



Board of Directors  
Bruce E. Dandy, President  
Sheldon G. Berger, Vice President  
Lynn E. Maulhardt, Secretary/Treasurer  
Mohammed A. Hasan  
Catherine P. Keeling  
Gordon Kimball  
Daniel C. Naumann

General Manager  
Mauricio E. Guardado, Jr.

Legal Counsel  
David D. Boyer

## **MINUTES**

### **SPECIAL BOARD MEETING: BUDGET WORKSHOP**

**Wednesday, May 24, 2023, 9:00 a.m.**

**UWCD Headquarters' Boardroom**

**1701 N. Lombard Street, Oxnard CA 93030**

#### **Directors in Attendance**

Bruce E. Dandy, president  
Sheldon G. Berger, vice president  
Lynn Maulhardt, secretary/treasurer  
Mohammed A. Hasan, director  
Catherine P. Keeling, director  
Daniel C. Naumann, director

#### **Directors Absent**

Gordon Kimball, director

#### **Staff in Attendance**

Anthony Emmert, assistant general manager  
Suparna Jain, legal counsel  
Maryam Bral, chief engineer  
Marissa Caringella, environmental services manager  
John Carman, operations, and maintenance program supervisor  
Dan Detmer, water resources manager  
Sara Guzman, accountant II  
Josh Perez, chief human resources officer  
Zachary Plummer, technology systems manager  
Kris Sofley, clerk of the Board  
Clayton Strahan, chief park ranger  
Brian Zahn, chief financial officer

#### **Public in Attendance**

Miles Hogan, City of Ventura

#### **1. FIRST OPEN SESSION 9a.m.**

President Dandy called the meeting to order at 9a.m.

##### **A. Public Comment**

##### **Information Item**

President Dandy asked if there were any public comments or questions. None were offered.

##### **B. Pledge of Allegiance**

Director Catherine Keeling asked everyone to join her in reciting the Pledge of Allegiance

**C. Approval of Agenda**

**Motion**

Motion to approve the agenda, Director Naumann; second, Director Berger. Voice Vote: six Ayes (Berger, Hasan, Keeling, Maulhardt, Naumann, Dandy); opposed none; absent one (Kimball). Motion carries unanimously.

**2. FY 2023-24 Proposed Budget Workshop**

**Motion Item**

United Water Conservation District's Chief Financial Officer Brian Zahn greeted the Board and began his slide presentation. (see attached slides) He started by explaining the budget development process, which he said starts every December. In March, he continued, the leadership team spent three weeks reviewing line items and adjusting dollar amounts in accordance with the anticipated needs of the District. By May, Mr. Zahn said, the proposed budget is being finalized and presented to the District's OH and PTP users as well as outside agencies such as the Pleasant Valley County Water District and various municipalities. Mr. Zahn said that by June, the final budget will be adopted by the Board.

Mr. Zahn then presented a year-to-year comparison of revenue for the District, including property tax fees for State Water purchases, which he added paid for 100 percent of the District's recent State Water Purchase from Casitas Water District. Mr. Zahn mentioned that pipeline deliveries were lower than anticipated, as OH and PTP users were engaged in conservation and Oxnard and Ventura end users were also doing their part to conserve water. He added that many PTP users have adopted drip irrigation and selective crop rotation which also reduces their water usage, and that M&I water usage was also less than last year.

Director Naumann asked if the DWR \$1 million grant helps with revenue for FY 2023-24 and Mr. Zahn replied that some of the funds are underfunded; and more grants are important for revenue and reduce groundwater rates for the District's customers. Director Naumann asked if the property tax boundaries were same and Mr. Zahn replied that property values, when assessed at lower values, reduces revenue and that interest rates are important, and they help revenue increase and stabilize.

Mr. Zahn discussed rate analysis, stating that Ventura's legal action, which was settled in August 2022 when the District lost its appeal, meant that the District had to revisit its groundwater rate formula. He said the District hired an outside consultant who reported that the District's rate structure was sound and that the zones made sense. Previously, State Water Code held a 3 to 1 ratio, which was rejected by the Court, so the District adjusted its rate formula to 1. to 1.12 He added that some people like the City of Oxnard and the City of Ventura were not required to pay the property tax that helps the District fund State Water purchases.

Director Berger asked what the .12 encompasses in the 1 to 1.12 formula. Mr. Zahn asked UWCD Water Manager Dan Detmer to explain. Mr. Detmer said the .12 difference is the benefit to Ag versus urban users. This concept was raised by Ventura in its Court case, and the difference accounts for the return flow between Ag and M&I uses. He added that it was a technical number explained in the 10-year technical memorandum and that the 1 to 1.12 formula was embraced by Ventura and the Court.

Director Naumann asked if that formula was based on yearly benefits. Mr. Detmer said it's consistent

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for wet and dry years, and various farming practices, so the formula can apply year to year without change.

Director Maulhardt asked if the settlement judge reviewed the District's analysis for rate setting and inquired that if the Board passed this, would it have the funds to handle the judge's ruling. He asked if the judge has jurisdiction over the process, if the court has to approve the District's rates and how the District is protected with passing the budget.

Mr. Zahn explained that the District partnered with Ventura who agree with the formula, stating the Mile Hogan, Ventura's Senior Assistant City Attorney agrees with this approach. Director Naumann asked if Oxnard was in agreement.

Miles Hogan addressed the Board, identifying himself as from the City Attorney's office for the City of Ventura, and stated that the current rate structure being used by United complies with the Court in the opinion of the City of Ventura and if adopted, the City of Ventura would not challenge the rate which means the Court could not revisit the case. Mr. Hogan stated that the City was happy to meet with other cities and is pleased that United Water has taken this approach and believes we can all move forward without dispute in the future.

Director Maulhardt added that the judge only sees the rate formula if someone cries foul. Mr. Zahn replied that the District has presented the formula and rates at several meetings and there has been no push back and he is not aware of any other legal action. District's legal counsel Suparna Jain added that the Court maintains jurisdiction but only acts if rates are contested.

Mr. Hogan added that the City supports the different rates based on ag recharge and the new Zone S means the City will now be contributing to the State Water fund. Director Berger said that seven or eight conservation districts have been impacted by this lawsuit and the 1 to 1.12 formula is not state-wide, so other districts will have to set their own rate, as there is no 3 to 1 ratio any longer.

Mr. Zahn reiterated that the rate analysis was strictly for UWCD and proceeded to show the modest rate changes for FY 2023-24 using the 1 to 1.12 ratio. He added that the surcharge for the State Water Fund was simplified with a flat rate of \$10 per acre foot, same rate for everyone, which would yield approximately \$1.5 million in revenue.

Director Naumann asked if that money would be used to purchase Table A and Article 21 water. Mr. Zahn said that extra money has been set aside to cover all the contracted water and that now the bigger problem is where to put the water.

Mr. Zahn then covered the proposed changes to FY 2023-24 groundwater extraction and surface delivery rates. He said that a Zone S has been created which will fund State Water Project purchases, and that due to a well replacement, OH pipeline rates have increased. There are no changes to the PV charges. Director Naumann made some comments about the PTP system, mainly that customers were using their own wells rather than the turnouts. Mr. Zahn said that the PTP Fund requires a \$1million reserve, which is required for each year, and due to repairs, which were paid out of the reserve fund, there will be a small increase in PTP rates, a minor change, and it should take about three years to bring the fund into balance with the reserve.

Director Hasan asked if the PTP Fund is managed as an Enterprise fund with the reserve separate. Mr.

Zahn replied yes that the PV and OH are contractually driven. PTP has increased every year due to ongoing repairs.

Addressing groundwater, Mr. Zahn said that due to the wet year, budgeting for groundwater use was very conservative. He said staff used a five-year average, and then budgeted for a bit less than that.

Personnel Costs, according to Mr. Zahn's slides, will increase by 7.4 percent for regular salaries, part-time salaries are projected to increase by 45.9 percent, overtime salaries and employee benefits increase by 8.9 and 8.7 percent respectively. The budget figures for personnel costs also include four new staff positions, a 4 percent cost of living increase, an increase in medical coverage, full-time employees and promotions. This represents an increase of \$1.4 million. Director Maulhardt told Mr. Zahn that with dry years, revenues are high, and wet years, the demand for water is less, but staff needs to be careful in making assumptions. Mr. Zahn replied that the proposed budget was published in April, and he didn't know Castaic water would be coming in then. Director Hasan asked how personnel costs were calculated and Mr. Zahn explained that the costs were based on full-time employees. Chief Human Resources Officer Josh Perez jumped in and said that part-time and regular employees are reviewed for the number of hours worked, but not including benefits and other related costs and in the actual budget these costs are all broken out as line items.

On Capital Equipment costs, Mr. Zahn reported an \$800,000 difference from last year to this year's budget. Mr. Zahn explained that lead time for the equipment used by O&M is difficult, with many costly delays in equipment delivery, so O&M has been purchasing enough spares to be able to quickly address repairs and replacement of equipment so that they are prepared for situations that are most likely to occur. He added that there is a purchase of a water truck included in the budget, but said it was a used vehicle. Director Maulhardt asked what the Checkpoint Enterprise cost was related to, and Mr. Perez explained that the costs were included in previous budgets as several security and cybersecurity items, but for this budget, the various items were all grouped into one line-item cost under cybersecurity for email, servers, etcetera. President Dandy asked if there were any impacts on security relating to artificial intelligence (AI) and Josh replied that he and the IT and Security staff were looking at potential issues that have come to light in the last few months, including training for staff, too. He said that Microsoft teams were working on these issues as well.

Director Maulhardt stated that, for the public's clarification, the top 3 items on the Capital Equipment list were consistent with Board and Engineering and Operations Committee discussions; some equipment that is vital to the District's operations have a massive lead time and by having spares in position, at the ready, potential repairs and replacements can be done quickly without interrupting operations. Director Berger added that as the District grows its operation, it is especially important to keep the District running at current levels and that Capital procurement is a drop in the bucket to operations as they continue to grow. Director Maulhardt agreed and added it is consistent with proactive management.

Mr. Zahn then addressed Capital Improvement Projects (CIP) in the process of being constructed. He said that CIPs increase year over year from \$2.2 million to \$16.8 million (a 14.9 percent increase) and FY 2023-24 projects include the expansion of the Freeman Diversion (\$3.7 million), the beginning of design and construction of the Santa Felicia Dam project (\$2.5 million) and the Extraction Barrier Brackish Water (EBB Water) project at \$7.4 million. Mr. Zahn said these projects

range from \$50 million to \$100 million for a few years. Director Maulhardt stated that the Board has reviewed the CIPs and \$700 million in Capital Improvements for the District is a lot of money but half of that amount is due to federally mandated changes that do not produce one drop of water. He added that EBB Water, budgeted at \$387 million, is the only real project that has the capacity to produce “new” water. Mr. Zahn added that the Santa Felicia Dam project is finalizing its WIFIA loan, which should be completed in June or July and will fund the finishing design work for the project.

In summary, Mr. Zahn said the District has \$16 million in cash reserves, there are small changes to the Overhead fund and the general, PTP and Freeman funds are all lower. Director Keeling said that it might be helpful for the District to publish explanations, such as Federally mandated expenses, on the website or through a mass mailing to help with transparency and she also suggested sharing an explanation on the change from the 3 to 1 to 1 to 1.12 rate formula as well as why Ag pays a different rate than M&I. Mr. Zahn said that staff will be making budget presentations to the City of Santa Paula and Fillmore and has already made presentations to OH and PTP Users and the PVCWD. Director Naumann suggested updating the District’s mailing list.

President Dandy asked Mr. Zahn about the District’s Bond rating. Mr. Zahn replied that he believed it was at A-, which is bumped up a bit. He added that S&P examined the District’s activities and even attended its Water Sustainability Summit, which may have contributed to the bump up in the District’s bond rating. He also stated that other water agencies received a decrease in their rating recently.

Director Hasan stated that information on the website should be presented simply, dumb it down as much as you can, and he suggested including how much grant funding contributes to project costs. He also asked Mr. Zahn to confirm that next year there would be more rainfall, to which Brian Zahn replied that he met with Water Resources and looked into their crystal ball, but he is not prepared to say that next year will be a duplication of the rainfall received this year, more likely to be a normal rainfall year. Mr. Emmert interjected that the budget is reflective of a conservative estimate of water use, including less groundwater pumping; runoff will be good even if it is an average rainfall year because the ground and watersheds are saturated. He explained that saturated watershed increases water capture, and the more proactive operations are, the more water that can be captured.

Policy Changes proposed by Mr. Zahn included an amendment to the Emergency declaration and expense policy, eliminating language stating that when an unbudgeted expenditure greater than \$50,000 has been made during an emergency, the appropriation will be presented to the Board of Directors at their net regular meeting. Director Maulhardt said he agreed with the strikeout (deletion of that language) and trusted in the operations. President Dandy asked if a greater amount should be included, and Brian Zahn said the GM’s signing approval for budgeted items is \$250,000.

Regarding District policy for budget transfers, Mr. Zahn proposed raising the not-to-exceed appropriations amount from \$25,000 to \$75,000 with the approval of the CFO. Line-item transfers should be raised from between \$25,000 and \$100,000 to between 75,000 and \$200,000 with the approval of both the CFO and GM and that transfers request over \$100,000 should be changed to over \$200,000 and will still be presented to the Board for consideration and approval. Director Hasan said that the Finance Committee should be notified as an information item, and Board notification for anything over \$200,000. Director Maulhardt agreed that the Finance Committee should be notified of any transfers between \$75,000 and 200,000; and anything over \$200,000 needs to be brought to the Board.

Regarding Budget Submittal policy, Mr. Zahn recommended that the existing policy should be eliminated

the language: "The City of San Buenaventura has sued the District concerning these and other legal issues in connection with the District's groundwaters, and such issues are being addressed in litigation." Mr. Zahn explained that since the lawsuit has been settled and Ventura is supporting the District's new rating setting formula, this doesn't need to be included in official policy. Most of the Board voiced their support of this.

Mr. Zahn advised the Board of a change in mileage reimbursement expense policy as the IRS's current mileage reimbursement rate is .655 cents per mile, while the District's policy stated .585 cents per mile. No objections were voiced.

The proposed changes for the Engineering Projects Quality Based Selection (QBS) process caused a great deal of discussion, questions and opposition from the Board. Mr. Zahn invited Chief Engineer Maryam Bral to explain the suggested policy changes. She explained that the revised policy would include fees with the proposal, current policy dictates that fees be submitted in a separate and sealed envelope. She also suggested updates be made to how to rate and rank RFPs internally. Director Maulhardt challenged the language that said "do not share the final table (for ranking purposes) with anyone outside of the selection panel" as he believed the selection process is part of the public record. Legal Counsel Suparna Jain said that anyone still has the right to request the documents that helped factor in the decision, excluding proprietary information, as part of the Public Records Act.

Director Maulhardt said the QBS process of awarding contracts has been used for a long time and is supposed to ensure that everything is fair, transparent and that there is no funny business going on and stated that the proposed changes to the policy set more traps for not following the process. Ms. Jain said that the District must inform staff and the public as to the process, not to limit transparency, and the language could be modified to clarify "during the rating process..." Director Hasan asked for clarification between the internal process and the legal process. Director Maulhardt said that he is not opposed to policy, and that laying out a policy of procedural steps to follow is fine, but the way this is stated...it needs to be clear that this is protocol, maybe with a preamble or guidance statement. Director Berger stated that this policy change was over complicated and created more issues than necessary. He had a problem with the variables that cannot be defined and believes this opens the door to lawsuits. He recommended simplifying the language and being very clear. As presented, he stated nobody understands what you want us to do and the whole thing needs to be redone and brought back to the Finance Committee for review before the next Board meeting. Director Hasan agreed that the language needs to be simplified and reminded everyone that the QBS is constantly changing. Mr. Emmert stated that staff has heard the Board's comments and understand that Bidders want a clear process and discretion during the process, but sharing information after the selection process has been concluded is necessary. He added that staff would redraft the proposed changes and bring them back to the Finance and Audit Committee. Director Maulhardt added that the strikeouts (deletion of language) are correct, but the whole policy needs to be clarified and stated more simply. President Dandy said that he supports the changes. Director Maulhardt said he supports Mr. Emmert's recommendations to redraft and bring it back to the Finance and Audio Committee.

In explaining the minor change to the District's procurement policy for quotations for goods, services and equipment, professional service and public works projects, Mr. Zahn said staff was trying to qualify the exception to the lowest responsible bidder by adding the language "unless there is a compelling reason to go with another bidder." Director Maulhardt questioned lowest "responsible"

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bidder and said that what about timeline for delivery, met all criteria. Director Hasan said the Board shouldn't be micromanaging the situation. President Dandy said he found this to be satisfactory. Ms. Jain asked if staff could explain why the proposed changes were made and what staff was attempting to do, what result were they hoping to reach. Director Maulhardt said that this is the purpose of the workshop, raising concerns. Mr. Zahn said he was asking for direction from the Board. President Dandy asked Mr. Zahn to revise the language and bring it back to the Finance and Audit Committee.

Another proposed policy change was related to procurement and the utilization of purchase orders. Mr. Zahn wanted to add language which stated "If a purchase order has not been fully utilized by the end of the year, the owner may request that the PPO be rolled over to the next year to accommodate expenses that come in the next fiscal year. The owner must notify Finance and the purchase order will be rolled over. If Finance is not notified, the open purchase order will be closed out at year end. Purchase orders can only be rolled over a maximum of three consecutive years." Director Hasan asked why three years. Mr. Zahn replied that in the past, year over year rollovers have gone for up to five years when the District is no longer using the PO or the consultant, and that he thought the Board would approve up to three years, but not past that.

Mr. Zahn then showed the Board the new additions to District credit card authorizations, which none of the Board objected to. Mr. Zahn asked if the Board had any additional directions. Director Hasan stated that he had made his comments and thought the Board had provided good input to staff and that he appreciates the work that staff is doing. Mr. Zahn said he would bring the two policy changes back to the Finance and Audit Committee in June.

President Dandy asked if there were any additional comments or questions. None were offered.

**3. ADJOURNMENT 10:32a.m.**

President Dandy adjourned the meeting at 10:32a.m. to the **Regular Board Meeting scheduled for Wednesday, June 14, 2023**, or call of the President.

I certify that the above is a true and correct copy of the minutes of the UWCD Board of Directors meeting of May 24, 2023.

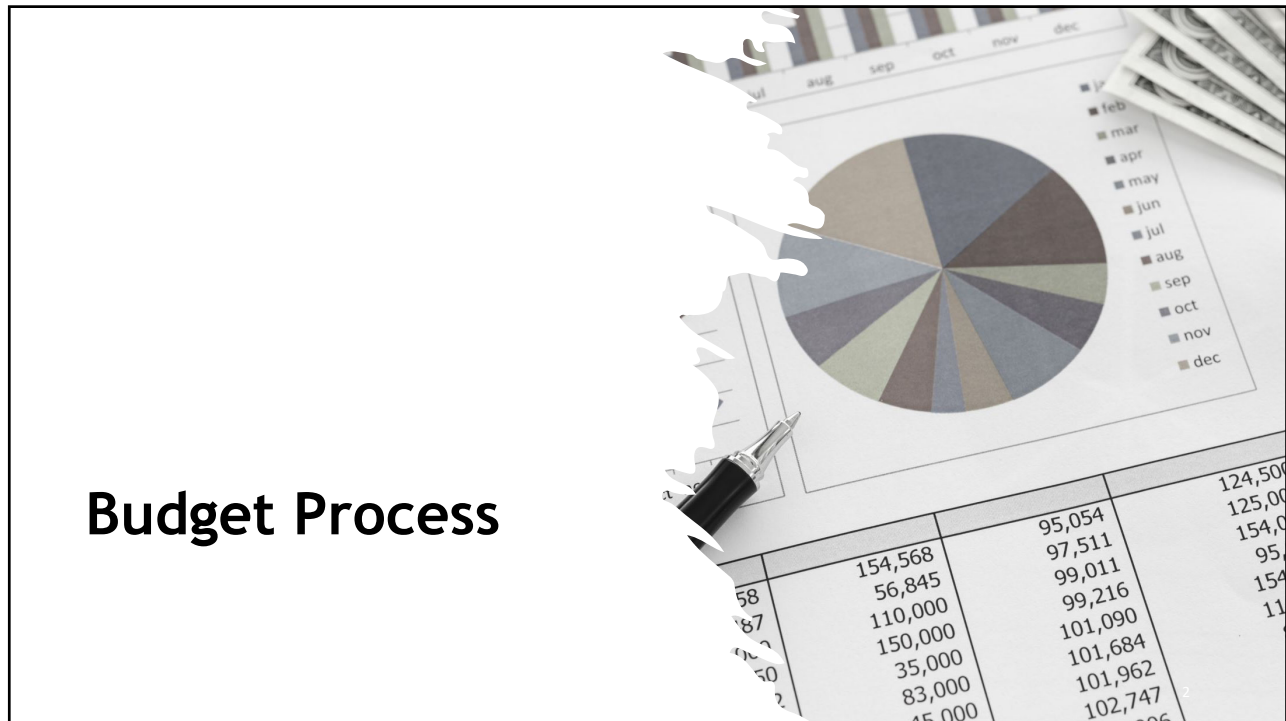
ATTEST:   
Lynn E. Maulhardt, Board Secretary

ATTEST:   
Kris Soley, Clerk of the Board





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## Budget Process

- January - Leadership and Manager Budget meeting
- February - Collected Personnel, Supplies and Services, CIP, Capital costs and develop preliminary rates
- March - Reviewed budget with GM, AG and Leadership Team and make requested revisions
- April - Finalize headcount, Expenses and lock in Rates and Volumes. Present budget to Finance and Audit Committee and Publish Proposed Budget. Prepare Policy updates.
- May - OH, PTP and PV Contractor meetings and the Board Budget Workshop
- June - Board Meeting - Public Hearing to Adopt Budget

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## Revenue

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## Revenue

	10 / 50 General/Water Conservation Fund	110 State Water Fund	120 Water Purchase Fund	420 Freeman Fund	450 OH Pipeline Fund	460 PV Pipeline Fund	470 PT Pipeline Fund	Total
in USD '000's								
<b>Proposed Budget 2023-24</b>								
Property Tax	3,097	5,460	-	-	-	-	-	\$ 8,557
Water Deliveries	1,581	-	-	1,530	5,246	412	2,806	\$ 11,575
Groundwater	13,618	-	-	6,117	-	-	-	\$ 19,735
Other	8,378	67	2,146	655	1,082	22	419	\$ 12,769
<b>Revenue</b>	<b>\$ 26,674</b>	<b>\$ 5,527</b>	<b>\$ 2,146</b>	<b>\$ 8,302</b>	<b>\$ 6,328</b>	<b>\$ 433</b>	<b>\$ 3,225</b>	<b>\$ 52,635</b>
<b>Budget 2022-23</b>								
Property Tax	2,994	2,100	-	-	-	-	-	\$ 5,094
Water Deliveries	2,778	-	-	1,719	5,945	362	2,345	\$ 13,150
Groundwater	13,133	-	-	4,001	-	-	-	\$ 17,134
Other	9,160	15	1,311	1,036	3,829	8	388	\$ 15,748
<b>Revenue</b>	<b>\$ 28,066</b>	<b>\$ 2,115</b>	<b>\$ 1,311</b>	<b>\$ 6,755</b>	<b>\$ 9,775</b>	<b>\$ 370</b>	<b>\$ 2,733</b>	<b>\$ 51,125</b>
<b>Variance</b>								
Property Tax	103	3,360	-	-	-	-	-	\$ 3,463
Water Deliveries	(1,197)	-	-	(189)	(700)	50	461	\$ (1,575)
Groundwater	485	-	-	2,116	-	-	-	\$ 2,601
Other	(782)	52	834	(380)	(2,747)	14	30	\$ (2,979)
<b>Revenue</b>	<b>\$ (1,391)</b>	<b>\$ 3,412</b>	<b>\$ 834</b>	<b>\$ 1,547</b>	<b>\$ (3,447)</b>	<b>\$ 63</b>	<b>\$ 491</b>	<b>\$ 1,510</b>

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## Rates Analysis

Groundwater Extraction Changes RATES	Old 1:3	New 1:1.12	\$ Change	% Change
Extraction- Zone A - AG	\$ 66.48	\$ 84.30	\$ 17.82	26.8%
Extraction- Zone A - M&I	\$ 199.43	\$ 94.41	\$ (105.02)	-52.7%
Extraction- Zone A - AG (B)	\$ 66.48	\$ 84.30	\$ 17.82	26.8%
Extraction- Zone A - M&I (B)	\$ 199.43	\$ 94.41	\$ (105.02)	-52.7%
Extraction- Zone B - AG	\$ 41.17	\$ 57.66	\$ 16.49	40.1%
Extraction- Zone B - M&I	\$ 123.51	\$ 64.58	\$ (58.93)	-47.7%
Surcharge - Ag Zone A	\$ 5.50	\$ 7.12	\$ 1.62	29.5%
Surcharge - Ag Zone B	\$ 5.50	\$ 7.12	\$ 1.62	29.5%
Surcharge - M&I Zone A	\$ 16.50	\$ 7.97	\$ (8.53)	-51.7%
Surcharge - M&I Zone B	\$ 16.50	\$ 9.97	\$ (6.53)	-39.6%

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## 2023-24 Groundwater Extraction Rates

Groundwater Extraction Changes RATES	Current	Proposed	\$ Change	% Change
Extraction- Zone A - AG	\$ 84.30	\$ 89.75	\$ 5.45	6.5%
Extraction- Zone A - M&I	\$ 94.41	\$ 100.52	\$ 6.11	6.5%
Extraction- Zone A - AG (B)	\$ 84.30	\$ 89.75	\$ 5.45	6.5%
Extraction- Zone A - M&I (B)	\$ 94.41	\$ 100.52	\$ 6.11	6.5%
Extraction- Zone B - AG	\$ 57.66	\$ 87.00	\$ 29.34	50.9%
Extraction- Zone B - M&I	\$ 64.58	\$ 97.44	\$ 32.86	50.9%
Water Purchase Surcharge - Ag Zone A	\$ 7.12	\$ 10.00	\$ 2.88	40.4%
Water Purchase Surcharge - Ag Zone B	\$ 7.12	\$ 10.00	\$ 2.88	40.4%
Water Purchase Surcharge - M&I Zone A	\$ 7.97	\$ 10.00	\$ 2.03	25.5%
Water Purchase Surcharge - M&I Zone B	\$ 7.97	\$ 10.00	\$ 2.03	25.5%



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## 2023-24 Rates

United Water Conservation District Water Delivery Rate Summary									
Charges (per Acre Foot):	Water Conservation Extraction Charge - Zone A			Freeman Extraction Charge - Zone B			State Water Extraction Charge - Zone S		
	Proposed FY 2023-24	FY 2022-23	\$ Change	Proposed FY 2023-24	FY 2022-23	\$ Change	Proposed FY 2023-24	FY 2022-23	\$ Change
(\$)									
Agriculture Rate	89.75	66.48	23.27	87.00	41.17	45.83			
Municipal & Industrial Rate	100.52	199.43	(98.91)	97.44	123.51	(26.07)			
Water Purchase Surcharge - Agriculture	10.00	5.50	4.50						
Water Purchase Surcharge - Municipal & Industrial	10.00	16.50	(6.50)						
Water Surcharge Zone S - Agriculture							26.79	0.00	26.79
Water Surcharge Zone S - Municipal & Industrial							30.01	0.00	30.01
Pipeline Charges (per Acre Foot):	O/H Pipeline <sup>1, 2</sup>			PV Pipeline <sup>2</sup>			PTP Pipeline <sup>2</sup>		
(\$)	FY 2023-24	FY 2022-23	\$ Change	FY 2023-24	FY 2022-23	\$ Change	FY 2023-24	FY 2022-23	\$ Change
Variable Rate O&M Charge/ Variable Charge	363.17	363.17	0.00						
Marginal Rate O&M Charge	161.45	161.45	0.00						
Unrecovered Variable Charge <sup>3</sup>	363.17	363.17	0.00						
O & M Charge				55.00	55.00	0.00	395.00	295.00	100.00
Fixed Costs/ Fixed Charge - Per Unit of Capacity	26,434.00	32,555.00	(6,121.00)	26,000.00	26,000.00	0.00	1,050.00	1,050.00	0.00
Fixed Cost - Upper System - Monthly <sup>4</sup>							745.50	745.50	0.00
Fixed Well Replacement Charge <sup>5</sup>	24.40	13.14	11.26						
PTP Sub-allocation Surcharge <sup>6</sup>							See Note	See Note	See Note
Saticoy Well Field Delivery Charge				30.00	30.00	0.00	30.00	30.00	0.00
PV minimum monthly service charge <sup>7</sup>				17.00	17.00	0.00			
GWAP Pump Charge <sup>8</sup>	70.00	70.00	0.00				70.00	70.00	0.00

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## Groundwater AF

GROUNDWATER							
Groundwater Pumping Volume History							
<i>in acre-feet</i>	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	Average
	Actual	Actual	Actual	Actual	Actual	Projection	5-Year
	<u>18-2</u>	<u>19-2</u>	<u>20-2</u>	<u>21-2</u>	<u>22-2</u>	<u>23-2</u>	<u>Average</u>
July - Dec							
Zone A AG	37,752	35,909	43,600	38,754	37,471	37,923	38,697
Zone B AG	33,691	33,173	31,743	29,504	29,519	30,895	31,526
Zone A M&I	7,402	7,185	6,929	6,556	6,819	6,839	6,978
Zone B M&I	7,308	7,328	8,552	7,076	10,238	7,938	8,100
Zone S AG	-	-	-	-	-	186	-
Zone S M&I	-	-	-	-	-	8,270	-
<b>Total</b>	<b>86,153</b>	<b>83,595</b>	<b>90,823</b>	<b>81,890</b>	<b>84,046</b>	<b>83,595</b>	<b>85,301</b>
<b>% of FY Total</b>	<b>62.7%</b>	<b>58.9%</b>	<b>54.3%</b>	<b>53.1%</b>	<b>53.8%</b>	<b>56.3%</b>	<b>56.3%</b>
Jan - June	Actual	Actual	Actual	Actual	Projection	Projection	5 yr
	<u>19-1</u>	<u>20-1</u>	<u>21-1</u>	<u>22-1</u>	<u>23-1</u>	<u>24-1</u>	<u>average</u>
Zone A AG	20,238	25,187	36,091	33,611	33,611	29,153	29,748
Zone B AG	18,624	20,481	27,003	23,581	23,581	22,201	22,654
Zone A M&I	5,791	5,635	5,728	6,668	6,668	5,976	6,098
Zone B M&I	6,505	7,001	7,516	8,438	8,438	7,428	7,580
Zone S AG	-	-	-	-	-	186	-
Zone S M&I	-	-	-	-	-	8,270	-
<b>Total</b>	<b>51,159</b>	<b>58,304</b>	<b>76,338</b>	<b>72,298</b>	<b>72,298</b>	<b>64,758</b>	<b>66,079</b>
<b>% of FY Total</b>	<b>37.3%</b>	<b>41.1%</b>	<b>45.7%</b>	<b>46.9%</b>	<b>46.2%</b>	<b>43.7%</b>	<b>43.7%</b>
<b>FY Total</b>	<b>137,312.10</b>	<b>141,898.83</b>	<b>167,161.30</b>	<b>154,187.58</b>	<b>156,344.27</b>	<b>148,353.20</b>	<b>151,380.82</b>

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## Pipeline PTP (AF)

PTP								
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Projected 2023-24	5-year Average
Jul	461.73	349.60	381.90	385.32	378.15	309.00	330.00	360.79
Aug	627.67	576.67	554.17	683.23	596.03	591.42	550.00	600.30
Sep	480.07	489.15	492.00	479.71	485.81	555.90	450.00	500.51
Oct	976.15	766.82	877.62	841.04	669.20	786.16	720.00	788.17
Nov	513.63	487.80	425.33	540.08	525.37	475.13	450.00	490.74
Dec	535.70	214.37	175.93	524.51	170.24	204.30	230.00	257.87
Jan	314.13	180.08	247.04	410.81	334.79	152.70	240.00	265.08
Feb	393.64	130.35	447.03	433.48	576.13	576.13	390.00	432.62
Mar	206.96	258.58	305.68	512.75	596.85	596.85	410.00	454.14
Apr	539.26	428.41	396.58	648.21	617.25	617.25	480.00	525.94
May	568.43	377.82	561.72	632.48	621.97	621.97	500.00	552.48
June	530.88	395.35	538.14	501.80	492.66	492.66	450.00	491.77
Total	-	4,655	5,403	6,593	6,064	5,979	5,200	5,720

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## Pipeline OH (AF)

ALL OH SYSTEM								
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	5-year Average	2023-24
Jul	1,103.97	1,211.09	1,240.24	1,484.10	1,205.48	794.49	1,187.08	1,009.02
Aug	1,155.69	1,041.62	1,173.79	1,251.46	1,200.96	870.33	1,107.63	941.49
Sep	1,092.51	765.22	1,067.65	1,328.00	1,174.77	975.64	1,062.26	902.92
Oct	964.01	917.50	988.85	1,467.38	1,449.96	926.65	1,150.07	977.56
Nov	748.51	720.17	806.09	1,277.97	1,317.58	817.63	987.89	839.70
Dec	560.98	600.48	811.61	1,059.27	1,136.81	687.68	859.17	730.30
Jan	838.23	696.79	857.87	927.37	1,118.58	603.11	840.74	714.63
Feb	815.34	617.32	844.36	996.27	965.04	965.04	877.61	745.96
Mar	740.63	768.68	749.27	1,100.51	1,190.89	1,190.89	1,000.05	850.04
Apr	952.50	1,056.05	854.51	993.09	1,039.58	1,039.58	996.56	847.08
May	1,236.49	1,021.32	1,190.35	1,253.99	1,098.96	1,098.96	1,132.72	962.81
June	1,193.32	1,037.32	1,265.51	1,161.60	838.49	838.49	1,028.28	874.04
Total	11,402.18	10,453.56	11,850.10	14,301.01	13,737.11	10,808.49	12,230.05	10,395.55

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# Personnel Costs

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## Personnel Costs

United Water Conservation District					
Total Personnel Costs					
	Actual	Projected	Proposed	Variance	Variance
(\$ thousands)	FY 2021-22	FY 2022-23	Budget FY 2023-24	\$\$\$	%
Regular Salaries	7,722	8,232	9,078	846	7.4%
Part-Time Salaries	352	449	583	134	45.9%
Overtime Salaries	136	224	258	34	8.9%
Employee Benefits	3,308	4,173	4,566	393	8.7%
<b>Total Personnel Costs</b>	<b>11,518</b>	<b>13,078</b>	<b>14,485</b>	<b>1,407</b>	<b>9.2%</b>
<b>Full-Time Equivalent District Positions</b>	<b>73.00</b>	<b>73.00</b>	<b>77.00</b>		

### Budget Assumptions 2023-24

COLA 4%	\$160K	Medical 6%	\$ 35K
Merit 5%	\$194K		
Promotions	\$ 40K	New FTE	\$638K

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## Additional FTE / Promotions

### Human Resources

- Human Resources Analyst – promotion

### Water Resources

- Supervising Hydrogeologist Modeler - promotion
- Water Resources Supervisor - promotion

### Operations

- Control Systems Programmer – promotion
- O&M Recharge Worker II – new position
- Water Treatment Operator II – new position

### Engineering

- Principal Engineer - promotion
- Engineer - promotion
- Engineer Modeler – promotion
- Senior Engineer – promotion

### Recreation

- Park Ranger Cadet - new position

### Finance

- Sr. Accounting Technician – new position

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# Capital Equipment



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## Capital Equipment

FY 23-24					
Account	Dept	Description	Total	FY 22-23	Change
80210 Strct & Improv	500 Water Resources	Monitoring well, Seawater Intrusion in Casper Road Area	-	-	-
80210 Strct & Improv	300 Operations & Maintenan	Gas Engine Piping Improvements	400,000	-	400,000
80210 Strct & Improv	300 Operations & Maintenan	OH Pipeline Valves	400,000	-	400,000
80210 Strct & Improv	300 Operations & Maintenan	PTP Turnout Valves Program	300,000	-	300,000
80510 Vehicles	300 Operations & Maintenan	Truck 4000 Gallon Water	185,000	-	185,000
80410 Equipment	100 Administration	Checkpoint Enterprise	190,000	28,000	162,000
80210 Strct & Improv	300 Operations & Maintenan	Gas Engine Room roof replacement	120,000	-	120,000
80210 Strct & Improv	300 Operations & Maintenan	OH Well Motors and Enclosure Ready Spare	80,000	-	80,000
80210 Strct & Improv	300 Operations & Maintenan	PTP spare VFDs	80,000	-	80,000
80210 Strct & Improv	300 Operations & Maintenan	El Rio residence #2 HVAC heater / AC	67,500	-	67,500
80210 Strct & Improv	300 Operations & Maintenan	Saticoy well VFD replacement	65,000	-	65,000
80410 Equipment	100 Administration	Ceragon radio link replacement	60,000	-	60,000
80510 Vehicles	200 Parks & Recreation	New Patrol Vehicle	60,000	-	60,000
80410 Equipment	110 Finance	AccuFund System- Software	58,000	-	58,000
80210 Strct & Improv	300 Operations & Maintenan	PTP Reservoir NaOCL Tank	50,000	-	50,000
80410 Equipment	300 Operations & Maintenan	Canal gear box / Head Bay actuators	50,000	-	50,000
80210 Strct & Improv	300 Operations & Maintenan	Freeman canal flow meters replacement	45,000	-	45,000
80410 Equipment	300 Operations & Maintenan	El Rio spare water quality analyzers	40,000	-	40,000
80210 Strct & Improv	300 Operations & Maintenan	El Rio residence exterior siding/door/roof repair	35,000	-	35,000
80410 Equipment	300 Operations & Maintenan	SCADA Claroty support contract	30,000	-	30,000
80510 Vehicles	300 Operations & Maintenan	El Rio John Deere Gator XUX865M	25,825	-	25,825
80210 Strct & Improv	300 Operations & Maintenan	El Rio Gas Engine Pump / rotating assembly inspection	22,000	-	22,000
80210 Strct & Improv	300 Operations & Maintenan	El Rio CL2 sample pumps	20,300	-	20,300
80410 Equipment	100 Administration	Human Resources Neogov Application Tracking Software	15,000	-	15,000
80410 Equipment	200 Parks & Recreation	Coin Op Washer/Dryer	12,500	-	12,500
80410 Equipment	100 Administration	Enterprise Learning Management Software	9,000	-	9,000
80410 Equipment	100 Administration	Siklu Radio Monitoring Software	6,000	-	6,000
80410 Equipment	300 Operations & Maintenan	Pipe Chop Saw Hilti 14"	5,000	-	5,000
80510 Vehicles	500 Water Resources	Outfit New Water Resources truck	500	1,000	(500)
Total			2,431,625	811,164	1,620,461

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## Capital Improvement Projects

Major projects for 2023-24 include:

- Freeman Diversion Expansion - \$3.7 million
- Santa Felicia Dam - \$2.5 million
- EBB Water - \$7.4 million

Capital Improvement Projects increase year over year from \$2.2 million to \$16.8 million a 14.9% increase

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# Capital Improvement Projects

## CIP PROJECT COSTS

Project Name	Fund	Project #	Approved Allocation thru 6-30-23	CURRENT YEAR STATUS		FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28 and Beyond	Project Total
				Est Exp Thru End of Year	Est Balance to Carryover						
Well Replacement Program	452	8000	2,423,982	1,894,361	529,621	295,201	1,230,000	-	-	-	3,949,183
Freeman Diversion Expansion	421	8001	13,594,331	13,257,545	336,786	3,674,478	4,000,000	51,000,000	50,000,000	-	122,268,809
SFD Outlet Works Rehabilitation	051	8002	10,131,818	8,548,003	1,583,815	1,482,553	25,605,480	31,520,600	20,653,100	626,000	90,019,551
SFD Probable Maximum Flood Containment	051	8003	6,911,215	6,475,381	435,834	1,042,732	940,452	269,993	12,859,260	46,130,600	68,154,252
OHP Iron and Manganese Treatment Facility	451	8007	14,048,174	13,624,599	423,576	150,665	-	-	-	-	14,198,839
Extraction Barrier Brackish Water Treatment	051	8019	3,037,370	1,903,451	1,133,919	7,430,385	12,607,834	17,074,160	13,816,287	333,689,380	387,655,416
Rice Avenue Overpass PTP	471	8021	102,806	108,719	(5,913)	13,078	-	-	-	-	115,884
PTP Metering Improvement Project	471	8022	1,746,717	1,197,765	548,952	98,436	-	-	-	-	1,845,153
State Water Interconnection Project	051	8025	313,698	222,836	90,862	29,967	-	-	-	-	343,664
Asset Management/CMMIS System	Multiple	8041	248,220	52,448	195,772	98,876	-	-	-	-	347,095
PTP Recycled Water Connection - Laguna Road Pipeline	471	8043	416,821	97,080	319,741	391,658	4,351,600	-	-	-	5,160,079
Condor Point Improvement Project	051	8048	676,623	476,551	200,072	220,000	-	-	-	-	896,623
Lake Piru Recreation Area Pavement Maintenance Program	051	8047	446,914	398,326	48,588	255,191	250,000	250,000	-	-	1,202,105
Lake Piru Campground and Recreation Area Renovations	051	8055	736,385	178,517	557,868	427,838	-	-	-	-	1,164,223
Critical Well Environmental Improvement	451 & 471	8057	-	-	-	375,000	-	-	-	-	375,000
Piru Early Warning System Replacement	051	8058	-	-	-	97,500	-	-	-	-	97,500
OH Well 13 Rehabilitation	452	8059	-	-	-	340,000	-	-	-	-	340,000
OH Well 14 Energy Efficiency Upgrades	451	8060	-	-	-	355,250	1,631,000	-	-	-	1,986,250
<b>TOTAL</b>			<b>54,835,073</b>	<b>48,435,583</b>	<b>6,399,490</b>	<b>16,778,808</b>	<b>50,616,366</b>	<b>100,114,753</b>	<b>97,328,647</b>	<b>380,445,980</b>	<b>700,119,627</b>

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## Budget Summary and Overhead Allocation Rates

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## Budget Summary

United Water Conservation District								
Proposed Operating Budget Summary								
FY 2023-24								
(\$ thousands)	General Water Conservation Fund	Water Purchase Fund	State Water Fund	Freeman Fund	O/H Pipeline Fund	PV Pipeline Fund	PTP Pipeline Fund	TOTAL
<b>CASH RESERVATIONS/WORKING CAPITAL</b>								
Projected Beginning Balance July 1, 2023	18,093	4,058	6,849	605	1,583	593	288	32,069
<b>REVENUES</b>								
Property Tax	3,097	-	5,460	-	-	-	-	8,557
Water Deliveries/Fixed Costs	1,581	-	-	1,530	5,246	412	2,806	11,575
Groundwater Revenue	13,618	-	-	6,117	-	-	-	19,735
Unrecovered Variable	-	-	-	-	-	-	-	-
Fox Canyon GMA	-	-	-	-	727	-	364	1,091
Recreation	875	-	-	-	-	-	-	875
Grant Revenue	3,000	-	-	-	250	-	-	3,250
Rents & Leases	233	-	-	21	31	5	15	306
Investment/ Interest Earnings	294	-	67	44	63	15	32	515
Repayment of Interfund Loan	1,290	-	-	-	-	-	-	1,290
Proceeds from Financing	2,525	-	-	560	-	-	-	3,086
Water Purchase Surcharge	-	2,146	-	-	-	-	-	2,146
Other	161	-	-	29	11	-	8	209
Total Revenues	26,674	2,146	5,527	8,302	6,328	431	3,225	52,633
<b>EXPENDITURES</b>								
Personnel Costs	6,810	-	-	1,143	1,024	63	370	9,410
Operating Expenditures	8,005	-	4,529	1,917	3,060	82	1,249	18,842
Replacement/Depreciation	970	-	-	412	510	74	687	2,653
Allocated Overhead	4,208	-	-	1,194	1,107	60	538	7,107
Debt Service	1,319	-	117	749	447	3	395	3,031
Capital Outlay	299	-	-	147	1,156	8	484	2,094
Transfers Out-CIP	11,046	-	-	3,690	632	1	775	16,144
Total Expenditures	32,656	-	4,646	9,252	7,935	292	4,498	59,280
Net Surplus/(Shortfall)	(5,982)	2,146	881	(950)	(1,607)	139	(1,273)	(16,647)
Reservations/Designations	(11,146)	-	-	-	-	-	-	(11,146)
Add back Depreciation	970	-	-	412	510	74	687	2,653
Projected Cash Reserves/Working Capital June 30, 2024	1,935	6,204	7,729	67	486	807	(298)	16,930

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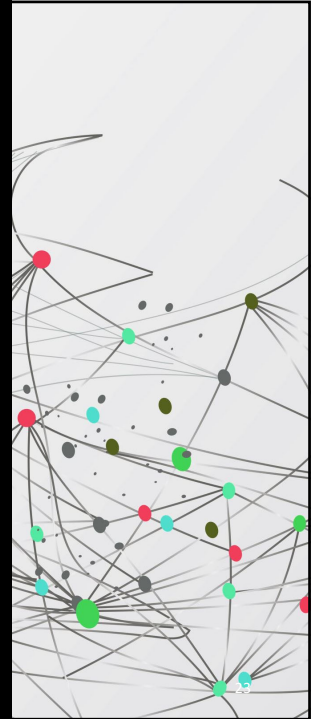
## Overhead Allocation Rates

United Water Conservation District						
Overhead Allocation						
Fund	FY 2019-20 Overhead Allocation Rate	FY 2020-21 Overhead Allocation Rate	FY 2021-22 Overhead Allocation Rate	FY 2022-23 Overhead Allocation Rate	FY 2023-24 Overhead Allocation Rate	Change from FY 2022-23 to FY 2023-24
General/Water Conservation Fund	60.37%	61.53%	60.21%	61.80%	59.21%	-2.59%
Freeman Fund	15.75%	15.60%	17.98%	17.66%	16.80%	-0.86%
OH Pipeline Fund	13.48%	12.41%	10.91%	11.53%	15.57%	4.04%
PV Pipeline Fund	1.04%	1.13%	0.99%	0.79%	0.85%	0.06%
PT Pipeline Fund	9.36%	9.33%	9.91%	8.22%	7.57%	-0.65%
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%	

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# Policy Changes



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## Policy Changes - Budget Amendment Policy

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.

In the case of an emergency situation and/or repair, that must be declared by the General Manager, any unbudgeted expenditure greater than \$50,000 must be presented to the Board of Directors at their next regular meeting and the Board must be updated at each following meeting until the emergency has concluded. The Chief Financial Officer will additionally inform the Finance Committee of the situation. Upon conclusion of the emergency, when all costs are known, the Chief Financial Officer seek Board approval to use identified funds to fund the emergency expenditures. Emergency expenditures under \$50,000 only require the General Manager approval, as long as budget is available to fund the expenditures. 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 meeting.

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.

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## Policy Changes - Budget Amendment Policy

### 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 ~~\$25,000~~\$75,000 can be transferred between line items with the approval of the Chief Financial Officer. Line-item transfers between ~~\$7525,000~~ and ~~\$4200,000~~ can be transferred with the approval of both the Chief Financial Officer and the General Manager. Transfer requests over ~~\$4200,000~~ 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.

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## Policy Changes - Budget Submittal

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.~~

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## Policy Changes - Expense Policy

3. Personal vehicles may be used if necessary and the staff shall be reimbursed at the standard IRS mileage rate (i.e. \$0.~~65.558.5~~ cents a mile for calendar year 202~~32~~), but for a total of no more than the cost of round trip airfare.

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## Policy Changes - Engineering Projects

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.~~  
Prepare a detailed "Request for Proposals" and transmit to a list of firms with relevant qualifications or use a digital purchasing platform to advertise the RFP. The RFP may request the proposers include their fee schedules, proposed total hours, and the fee for the proposed services in their proposals.
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.~~  
Establish a selection panel consisting of representatives from various District departments as appropriate and relevant to the scope of project. Other District representatives (e.g., operations or financial consultants) may be invited to serve on the selection panel. These individuals should have no financial interest in the outcome of the selection and should be willing to sign a non-collusion affidavit.
3. ~~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.~~  
Create a rating table in which specific responses are to be graded with appropriate weighting factors. DO NOT SHARE THE FINAL TABLE WITH ANYONE OUTSIDE THE SELECTION PANEL. Each selection 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.

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## Policy Changes - Engineering Projects

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.~~

Consider using the following criteria for selecting the qualified proposers: Specialized experience and technical competence of the proposer, the proposer's familiarity with types of problems applicable to the project or project understanding, past performance on District projects, or other governmental agencies, including the project completion within budget and on schedule, the proposer's project team's expertise and qualifications to perform the work, the proposer's financial responsibility, level of efforts and fee proposal for the proposed services, and other key factors as appropriate for the type of service.

5. ~~If deemed necessary by the review panel, the top 2 to 4 firms are interviewed by the review panel.~~

The rankings provided by the selection panel will be used to determine the top 2 to 4 proposers qualified to perform the work. If deemed necessary by the panel, the selected top 2 to 4 firms are interviewed by the panel. A second table is used for rating and ranking the interview responses.

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.~~

86. ~~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.~~

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## Policy Changes - Procurement Policy

### 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, unless there is a compelling reason to go with another 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.

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## Policy Changes - Procurement Policy

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.

If a purchase order has not been fully utilized by the end of the year, the owner may request that the PO be rolled over to the next year to accommodate expenses that come in the next fiscal year. The owner must notify Finance and the purchase order will be rolled over. If Finance is not notified, the open purchase order will be closed out at year end. Purchase orders can only be rolled over a maximum of 3 consecutive years.

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## Policy Changes - Credit Cards

Credit card limits are as follows:

General Manager	\$12,500
Assistant General Manager	\$10,000
Chief Financial Officer	\$ 5,000
Chief Engineer	\$10,000
Chief HR Officer	\$ 5,000
Chief Operations Officer	\$ 5,000
Chief Park Ranger	\$ 5,000
Engineering Manager	\$ 2,000
Environmental Services Manager	\$ 2,000
Travel Card	\$25,000
Water Resources Manager	\$ 2,000
<u>Executive Assistant/Clerk of the Board • Administration</u>	<u>\$ 5,000</u>
<u>Park Ranger IV</u>	<u>\$ 2,000</u>

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