals (e.g. conference meal tickets), if the reservation or ticket is unused and the associated

expense is not refundable and the staff or Board member utilizes alternative arrangements, the expense associated with such alternative arrangements will be reimbursable by the District at the General Manager's discretion.

## I. Tipping

The District shall cover tipping up to 20% of cost of the meal and transportation service charges.

## J. Non-reimbursable expenses

This document covers all reimbursable expenses. Any expenses not specifically mentioned will not be reimbursed without prior General Manager approval.

In no circumstances will the following be reimbursed:

- Hotel movie rentals
- Personal medical expenses not related to a workplace injury
- Personal entertainment such as sight-seeing, movies/theater, golf or other sports (except in the course of District outreach activities.

#### DISTRICT BOARD MEMBERS: COMPENSATION AND COMPENSABLE ACTIVITIES

#### A. Compensation.

Compensation for members of the Board of Directors is established in accordance with section 74208 of the California Water Code, and increases are authorized in accordance with Water Code Section 20202. Actual and necessary expenses incurred by a Board member in the performance of <a href="theirhis">theirhis</a> duties required or authorized by the Board are reimbursed in accordance with Water Code Section 74208 and the terms of this policy.

#### B. Compensable Activities.

In accordance with Government Code Section 53232.1, a Board member's attendance at the following occurrences (activities) constitutes the performance of official duties on behalf of the District which qualify a Board member to receive compensation and reimbursement of actual and necessary expenses but limited to 1 compensable activity per day and 10 compensable activities per month incurred thereto:

- 1. Regular, special or emergency meetings of the District Board of Directors.
- 2. Regular or special meetings of District Board committees, or an advisory body established by the Board of Directors, of which the Board member is a member thereof.
- 3. Agenda review meeting of President with General Manager as well as other meetings of Board members with the District's General Manager, Legal Counsel or District consultants, as requested by the General Manager.
- 4. A conference or organized educational activity conducted in compliance with Government Code Section 54952.2(c), including but not limited to ethics training required by Government Code Section 53234 et seq. This includes conferences or educational activities organized by the Association of California Water Agencies (ACWA), the Association of Water Agencies of Ventura County (AWAVC), and the California Special Districts Association (CSDA). It shall also include any other training providers approved in advance by the Board of Directors. AWAVC events

included within this policy are the Water Wise breakfast series, annual Symposium, Elected Official Night and Year-End Report Event; not included are the Annual BBQ or other events of a strictly social nature.

5. Meetings of the board of directors or board committees of governmental or non-governmental entities to which a Board member has been designated by the President, as the District's representative, liaison or alternate. Such designation shall be published at least annually at a District Board meeting. The entities include the Fox Canyon Groundwater Management Agency (FCGMA), Ventura County Local Agency Formation Commission (LAFCO); RiverPark Joint Powers Authority; the AWAVC Board of Directors and the AWAVC Water Issues Committee; Oxnard Chamber of Commerce Water Committee; ACWA; CSDA, and GSA. A District Board member who is a designated representative, liaison or alternate to a non-governmental entity, and who will be unable to attend a scheduled meeting, may request or ask the General Manager to designate another Board member to attend the meeting on his behalf, and attendance at the meeting shall be considered a compensable activity for such other Board member.

Additionally, any preparatory meetings the Board member needs with the District's General Manager ahead of Board meetings or Board Committees entities in the paragraph above.

- 6. At the specific request of the District Board of Directors, Board President, or General Manager, meetings of the board of directors of the Pleasant Valley County Water District (PVCWD), FCGMA, or the Oxnard City Council, or the governing body of any local government entity during which there is discussion of specific matters related to the District.
- 7. Meetings by designated District Board members or alternates, with board members or executive management of the entities set forth in No. 5 during which there is substantial and substantive discussion of specific matters related to the District.
- 8. Attendance at public meetings hosted by the District (e.g. Section 10 HCP, Vern Freeman Fish Panel) at which there is a presentation of specific matters related to the District.
- 9. At the specific request of the District Board of Directors, Board President or General Manager, attendance at meetings with state or federal legislators, or officials of the state or federal administrations (e.g. California Department of Water Resources, U.S. Bureau of Reclamation, etc.), or representatives from other entities during which there is discussion of specific matters related to the District.

#### **ADMINISTRATION**

This policy shall be administered by the General Manager. The key to prompt reimbursement is proper documentation. This includes a clear statement of the business purpose of the trip, a copy of the meeting/conference agenda, and receipts for business expenses.

Expenses rendered for reimbursement shall be itemized and sufficiently described as to the nature and intent of the expense. Expense reports should be prepared on a monthly basis and submitted to the Finance Division on prescribed forms. To receive reimbursement for authorized travel, please submit a "Travel Expense Claim" form to the Finance Division. A separate Travel Expense Claim is to be submitted for each trip taken. Original documents such as receipts or bills for all hotel charges, the last page of the airline ticket showing the itinerary and costs, usually called the "passenger receipt," and receipts for other expenses must be attached to the Travel Expense Claim for documentation. Credit card charge slips will not serve as adequate documentation for transportation, room or car rental expense. In the event a receipt is lost please provide a written explanation.

The traveler is required to sign the Travel Expense Claim certifying that the amounts included on the report are actual and reasonable.

It is the responsibility of each individual, as well as each person approving the Travel Expense Claim, to ensure that there is no appearance nor occurrence of extravagant and/or unsupported expenditures for travel. During the review of these reports, any questionable or incomplete reports may be returned to the individual in order to obtain additional approval or documentation to support expenses.

The Chief Financial Officer shall advise the General Manager of any outstanding matters relating to the administration of this policy.

Exceptions to this policy may be authorized by the General Manager for other staff and by the Board Treasurer if the exception applies to the General Manager.

The Chief Financial Officer or his/her designee shall provide overall oversight of the reimbursement of expenses and shall provide a quarterly report to the Board Finance Committee detailing the expenses of the District of at least one hundred dollars (\$100.00) for each individual charge for service or product received. Additionally, in compliance with Government Code §53065.5, by September 30<sup>th</sup> of each year, the Finance Division will submit a detailed report to the Board's Finance Committee that discloses any reimbursement paid to any one employee or member of the Board by the District within the immediately preceding fiscal year of at least one hundred dollars (\$100.00) for each individual charge for service or product received. The report shall be made available for public inspection at the first meeting of the Board of Directors following the Finance Committee submittal.

## For District Board Members:

- 1. Expense reports of Board members shall be submitted to the General Manager, together with receipts, within a reasonable time after incurring the expense, and shall document that the expenses have been incurred for the types of occurrences (activities) authorized by the Board for reimbursement of such expenses.
- 2. Members of the Board shall provide brief reports on meetings attended at the District's expense at the next regular meeting of the Board of Directors.
- 3. All documents relating to expenditures of Board members as set forth herein are public records subject to disclosure under the California Public Records Act.

# FRAUD PREVENTION/DETECTION POLICY

Effective July 1, 2022

#### **BACKGROUND**

This Fraud Prevention/Detection policy is established to facilitate the development of controls that will aid in the detection and prevention of fraud against United Water Conservation District. It is the intent of United Water Conservation District to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.

#### **POLICY**

Management, along with the Board of Directors, is responsible for the detection and prevention of fraud, misappropriations, and other irregularities. Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of personal gain and/or deceiving another in order to damage them. Management will establish and maintain an effective internal control structure as a major deterrent and prevention of fraud.

Management, along with the Board of Directors, will maintain the principal elements of internal control:

- Control Environment Maintain an environment where employees view internal control as the process to provide services to stakeholders and constituents;
- Accounting System Maintain data needed for internal/external financial reports; and
- Control Policy and Procedures Maintain the reliability of data and to assure assets are protected against loss and misuse. Prevent fraudulent financial reporting and misstatements arising from misappropriation of assets of the District.

## NATURE/PURPOSE

Management, along with the Board of Directors, shall set and retain the proper tone and create and maintain a culture of honesty and high ethical standards (zero tolerance) and establish appropriate controls to prevent, deter, and detect fraud. Resources committed to the District's care must be safeguarded to protect employees, stakeholders and constituents. The District must provide assurance that all assets are safeguarded, managed and accounted for, eliminate loss, theft, misuse and provide that all transactions are properly authorized.

#### **OVERSIGHT**

Board of Directors and Finance Committee. This oversight will prevent management override.

#### SCOPE

This policy applies to any irregularity, or suspected irregularity, involving employees as well as stakeholders, directors, consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and/or any other parties with a business relationship with United Water Conservation District.

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to United Water Conservation District.

#### **ACTIONS CONSTITUTION FRAUD**

The term misappropriation and other fiscal irregularities refer to, but are not limited to:

- Any dishonest or fraudulent act;
- Misappropriation of funds, securities, supplies, or other assets;
- Impropriety in the handling or reporting of money or financial transactions;
- Profiteering as a result of insider knowledge of the District's activities;
- Disclosing confidential and proprietary information to outside parties;
- Accepting or seeking anything of material value beyond exceptions, restrictions and reporting requirements subject to the "Political Reform Act" from contractors, vendors or persons providing services/materials to United Water Conservation District; and
- Intentional destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment and/or other District assets.

#### **REPORTING**

An employee who discovers or suspects fraudulent activity will contact the Chief Financial Officer immediately. The employee or other complainant may remain anonymous. All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or representative, or any other inquirer should be directed to the Chief Financial Officer. If the Chief Financial Officer is the employee suspected of fraudulent activities, the employee should contact the General Manager.

#### **TERMINATION**

If an investigation results in a recommendation to terminate an individual, the recommendation will be reviewed for approval by the designated representative of the District and legal counsel and follow appropriate legal procedures (i.e. due process) included in the District's employee manual, before any such action is taken.

## **MANAGEMENT SET CONTROLS**

In maintaining the internal control structure, management, along with the Board of Directors, will set a system of checks and balances periodically throughout the District to discourage, prevent and detect fraudulent activities. Management, along with the Board of Directors, will retain the following guidelines when establishing these set of controls:

- Establish and set controls necessary but not over burdensome for management or staff;
- The District will maintain a culture of honesty and maintain a harmonious tone while establishing and setting these checks and balances and controls; and

• The District's internal control will not impede providing services to stakeholders and constituents.

## **INCORPORATION INTO EMPLOYEE MANUAL**

This policy will work in conjunction with the District's employee manual.

## **INTERNAL CONTROLS**

The District and/or external auditors, as part of the Set of Controls process, will use the system of checks and balances and perform periodic reviews and testing as necessary to ensure compliance with this policy.

# GROUNDWATER WELL REGISTRATION/ INACTIVE WELL POLICY

Effective July 1, 2022

#### **BACKGROUND**

California Water Code (CWC) Section 75541 requires that within six months after the establishment of a zone or zones, all water-producing facilities (wells) located within the boundaries of such zone/s shall be registered with the District. This CWC section also indicates that the District Board may require the installation of a water-measuring device satisfactory to the District. The District may choose to install the water-measuring device or have it installed by the well operator.

CWC, Section 75542 requires that any wells constructed or re-established after the establishment of a zone or zones register with the District within 30 days of completion or re-establishment. Similar to Section 75541 the District Board may require the installation of a water-measuring device satisfactory to the District. The District may choose to install the water-measuring device or have it installed by the well operator.

#### **POLICY**

# Well Registration and Verification

In order for a well to be considered registered, the District shall receive a **completed** well registration form. Per CWC Section 75544, the registration form shall contain all of the following:

- (a) Information as to the owner or owners of the land upon which each well is located;
- (b) A general description and location of each well;
- (c) The name and address of the person charged with the operation of each well;
- (d) The name or names and addresses of all persons owning or claiming to own an interest in the well; and
- (e) Such other information as the District requires and deems necessary.

The District will take the following steps to verify well registrations with the County of Ventura/Department of Water Resources (DWR):

- (a) The Groundwater Department will request Well Permits from the County of Ventura on a quarterly basis (by the 10<sup>th</sup> day of December, March, June, and September) and forward to the Finance Division upon receipt;
- (b) The Groundwater Department will request Well Completion Reports from the DWR on a quarterly basis (by the 10<sup>th</sup> day of December, March, June, and September) and forward to the Finance Division upon receipt; and
- (c) Upon receipt of a Well Completion Report, the Finance Division will confirm well owner information to County Parcel records and record the well(s) in the Districts records.

## **Inactive/Destroyed Wells**

The District will discontinue tracking inactive wells upon the following:

(a) Receipt of a completed Well Destruction Report; and Reports from the County and or District records indicating that the well is unable to be located.

# Failure to Register Wells

Failure to register wells with the District in a timely manner subjects the operator to compliance remedies granted by law, including but not limited to legal offenses, fines, and penalties.

# IDENTITY THEFT PREVENTION PROGRAM

Effective July 1, 2022

This program is in response to and in compliance with the Fair and Accurate Credit Transactions (FACT) Act of 2003, and the final rules and guidelines for the FACT Act issued by the Federal Trade Commission and federal bank regulatory agencies in November 2007.

# **PROGRAM ADOPTION**

The United Water Conservation District ("UWCD") developed this Identity Theft Prevention Program ("Program") pursuant to the Federal Trade Commission's Red Flags Rule ("Rule"), which implements Section 114 of the Fair and Accurate Credit Transactions Act ("FACT Act") of 2003, 16 C. F. R. § 681.2. The FACT Act requires that financial institutions and creditors implement written programs which provide for identification, detection, and response to patterns, practices, or specific activities ("red flags") that could detect identity theft.

This Program was developed with oversight and approval of the UWCD Board of Directors. After consideration of the size and complexity of UWCD's operations and account systems, and the nature and scope of UWCD's activities, the UWCD Board of Directors determined that this Program was appropriate for the United Water Conservation District.

# PROGRAM PURPOSE AND DEFINITIONS

# A. Fulfilling requirements of the Red Flags Rule

Under the Red Flag Rule, every financial institution and creditor is required to establish an "Identity Theft Prevention Program" tailored to its size, complexity and the nature of its operation. Each program must contain reasonable policies and procedures to:

- 1. Identify relevant Red Flags for new and existing covered accounts and incorporate those Red Flags into the Program;
- 2. Detect Red Flags that have been incorporated into the Program;
- 3. Respond appropriately to any Red Flags that are detected to prevent and mitigate Identity Theft; and
- 4. Ensure the Program is updated periodically, to reflect changes in risks to customers or to the safety and soundness of UWCD from Identity Theft.

# B. Red Flags Rule definitions used in this Program

The Red Flags Rule defines "Identity Theft" as "fraud committed using the identifying information of another person" and a "Red Flag" as a pattern, practice, or specific activity that indicates the possible existence of Identity Theft.

According to the Rule, a government agency is a creditor subject to the Rule requirements. The Rule defines creditors "to include finance companies, automobile dealers, mortgage brokers, utility companies, and telecommunications companies. Where non-profit and government entities defer payment for goods or services, they, too, are to be considered creditors."

UWCD customers are charged fees for groundwater extraction from wells located on their properties and/or water delivered by pipeline. The customers are billed in arrears on either a monthly or semi-annual basis. Since UCWD defers payments for its utility services, customers' accounts are effectively business credit accounts ("covered accounts") as defined by the Red Flag Rule. Under the Rule, a "covered account" is:

- Any account UWCD offers or maintains primarily for personal, family or household purposes, that involves multiple payments or transactions; and
- Any other account UWCD offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of UWCD from Identity Theft.

"Identifying information" is defined under the Rule as "any name or number that may be used, alone or in conjunction with any other information, to identify a specific person," including: name, address, telephone number, social security number, date of birth, government issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number, unique electronic identification number, computer's Internet Protocol address, or routing code. However, UWCD does not collect most of the aforementioned identifying information for its business credit accounts. Information collected by UWCD typically includes name, address, telephone number, assessor parcel number, and well number.

# **IDENTIFICATION AND DETECTION OF RED FLAGS**

In order to identify relevant Red Flags, UWCD considers the types of accounts that it offers and maintains, the methods it provides to open its accounts, the methods it provides to access its accounts, and its previous experiences with Identity Theft. The Federal Trade Commission identifies many red flags, including the following, in each of the listed categories:

# A. Notifications and Warnings from Credit Reporting Agencies

UCWD neither requests nor receives customer information (i.e. consumer reports) from consumer credit agencies. Therefore this provision of the Red Flag Rule is inapplicable.

# B. Suspicious Documents

# Red Flags

- Other documents with information that is not consistent with existing customer information (such as if a person's signature on a check appears forged); and
- Application for service that appears to have been altered or forged.

# C. Suspicious Personal Identifying Information

# Red Flags

- Identifying information presented that is inconsistent with other information the customer provides;
- Identifying information presented that is inconsistent with other sources of information:
- Identifying information presented that is the same as information shown on other applications that were found to be fraudulent;
- Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
- An address or phone number presented that is the same as that of another person;
- A person fails to provide complete personal identifying information on an application when reminded to do so; and
- A person's identifying information is not consistent with the information that is on file for the customer.

# D. Suspicious Account Activity or Unusual Use of Account

# Red Flags

- Change of address for an account followed by a request to change the account holder's name:
- Payments stop on an otherwise consistently up-to-date account;
- Account used in a way that is not consistent with prior use (example: very high activity);
- Mail sent to the account holder is repeatedly returned as undeliverable;
- Notice to UWCD that a customer is not receiving mail sent by UWCD;
- Notice to UWCD that an account has unauthorized activity;
- Breach in UWCD's computer system security; and
- Unauthorized access to or use of customer account information.

# E. Alerts from Others

# Red Flag

Notice to UWCD from a customer, identity theft victim, law enforcement or other person that it has opened or is maintaining a fraudulent account for a person engaged in Identity Theft.

#### PREVENTING AND MITIGATING IDENTITY THEFT

In the event UWCD personnel detect any identified Red Flags, the appropriate staff member will be notified and take one or more of the following steps, depending on the degree of risk posed by the Red Flag:

# A. Prevent and Mitigate

- Continue to monitor an account for evidence of Identity Theft;
- Contact the customer;
- Change any passwords or other security devices that permit access to accounts;
- Not open a new account;
- Close an existing account;
- Reopen an account with a new number;
- Notify the District's Chief Financial Officer;
- Notify law enforcement; or determine that no response is warranted under the particular circumstances.

# B. Protect customer identifying information

In order to further prevent the likelihood of identity theft occurring with respect to accounts, UWCD will take the following steps with respect to its internal operating procedures to protect customer identifying information:

- Ensure complete and secure destruction of paper documents and computer files containing customer information;
- Ensure that office computers are password protected and that computer screens lock after a set period of time;
- Maintain appropriate custody of documents containing customer information;

- Ensure computer virus protection is up to date; and
- Require and keep only the kinds of customer information that are necessary.

# PROGRAM UPDATES

This Program will be periodically reviewed and updated to reflect changes in risks to customers and the soundness of UWCD from Identity Theft. At least one time each year, the Program Administrator will consider UWCD's experiences with Identity Theft situations, changes in Identity Theft methods, changes in Identity Theft detection and prevention methods, changes in types of accounts UWCD maintains and changes in UWCD's business arrangements with other entities. After considering these factors, the Program Administrator will determine whether changes to the Program, including the listing of Red Flags, are warranted. If warranted, the Program Administrator will update the program. The Program will be reviewed and approved with all other District financial policies by the Board of Directors annually.

#### PROGRAM ADMINISTRATION

# A. Oversight

Responsibility for developing, implementing and updating this Program lies with the Program Administrator. The Program Administrator is appointed by the General Manager. The Program Administrator will be responsible for the Program administration, for ensuring appropriate training of staff on the Program, for reviewing staff reports regarding the detection of Red Flags and the steps for preventing and mitigating Identity Theft, determining which steps of prevention and mitigation should be taken in particular circumstances and considering periodic changes to the Program. The Program Administrator will prepare an annual report on the effectiveness of this program including number of red flag incidents and how resolved, and any changes needed to the policy as a result of incidents or changes in law or program operation.

# B. Specific Program Elements and Confidentiality

For the effectiveness of Identity Theft Prevention Programs, the Red Flag Rule envisions a degree of confidentiality regarding UWCD's specific practices relating to Identity Theft detection, prevention and mitigation. Therefore, under this Program, knowledge of such specific practices is to be limited to the Program Administrator and those employees who need to know them for purposes of preventing Identity Theft. Because this Program is to be adopted by a public body and thus publicly available, it would be counterproductive to list these specific practices here. Therefore, only the Program's general red flag detection, implementation and prevention practices are listed in this document.

# INVESTIGATION OF UNDERREPORTING OF GROUNDWATER PRODUCTION

# Effective July 1, 2022

If the District has probable cause to believe that the production of water from any water-producing facility is in excess of that disclosed by the sworn statements covering such water-producing facility, or if no statements are filed covering any water-producing facility, the District may cause an investigation and report to be made concerning the production of water from such water-producing facility. (Wat. Code, §75619.)

Probable cause for an investigation is to be determined by the District's general manager in his sole discretion and upon review of a sworn affidavit and any other materials provided by the affiant. To support a determination of probable cause, the affidavit must set forth a detailed description of the location of the water-producing facility and all facts know to the affiant supporting the allegation of water production in excess of the amount reported to the District. The affidavit must also set forth the affiant's full name, residence address, date of execution, and any relationship between the affiant and the operator of the water producing facility.

If in the opinion of the District's general manager the affidavit and any supporting documents provide probable cause that production of groundwater is in excess of the amount disclosed by the pumper, the general manager may authorize an investigation as set forth in Water Code section 75619, which may include an inspection of the subject water-producing facility pursuant to Water Code section 75634.5..

If the District's general manager authorizes an investigation, the affidavit may be filed in court by the District to support a warrant issued pursuant to Section 75634.5. Unless submitted to a court in support of a Section 75634.5 warrant, the affidavit is considered confidential information and will not be produced by the District in response to a request under the California Public Records Act unless otherwise ordered by a court.

# **INVESTMENT POLICY**

Effective July 1, 2022

The purpose of this policy is to provide guidelines for the prudent investment of the District's temporarily idle cash, outline policies for maximizing efficiency of the District's cash management system and emphasize the preservation of capital. The ultimate goal is to enhance the economic status of the District while protecting its cash resources.

#### I. GOVERNING AUTHORITY

The investment program shall be operated in conformance with federal, state, and other legal requirements, including Government Code sections 53600 – 53609.

#### II. SCOPE

This policy applies to the investment of all funds held directly by the District. Funds held and invested by trustees or fiscal agents are excluded from this policy; however, such funds are subject to the regulations established by the State of California pertaining to investments by local agencies.

# 1. Pooling of Funds

Except for cash in certain restricted and special funds, the District will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

# **III. GENERAL OBJECTIVES**

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

# 1. Safetv

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

# a. Credit Risk

The District will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments to the types of securities listed in Section VII of this Investment Policy
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the District will do business in accordance with Section V
- Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

# b. Interest Rate Risk

The District will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy (see Section VIII).

# 2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets (dynamic liquidity). Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools which offer same-day liquidity for short-term funds.

# 3. Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal.
- A security swap would improve the quality, yield, or target duration in the portfolio.
- Liquidity needs of the portfolio require that the security be sold.

In an effort to evaluate the performance of the investment activity of the District, as it pertains to this policy, the District's cash management portfolio shall be designed with the objective of regularly meeting or exceeding a performance benchmark, which could be the average return on three-month U.S. Treasury Bills, the California Local Agency Investment Fund (LAIF) or the County of Ventura Investment Pool.

# IV. STANDARDS OF CARE

# 1. Prudence

The standard of prudence to be used by investment officials shall be the "prudent person" standard (Civil Code Section 2261, et seq.) and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but

for investment, considering the probable safety of their capital as well as the probable income to be derived."

# 2. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the District.

# 3. Delegation of Authority

The District's Chief Financial Officer has been authorized to recommend to the General Manager investment transactions on behalf of the District. The disbursement of funds for the placement of individual investments undertaken by these officers will generally be approved in advance by the Finance Committee. If, in the opinion of the Chief Financial Officer and the General Manager, investment opportunities become available that the District should take advantage of before the Finance Committee is able to convene, the Committee will be notified, via FAX, 24 hours in advance of any disbursement of funds. A full report of the investment decision will be given to the Committee at the next scheduled meeting. In any event, such investment decisions will be within the guidelines set forth in this policy. The District may, upon approval by the Board of Directors utilize an investment management service. Any investment management service used must follow the District's Investment Policy outlined herein and as directed by the Board of Directors.

The Finance Committee shall consist of three members of the Board of Directors (as appointed by the President of the Board), the General Manager or the Deputy General Manager, and the Chief Financial Officer. The Committee should meet as required to determine general strategies, the existing portfolio and to monitor results. The Committee shall include in its deliberations such topics as portfolio diversification, maturity structure, potential risks to District funds, brokers and dealers, the target rate of return on investments, and any other topics as it may determine or as directed by the Board of Directors. All actions of the Committee shall be reported to the full Board of Directors at the next regular Board meeting.

# V. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

The District shall transact business only with Federal Deposit Insurance Corporation (F.D.I.C.) insured institutions, and licensed securities dealers as described in Government Code Section 53601.5. In selecting financial institutions for the investment of District funds, the Chief Financial Officer shall consider the creditworthiness of institutions. The Chief Financial Officer shall monitor, from time to time, financial institutions' credit characteristics and financial history throughout the period in which the District's funds are deposited or invested.

The following investment firms and financial institutions are authorized by United Water Conservation District to hold investments in the above authorized investment media:

California Pooled Local Agency Investment Fund (LAIF)

- Ventura County Investment Pool
- Union Bank
- Morgan Stanley Dean Witter
- UnionBanc Investment Services (wholly owned subsidiary of Union Bank of California)
- Bank of the West

Bond proceeds issued by the District and held by a trustee or fiscal agent are invested in accordance with the statutory provisions governing the issuance of the bonds, indebtedness or lease installment agreement approved by the District.

Changes or additions to the approved list of investment media, institutions and firms may be recommended from time to time by the Chief Financial Officer to the General Manager for presentation to the Board's Finance Committee and then to the full Board of Directors, for approval. When considering additional institutions or firms, priority should be given to firms with local representatives, who have offices within the District boundaries.

All financial institutions and broker/dealers who desire to become qualified for investment transactions must supply the following, as appropriate:

- Audited Financial Statements demonstrating compliance with State and federal capital adequacy guidelines
- Proof of State registration
- Certification of having read and understood and agreeing to comply with the District's Investment Policy
- Evidence of adequate insurance coverage
- Other information as determined necessary by staff or the Board of Directors

An annual review of the financial condition and registration of all qualified financial institutions and broker/dealers will be conducted by the Chief Financial Officer.

# **VI. INTERNAL CONTROLS**

The Chief Financial Officer shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the General Manager, the Finance Committee and the independent auditor. The controls shall be designed to prevent losses of public funds arising from fraud, collusion, employee error, misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by District staff.

# VII. SUITABLE AND AUTHORIZED INVESTMENTS

Investment Types (Government Code Section 53601 – Exhibit A)
 The following investment media have been approved by United Water Conservation District:

- Government Investment Pools
- *U. S. Government* Securities generally limited to Treasury Bills, Treasury Notes, Bonds or other direct obligations which carry the full faith and credit of the United States Government.
- U.S. Government Agencies generally limited to items issued by a federal agency or a United States government-sponsored enterprise, such agencies include, but are not limited to, the Federal Farm Credit Bank (FFCB), Student Loan Marketing Association (SLMA), and the Federal National Mortgage Association (FNMA) and

those issued by the Federal Housing Administration (FHA). The "prudent investor" rule shall apply for a single agency name, as U.S. Government backing is implied rather than guaranteed.

- Certificates of Deposit (CD) of domestic banks and savings and loan fully insured by the federal government or collateralized
- Approved Bank Demand Deposit Accounts
- Approved domestic Bank Overnight Sweep Accounts
- Money Market Funds that are rated no less than AAA, AAA or similar rating under any revised rating format by Standard & Poor's or Moody's.

# 2. Collateralization

The District's cash held in its bank demand deposit accounts (including checking accounts and non-negotiable Certificates of Deposit) or bank overnight sweep accounts shall be collateralized by the financial institution with securities having a market value of at least 110% of the amount of deposits.

# **VIII. INVESTMENT PARAMETERS**

#### 1. Diversification

The District will diversify its investment portfolio to control the risks of loss resulting from over-concentration of assets in a specific maturity, specific issue or a specific class of securities. Maturities should be staggered to provide for liquidity and stability of income.

- No less than twenty-five percent (25%) of the portfolio should be invested in LAIF or other securities, which can be liquidated on one day's notice.
- No more than one-third (33%) of the District's portfolio shall be held by any single investment firm or institution, or as otherwise limited by Government Code Section 53601. The sole exceptions shall be the State of California Investment Pool (LAIF) or Obligations of the U.S. Government.
- No more than fifteen percent (15%) of the District's temporarily idle cash should be left in the District's general checking account or sweep instruments for more than 5 business days.
- Sufficient funds may be maintained in the District's general checking account to minimize monthly bank charges. The savings in monthly bank charges, over time, should be sufficient to offset the lost investment earnings potential of these excess funds retained in the general checking account. Generally, the State Local Agency Investment Fund and Obligations of the U.S. Government are the most favored investment choices for the District.

# 2. Maximum Maturities

To the extent possible, the District shall attempt to match its investments with anticipated cash flow requirements. Generally, the District's temporarily idle operating cash shall be invested in instruments whose average maturity does not exceed one year, except after review and approval by the Finance Committee, a portion of the District's portfolio may be invested in authorized investment instruments (i.e. securities and/or certificates of deposit) for up to but not to exceed three-years. Investments with maturities exceeding one year shall be disclosed to the Board of Directors at the next meeting of the entire Board. All District investments are intended to be held to maturity.

# IX. REPORTING

The Chief Financial Officer, through the General Manager, will provide the Board of Directors with monthly reports of investments. Such reports will provide at least the following:

- The type of investment, name of issuer, date of maturity, par and dollar amount invested in each security or investment.
- The weighted average maturity of the investments.
- Any funds, investments, or programs, including loans that are under the management of contracted parties.
- The market value as of the date of the report, and the source of this valuation for any security.
- A description of the compliance with the statement of investment policy.
- A statement denoting the ability of the District to meet its expenditure requirements for the next six months.

# X. APPROVAL OF INVESTMENT POLICY

This policy may be presented to and reviewed by the Board of Directors on an annual basis in a regularly scheduled Board meeting.

53601. This section shall apply to a local agency that is a city, a district, or other local agency that does not pool money in deposits or investments with other local agencies, other than local agencies that have the same governing body. However, Section 53635 shall apply to all local agencies that pool money in deposits or investments with other local agencies that have separate governing bodies. The legislative body of a local agency having moneys in a sinking fund or moneys in its treasury not required for the immediate needs of the local agency may invest any portion of the moneys that it deems wise or expedient in those investments set forth below. A local agency purchasing or obtaining any securities prescribed in this section, in a negotiable, bearer, registered, or nonregistered format, shall require delivery of the securities to the local agency, including those purchased for the agency by financial advisers, consultants, or managers using the agency's funds, by book entry, physical delivery, or by third-party custodial agreement. The transfer of securities to the counterparty bank's customer book entry account may be used for book entry delivery.

For purposes of this section, "counterparty" means the other party to the transaction. A counterparty bank's trust department or separate safekeeping department may be used for the physical delivery of the security if the security is held in the name of the local agency. Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase. Where this section does not specify a limitation on the term or remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement or securities lending agreement authorized by this section, that at the time of the investment has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment:

- (a) Bonds issued by the local agency, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency or by a department, board, agency, or authority of the local agency.
- (b) United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- (c) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.
- (d) Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.
- (e) Bonds, notes, warrants, or other evidences of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
- (f) Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
- (g) Bankers' acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers' acceptances shall not exceed 180 days' maturity or 40 percent of the agency's moneys that may be invested pursuant to this section. However, no more than 30 percent of the agency's moneys may be invested in the bankers' acceptances of any one commercial bank pursuant to this section.

This subdivision does not preclude a municipal utility district from investing moneys in its treasury in a manner authorized by the Municipal Utility District Act (Division 6 (commencing with Section 11501) of the Public Utilities Code).

- (h) Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or (2):
  - (1) The entity meets the following criteria:
    - (A) Is organized and operating in the United States as a general corporation.
    - (B) Has total assets in excess of five hundred million dollars (\$500,000,000).
    - (C) Has debt other than commercial paper, if any, that is rated "A" or higher by an NRSRO.
  - (2) The entity meets the following criteria:
    - (A) Is organized within the United States as a special purpose corporation, trust, or limited liability company.
    - (B) Has programwide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond.
    - (C) Has commercial paper that is rated "A-1" or higher, or the equivalent, by an NRSRO.

Eligible commercial paper shall have a maximum maturity of 270 days or less. Local agencies, other than counties or a city and county, may invest no more than 25 percent of their moneys in eligible commercial paper. Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper of any single issuer. Counties or a city and county may invest in commercial paper pursuant to the concentration limits in subdivision (a) of Section 53635.

- (i) Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section. For purposes of this section, negotiable certificates of deposit do not come within Article 2 (commencing with Section 53630), except that the amount so invested shall be subject to the limitations of Section 53638. The legislative body of a local agency and the treasurer or other official of the local agency having legal custody of the moneys are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency, or a person with investment decision-making authority in the administrative office manager's office, budget office, auditor-controller's office, or treasurer's office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.
- (j) (1) Investments in repurchase agreements or reverse repurchase agreements or securities lending agreements of securities authorized by this section, as long as the agreements are subject to this subdivision, including the delivery requirements specified in this section.
- (2) Investments in repurchase agreements may be made, on an investment authorized in this section, when the term of the agreement does not exceed one year. The market value of securities that underlie a repurchase agreement shall be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in

compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day.

- (3) Reverse repurchase agreements or securities lending agreements may be utilized only when all of the following conditions are met:
- (A) The security to be sold using a reverse repurchase agreement or securities lending agreement has been owned and fully paid for by the local agency for a minimum of 30 days prior to sale.
- (B) The total of all reverse repurchase agreements and securities lending agreements on investments owned by the local agency does not exceed 20 percent of the base value of the portfolio.
- (C) The agreement does not exceed a term of 92 days, unless the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.
- (D) Funds obtained or funds within the pool of an equivalent amount to that obtained from selling a security to a counterparty using a reverse repurchase agreement or securities lending agreement shall not be used to purchase another security with a maturity longer than 92 days from the initial settlement date of the reverse repurchase agreement or securities lending agreement, unless the reverse repurchase agreement or securities lending agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity date of the same security.
- (4) (A) Investments in reverse repurchase agreements, securities lending agreements, or similar investments in which the local agency sells securities prior to purchase with a simultaneous agreement to repurchase the security may be made only upon prior approval of the governing body of the local agency and shall be made only with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has or has had a significant banking relationship with a local agency.
- (B) For purposes of this chapter, "significant banking relationship" means any of the following activities of a bank:
- (i) Involvement in the creation, sale, purchase, or retirement of a local agency's bonds, warrants, notes, or other evidence of indebtedness.
  - (ii) Financing of a local agency's activities.
  - (iii) Acceptance of a local agency's securities or funds as deposits.
- (5) (A) "Repurchase agreement" means a purchase of securities by the local agency pursuant to an agreement by which the counterparty seller will repurchase the securities on or before a specified date and for a specified amount and the counterparty will deliver the underlying securities to the local agency by book entry, physical delivery, or by third-party custodial agreement. The transfer of underlying securities to the counterparty bank's customer book-entry account may be used for book-entry delivery.
- (B) "Securities," for purposes of repurchase under this subdivision, means securities of the same issuer, description, issue date, and maturity.
- (C) "Reverse repurchase agreement" means a sale of securities by the local agency pursuant to an agreement by which the local agency will repurchase the securities on or before a specified date and includes other comparable agreements.
- (D) "Securities lending agreement" means an agreement under which a local agency agrees to transfer securities to a borrower who, in turn, agrees to provide collateral to the local agency. During the term of the agreement, both the securities and the collateral are held by a third party. At the conclusion of the agreement, the securities are transferred back to the local agency in return for the collateral.
- (E) For purposes of this section, the base value of the local agency's pool portfolio shall be that dollar amount obtained by totaling all cash balances placed in the pool by all pool participants, excluding any amounts obtained through selling securities by way of

reverse repurchase agreements, securities lending agreements, or other similar borrowing methods.

- (F) For purposes of this section, the spread is the difference between the cost of funds obtained using the reverse repurchase agreement and the earnings obtained on the reinvestment of the funds.
- (k) Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated "A" or better by an NRSRO. Purchases of medium-term notes shall not include other instruments authorized by this section and shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section.
- (I) (1) Shares of beneficial interest issued by diversified management companies that invest in the securities and obligations as authorized by subdivisions (a) to (k), inclusive, and subdivisions (m) to (q), inclusive, and that comply with the investment restrictions of this article and Article 2 (commencing with Section 53630). However, notwithstanding these restrictions, a counterparty to a reverse repurchase agreement or securities lending agreement is not required to be a primary dealer of the Federal Reserve Bank of New York if the company's board of directors finds that the counterparty presents a minimal risk of default, and the value of the securities underlying a repurchase agreement or securities lending agreement may be 100 percent of the sales price if the securities are marked to market daily.
- (2) Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.).
- (3) If investment is in shares issued pursuant to paragraph (1), the company shall have met either of the following criteria:
- (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs.
- (B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by subdivisions (a) to (k), inclusive, and subdivisions (m) to (q), inclusive, and with assets under management in excess of five hundred million dollars (\$500,000,000).
- (4) If investment is in shares issued pursuant to paragraph (2), the company shall have met either of the following criteria:
- (A) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs.
- (B) Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).
- (5) The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include commission that the companies may charge and shall not exceed 20 percent of the agency's moneys that may be invested pursuant to this section. However, no more than 10 percent of the agency's funds may be invested in shares of beneficial interest of any one mutual fund pursuant to paragraph (1).
- (m) Moneys held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements, may be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific

statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.

- (n) Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest in securities of the types listed by Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.
- (o) A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed bond of a maximum of five years' maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by an NRSRO and rated in a rating category of "AA" or its equivalent or better by an NRSRO. Purchase of securities authorized by this subdivision shall not exceed 20 percent of the agency's surplus moneys that may be invested pursuant to this section.
- (p) Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (q), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:
- (1) The adviser is registered or exempt from registration with the Securities and Exchange Commission.
- (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.
- (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).
- (q) United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated "AA" or better by an NRSRO and shall not exceed 30 percent of the agency's moneys that may be invested pursuant to this section.

# PROCUREMENT POLICY

**Effective July 1, 20212022** 

# **OVERVIEW**

This policy is written to document the policies and procedures that shall be followed when purchasing goods or services. All purchases of materials, supplies, equipment and services required by the District shall be made in accordance with the following, and pursuant to applicable provisions of the Government Code. This policy will be reviewed with new members of the Board of Directors and new District Department Heads/Managers as soon as possible after they assume responsibility. This policy shall also be reviewed as part of the annual budgeting process.

# **OBJECTIVES**

- Purchase the best product or service at the most favorable price
- Establish authority, responsibility, accountability for purchasing activity
- Provide an environment of fair competition and impartiality in purchasing process
- Set objective decision-making procedures for District staff to follow when procuring materials or services
- Communicate organization goals/policies as they relate to purchasing

# QUOTATIONS FOR GOODS, SERVICES AND EQUIPMENT; PROFESSIONAL SERVICES; PUBLIC WORKS PROJECTS

The District shall invite bid proposals or quotations for goods, services and equipment as required by applicable provisions of California Law. Invitations to bid shall include all information required by law and grant requirements. District personnel shall always use their best judgment in receiving either oral or written quotations. For expenditures over \$50,000, the District shall solicit, if available, two (2) written quotations or bids. Generally, the purchase will be made from the lowest responsible bidder. The District in its sole discretion reserves the right to reject all bids or quotations. In the event bids or quotations are not received or, in the District's sole discretion are unacceptable, the District reserves the right to have the work done by its own forces.

# For Federally funded projects the following provisions should be included in the procurement process as applicable and necessary:

- Standards of conduct related to conflicts of interest in accordance with the requirements contained in Title 2 CFR,220.318(c)(1)
- Federally required provisions per Title 2 CFR, Part 200 including:
  - a) Debarment and Suspension (Section H),
  - b) Byrd Anti-Lobbying and Certification (Section I),
  - c) Clean Air Act and Federal Water Pollution Control Act (Section G)
  - d) Equal Employment Opportunity clause (Section C)

 Solicitation of small and minority business in accordance with Title 2 CFR, Part 200.321 to the standard contact

# **EXCEPTIONS TO COMPETITIVE BIDDING**

Competitive bidding may be waived in the case of an emergency or when:

- The items or services to be furnished are in such short supply that there is no competition.
- The specifications or other restrictions limit the number of prospective suppliers.
- The skill or knowledge of a particular individual is sought.
- Consolidating its procurement with that of another agency or entity constituted for governmental purposes; provided that the commodities or contractual services to be procured have been subjected to competitive bidding by said other agency or entity and documentation of such competitive bidding exists.
- Using on-call services as described in the Engineering Projects Administration Policy.

# PROFESSIONAL SERVICES

The District may in its discretion, but is not required to, utilize a request for proposal process or other formal process for the selection of consultants to provide professional services. Selection of professional services consultants shall be made in the District's sole discretion based on demonstrated competence, professional qualifications and other criteria which the District deems relevant.

# PUBLIC WORKS PROJECTS

Water conservation districts like United are not included within, and are not subject to, competitive bidding requirements in the Public Contract Code. The District reserves the right in its discretion to determine whether it will seek competitive bids for public works projects.

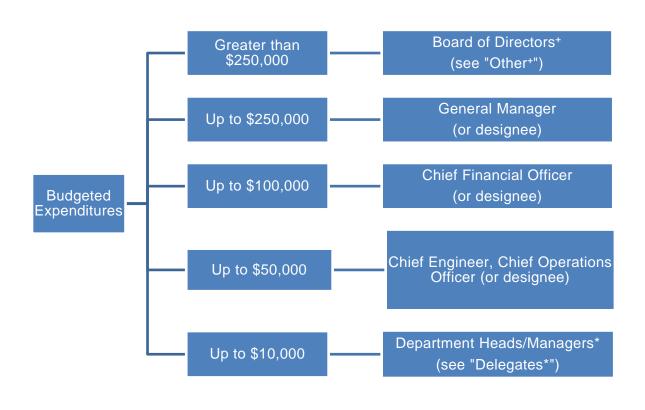
# **PURCHASING AUTHORITY**

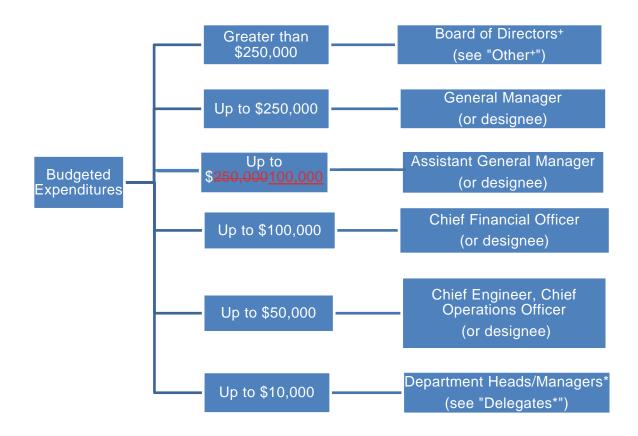
The Board of Directors adopts an annual budget, which includes detail of all capital items, professional fees for services and all other expenditures. Items referred to hereafter as "budgeted" refer to expenditures that have been appropriated in the adopted budget or approved for expenditure by the Board after the budget is adopted for the current fiscal year.

Authority to approve expenditures and sign contracts shall be determined as shown in the diagrams below. Expenditures shall not be broken down or divided into sub-groups for purposes of avoiding the guidelines.

The General Manager and Chief Financial Officer may designate their approval authority in their absence. Designation must be made in writing and a log of designations of authority will be maintained by the Executive Assistant. The General Manager, Assistant General Manager, and other Department Heads/Managers may delegate approval authority to anyone within their department up to \$5,000. A list of delegates and their approval authority level is maintained in the Finance Department.

Figure 1. Purchase Authority Levels for Budgeted Expenditures





A contract amendment that is a budgeted expenditure and relates to an original contract with an amount below the General Manager's authority may be executed by the General Manager provided that the total amount of the contract and amendment(s) do not exceed the General Manager's authority. For example, a contract amendment of \$50,000 to a \$200,000 contract may be executed by the General Manager. However, a contract amendment of \$50,000 to a \$210,000 (total contract value of \$260,000) must be approved by the Board.

A contract amendment that is a budgeted expenditure and relates to an original contract with an amount exceeding the General Manger's authority, may be executed by the General Manager up to his approval level, not exceeding 50% of the original contract amount. For example, a contract amendment to a \$400,000 contract may be made up to \$200,000. Contract amendments for non-budgeted expenditures are subject to the limits set forth in the Appropriations section of the Budget Amendment Policy.

# **Exceptions to Purchase Authority Levels**

Charges over \$250,000 do not need to be approved by the Board if they are related to payroll, State Water (including supplemental water purchases), insurance, utilities, debt service payments, GMA fees, U.S. Geological Survey charges, or regulatory fees for the Santa Felicia Dam. Charges related to payroll are approved during the payroll process. Charges related to all other items in the above list are approved at the department head level.

Authority levels for non-budgeted expenditures are detailed in the Budget Amendment policy.

# **CREDIT CARDS**

The General Manager or designee may acquire credit cards in the name of the District for use by designated District personnel. The District shall maintain a written log of credit cards. Employees assigned credit cards will sign an acknowledgement form (Exhibit A) agreeing to the limitations of the card use as described below.

#### Credit cards:

- May be used to charge necessary supplies and equipment, authorized travel, food and lodging for the person in possession of the credit card and any other District employee. Credit cards should only be used for the purchase of supplies and equipment when the vendor does not accept other forms of payment (such as an online vendor) or when the vendor does not extend credit to the District.
- May be used for the purchase of gas, oil, supplies, and repairs for District vehicles.
- May be used to purchase meals.
- May be acquired for vendors (i.e., Home Depot) with approval by the General Manager.
- May not be used for personal benefit or personal use even when the cardholder reimburses the District.
- May not be issued to members of the Board of Directors. They will be reimbursed according to the District's established Reimbursement Policy.
- Must be returned to the district upon termination or resignation prior to receiving their last paycheck.
- Cannot be used to pay for another credit card.

Misuse of the credit card privilege can result in disciplinary action, including termination.

Receipts for all credit card expenditures must be promptly turned into the Finance Division along with appropriate documentation stating the purpose of the expenditure.

# Credit card limits are as follows:

General Manager	\$12,500
Assistant General Manager	\$10,000
Chief Financial Officer	\$ <del>2</del> 5,000
Chief Engineer	\$10,000
Chief HR Officer	\$ <mark>25</mark> ,000
Chief Operations Officer	\$ <mark>25</mark> ,000
Chief Park Ranger	\$ <mark>25</mark> ,000
Engineering Manager	\$ 2,000
Environmental Services Manager	\$ 2,000
Human Resources Manager	<del></del>
Travel Card	\$ <del>12,500</del> <u>25,000</u>
Water Resources Manager	\$ 2,000

The travel card is to be used for conference/seminar registration, airline, hotel and car rental costs for the Board of Directors, General Manager, employees or other designated individuals of the District. The card may be used by the Administrative Assistant II occasionally to

purchase supplies when the vendor does not accept other forms of payment (such as an online vendor). This card is kept in the District headquarters vault.

Supervisors approve credit card charges for all staff and the Chief Financial Officer approves the General Manager's credit card charges.

# **PURCHASE ORDERS**

A purchase order will be created and electronically approved for all expenditures in excess of \$5,000 for which a fixed price is known or can be reasonably estimated prior to receiving the invoice. Purchase orders must be approved electronically by appropriate level of management prior to making the actual purchase or commitment of funds. In the case of purchase orders for amounts over the General Manager's approval limits, the Clerk of the Board will electronically approve the purchase order at the Board level after the item has been approved at a Board meeting.

It is the responsibility of each department manager to verify that the funding amount of the requested purchase is available before authorizing the purchase order.

If a purchase order is required by the vendor, one may be created even if the dollar amount of the product or services falls below \$5,000.

After a purchase order has been approved by the appropriate level of management, only department head approval is required for payment of invoices related to those purchase orders. The invoice may exceed the amount of the purchase order by the lower of 10% or \$5,000. Invoices that exceed the purchase order by more than these levels will require the purchase order to be modified and will require reapproval at the appropriate level of management.

# **PETTY CASH FUND**

A Petty Cash fund of \$300 will be established for the District headquarters and \$100 at El Rio. Expenditures up to \$20 may be made for postage, freight, permit fees, licenses and similar charges, and employee expenses. In each instance a written receipt for payment is required. The Chief Financial Officer or their designee will be responsible for the Petty Cash Fund in the District headquarters and the Chief Water Treatment Officer will be responsible at El Rio.

A petty cash fund of \$34,000 will be established at the Lake Piru Recreation Area for change from cash sales. Each gatehouse staff person will have a change bank of \$150100 for point-of-sale cash transactions. Change banks will be reconciled at the end of each shift and signed off by the ranger in charge of supervising gatehouse staff. The Chief Park Ranger is responsible for the petty cash at the Lake Piru Recreation Area.

# PREVAILING WAGES

State Law requires that contractors pay their workers "prevailing wages" when a project is a "public work". The meaning of "public works" is defined in the California Labor Code Section 1720-1743. Therefore, the district will affirmatively state in all "public works" contracts over \$1,000 that contractors are required to pay their workers "prevailing wages".

# **GRANT COMPLIANCE**

Grant-required language will be incorporated in bid documents, professional services agreements, equipment supply contracts and construction contracts as needed. District contracts will provide language required to be in all subcontracts and disclosure of an audit requirement.

# REQUIREMENTS FOR PROFESSIONAL SERVICES

The District's standardized agreement for professional services, made available on the District's shared network, should be utilized. Any changes to the standard agreement need to be approved by the General Manager, and if necessary, legal counsel. In cases where the standardized agreement is not used because the contractor has a standard agreement that the District has deemed acceptable any professional services agreement must specify the scope of work, timing of work/term of the contract, indemnification, and hourly rates for the consultants engaged in the work. A request for any change order to the signed agreement must be submitted in writing.

# UWCD CREDIT CARD HOLDER AGREEMENT Employee: \_\_ Department:\_\_\_\_ (Cardholder) The Cardholder has been issued a District credit card and hereby agrees to comply with all terms and conditions set forth in the District's Procurement policy, including but not limited to: 1. Official Use Only. Charging personal expenses on District cards is a misuse of public funds—even if the intent is to reimburse the District at a later time—and may result in disciplinary action, including termination, at the General Manager's discretion. 2. Timely, Accurate and Supported Payments. Credit card payments will be processed on a timely basis, and adequate supporting documentation (such as vendor order forms, receipts, invoices and credit card receipts) will be retained for all charges and submitted to the Finance Division. 3. Disputed Charges. The vendor and issuing bank will be notified immediately of any disputed charges. 4. Lost or Stolen Cards. The issuing bank and the Finance Division will be notified immediately of a lost or stolen card. Failure to do so could make the Cardholder responsible for any fraudulent use of the card. 5. Surrender Upon Request or Separation. The credit card will be immediately surrendered upon separation from the District or upon request of the department head. Use of the credit card for any purpose after its surrender is prohibited. The bottom section of this form will be signed upon return of the credit card. 6. Credit Card Limit. The credit limit of this card is \$\_\_\_\_\_. Cardholder Signature Date RETURN OF CREDIT CARD UPON SEPARATION FROM DISTRICT EMPLOYMENT I HEREBY SURRENDER the credit card issued to me by the United Water Conservation District to the Human Resource Administrator. I declare that all outstanding charges on the credit card are for official District business and will be paid through established procedures. Cardholder Signature Human Resources Date Date

# UNITED WATER CONSERVATION DISTRICT AMENDED AND RESTATED RECORD RETENTION POLICY

Effective July 1, 2022

In order to amend and establish guidelines for the retention of United Water Conservation District (District) records and to identify those records which are no longer required for or important to District operations, and are therefore appropriate for destruction, the following guidelines are established for the retention of District records:

Different types of District records and a recommended retention period for those records are set forth on the record retention schedule maintained by the Administrative Services department (UWCD Retention Schedule Updated 10-21-14). Although every effort has been made to provide a thorough list of the different types of District records, the schedule is not all-inclusive, and there may be records which do not fall within one of the listed categories. In such case, the General Manager of the District is authorized to make a determination as to the appropriate retention period for the particular record.

Each record on the record retention schedule shall be maintained in District records for the period indicated. In some instances, circumstances may exist which justify maintenance of a particular record for a longer period of time. The period of retention begins at the end of the fiscal year during which the record was created, not from the date of the record itself. This policy applies to both digital and physical records.

Certain records are identified on the attachment as "Permanent Records" which shall be retained permanently in District records. Some Permanent Records should be retained in their original form, including minute books, resolutions and ordinances; records relating to the District's formation, and formation of any improvement or assessment districts; water distribution system design, installation and repair records; well records; deeds, easements and other real property records; insurance policies; annual and audited financial reports; and court judgments and settlement agreements. Other permanent records may be photographed, microfilmed or reproduced on optical disk or other medium to facilitate their retention as required by this Policy.

In normal operations of the District, duplicate records are often created. Unless the Board of Directors provides otherwise, the General Manager may authorize the destruction of any duplicate record so long as the original or a permanent photographic reproduction or optical disk copy of the record is created and maintained in accordance with this Policy.

In accordance with *Government Code §60201*, the District may utilize alternative storage methods for those records which are not required to be maintained in their original form. Upon Board authorization, District records may be photographed, micro-photographed, reproduced by electronic video images on magnetic surfaces, recorded in the electronic data processing system, recorded on optical disk, produced on film or any other reliable medium which does not permit additions, deletions or changes to the original document. This preservation must comply with minimum standards or guidelines recommended by the American National Standards Institute or the Association for Information of Image Management for recording of permanent records or non-permanent records.

Such reproductions shall be maintained in conveniently accessible files with provisions being made by the District for preserving, examining and using files. The reproductions can be certified,

and such certified reproductions shall be deemed to be original public records for all purposes pursuant to *Government Code* §60203. Certification of the record must comply with standards approved by the California Attorney General, including a statement of identity, description and disposition or location of the records reproduced and the date, reason and authorization for such reproduction.

The General Manager shall oversee the process for destruction of District records in accordance with the guidelines attached to this Policy (UWCD Retention Schedule Updated 10-21-14). Records, whether originals or reproductions, can be destroyed by the District unless it is determined that a compelling reason then exists to continue retention of the document. Alternatively, those records which are maintained in their original form during the retention period could, upon expiration of the retention period, be converted to microfilm or other photographic reproduction for so long as circumstances reasonably dictate.

Immediately prior to destruction, the General Manager shall make a determination that no reason then exists to preserve the record. Where warranted or necessary to protect District confidential or financial information, or to protect an individual's privacy, documents may be destroyed through a confidential shredding process.

# RESERVE POLICY

Effective July 1, 20221

# **OBJECTIVES**

Minimum financial reserve levels should be maintained:

- a) At a level required by loan or operating agreements; or
- b) At levels sufficient to absorb unpredictable revenue shortfalls or unforeseen emergency expenditures and to ensure fiscally prudent/desired cash flow levels.

Four important factors should be considered when determining an appropriate minimum reserve level:

- a) The reliability of each fund's revenue sources. A fund that depends upon less reliable revenue sources may need to maintain significantly higher levels of reserves than those that rely upon more stable sources of revenue;
- The timing of cash inflows and outflows. Funds whose cash flows are less consistent may need higher cash reserves to maintain liquidity than those with regular cash inflows and outflows;
- c) Frequently the District must "front" costs for work that will be reimbursed at a later date (i.e. grants, emergencies, etc.); and
- d) Recognition that funds must be accumulated for the completion/construction of Board approved capital improvement projects. These funds are often expended over multiple years and not necessarily in one fiscal year. These project designated/committed funds do not constitute a portion of the minimum reserve level set for each fund.

The District currently has the following financial reserve policies, as adopted by the Board of Directors and/or by agreement with specific customers:

# **OVERVIEW**

For budgeting purposes, the fund balance of each operating fund of the District is defined as its working capital (current assets minus current liabilities). The Board of Directors may designate a portion of the fund balance for anticipated expenses for specific purposes, including but not limited to environmental mandates, economic impacts, legal expenses, the purchase of supplemental water, State fiscal emergencies and/or the need to accumulate funds for future large purchases or capital improvement projects. The fund's reserve is defined as the remaining, undesignated fund balance. If events occur which cause the reserve level to drop below the goal, rates will be adjusted, if necessary, to rebuild reserves to the required level within three fiscal years.

# **GENERAL/WATER CONSERVATION FUND**

The District's goal should be to maintain a General/Water Conservation Fund undesignated reserve balance of no less than \$4 million and no more than \$5 million. This reserve balance should provide rate stabilization capabilities, funding for one-time unanticipated expenditures, necessary operational capital during negative cash flow periods and emergency funds that are necessary for the repair/maintenance of District facilities that have been damaged or destroyed by a natural disaster, major accident or mechanical malfunction, etc. In some cases, these emergency expenditures may be reimbursable to the District by FEMA/OES or other agencies.

- The Water Conservation Fund Groundwater Extraction Charge is reviewed annually in conjunction with the budget process and should be adjusted as appropriate to maintain reserve goals since the Board has no control over the amount of ad valorem property tax receipts.
- Any amount of funds above the reserve policy should be designated by the Board for one-time costs only.

# STATE WATER PROJECT FUND

Each fiscal year, the District determines the amount to be raised for voter approved debt by reviewing the State Water Fund reserve level less annual expenditures appropriations for variable and fixed State Water costs, assuming that the District's entire 5,000 AF allocation will be available and purchased each year. The District then requests a tax rate to be computed and assessed by the Ventura County Auditor by August 1 of each fiscal year.

The State Water Project Fund reserve balance will have two components. The first reserve component, identified as the Full Allocation Water Purchase (FAWP), will be the cumulative balance of all water purchase costs for each year when the District is unable to acquire 5,000 AF. The FAWP component, will be adjusted annually to reflect the monies not spent on water purchases up the District's 5,000 AF allocation, due to lack of water availability. The reserve maximum will be calculated by multiplying the AF of water not purchased since 2008, by the most recent rate per AF of Article 21 or Table A water, whichever is higher. Any fund balance at the end of each fiscal year will first be allocated to the FAWP reserve up to the maximum reserve amount.

The second reserve component shall be a reserve of up to \$1,000,000 for all projected annual State Water costs. Whenever funds exist in excess of this maximum reserve goal, the excess should be used in lieu of voter approved property tax assessment to pay annual SWP costs or to purchase additional state water, so long as the annual average for water purchased since 2008 does not exceed the 5,000 AF allocation per year.

# **FREEMAN FUND**

The reserve level for this fund is set at \$1 - \$1.5 million. This amount is based on estimates of revenue fluctuation and operational expense.

# **OXNARD HUENEME PIPELINE FUND**

Per "Water Supply Agreement for Delivery of Water Through the Oxnard Hueneme Pipeline" Amendment No. 1 (dated January 2002): The level of cash reserves in the Fund will be set at \$750,000, increased annually by the Consumer Price Index (CPI) – All Urban Consumers (Los Angeles-Riverside-Orange Co., CA area or any successor index area that replaces this area for Ventura County). This index is provided by the Bureau of Labor & Statistics and should represent the February-to-February annual adjustment, rounded off to the highest hundredth (i.e. 2.689% would be 2.69%). This reserve (adjusted annually by the CPI) includes one-third that can be used for annual rate stabilization and if used, can be built back up over a 2-year period with minor rate or expenditure adjustments. The O-H Pipeline charges will be established on an annual basis in accordance with SECTION 5 of the Agreement to maintain reserves at this level. In the event that the current level of reserves are depleted by more than thirty percent (30%) in any fiscal year because of expenditures on an emergency or unbudgeted item, United and All Contractors agree to meet and confer about developing a plan, which may include but not be limited to temporary rate increases, surcharges, capital contributions or other reasonable methods that will restore the reserves to the above described levels or some other level that United and Contractors or future

Contractors with cumulative entitlement of seventy five percent (75%) of the allocated peak capacity may determine.

Interest income earned on the Fund reserves shall remain in the Fund.

- 1) All Contractors accept and acknowledge that a \$750,000 reserve (plus the annual CPI adjustment) may be insufficient to fund major improvements or to make repairs to the Pipeline in the event of catastrophic emergencies.
- 2) In the event that United, pursuant to SECTION 10B of the agreement, expends funds that completely deplete the cash reserves of the Fund, then United shall have no further obligation to expend funds from any source for the O-H Pipeline. Upon the exhaustion or anticipated imminent exhaustion of the Fund, United shall notify All Contractors, Future Contractors and Emergency Contractors, in writing, requesting payment of the cost of unbudgeted expenses. Each Contractor shall have five (5) days after delivery of the notice to respond with a written notice stating whether they will pay funds to the Fund in their proportionate or some other greater or lesser amount of the cost of the unbudgeted expenses. Each Contractor shall have thirty (30) days after delivery of the notice from United to pay the required funds to the Fund. If the funds required to pay the unbudgeted expenses are not committed within the five (5) day period specified herein, each Contractor, Future Contractor and Emergency Contractor that fails to make timely payment as provided in this subsection shall indemnify United from and against all liabilities, expenses or damages of any kind, including, but not limited to, attorneys' fees and costs of defense, that may be incurred by United as a result of failing to expense funds, make the repairs and continue to operate the O-H Pipeline or supply water. if operation or supply is prevented, and all other matters resulting from the failure to expend funds pursuant to the provision of SECTION 10C. If and when the full amount of the unbudgeted expenses are paid to the Fund, United shall immediately resume its duties under this Agreement and each Contractor, Future Contractor and Emergency Contractor shall be relieved from the aforementioned indemnity obligation except to the extent that the obligation may have arisen or may later arise because of the failure of United to expend funds, make repairs, continue to operate or supply water as a result of the exhaustion or anticipated eminent exhaustion of the Fund. At the time, United, and each Contractor, Future Contractor and Emergency Contractor agree to meet and confer pursuant to SECTION 18 of the Agreement to determine how and when the reserves of the Fund are going to be restored to the level set pursuant to SECTION 12F of the Agreement.

# PLEASANT VALLEY PIPELINE FUND

Per a Water Delivery Contract between United Water Conservation District and Pleasant Valley County Water District (signed in 1995), the level of cash reserves to be maintained in the PV Pipeline Enterprise Fund will be set at the prior three (3) year running average of Operations and Maintenance expenditures including depreciation, less adjustments for extraordinary items.

 If damage to the system occurs in excess of the amount of the established reserves, UWCD and PVCWD agree to meet and confer about the nature, extent and necessity of such repairs. PVCWD must first agree to pay for such agreed upon repairs, which will be financed from future rates, and then UWCD will arrange to have the repairs accomplished as quickly as possible. UWCD and PVCWD will also agree on the repayment schedule, which will rebuild reserves to the required level.

- PVCWD agreed to pay an amount equal to the debt service payment each and every year until the debt issued to construct the second reservoir is paid in full, even in the event that no water is delivered in any particular year or years. At its option, PVCWD may elect to use any available excess Operations and Maintenance (O&M) reserves, described above, to make the debt service payment. In the event that O&M reserves are depleted or are unavailable for use to make a debt service payment, PVCWD shall make the payment from any source it has available.
- In the event operating reserves exceed the above stated cash reserve level, UWCD will confer with PVCWD to determine if the excess funds are to be returned to PVCWD, used to offset operations and maintenance rates and/or designate for specific projects/costs related to the Pleasant V Pipeline.

# **PUMPING TROUGH PIPELINE FUND**

A reserve level of \$1M250,000 - \$300,000 should be the goal for operations and maintenance. If events occur which cause the reserve level to drop below the goal, rates will be adjusted, if necessary, to rebuild reserves to the required level. Any excess reserves may be set aside for one-time expenditures (i.e. capital purchases or capital improvement projects).

# VEHICLE AND EQUIPMENT REPLACEMENT AND MAINTENANCE/REPAIRS SCHEDULE AND POLICY

Effective July 1, 2022

#### **PURPOSE**

Establish guidelines to be used by the District for addition/replacement and maintenance of vehicles and equipment by utilizing acquisition and replacement criteria and purchasing procedures that promote cost effectiveness, employee safety and environmental benefits. The guidelines set are based on criteria that allow employees to perform their assigned work and minimize "down time" due to frequent or regular major repairs and maintenance resulting from declining conditions of District vehicles and equipment due to age, mileage, hours of operation, wear and tear, etc. While vehicle and equipment appearance/condition should not be a primary decision criterion it can be used in some circumstances that are clearly documented and reviewed by the Board.

# ACQUISITION OF VEHICLES/EQUIPMENT

All vehicle/equipment acquisitions must be approved by the Board of Directors either through the annual budget process or through a supplemental budget appropriation request if the funds were not allocated previously. For non-replacement vehicle/equipment purchases, the justification must include why the new acquisition is needed, how it will be used and how it will help the District meet its mission objectives. If the vehicle was approved in the budget adoption process, staff must get the Board's approval prior to making the actual expenditure. Acquisitions of replacement vehicles/equipment must meet certain mileage, age, or usage criteria as identified below:

# Vehicle/Equipment Replacement Criteria

Full Ton/3/4 Ton	120,000 miles or 12 years
Small Truck	120,000 miles or 12 years
Sedan/SUV	100,000 miles or 12 years
Scraper	7,000 hours or 18 years
Bulldozer	7,000 hours or 20 years
Backhoe	7,000 hours or 20 years
Grader	8,500 hours or 25 years
Frontload Tractor	7,000 hours or 20 years
Dump Truck	100,000 miles or 20 years
Water Truck	100,000 miles or 20 years

Even when a vehicle meets the replacement criteria above, managers should evaluate the vehicle operation performance. If the vehicle is sound and in good working condition, runs satisfactorily and the continued operation of the vehicle is cost effective, the vehicle should be retained.

Vehicles/equipment that does not meet the replacement criteria may be considered for early replacement if it can be shown that it is not cost effective to continue operating and

maintaining the unit (excessive maintenance costs and the vehicles/equipment down-time for maintenance is disruptive to the District's operations) or its specifications no longer meet the requirements of the job it was purchased to perform. Approval by the Board of Directors is required for early replacement. Lease options will only be considered for large equipment.

Purchasing the Vehicle/Equipment – In purchasing a new vehicle/equipment staff will:

- Purchase through the State, if time allows, and it is cost effective and price competitive.
- Prepare vehicle/equipment specifications and secure at least two price quotes unless available only through a sole vendor, with appropriate justification.

# Purchasing Used Vehicles/Equipment

Department Managers may authorize the purchase of a used vehicle if they can justify that it is in the District's best interest and cost effective. When purchasing a used vehicle/equipment manager will:

- Provide a complete justification and description of vehicle/equipment (year, mileage, condition etc.).
- Estimated remaining life of used vehicle/equipment.
- Price quote and seller information.

# Standardization of Vehicles/Equipment

- Department managers are responsible for final determination of the types of vehicles/equipment and specifications needed to perform the necessary operations.
- All District vehicles will be white except those assigned to management employees (General Manager will have final approval).
- Department managers will determine whether vehicle/equipment should be powered by diesel, gasoline or alternative fuel options. Diesel is preferred for heavy equipment.
- Full-ton or ¾ ton pick-ups only should be purchased no ½ ton pick-ups due to the frequent need to tow other equipment. Light duty trucks are preferred for certain positions such as technicians and will only be purchased on recommendation by the department manager.

Disposing of Vehicles/Equipment – Refer to the District's "Disposition of Surplus Assets Policy".

# Spare vehicles/equipment

Upon recommendation by the appropriate department manager, the number of spare vehicles/equipment will be based on the benefit they provide versus the cost of their maintenance. Retaining vehicles/equipment as spares must be approved by the General Manager. Spare vehicles/equipment provide back-ups while repairs are being made or for seasonal workers, as necessary. Unless otherwise approved, all replaced vehicles/equipment must be disposed of according to the District's "Disposition of Surplus Assets Policy", within a 12-month timeline of being replaced.

# MAINTANANCE OF VEHICLES/EQUIPMENT

- Preventative Maintenance (PM) and major repairs of all District vehicles/equipment is the responsibility of the employee assigned the vehicle/equipment. If not assigned, the appropriate supervisor will be responsible to ensure proper preventative maintenance is done.
- Each employee/supervisor with vehicle/equipment assignments will maintain and keep up to date a complete log in the vehicle/equipment of all maintenance or repairs performed (including date and mileage) and the associated costs. Supervisors will maintain a centralized log of all preventative maintenance and repairs and review this log on monthly basis to ensure timely PM and early detection of problems.
- Preventative Maintenance (i.e. oil and oil filter changes, tire pressure and other fluids checked/filled as necessary, etc.) should be performed every 3,000-5,000 miles depending on usage (frequent stopping and starting, excessive dust and towing or use of regular oil would indicate a need to perform PM at the 3,000 mile mark. 5,000 mile interval PM can be done if synthetic oil is used).
- Preventative maintenance may be done in the District's El Rio shop, if approved by supervisor or at "quick-stop" oil change establishments. Major repairs or warranty work must be done at an appropriate dealership/shop.
- Owner's Manual suggested servicing schedule should be followed to ensure proper maintenance of all vehicles/equipment.

The General Manager is authorized to deviate from this policy when doing so is cost effective, furthers the District mission objectives and is consistent with the intent and purpose of this policy.

# VERIFICATION OF GROUNDWATER PRODUCTION STATEMENT

Effective July 1, 2022

Pursuant to Water Code section 75611 each operator of a water-producing facility within the District boundaries, unless permanently abandoned under Water Code section 75614, shall file with the District on or before the 31st day of January and on or before the 31st day of July in each year, a statement setting forth the total production in acre-feet of water for the preceding six-month period. In order to verify the reported production amount, the District's Finance Division requires each statement to include a current photograph of the meter for each listed water-producing facility in the statement. Photographs may be mailed along with the groundwater production statement to the District office at 1701 N. Lombard St., Suite 200, Oxnard, CA 93030 or may be emailed to <a href="mailto:gwreporting@unitedwater.org">gwreporting@unitedwater.org</a>. For identification purposes, either the account number or the well number must be included in the subject line of the email.

In the event a statement is submitted without the required photograph, the Finance Division will send the operator a request for a photograph no later than 30 days following the date the report is submitted. The operator will have 30 days after the request is mailed to provide the District with a current photograph. Failure to provide a photograph within 30 days after a mailed request by the District shall constitute sufficient grounds to warrant a District inspection of each water producing facility listed in the statement pursuant to the procedures set forth in Water Code section 75634.5. Alternatively, the failure of an operator to provide the required photograph with a production statement shall constitute sufficient probable cause to permit the District to cause an investigation and report, and to fix the amount of water production pursuant to Water Code section 75619.

# **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

Anthony A. Emmert, Assistant General Manager

From: Brian Zahn, Chief Financial Officer

Date: May 17, 2022 (June 8, 2022, meeting)

Agenda Item: 5.3 Resolution 2022-25 Requesting the County Auditor-Controller to

Compute and Affix a Tax Rate for the Fiscal Year 2022-23 Sufficient

to Satisfy State Water Project Charges

Motion

# **Staff Recommendation:**

The Board will review and consider adoption of <u>Resolution 2022-25</u>, requesting the County Auditor-Controller to compute and affix a tax rate for FY 2022-23 to provide approximately \$2,099,000 in property tax revenue sufficient to satisfy a portion of the voter approved debt for State Water Project costs.

# **Discussion:**

Annually, in order to fund State Water Project Table A allocation costs, the District's Board of Directors must request that the County's Auditor-Controller compute and affix a tax rate to the property tax roll for the upcoming fiscal year.

As part of the budget preparation, staff estimates the operating costs and debt service for State Water that corresponds to the District's annual 5,000 acre-foot (AF) share of the 20,000 AF Table A contracted amount held by the Ventura County Watershed Protection District (VCWPD). The Board may fund these costs by using tax revenues or a combination of tax revenues and reserves. These estimates are to be submitted to the County no later than August 1, for the Auditor-Controller to establish calculations for the tax rate necessary to fund the annual project cost obligation.

The State of California operates the State Water Project on a calendar year basis and the District typically attempts to purchase as much of its Table A allocation as possible for delivery. The District cannot currently receive delivery of State Water during the months of January through October, largely due to Endangered Species Act issues along middle Piru Creek.

## Agenda Item: 5.3 Resolution 2022-25 Requesting the County Auditor-Controller to Compute and Affix a Tax Rate for the Fiscal Year 2022-23 Sufficient to Satisfy State Water Project Charges

**Motion** 

Of the total \$1,608,000 budgeted costs for State Water in FY 2022-23, approximately \$1,066,100 represents the District's projected share of the VCWPD State Water contractual fixed costs. As the Board is aware, Port Hueneme Water Agency (PHWA) leases 1,850 AF of the District's 5,000 AF Table A allocation, leaving the District with a total of 3,150 AF. PHWA reimburses the District only for actual State Water delivered.

As of May 2022, the Department of Water Resources has authorized deliveries at 5 percent of State Water Contractors' Table A allocation. The District's allocation at 5 percent is 250 AF.

The assessment rate for FY 2022-23 will be based on the actual assessed valuation of properties within the State Water Importation tax roll areas. It is not possible for staff to estimate what the actual assessed valuation total will be. The assessor calculates a rate by dividing the District's request by the total assessed valuation of properties within the State Water Importation tax roll areas. That rate is then applied to the assessed value of each individual property to compute a proportional share to affix to each property owner's individual tax bill.

#### **Fiscal Impact**:

Property tax revenue of \$2,099,000 is necessary to cover the budgeted costs of State Water in FY 2022-23 and maintain adequate reserves, pursuant to the District's reserve policy.

Attachment: A - Resolution 2022-25

#### **RESOLUTION 2022-25**

# A RESOLUTION OF THE BOARD OF DIRECTORS OF UNITED WATER CONSERVATION DISTRICT REQUESTING THE COUNTY AUDITOR-CONTROLLER TO COMPUTE AND AFFIX A TAX RATE FOR THE FISCAL PERIOD 2022-2023 SUFFICIENT TO SATISFY THE STATE WATER PROJECT CHARGES

WHEREAS, the United Water Conservation District, as of July 1, 1970, was allocated 5,000 acre-feet of state water; and

**WHEREAS**, since 1970 there has been annual revenue needed to pay the State Water Project fixed and variable charges (voter approved debt) for the District's 5,000 acre-foot allocation, and United Water Conservation District has paid the variable charges in the years when all or a portion of the Table A allocation was received; and

WHEREAS, the estimated amount of revenue required for the fiscal year July 1, 2022, through June 30, 2023, to satisfy unfunded State Water Project charges is \$2,099,000.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the United Water Conservation District does request the County Auditor-Controller to compute and affix a tax rate for the fiscal period July 1, 2022, through June 30, 2023, sufficient to satisfy the State Water Project charges up to the amount set forth above.

ATTEST:

Bruce Dandy, President

ATTEST:

Lynn Maulhardt, Secretary/Treasurer

**ADOPTED AND PASSED** this 8<sup>th</sup> day of June 2022.

#### Staff Report

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

From: Josh Perez, Chief Human Resources Officer

**Date:** April 23, 2022 (June 8, 2022 Meeting)

Agenda Item: 5.4 Consolidate District's 457 Plan with Lincoln Finance Group

**Motion** 

#### **Staff Recommendation:**

The Board will consider the benefits of consolidating the District's 457 plan(s) currently available and offered to active and retired employees of the District. At present, the District has two providers -- Lincoln Financial Group and Empower. Staff is recommending the Board consolidate these plans by authorizing the General Manager and/or his designee to formally transition all current participants into a single modernized 457 plan with Lincoln Financial Group.

#### **Discussion:**

By way of background, the District has had Empower Retirement (formerly known as Great West Financial) along with the Lincoln Financial Group as plan providers for well over a decade. This has resulted in two accounts with equal participation in them at approximately three million each. By leveraging current plans which have changed significantly since these have been adopted, and combining these funds together, the District can achieve significantly better economies of scale reducing costs for participants leaving more of their individual contributions in their accounts to potentially increase at a greater percentage over time. The Finance Committee was briefed on this proposed consolidation of our existing 457 plans at its April meeting and again at its May 31, 2022 committee meeting and has expressed general support and concurrence with the recommendations staff is providing. In addition, staff brought these proposals to the SEIU Local 721 who also reviewed these changes from a benefits and legal perspective, and voiced concurrence with staff's proposed changes. These changes if approved by the Board of Directors will benefit participants in the following manner:

- Reduces investment fees paid by active participants (reduction dependent on investment strategy) but average fee reduction will likely be one to one- and one-half percent of assets in account compounded annually.
- Fee transparency better understanding of all fees and costs associated with participation
- Online enrollments, online contribution changes, loan requests, payments, and distribution requests that avoid paper processing required under current contracts.

### Agenda Item: 5.4 Consolidate District's 457 Plan with Lincoln Finance Group Motion

- Online educational resources (retirement investing, rate of return, tax planning, risk assessments)
- Mobile application & Apple iWatch integration
- Streamlined investment portfolio of options
- More flexible loan provisions available to participants for emergency situations or borrowing power for unique life events

This action benefits both current and future participants by leveraging economies of scale, current assets under management within both accounts, and makes the plan more competitive with today's current marketplace. A small, limited number of participants may see some changes to their fixed interest accounts setup long ago as individual contracts when interest rates were higher across the spectrum for annuity-based investment options. However, the impact from individuals in those situations are extremely limited and individual investment options would be available or recommended for those participants and would be communicated and shared by our investment advisors through Lincoln Financial Group to offset or mitigate this concern for our impacted staff and retired participants.

**Fiscal Impact:** There is no known fiscal impact to the District other than potentially some administrative time spent on setting up the new accounts. Barring any unforeseen issues, all the expenses associated with the change would be borne and undertaken by Lincoln Financial Group. Training associated with the new processes or systems would be provided to administrative staff and participants by Lincoln Financial Group. As a result, should this proposed recommendation be approved, there is no direct fiscal impact on the District that is foreseen if approved. The fee changes on many funds are seen as dramatically impacting the investment amounts in a positive way and save participants investment money that continues to grow through options offered in the consolidated and modernized 457 plan offerings.



#### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

Maryam Bral, Chief Engineer

Linda Purpus, Environmental Services Manager

From: Randall McInvale, Environmental Scientist-Regulatory Affairs Specialist

Date: May 25, 2022 (June 8, 2022, Meeting)

Agenda Item: 5.5 Resolution 2022-27 Approving Adoption of the California

**Environmental Quality Act (CEQA) Notice of Exemption and the Approval of the Information Collection for the Proposed Extraction** 

**Barrier and Brackish Water Project** 

**Motion** 

#### **Staff Recommendation:**

The Board will consider approving <u>Resolution 2022-27</u>, adopting the California Environmental Quality Act (CEQA) Notice of Exemption (NOE) for the Information Collection for the Proposed Extraction Barrier and Brackish Water Project (Project), approving the Project, and directing staff to file the NOE in accordance with CEQA.

#### **Discussion:**

The District is the lead agency for the Project under CEQA. The proposed Project consists of surveys, data collection, and monitoring well installation which do not result in a serious or major disturbance to an environmental resource. The Project is categorically exempt from review under CEQA pursuant the California Code of Regulations (CCR) Section 15306 "Information Collection" Class 6. The District has reviewed and has determined that none of the exceptions to categorical exemption set forth in CCR Section 15300.2 apply.

#### **Mission Goal:**

Meets mission-related Goal B (System Reliability) and Goal C (Regulatory & Environmental Compliance).

#### **Fiscal Impact:**

The County Clerk and Recorder's Office filing fee for the CEQA NOE is \$50.00 which is included in the Adopted Fiscal Year 2022-23 Budget under project account 051-400-81080; 8019-825.

#### **Attachments:**

Attachment A – Resolution 2022-27 Attachment B – Notice of Exemption

#### **RESOLUTION 2022-27**

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE UNITED WATER CONSERVATION DISTRICT IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, APPROVING ADOPTION OF A NOTICE OF EXEMPTION AND APPROVAL OF THE INFORMATION COLLECTION FOR THE PROPOSED EXTRACTION BARRIER AND BRACKISH WATER PROJECT

WHEREAS, the United Water Conservation District ("District") intends to perform land surveys, geophysical surveys, geotechnical surveys, technical information collection, and install up to six new monitoring wells at Naval Base Ventura County ("NBVC") Point Mugu ("Project"); and

**WHEREAS**, the Project will be performed at various locations at NBVC Point Mugu within the overall Project footprint; and

WHEREAS, the District has reviewed the proposed Project and has determined that it is categorically exempt from the provisions of the California Environmental Quality Act ("CEQA") pursuant to the Class 6, Information Collection, categorical exemption under State CEQA Guidelines Section 15306 because the proposed Project involves basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource; and

WHEREAS, under CEQA Guidelines Section 15300.2, a project exempt under Class 6 that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, a Class 6 exemption would apply except where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies; and

WHEREAS, as a result of the Project's design features, no impact will occur on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies; and

**WHEREAS**, the District has reviewed the proposed Project and has determined that none of the exceptions to categorical exemption set forth in State CEQA Guidelines Section 15300.2 apply.

### NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE UNITED WATER CONSERVATION DISTRICT AS FOLLOWS:

- 1. The District Board of Directors hereby finds that approval of the Project is not subject to environmental review under CEQA (Pub. Resources Code, § 21000 et seq.) and the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.), on grounds that the Project is categorically exempt. Specifically, the Board of Directors finds that the Project is categorically exempt pursuant the Class 6, Information Collection exemption (State CEQA Guidelines, § 15306).
- 2. The District's Board of Directors hereby finds and determines that none of the exceptions to categorical exemption set forth in State CEQA Guidelines Section 15300.2 apply.
- 3. The District's Board of Directors hereby approves the Project and authorizes its implementation when deemed appropriate by the General Manager.
- 4. The Board hereby authorizes and directs the District's Environmental Services Manager to file a Notice of Exemption ("NOE") for the Project in accordance with CEQA.
- 5. The foregoing recitals are true and correct and incorporated herein as if fully set forth.

PASSED, APPROVED AND ADOPTED this 8th day of June 2022.

<b>ATTEST</b>	:
	Bruce E. Dandy, Board President
<b>ATTEST</b>	:
	Lynn E. Maulhardt, Board Secretary/Treasurer

#### rage

#### NOTICE OF EXEMPTION

**To:** Office of Planning and Research P.O. Box 3044, Room 113 Sacramento, CA 95812-3044

Ventura County Clerk 800 South Victoria Ave Ventura, CA 93009 From:

United Water Conservation District 1701 North Lombard Street, Suite 200 Oxnard, CA 93030

Project Title: Information Collection for the Proposed Extraction Barrier and

**Brackish Water Project** 

**Project Location:** Naval Base Ventura County Point Mugu, Ventura County,

California

Name of Public Agency Approving Project (Lead Agency): United Water Conservation District

Name of Person or Agency Carrying Out Project: United Water Conservation District

**Project Description:** United Water Conservation District (United) proposes to implement the Information Collection for the Proposed Extraction Barrier and Brackish Water Project (Project), which will consist of land surveying, geotechnical exploration and technical information collection through hydrogeology, environmental (e.g., biological, cultural, paleontological), engineering, underground utility location and marking, and traffic control site surveys. Information collection may include additional specialists/ consultants and contractors; however, in any case, the surveys will involve no disturbances beyond these non-invasive components. The Project will also involve the construction of up to six (6) nests or clusters of up to four (4) monitoring wells each at Naval Base Ventura County (NBVC) Point Mugu to collect groundwater quality and level data in the semi-perched aquifer (up to 150 feet deep) and Oxnard aquifer (up to 250 feet deep) and may include deeper completions in the Mugu aguifer (up to 350 feet deep) or Fox Canyon aquifer (up to 800 feet deep). The monitoring wells will support groundwater sampling to document constituents in the unconfined and confined (target) aquifers in the Project area and create a groundwater quality baseline for comparison with future groundwater sampling results. The new monitoring wells are intended to confirm isolation of the waters of the semi-perched aquifer from the underlying confined aquifers under pumping conditions. Monitoring wells will be equipped with pressure transducers and data loggers. The timing of monitoring well installation will be between May 24 and November 7, 2023. Once installed, monitoring wells will be sampled on a routine basis.

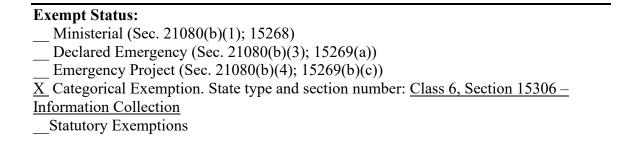
The Project will also include geophysical and geotechnical investigations, which will be informed by the data collected during monitoring well installation. The technique and transect locations are currently undetermined but will likely involve electrical resistivity

Page 2 of 3

techniques. Seismic reflection will likely not be a good option, but specific investigation methods will be determined with data collected during monitoring well drilling. Some minor ground disturbing activities will likely be needed in order to implement the geophysical study; however, these activities will occur in disturbed areas associated with NBVC Point Mugu.

Geotechnical exploration borings will be advanced using a hollow-stem auger. Soil samples will be collected using the Standard Penetration Test (SPT) and Modified California samplers. Some borings may be completed as temporary groundwater monitoring wells in the shallow perched aquifer zone. Borings in undeveloped areas will be backfilled with bentonite grout to within about 5 feet of the ground surface. Clean soil or gravel will be used to complete the borings to the surface. Borings in pavement areas will be patched with rapid-set concrete dyed black. Excess soil and water removed from the borings will be containerized in 55-gallon DOT drums. The drums cannot be transported until the contents are tested for off-hauling and disposal. Drums will be staged in an area agreeable to the Navy. Test pits may be excavated and sampled for characterization of shallow soils. Existing utilities in the area will be marked. Traffic control will be provided as needed. The timing of geotechnical exploration will be between December 7, 2022 and May 24, 2023.

The Project will incorporate best management practices (BMPs) designed to avoid impacts to sensitive natural resources in the vicinity. The BMPs include guidelines for Project implementation such as seasonal timing of work, delineating work and access boundaries, and maintaining a high level of environmental awareness through biological monitoring and worker environmental awareness training.



Reasons Why Project is Exempt: The Project is categorically exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15306 *Information Collection* (Class 6). Section 15306 *Information Collection* consists of basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. The Project will not result in a serious or major disturbance to an environmental resource. Therefore, the *Information Collection* exemption is applicable.

Notice of Exemption
Information Collection for the Proposed Extraction Barrier and Brackish Water Project
United Water Conservation District
Page 3 of 3

Under CEQA Guidelines Section 15300.2, a project exempt under Class 6 that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. The District has determined that none of the exceptions to categorical exemption set forth in CEQA Guidelines Section 15300.2 would apply.

Lead Agency Contact Person:	Linda Purpus, Environmental Services Manager Telephone: 805-525-4431 Email: <a href="mailto:lindap@unitedwater.org">lindap@unitedwater.org</a>
Linda Purpus	Date
Environmental Services Manager, U  Date OPR received for filing:	Inited



#### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

From: Maryam Bral, Chief Engineer

Date: May 25, 2022 (June 8, 2022, Meeting)

Agenda Item: 5.6 Resolution 2022-28 A Resolution of the United Water Conservation

Authorizing Entering Into a Funding Agreement with the State Water Resources Control Board and Authorizing and Designating United Water Conservation District's General Manager For the Phase 1 Pumping of Coastal Brackish Groundwater Wells to Control

Seawater Intrusion, Oxnard Basin Project

Motion

#### **Staff Recommendation:**

The Board will consider adopting <u>Resolution 2022-28</u>, which is necessary to support the District's submission of a 2022 Groundwater Grant Program Implementation Round 3 grant application to the State Water Resources Control Board.

#### **Background:**

As part of the Proposition 1 Groundwater Sustainability Program, the State Water Resources Control Board (SWRCB) has made \$670 million available under the Groundwater Grant Program (GWGP) for projects that prevent the spread of contamination in an aquifer that serves as a source of drinking water.

#### **Discussion:**

United has been actively working on the Proposition 1 Round 3 – Implementation grant application since 2021. The initial application opened on July 6, 2021. The District submitted a concept proposal for the Phase 1 Pumping of Coastal Brackish Groundwater Wells to Control Seawater Intrusion, Oxnard Basin (Project) or what is referred to as the initial phase of the Extraction Barrier and Brackish (EBB) Water Treatment Project by the September 7, 2021 deadline. On April 14, 2022, Staff received an invitation from the SWRCB to submit a full proposal for the Project by the July 15, 2022 deadline.

As part of the grant application, United has requested \$4.22 million to cover 50 percent of the total Project cost to include installation of up to four (4) extraction wells and up to five (5) new monitoring wells to be located at Naval Base Ventura County Point Mugu. Projects awarded funding under this grant funding program must be fully implemented by 2025. As part of its

#### Agenda Item 5.6

Resolution 2022-28 A Resolution of the United Water Conservation District Board of Directors Authorizing Entering Into a Funding Agreement with the State Water Resources Control Board and Authorizing and Designating United Water Conservation District's General Manager For the Phase 1 Pumping of Coastal Brackish Groundwater Wells to Control Seawater Intrusion, Oxnard Basin Project Motion

application process, SWRCB requires the District to adopt a resolution authorizing an agent, or representative to sign the funding agreement prior to SWRCB executing any funding agreement.

#### **Fiscal Impact:**

There is no impact to the budget in this Fiscal Year. The project cost is included in the upcoming FY 2022-23 CIP Budget.

#### **Attachments:**

Attachment A – Resolution 2022-28

#### **RESOLUTION 2022-28**

A RESOLUTION OF THE UNITED WATER CONSERVATION DISTRICT AUTHORIZING ENTERING INTO A FUNDING AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD AND AUTHORIZING AND DESIGNATING UNITED WATER CONSERVATION DISTRICT'S GENERAL MANAGER FOR THE PHASE 1 PUMPING OF COASTAL BRACKISH GROUNDWATER WELLS TO CONTROL SEAWATER INTRUSION, OXNARD BASIN PROJECT

WHEREAS, United Water Conservation District has submitted an application to the State Water Resources Control Board for funding for the Phase 1 Pumping of Coastal Brackish Groundwater Wells to Control Seawater Intrusion, Oxnard Basin Project that includes installation of brackish groundwater extractions wells, monitoring wells, raw water pipelines and temporary points of discharge ("Project"); and

WHEREAS, prior to the State Water Resources Control Board's executing a funding agreement, United Water Conservation District is required to adopt a resolution authorizing an agent, or representative, to sign the funding agreement, amendments, and requests for disbursement on behalf of United Water Conservation District, and to carry out other necessary Project-related activities;

- **NOW, THEREFORE, BE IT RESOLVED AND ORDERED,** that United Water Conservation District is hereby authorized to enter into a funding agreement with the State Water Resources Control Board, and accept and expend state funds for the Project; and
- **BE IT FURTHER RESOLVED AND ORDERED,** that the General Manager, or designee, is hereby authorized and designated to sign, for and on behalf of United Water Conservation District, the funding agreement for the Project and any amendments thereto; and
- **BE IT FURTHER RESOLVED AND ORDERED,** that the General Manager, or designee, is hereby authorized and designated to represent United Water Conservation District in carrying out United Water Conservation District's responsibilities under the funding agreement, including certifying invoices and disbursement requests for Project costs on behalf of United Water Conservation District and compliance with applicable state and federal laws; and
- **BE IT FURTHER RESOLVED AND ORDERED,** that any and all actions, whether previously or subsequently taken by United Water Conservation District, which are consistent with the intent and purposes of the foregoing resolution, shall be, and hereby are, in all respects, ratified, approved and confirmed.

**ADOPTED AND PASSED** this 8<sup>th</sup> day of June 2022.

ATTEST:		ATTEST:	
	Bruce E. Dandy, Board President	Lynn E. Maulhardt, Board Secretary/Treasurer	

#### **CERTIFICATION**

I HEREBY CERTIFY THAT THE FOREGOING IS A FULL, TRUE, AND CORRECT COPY OF A RESOLUTION DULY AND REGULARLY ADOPTED BY THE UNITED WATER CONSERVATION DISTRICT'S GOVERNING BOARD AT THE MEETING THEREOF HELD ON JUNE  $8^{\rm TH}$ , 2022.

AYES:
NOES:
ABSTAINED:
ABSENT:
ATTEST: Bruce E. Dandy, Board President
Druce L. Danay, Board President
ATTEST: Lynn E. Maulhardt, Board Secretary/Treasurer
Lymn L. Maumardt, Doard Scorciary/ Heasurch



#### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

From: Brian Collins, Chief Operations Officer

Date: May 25, 2022 (June 8, 2022, Meeting)

Agenda Item: 5.7 Authorize the Supplemental Appropriation of Funds to Purchase a

Replacement Pump for the Pumping Trough Pipeline (PTP) Reservoir

**Motion** 

#### **Staff Recommendation:**

The Board will consider authorizing a supplemental appropriation in the amount of \$189,000 to support the unbudgeted purchase of a replacement pump and electrical motor for the Pumping Trough Pipeline (PTP) Reservoir.

#### **Background:**

Recently, after Southern California Edison performed an efficiency test on the PTP Reservoir Pump, the pump's efficiency was rated at 50 percent, which is considered to be below normal. In addition, the pump continues to operate with excessive vibration, an indication of continuing decline in efficiency and potential impending catastrophic failure of the pump. With ongoing drought conditions compounded by the increasing heat of summer and increased demand, staff is recommending replacement of the pump now to offset further problems and delays in service down the road.

It should be noted that the five wells that supply the PTP Reservoir produce +- 20 cfs and the PTP Reservoir produces +-20 cfs.

#### **Fiscal Impact:**

This proposed expenditure was not budgeted in the Fiscal Year 2021-2022 Budget and will require a supplemental appropriation from the PTP Fund reserves in the amount of approximately \$189,000, which includes a 10% contingency. At present, the PTP Fund has reserves of some \$990,000 (with a required reserve of \$200,000 to \$300,000).

**Attachments:** A – General Pump Company estimate for parts and labor to furnish and install

the replacement pump on the PTP Reservoir

B – Demaria Electric estimate for a new electrical motor



159 N. ACACIA STREET \* SAN DIMAS, CA 91773 PHONE: (909) 599-9606 \* FAX: (909) 599-6238

CAMARILLO, CA 93010 \* PHONE: (805) 482-1215 www.genpump.com

Lic. #496765

#### **WELL & PUMP SERVICE SINCE 1952**

Serving Southern California and Central Coast

May 18, 2022

United Water Conservation District 3561 N. Rose Avenue Oxnard, California 93030

Attn: Robert Barone, John Carman

#### Subject: PTP Booster #1 Replacement

General Pump Company (GPC) is pleased to provide this proposal to furnish and install a replacement pump for the referenced project that will increase the flow to 9,000 GPM and maximize the 250 HP motor at the site.

We have chosen a Peerless pump and have attached design specifications to this proposal. The NPSH will be 4' lower than 18HH original pump at 23' and the Submergence will be 10" more than the 18HH. at 76". So, this pump should preform admirably in the existing can system

The pump replacement estimate as follows:

#### **Shop/Machine Time:**

•	Load-Unload materials and equipment as needed.		30 Hours
•	Assemble equipment and prepare for installation		40 Hours
•	Engineering support	10 Hours	Included

70 Hours Total Estimated Shop Labor @ \$114.00/Hour \$7,980.00

#### Field Labor – Pump Removal:

- Mobilize crew and equipment to site, set up rig, remove pump equipment, load pump and transport to shop for inspection and report of condition and install replacement pump.
- Overtime/man hour >8 weekdays and Saturdays up to 8 hours

30 Hours 3 Man Crew and equipment @ \$595.00/Hour	\$17,850.00
4 Hours 2 Man Crew and service struck @ \$300.00/ Hour	\$1,200.00

Total Estimated Field Labor \$19,050.00

\$6,047.00



#### Pump Equipment Repair/Replacement/Upgrades:

•	Peerless 20HH/LC-1 Stage 9,000 GPM at 92' TDH Bowl assembly with	
	Vortex Suppressor	\$34,745.00
•	15-foot setting of 20" flanged column & 2-3/16" Stainless-steel assemblies	
	with ID/OD epoxy coating and 20" X 20" X 20" Fabricated replacement	

steel head with ID Coating complete with Head-shaft and adjusting nut materials for installation \$60,595.00

 Bolting and gasket kit, Motor oil and field consumables, electrical components to connect motor leads miscellaneous consumables including fittings, tape, banding etc.

Estimated Freight \$5,071.00
Tax on Materials \$7,718.13

Total Estimated Labor & Materials for Pump Replacement \$114,175.13

Total Proposal as Detailed Above \$141,205.13

Should you have any questions or need additional information regarding the above summary and associated costs, please do not hesitate to contact us.

Sincerely,

Ray Reece

General Manager

See additional file attachment for pump design information

January 14, 2022

Mr. Robert Barone Instrument & Electrical Supervisor United Water Conservation District 3561 N. Rose Ave., Oxnard, CA 93036

**RE: One Each New Electric Motor** 

Dear Mr. Barone:

We are pleased to quote a new 250 horsepower electric motors as follows:

- Manufactured by US Motors
- 250 Horsepower // 445TPA Frame
- 1790 RPM // 460 Volt // 291.0 Amps
- 3 Phase // 60 Hz // 1.15 SF
- OP Enclosure // Non-Reversing Rachet
- Model # R489A // ID # TBD
  - Functional replacement for current unit

Quoted Price: \$25,057.00, plus sales tax and freight.

The motor is in stock in Salt Lake City, UT.

If you have any questions regarding this quotation, please do not hesitate to give me a call.

Regards,

Sarah K. Demaria

Sarah K. Demaria Motor Sales



#### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

From: Anthony Emmert, Assistant General Manager

Date: March 30, 2022 (April 13, 2022 meeting)

Agenda Item: 5.8 UWCD Proclamation presented to Director Edwin T. McFadden III

**Ceremonial Item** 

#### **Staff Recommendation:**

The Board will present a UWCD Proclamation to Director Edwin T. McFadden III in recognition of more than nine years of service to the United Water Conservation District in his role as Director of Division 1 and, for the past five years, his additional service as the UWCD Member Director to the Fillmore and Piru Basins Groundwater Sustainability Agency.



### **Proclamation**

From the Board of Directors of

United Water Conservation District

in Recognition of the more than Eight Years of Service of

### Director Edwin T. McFadden III

WHEREAS, Director Edwin T. McFadden III has served consistently as a member of the Board of Directors of the United Water Conservation District from February 2014 through June 2022, representing Division 1; and

Whereas, Director McFadden has also served consistently on the Board of Directors of the Fillmore and Piru Basins Groundwater Sustainability Agency since its formation in June of 2017; and

Whereas, Director McFadden has been an invaluable contributor to the Board of Directors as well as to the management and employees of the District, serving in various leadership capacities for the Board, including as its representative to the Fillmore and Piru Groundwater Sustainability Agency, among others; and

Whereas, throughout his more than eight years with the District, Director McFadden has distinguished himself with his deep knowledge of water resource management, his vast experience and abilities related to agricultural water resources and conservation matters, as well as the expertise and leadership developed during his complementary career in agriculture management that has been invaluable to the District during his tenure as Director; and

Whereas, Director McFadden has also provided sound guidance, infinite patience, and sought practicality in resolving conflicts in the pursuit of groundwater sustainability; and

Whereas, Director McFadden has been instrumental in the continued collaboration with the City of Fillmore, Piru, the County of Ventura as well as with other water agencies, industries and municipalities in promoting the District's water sustainability goals, objectives and projects; and

Whereas, the members of the Board of Directors wish to thank Director McFadden for his many contributions to the Board of Directors and to the District overall; and

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors hereby express its gratitude to Director McFadden for his service on the Board of Directors, for his sound business advice and valued counsel and for all that he has contributed to the Board of Directors and to the District; and

Further Resolved, that the Board of Directors wishes Director McFadden continued success in all his endeavors and expresses its hope for his continued health, happiness and prosperity; and

Further Resolved, that a copy of this resolution be presented to Director McFadden as a token of the Board's appreciation and respect.

IN WITNESS WHEREOF, we have hereunto set our hand and caused the seal of the United Water Conservation District to be affixed this  $8^{th}$  day of June, 2022.

President Bruce E. Dandy	Secretary/Treasurer Lynn E. Maulhardt



#### **Staff Report**

**To:** Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

**From:** Kris Sofley, Clerk of the Board

Date: June 2, 2022 (June 8, 2022 Board Meeting)

Agenda Item: 5.9 Appointment of Director for Division 1

**Motion** 

#### **Staff Recommendation:**

The Board will consider appointing the candidate who applied to fill the vacated Division 1 seat.

#### **Discussion:**

On April 13, 2022, former Division 1 Board member Edwin T. McFadden III announced to the United Water Conservation District's Board of Directors that he intended to step down from his seat on the Board effective as of June 8, 2022. As Director McFadden's term does not expire until November 2022, the Board had 60 days from April 13, 2022 to either fill the vacancy by appointment or by calling a special election [Government Code §1780].

District staff notified the County Elections Office of the vacancy on May 12, 2022, in accordance with Government Code §1780 within the 15 days after either the date on which the District Board is notified of the vacancy or the effective date of the vacancy, whichever is later. In this case, it was before the effective date of the vacancy, June 8, 2022.

The Board has 60 days from June 8, 2022, to fill the vacancy, either by appointment; or by calling a special election [Government Code §1780]. If the Board decides to appoint someone to fill the vacancy, District staff has, in accordance with Government Code §1780, posted a notice of the vacancy in three conspicuous places in the District (UWCD Headquarters; Fillmore City Hall, 250 Central Avenue, Fillmore CA 93035; and the Piru Community Center at Warring Park, 802 Orchard St, Piru, CA 93040) for the required minimum of at least 15 days (May 12, 2022, through May 27, 2022) before the appointment is made [Government Code §1780(d)(1)]. The notice (see Attachment A) provided instructions for applying for the vacancy and set a deadline for submission of applications on May 27, 2022.

Two submissions were received by the District, but one candidate withdrew his submission on June 1, 2022. The remaining candidate's resume was provided to the District's Board of Directors at a Special Board Meeting on Monday, June 6, 2022 for its consideration.

### 5.9 Appointment of Director for Division 1 Motion

The Board may now consider the appointment of the candidate to the Division 1 Board of Director's seat. If the Board does appoint the candidate at today's meeting, the Clerk of the Board will administer the oath of office to the appointed director and will notify the County Election Office and the California Secretary of State, as required, of the appointment within 15 days of the appointment (June 23, 2022).

The person appointed to fill the vacancy shall hold office only until the next general District election (November 2022) that is scheduled 130 or more days after the date the Board is notified of the vacancy and thereafter until the person elected at that election to fill the vacancy has been qualified to fill the vacancy for the remainder of the unexpired term of office [Government Code §1780(h)(3)].

#### Fiscal Impact

There is no fiscal impact for this action.

**Attachments**: A – Notice of Vacancy May 12, 2022 through May 27, 2022

**Board of Directors** 

Bruce E. Dandy, President Sheldon G. Berger, Vice President Lynn E. Maulhardt, Secretary/Treasurer

Mohammed A. Hasan



Edwin T. McFadden III Michael W. Mobley Daniel C. Naumann General Manager Mauricio E. Guardado, Jr.

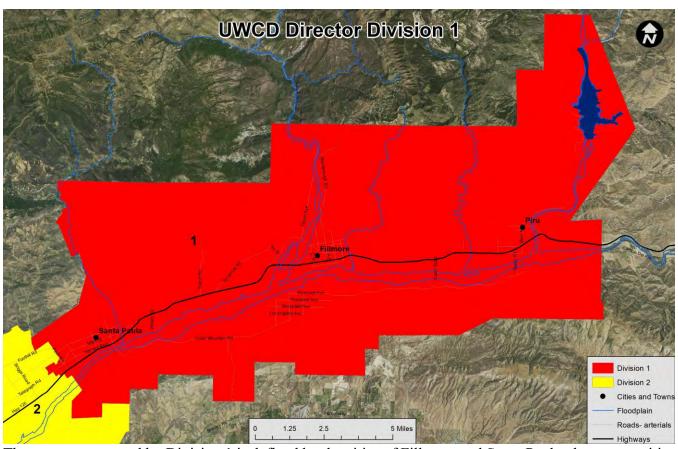
Legal Counsel

David D. Boyer

## NOTICE OF VACANCY ON THE BOARD OF DIRECTORS OF UNITED WATER CONSERVATION DISTRICT

In accordance with California Government Code Section 1780, notice is hereby given of a vacancy on the Board of Directors of United Water Conservation District. A seven person board governs the District. Each director is elected from one of the seven division of the District. The vacancy is for the position of Director for Division 1 of the District. It is the intent of the Board of Directors to fill the vacancy by appointment at its regular Board meeting on June 8, 2022, and the appointment will be effective at that time.

To be eligible for appointment, a person must be a qualified elector and reside within Director Division 1. Division 1 occupies the northwest portion of United's district boundaries and lies largely within the Fillmore and Piru areas. Division boundaries are aligned with voter precincts, as defined by the County of Ventura. If your residence is near a boundary, please confirm the location with UWCD staff to determine eligibility.



The areas represented by Division 1 is defined by the cities of Fillmore and Santa Paula, the communities of Piru and Bardsdale, and most surrounding areas of agricultural and residential development within the valley of the Santa Clara River. The eastern boundary of Division 1 includes Rancho Camulos. The western boundary is generally defined by the western limits of the city of Santa Paula near Peck Road.

Tel: (805)525-4431

The southern boundary of Division 1 generally follows the ridgeline of Oak Ridge and South Mountain. The northern boundary includes most of the developed areas on the north side of the Santa Clara River valley, including: the areas surrounding Lake Piru and lower Piru Creek, the areas south of Hopper Mountain, the areas along Sespe Creek downstream of Devil's Gate, the areas south of Santa Paula Peak and Santa Paula Ridge, Thomas Aquinas College and most of the downstream areas along Santa Paula Creek, and the foothill areas north of the city of Santa Paula, extending to Adams Barranca to the west.

Persons interested in appointment as the Director from Division 1 should submit a written expression of interest and/or resume of their experience and qualifications to the District, c/o Kris Sofley, Clerk of the Board, at the District's offices located at 1701 N. Lombard Street, Suite 200, Oxnard, CA 93030 on or before May 27, 2022. A Board Committee will review letters and/or resumes, interview candidates and make a recommendation for appointment of an individual to the full Board of Directors. Appointment will be made at the Board's regular meeting scheduled for Wednesday, June 8, 2022 at the District headquarters in Oxnard. For more information, please contact Kris Sofley at 805 525 4431.

UWCD is a public water agency responsible for conserving and protecting groundwater resources in Ventura County. In addition to the District's Lake Piru Recreation Area, United Water's facilities include Santa Felicia Dam; recharge basins in Saticoy, El Rio and Piru; an agricultural water delivery system; a wholesale municipal water delivery system; and the Vern Freeman Diversion facility. The District provides wholesale water to the City of Oxnard, the Port Hueneme Water Agency (which includes the CBC and Point Mugu naval bases), Pleasant Valley County Water District, and several small mutual water companies. A seven-member elected Board of Directors directs the District's policies and activities.

Posted (date): May 12, 2022 (attest) Kris Sofley

At: United Water Conservation District, 1701 N. Lombard Street, Oxnard CA 93030

Posted (date): May 12, 2022 (attest) Kris Sofley

At: https://www.unitedwater.org

Posted (date): May 12, 2022 (attest) *Kris Sofley* At: Fillmore City Hall, 250 Central Avenue, Fillmore, CA 93015

Posted (date): May 12, 2022 (attest) Kris Sofley

At: Piru Community Center at Warring Park, 802 Orchard St, Piru, CA 93040



#### **Staff Report**

To: UWCD Board of Directors

**Through:** Mauricio E. Guardado, Jr., General Manager

From: Kris Sofley, Clerk of the Board

**Date:** June 3, 2022 (June 8, 2022 Meeting)

Agenda Item: 5.10 Oath of Office – United Water Conservation District Division 1

**Motion** 

#### **Staff Recommendation:**

The newly appointed Director for Division 1 will take an Oath of Office administered by the Clerk of the Board.

Attachment: A – Oath of Office

## OATH OF OFFICE (California Government Code §1360)

### UNITED WATER CONSERVATION DISTRICT, DIVISION 1

STATE OF CALIFORNIA Ss.	
As a Director for the UNITED WATER CONS	ERVATION DISTRICT, DIVISION 1
I,[insert name of Appointed Director] support and defend the Constitution of the Uniof California against all enemies, foreign an allegiance to the Constitution of the United S California; that I take this obligation freely, wi evasion; and that I will well and faithfully discenter.	ited States and the Constitution of the State and domestic; that I will bear true faith and States and the Constitution of the State of thout any mental reservation or purpose of
	Signature of Appointee
Subscribed and sworn to before me this 8th d	lay of June, 2022.
By: Kris Sofley, Clerk of the Board/Deputy	County Clerk



Water Utility Management

## NGWA applauds House passage of Water Resources Development Act

May 26, 2022

This year's Water Resources Development Act contains a provision focused on studying the expansion of managed aquifer recharge (MAR) projects in current and future USACE projects.

The National Groundwater Association (NGWA) is applauding the passage of the <u>Water Resources Development Act of 2022</u> from the U.S. House Transportation and Infrastructure Committee. The bill was passed out of committee with a bipartisan vote on May 18.

The biennial legislation grants authority for the U.S. Army Corps of Engineers (USACE) to carry out water resource development projects and studies. The bill now heads to the U.S. House of Representatives' floor for a full vote.

For the first time since its creation, this year's Water Resources Development Act contains a provision focused on studying the expansion of managed aquifer recharge (MAR) projects in current and future USACE projects. MAR is the purposeful resupply of water to aquifers for subsequent recovery or for environmental benefit.

The provision, which was advocated for by NGWA, would:

- Authorize the USACE, in consultation with nonfederal partners, to conduct a feasibility study on the implementation of MAR in current and future projects
- Create a working group within the USACE to centralize corps' knowledge on MAR and assist with feasibility studies
- Require a report to Congress on the results and data collected from the study and an evaluation of the benefits of a potential center of expertise for MAR
- Require the USACE to provide Congress with an update on suggestions written in USACE's 2020 report, Managed Aquifer Recharge (MAR) and the U.S. Army Corps of Engineers: Water Security through Resilience.

The study would focus specifically on regions which have experienced prolong drought, aquifer depletion, or water scarcity issues. The study would also include tribal lands and territories.

"Groundwater provides almost half of Americans their daily drinking water and more than 55 billion gallons are used every day to irrigate our nation's crops," said NGWA CEO Terry S.

Morse, CAE, CIC. "So, by exploring more opportunities for managed aquifer recharge projects, we are not just combating drought but also creating jobs and ensuring our communities stay healthy."



## **County Corner: Our answers on groundwater leave more questions**

Issue Date: May 25, 2022 By Breanne Vandenberg



Breanne Vandenberg, Merced County Farm Bureau Executive Director

In April, Gov. Gavin Newsom issued an executive order outlining the temporary strategies for California to manage the ongoing drought. Within this order, he outlined rules for counties, cities and other public agencies as it relates to new wells or alterations to an existing well.

One rule requires farmers and ranchers to get written verification from their local groundwater sustainability agency that the new well or alterations "would not be inconsistent with any sustainable groundwater management program" for the area. The rule says any new well must be unlikely "to interfere with the production and functioning of existing nearby wells" or "cause subsidence that would adversely impact or damage nearby infrastructure."

Farm Bureau members also must be reminded of Assembly Bill 2201, by Assemblymember Steve Bennett, D-Ventura. This is similar to Newsom's executive order. But while the governor's order is temporary, AB 2201 would be permanent. The bill was passed by the Assembly Water, Parks and Wildlife Committee and now moves to the Appropriations Committee.

While this has been an alarming notice to many, Merced County began this discussion in 2021. Here is a brief history: In 2015, Merced County adopted a Groundwater Mining and Export Ordinance. This was in relation to concerns of groundwater being moved from one subbasin to another and on the heels of the adoption of SGMA in 2014.

The local ordinance does not allow for new wells to be placed within a quarter mile of another operating well. In addition, a new well would have difficulty being placed on a property that has not previously been irrigated in the matter now intended for the property.

For instance, if one of our farmers wanted to place a well on native pasture and intended to plant almond trees, they would have to go through the California Environmental Quality Act to be granted approval, if they are even given that.

Difficulty would also arise as to the proposed depth of the well. The Corcoran Clay layer throughout Merced County varies depending on the location and can even differ within fields. Should farmers want to drill deeper than the Corcoran Clay, they would have to go through CEQA to determine impacts of such action. However, if this is a replacement well for one already below the clay, then the applicant would most likely be granted approval for a similar well.

Merced County has four subbasins, with three—Delta-Mendota, Chowchilla and Merced—being in the high-priority category. The fourth, Turlock Subbasin, is considered medium priority and had to submit its plan in early 2022. Our high-priority basins are currently reworking portions of groundwater sustainability plans. That is because the state found fault with them in one area or another.

The county is involved with each of our subbasins, as a member and not the full operating entity. However, the county would be left with full liability should a well not comply with a GSP and the 2015 well ordinance remain. As of May 1, the county has moved the process to the GSAs.

How does the county envision this working? If a well is within a groundwater sustainability agency, it would have a specific process for proceeding. The steps are these: The GSA reviews the well proposal and then provides a consistency determination. The applicant then files a well permit with the county. The county reviews the construction standards, and its Department of Environmental Health inspects the well. The GSA would then regulate the well through the sustainability plan implementation.

Farmers outside of a GSA would be subject to the original ordinance and move through the county for approval or denial of the permit.

From talking with our various agencies and members, opinions vary depending on whom you speak with. Some view moving well oversight to the GSAs as a step in the right direction. Others view it is as a more troublesome step.

Questions arise as over whether more fees could be involved. And, if someone farms in multiple GSAs, how different will requirements be from the various governing boards?

Some GSAs have developed guidelines for this process. Some are still discussing what those would look like. Others would prefer to work only according to the governor's executive order.

Meanwhile, many groundwater agencies are still reworking their sustainability plans to comply with issues found in reviews by the state.

For our farmers, many questions remain. Our growers are still learning about these changes, which frustrate and delay their requested actions as they strive to sustain agriculture in Merced County.





California Women for Agriculture Ventura County Chapter P.O. Box 4494 Ventura, CA 93007

#### Dear Farm Day Presenter:

It has been said many times that actions speak louder than words. That was certainly true at the recent CWA-VC annual Farm Day at Monte Vista Independent Learning Academy.

Thank you for taking a day from your busy schedule to give an "Ag Experience" to this group of students and parents. We were excited to hold this event in Simi for the second time.

We look forward to seeing you at other events and hopefully again next year at our Farm Day. Please check out our Facebook page: California Women for Agriculture – Ventura County Chapter CWA.

Wishing you a wonderful happy year.

Lisa Tate-Soury; Farm Day Chairperson California Women for Agriculture – Ventura County Chapter CWA

Lts/ec



## How cities in the West have water amid drought

by: Associated Press

Posted: May 24, 2022 / 10:51 AM PDT

As drought and climate change tighten their grip on the American West, the sight of fountains, swimming pools, gardens and golf courses in cities like Phoenix, Las Vegas, Los Angeles, Salt Lake City, Boise, and Albuquerque can be jarring at first glance.

Western water experts, however, say they aren't necessarily cause for concern. Over the past three decades, major Western cities — particularly in California and Nevada — have diversified their water sources, boosted local supplies through infrastructure investments and conservation, and use water more efficiently.

Peter Gleick, president emeritus of the Pacific Institute, has studied water resources for decades. He calls the reduction in per capita water use a "remarkable story" and one that's not widely acknowledged.

"That's a huge success throughout the West," Gleick said. "All of the cities in the West have made progress."

But with less water flowing into the Colorado River, which serves 40 million people in the West and northern Mexico, experts say the measures taken by cities will still not be enough long-term.

Here's a look at how Western cities have prepared for a future with less water.

#### WHERE DO WESTERN CITIES GET THEIR WATER?

Phoenix, Las Vegas, San Diego, Los Angeles, Denver, Salt Lake City, Tucson, Albuquerque and other Western cities use water from the 1,450-mile (2,334 kilometer) Colorado River for residential and commercial needs.

Overuse of the river, hotter temperatures, less melting snow in the spring, and evaporation have greatly reduced water flows in the river — by 20% on average since 2000.

Agriculture remains the single-largest consumer, using 70% of available water in the Colorado River basin, according to the Bureau of Reclamation.

While the river remains the lifeblood of the region, many cities have other water sources. That's due to spending billions of dollars over decades on infrastructure aimed at withstanding a future with less reliable water sources.

"It really has to do with the modern engineering marvels of the 20th and 21st centuries," said Daniel Swain, a climate scientist at the University of California, Los Angeles. "This is sort of the perennial story of the West."

Los Angeles imports the bulk of its water through a vast storage and delivery system. Its water sources include the Sierra Nevada mountains in Northern California, the Sacramento and San Joaquin rivers and the Colorado River in the east. It also uses some groundwater and recycled water.

"Los Angeles is less vulnerable," Gleick said, "because they do have this very broad, diverse set of options."

Still, Southern California's behemoth water supplier last month <u>ordered</u> about 6 million people to cut their outdoor watering to once a week due to record dry conditions. The Metropolitan Water District said a total ban on outdoor watering in the affected areas could follow in September if the restrictions don't work.

The lion's share of Las Vegas' water supply comes from the Colorado River. The agency serving the city of 2.4 million, its suburbs and 40 million annual visitors gets 90% of its water from the river and 10% from groundwater.

Nevada <u>lost</u> 7% of its share of Colorado River water this year as part of cuts announced by Reclamation, but Las Vegas was shielded from the effects thanks to water conservation and reuse.

"It's fair to say that Las Vegas has taken the most dramatic steps to reduce its dependence on Colorado River water," said Anne Castle, a senior fellow at the Getches-Wilkinson Center for Natural Resources, Energy and the Environment.

San Diego gets two-thirds of its water from the Colorado River, but has sought other water sources since the early '90s. The city gets 10% of its water from a \$1 billion desalination plant that removes salt and impurities from seawater. It has also conserved more water and cut perperson use while its population has grown.

Phoenix, the nation's fifth largest city, relies on imported Colorado River water, too. It also gets water from the in-state Salt and Verde Rivers, which are nowhere as challenged as the Colorado

River, said Sarah Porter, director of the Kyl Center for Water Policy at Arizona State University. Phoenix also uses sterilized wastewater for limited uses, like maintaining parks and recharging some aquifers with groundwater.

Arizona was the hardest-hit among Western states losing Colorado River water this year, with 18% of its supply gone. But cities were spared from that round of cuts. Officials in Phoenix say they have enough water to weather future cuts because of diversified supplies and water saved and stored underground.

#### HAS CONSERVATION BOLSTERED WESTERN CITIES' WATER SUPPLIES?

Yes. There may be no better example than Las Vegas. Sin City's fountains, swimming pools, and showers use recycled water. About 40% of the Southern Nevada Water Authority's water supply is for indoor use. Once used, much of that wastewater is treated and then returned to Lake Mead, the reservoir behind Hoover Dam, before it is drawn and used again.

Las Vegas started conserving, reusing and recycling water in 1999. Since 2002, the Southern Nevada Water Authority has slashed its use of Colorado River water by 26% while the region's population grew by 49%.

In 2003, the water authority banned front yard lawns in new subdivisions. Grass was prohibited in new commercial developments. Last year, Nevada <u>outlawed</u> what it called 'non-functional turf' in the Las Vegas area, or grass used at office parks, in street meridians and at entrances to housing developments. Officials said the measure could save an amount equal to 10% of its Colorado River allocation.

Not all cities and states have acted with the same urgency. Phoenix does not offer rebates to tear out grass. Utah only recently passed a turf buyback measure.

In California, urban water use has steadily dropped since peaking in 2007, according to the Pacific Institute. Much of that progress is from repairing leaks, replacing lawns with more drought-proof landscaping, and installing efficient washers, dishwashers and other fixtures.

But even more water can be conserved, the Pacific Institute found in a recent report. California recycles 23% of its municipal wastewater. The report found the state's urban areas could cut consumption by another 30% to 48% by conserving more.

Gleick, one of the authors, pointed out that water use trends in California over the past few decades show that population growth no longer means additional water is needed to support more people.

"We're past the point where we can find a place to build another dam that makes sense or another river to tap," Gleick said. "We're now in a new era of efficiency and reuse."

#### WHAT ABOUT CLIMATE CHANGE?

Even as Western cities diversify supplies, consume less and reuse more, scientists say climate change will be disruptive and could force cities to adopt more expensive technologies, like desalination, and mandate water cuts more often.

"There's an assumption baked into almost all of these drought mitigation strategies and plans and water allocations that in the long run, drought is temporary," said Swain of UCLA. "Increasingly, it's an assumption that is wrong."

Swain added that conservation is easier in its earlier stages.

"The first conservation gains are always the easiest," he said. "You fix leaks, put in (efficient) toilets and fixtures and things like that in urban areas. After a certain point, you then have to start going for the higher hanging fruit."

Last month, the Southern Nevada Water Authority <u>announced</u> that water levels at Lake Mead had fallen so low that Las Vegas is drawing water from deeper in the reservoir, from the so-called "third straw."

The pipeline near the bottom of the lake was completed in 2015 and built so that Las Vegas can still get water if the lake's surface drops below two other intake pipes.

"What we have now is a new reality of reduced flows in the whole Colorado River system," said Castle of the Getches-Wilkinson Center. "That's going to require the per capita usage in these various cities to continue to go down, and not just when the governor declares an emergency."

## California may impose water limitations as shortage, drought continues

Newsom raised that possibility in a meeting with representatives from major water agencies, including those that supply Los Angeles, San Diego and the San Francisco

Associated Press May 23, 2022

SACRAMENTO, Calif. — California Gov. Gavin Newsom threatened Monday to impose mandatory water restrictions if residents don't use less on their own as a drought drags on and the hotter summer months approach.

Newsom <u>raised that possibility</u> in a meeting with representatives from major water agencies, including those that supply Los Angeles, San Diego and the San Francisco Bay Area, his office said in a press release. The Democratic governor has avoided issuing sweeping, mandatory cuts in water use and instead favored an approach that gives local water agencies power to set rules for water use in the cities and towns they supply.

January through March typically is when most of California's annual rain and snow falls, but this year those months were the driest in at least a century. Despite calls for conservation, the state's water use went up dramatically in March — 19% compared to the same month in 2020 — and now Newsom is considering changing his approach.

"Every water agency across the state needs to take more aggressive actions to communicate about the drought emergency and implement conservation measures," Newsom said in a statement.

California is in its third year of drought and virtually all areas of the state are <u>classified as either</u> in severe or extreme drought.

Newsom last summer called on Californians to voluntarily reduce their water use by 15% by doing things like taking five-minute showers and avoiding baths, only running the washing machine and dishwasher with full loads and limiting water use for cleaning outdoor areas. But residents have fallen far short of the goal.

How soon Newsom could impose mandatory restrictions if conservation doesn't improve wasn't clear. He plans to meet with the water agencies again in two months, his office said. Spokesperson Erin Mellon said the administration would reassess conservation progress in just "a few weeks." She didn't offer a metric the administration would use to measure.

Newsom has already moved to <u>force more conservation</u> from local water districts. He directed the State Water Resources Control Board to consider a ban on watering of decorative turf, such as grass in office parks, and to force local agencies to step up their conservation efforts.

After the last drought, the state started requiring cities and other water districts to submit drought response plans that detail six levels of conservation based on how much water is available. Newsom has asked the board to require those districts move into "Level 2" of their plans, which assumes a 20% water shortage.

Each district can set its own rules for "Level 2," and they often include things like further limiting water use for outdoor purposes and paying people to install more efficient appliances or landscaping that needs less water. They must include a communication plan to urge local residents to use less water.

The board will vote on those measures Tuesday, and they would take effect June 10.

Last week while touring a water recycling plant in Los Angeles County, Newsom spoke about the need to better communicate the need for water conservation with the state's 39 million people. He's included \$100 million in his budget for drought messaging.

During the last drought, from 2012 to 2016, former Gov. Jerry Brown issued a mandatory 25% cut in the state's overall water use, and the state water board set requirements for how much each water district had to cut based on their existing water use; districts in which people used more water were asked to cut more. Water agencies could be fined up to \$10,000 per day if they didn't comply.

Newsom's current approach gives local water districts some more flexibility, and he's said it's important to recognize different parts of the state have their own water needs.

The state water board has imposed <u>some statewide restrictions</u> such as banning people from watering their lawns for 48 hours after rainstorms and sprinklers from running onto sidewalks. People can be fined \$500 per day for violations.

Attendees at the meeting included representatives from the Los Angeles Department of Water and Power, East Bay Municipal Utility District, the Metropolitan Water District of Southern California, Alameda County Water District, the San Francisco Public Utilities Commission, Valley Water, the San Diego County Water Authority, the Association of California Water Agencies, California Urban Water Agencies and the California Municipal Utilities Association. The meeting was not open to the press or public.

### WaterWorld.

## Calif. district breaks ground on drought resiliency project

May 10, 2022

Expected to complete construction by this summer, the Water Replenishment District's project will yield up to 2 million gallons of purified recycled water per day.

Photo courtesy Water Replenishment District of Southern California.



(L to R) WRD Board President John D. S. Allen, PepsiCo North America Sustainability Director Kathleen Niesen, WRD Board Director Joy Langford, WRD Board Treasurer Rob Katherman, PepsiCo West Division Sustainability Director Andy Wright, PepsiCo Government Affairs Manager Fidel Gomez, and WRD General Manager Stephan Tucker

The Water Replenishment District (WRD) of Southern California celebrated the groundbreaking of its Inland Injection Well Project at the WRD Leo J. Vander Lans Advanced Water Treatment Facility in the City of Long Beach.

When the WRD Inland Injection Well Project is complete, it will yield up to 2 million gallons of purified recycled water per day from the WRD Leo J. Vander Lans Advanced Water Treatment Facility (LVL AWTF) and inject it into the groundwater aquifers for storage and future use.

By recycling locally available water sources and storing them in underground aquifers, the project will act as a buffer during droughts and contributes to regional water security. The project also reduces the strain on imported water supplies.

"Our job of protecting and replenishing our local groundwater resources is more important now than ever," said WRD Board President John Allen. "The WRD Inland Injection Well Project in Long Beach will contribute to a drought-proof water supply for the 4 million residents that live in the WRD service area."

WRD received grant funding for the project from both the private and public sectors; \$1.5M grant funding from PepsiCo as a part of their water sustainability initiative and \$1.5M grant funding from the U.S. Bureau of Reclamation.

"Sustainability is at the heart of everything we do, and we've set forth goals that aim to strategically transform the way we do business to do what's best for our planet," said Johannes Evenblij, president of West Division at PepsiCo Beverages North America. "We are proud to partner with the Water Replenishment District to help the Southern California ecosystem and enable long-term, sustainable water security for our local communities who depend on an accessible and reliable supply of clean, safe water."

Funding from the United States Bureau of Reclamation was secured with support from Congressman Alan Lowenthal. "For over a decade, I've proudly supported WRD's efforts to develop a reliable and sustainable local water supply," said Congressman Lowenthal. "The inland injection well is a natural next step in our work towards a drought resilient region."

The construction on the WRD Inland Injection Well Project is underway and construction is expected to be complete by summer 2022.





Webinar: CalPERS Update: What is the Impact of 21% Return and Lowering of Discount Rate

Register for Event

Thursday, May 19, 2022 10:00 – 11:00 a.m. Free CSDA Members I \$95 Non-members

#### CSDA WEEKLY NEWSLETTER

May 10, 2022



### Movers & Shakers Highlight: Brian Zahn

Congratulations to the new United Water Conservation District of Ventura County Chief Financial Officer Brian Zahn! Mr. Zahn's wealth of over 30 years of high-level financial experience will be a tremendous benefit to the district's ratepayers as the district continues their commitment to cost effective, efficient, and sustainable water management.

Have a Mover & Shaker you'd like to share? Send us a message! Advertising@cstatue!



May 9, 2022

## Ventura agrees to 20-year deal to lease its state water supply. Here's why

Cheri Carlson Ventura County Star

Ventura has struck a 20-year deal with a Riverside County water wholesaler that would save the city millions of dollars in costs to maintain its rights to imported state water.

Under the agreement approved last month, the city would lease its share of imported water to the San Gorgonio Pass Water Agency in Beaumont, an arrangement that would reap \$1.1 million this year and cover nearly half of the \$2.27 million it will owe to keep its state water entitlement. San Gorgonio would increase its share of the costs starting next year.

Ventura has had rights to State Water Project supplies since the early 1970s, paying up to \$1.5 million annually, but it has no inter-tie to access the project, a network of dams, pumps and aqueducts that draws snow and rain runoff from Northern California.

The city has an all-local water supply that comes from the Ventura River, Lake Casitas, groundwater and recycled water. A planned seven-mile pipeline from Camarillo to Ventura would change that, allowing the city to connect to lines that carry imported water through eastern Ventura County. But the start of construction is still years away.

To recoup some of its costs, Ventura has leased its share of state water to the San Gorgonio wholesaler annually for the past four years. But, now, new state rules allow such agreements to span multiple years.

Ventura's City Council and the San Gorgonio agency's board approved the agreement in late April, but the deal also needs the approval of the Ventura County Board of Supervisors and the state Department of Water Resources. Those votes are expected in the next few months.

Betsy Cooper, Ventura Water's assistant general manager, said the multi-year agreement would allow more economic certainty for the city and save time and effort in negotiating yearly leases.

"Twenty years is good for the city because it guarantees extra revenue for us to cover these ongoing costs," she said.

City officials estimate the fixed costs to range from \$2.3 million to \$2.75 million annually.

San Gorgonio, taking on most of the financial risks, also needed a long enough time span to balance out the annual fluctuations of state water allocations seen in wet and dry years, Cooper said.

#### A 60-40 split

The city has an annual entitlement of 10,000 acre-feet, but the allocations typically come up short because they vary by how much water is available.

In dry years, officials release just a portion of requested allocations to the 29 municipal and agricultural districts under contract to receive State Water Project supplies.

This year, the state set allocations at 5% citing two years of drought conditions. Ventura's allocation would drop to 500 acre-feet. Under the agreement, San Gorgonio would receive the city's entire allocation for only half the cost. Starting next year, however, the water agency would pay all of the city's reimbursable fixed costs and have rights to Ventura's full allocation.

That arrangement will continue until the city finishes its pipeline. City officials expect the project, currently in the design phase, to go out to bid late next year. Construction then would take roughly two additional years.

When the pipeline is built, the city plans to keep 2,000 acre-feet of its yearly allocation and pay 40% of the costs. San Gorgonio would pay 60% of the costs and receive the remaining water.

Officials project the state water allocation to reach an average of 50% over the next 20 years. That means the city's share of average annual 5,000 acre-feet would be split 60-40 with 2,000 for the city and 3,000 for San Gorgonio.

Some years, when the allocation falls below 2,000 acre-feet, San Gorgonio will pay the money and receive no water.



Once the pipeline is built, the city's share of imported water is expected to help improve water quality rather than serve as a new supply. Plans call for blending the state water with local supplies on the east side of the city.

Estimates show the city needs up to 1,500 acre-feet to improve water quality, Cooper said.

The agreement has termination options for both parties, such as when state allocations drop below 30% for three consecutive years. Ventura also can request a one-year pause in case of local water supply emergencies.

"The city's entitlement is not being sold," Cooper said. "A portion is just been leased to San Gorgonio during this 20-year period."

Cheri Carlson covers the environment for the Ventura County Star. Reach her at cheri.carlson@vcstar.com or 805-437-0260.