

AGENDA
FINANCE AND AUDIT COMMITTEE MEETING
Wednesday, January 3, 2024, at 9:00 a.m.
UWCD Headquarters, First Floor, Board Room
1701 N. Lombard Street, Oxnard, CA 93030

OPEN SESSION – CALL TO ORDER 9:00 a.m.
Committee Members Roll Call

1. Public Comment

The public may address the Finance and Audit Committee on any matter not on the agenda within the jurisdiction of the Committee. All comments are subject to a five-minute time limit.

2. Approval of Agenda
Motion

3. Approval of Minutes
Motion

The Committee will review the Minutes from the December 4, 2023, Finance and Audit Committee meeting and approve as submitted or direct staff to revise as necessary to accurately reflect the discussion and action(s) taken during the meeting.

4. January 10, 2024, UWCD Board of Directors Meeting Agenda Item(s)

The Committee will review and discuss the following agenda item(s) to be considered for approval at the January 10, 2024, Board meeting. The Committee will formulate a recommendation to the entire Board based on the discussions with staff. The Committee will discuss the following item(s):

4.1 Request from Pleasant Valley County Water District to Waive Charges for Late Payment

Board Motion

The Committee will review and consider recommending for Board approval a request from Pleasant Valley County Water District (PVCWD) to waive penalties and interest charges of \$5,684.32 for a late payment.

4.2 Recommend the Authorization of a Supplemental Appropriation of Funds for Pleasant Valley Reservoirs Treatment Chemicals

Board Motion

The Committee will consider recommending for approval to the full Board authorization for a supplemental appropriation of funds for Pleasant Valley Reservoirs Treatment Chemicals.

5. Business Phone System Review
Information Item

The Committee will receive an overview of the District's phone system from the Chief Human Resources Officer and Information Technology Manager.

6. Monthly Investment Report (November 2023)
Information Item

The Committee will receive, review, and discuss the District's investment portfolio and cash position as of November 30, 2023.



7. Monthly Pipeline Delivery Report (November 2023)

Information Item

The Committee will receive, review, and discuss the District's pipeline water activities as of November 30, 2023.

8. Board Requested Cost Tracking Items (November 2023)

Information Item

The Committee will receive and review the costs that the District has incurred through November 30, 2023:

- a) as part of the FERC licensing efforts for the Santa Felicia Dam;
- b) in relation to general environmental mandates, and CESA;
- c) in relation to litigation with the City of Ventura, Wishtoyo Foundation, Fifth Amendment takings, and District legal costs over the past several fiscal years;
- d) in relation to professional fees over the past several fiscal years; and
- e) a summary of motion item(s) which have a fiscal impact.

9. Monthly Administrative Services Department Update

Information Item

The Committee will receive and review the monthly report from the Administrative Services team as well as receive a verbal presentation of its highlights.

10. Future Agenda Items

The Committee will suggest topics or issues for discussion at future meetings.

ADJOURNMENT

Directors:

Chair Lynn E. Maulhardt
Sheldon G. Berger
Catherine P. Keeling

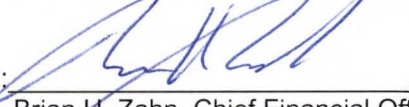
Staff:

Mauricio E. Guardado
Tracy Oehler
Brian H. Zahn
Sara Guzman
Jackie Lozano

Anthony Emmert
Josh Perez
Tony Huynh
Zachary Plummer
Ed Reese

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 material 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:  FOR MEG
Mauricio E. Guardado, Jr., General Manager

Approved: 
Brian H. Zahn, Chief Financial Officer

Posted: (date) December 29, 2023

(time) 12:30 p.m.

(attest) Jackie Lozano

At: www.unitedwater.org

Posted: (date) December 29, 2023

(time) 12:45 p.m.

(attest) Jackie Lozano

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

MINUTES
FINANCE AND AUDIT COMMITTEE MEETING
Monday, December 4, 2023, at 9:00 a.m.
UWCD Headquarters, First Floor, Board Room
1701 N. Lombard Street, Oxnard, CA 93030

COMMITTEE MEMBERS PRESENT:

Lynn E. Maulhardt, chair
Sheldon G. Berger, director
Catherine P. Keeling, director

STAFF PRESENT:

Mauricio Guardado, Jr., general manager
Anthony Emmert, assistant general manager
Josh Perez, chief human resources officer
Clayton Strahan, chief park ranger
Brian Zahn, chief financial officer
Marissa Caringella, environmental services manager
Sara Guzman, senior accountant
Tony Huynh, risk and safety manager
Evan Lashly, environmental scientist
John Lindquist, water resources supervisor
Jackie Lozano, administrative assistant/clerk of the committee
Tracy Oehler, executive assistant/clerk of the board
Zachary Plummer, technology systems manager
Ed Reese, technology systems specialist

PUBLIC PRESENT:

None.

OPEN SESSION 9:02 a.m.

Director Sheldon Berger called the meeting to order at 9:02 a.m.

Committee Members Roll Call

Two Committee members were present (Keeling and Berger), and one member was absent (Maulhardt).

1. Public Comment

Director Berger asked if there were any comments from the public. None were offered.

2. Approval of Agenda

Motion

Motion to approve the Committee meeting agenda, Director Keeling; seconded by Director Berger. Voice vote, two ayes (Keeling and Berger); none opposed; one absent (Maulhardt). Motion carries 2/0/1.



3. Approval of Minutes

Motion

The Committee received and reviewed the draft Committee meeting Minutes of October 30, 2023 (November meeting). Motion to approve the Committee meeting Minutes, Director Keeling; seconded by Director Berger. Voice vote, two ayes (Keeling and Berger); none opposed; one absent (Maulhardt). Motion carries, 2/0/1.

4. EXECUTIVE (CLOSED) SESSION 9:04 a.m.

4.1 Conference with Legal Counsel – Anticipated Litigation

Pursuant to Government Code Section 54956.9(d)(2), one (1) case.

SECOND OPEN SESSION 9:44 a.m.

Chair Lynn Maulhardt joined the meeting during the Executive (Closed) Session at 9:16 a.m. He moved the meeting into the second open session at 9:44 a.m.

5. Oral Report Regarding Executive (Closed) Session

District Legal Counsel David Boyer reported no action was taken during the Executive (Closed) Session that is reportable under the Ralph M. Brown Act.

6. December 13, 2023, UWCD Board of Directors Meeting Agenda Items

The Committee reviewed and discussed the following agenda items to be considered for approval at the December 13, 2023, Board of Directors meeting:

6.1 Resolution 2023-16 Requesting the United Water Conservation District Board of Directors to Approve the Proposed Changes to the Financial Policies

Board Motion

Chief Financial Officer Brian Zahn provided a presentation (attached) and summarized the proposed policy changes to the Committee as listed below:

- Budget Amendment Policy
- Budget Submittal Policy
- Expense And Compensable Activity Policy –Board Members and District Executive
- Expense Policy – Staff
- Accounts Receivable and Write-Off Policy
- Engineering Projects Administration Policy
- Procurement Policy

Committee members were in support of this motion and recommended moving it forward to the full Board for approval.

6.2 Waive fees associated with the November 2023 operation of the Saticoy Wellfield during recent pause in surface water deliveries

Board Motion

Assistant General Manager Tony Emmert summarized this motion for the Committee. After discussion between staff and Committee members, it was recommended by Chair Maulhardt to come up with a solution such as modifying the current agreement or policy to resolve having to go through this again in the future. He also suggested staff come back to the Board with the amendment before the budget is approved for the next fiscal year.



Committee members were in support of this motion and recommended moving it forward to the full Board for approval.

6.3 Request Board Approval to use funds from the Replacement, Capital Improvement and Environmental Projects reserve account to fund the repair and replacement of damaged and lost equipment related to the January 9, 2023, storm event

Board Motion

Mr. Zahn summarized this Board motion for the Committee. There were no comments or questions from the Committee, and it was recommended to move it forward to the full Board for approval.

6.4 Request Board Approval to increase the hourly rate from \$425 per hour to \$475 per hour for District's Special Counsel

Board Motion

Mr. Zahn summarized this Board motion for the Committee. There were no comments or questions from the Committee and the members recommended moving the motion forward to the full Board for approval.

6.5 Request Board Approval to Amendment of 2021-2 to 2022-2 Groundwater Production Statements for Well# 02N22W16K01S – Saticoy Lemon Association #1

Board Motion

Mr. Zahn summarized this Board motion for the Committee. Director Keeling inquired about the location of the well. The information was not readily available, and staff returned later with an answer. There were no comments or further questions from the Committee and the members recommended moving the motion forward to the full Board for approval.

The following **Information Item reports** (7 through 11) were received and reviewed by the Committee members. There were no questions or comments from the Committee.

7. Fiscal Year-End 2022-23 Financial Reports

A presentation was prepared, but not presented due to time constraints.

8. District Staff and Board Member Reimbursement Report (July 1 – September 30, 2023)

9. Monthly Investment Report (October 2023)

10. Monthly Pipeline Delivery Report (October 2023)

11. Board Requested Cost Tracking Items (October 2023)

12. Monthly Administrative Services Department Update

Information Item

The Finance Department monthly update was presented by Mr. Zahn. When presenting on Lake Piru October Cash Collections (slide three), Chief Park Ranger Clayton Strahan briefly provided an update on the Lake Piru Recreation Area's cash collections. Afterwards, Mr. Zahn continued with his presentation. Chief Human Resources Officer Josh Perez presented updates on Administration, Human Resources, Risk Management, and Information Technology (presentation attached).



At the conclusion of this presentation, Director Berger asked staff to please list monthly or quarterly the organizations that have used the District's facility. He felt it was important for the public to know that the District provides the space and hosts the meetings. He also left it up to staff to present the information wherever it would be appropriate. Mr. Perez replied he would work with the general manager on his request and include it in the Administrative Services monthly report. Chair Maulhardt added, staff needed to ensure it was clear in our policies that the conference rooms are only available for agencies that have a nexus to water resources and sustainability issues and are not available for general public use.

13. Future Agenda Items


Chair Maulhardt polled the Committee members for any agenda items they wished to bring forward to future meetings. None were offered.

ADJOURNMENT 10:22 a.m.

Chair Maulhardt adjourned the meeting at 10:22 a.m.

I certify that the above is a true and correct copy of the minutes of the UWCD Finance and Audit Committee Meeting of December 4, 2023.

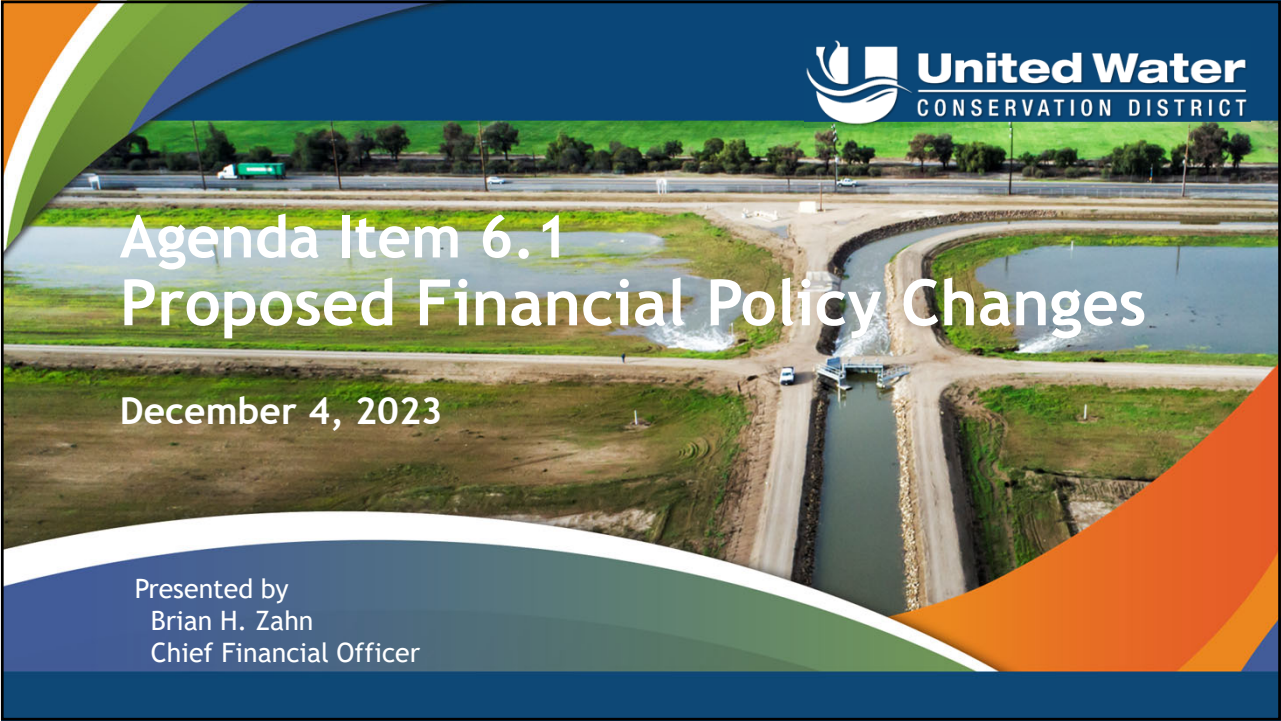
ATTEST: _____
Chair Lynn E. Maulhardt



Agenda Item 6.1 Proposed Financial Policy Changes

December 4, 2023

Presented by
Brian H. Zahn
Chief Financial Officer




1

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 will seek Board approval to use identified funds to fund the emergency expenditures. Emergency expenditures under \$50,000 only require the General Manager approval, if budgeted funds are 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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Budget Amendment Policy (continued)

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; however, for any line-item transfers between \$75,000 and \$200,000 they must be reported to the Finance and Audit committee. 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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Budget Submittal

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.



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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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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 PO Creator may request that the purchase order be rolled over to the next year to accommodate expenses that come in the next fiscal year. The PO creator must notify the Finance Department and the purchase order will be rolled over. If the Finance Department 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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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>

AR Write-Off Policy

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 \$1,000	CFO	General Manager
\$1001 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.

QBS Process

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.



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QBS Process (continued)

- ~~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 the project. Other District representatives (e.g., operations or financial consultants) may be invited to serve on the selection panel. Additionally, external parties (e.g., consultants) may be invited to participate in the selection process as panelists if needed. These individuals should have no financial interest in the outcome of the selection and should be willing to sign a non-collusion affidavit.




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QBS Process (continued)

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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QBS Process (continued)

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.



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QBS Process (continued)


~~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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Questions



United Water
CONSERVATION DISTRICT

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October Cash Collections

UWCD

Pipeline: \$ 1.2M

Groundwater: \$ 257K

Rent: \$ 9K

Lake Piru: \$ 47K

Misc.: \$ 361K

TOTAL: \$ 1.8M

Lake Piru

Day Use: \$ 7K

Concessions: \$ 3K

Boating/Watercraft: \$ 3K

Boat Storage: \$ 2K

Camping: \$ 26K

Miscellaneous: \$6K

Prior Year Total: \$ 76K

TOTAL: \$ 47K



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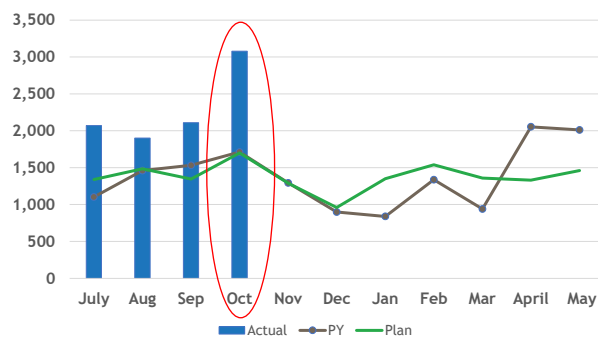
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October 2023 Pipeline

	\$ Billed	Actual AF	Plan AF	Variance
OH	\$794K	1052	980	72
PT	\$592K	913	720	193
PV	\$295K	1,114	0	1,114

- Year-to-date October deliveries are 56% above plan and 58% above prior year.

Total Pipeline Deliveries (AF)



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Board Motion Items with Fiscal Impact

Sponsor	Description/Summary	Budget Y/N	Funding Source	Cash Impact of Approval	Other Financial Impact
Finance and Audit	Resolution 2023-16 Requesting the Board to approve the proposed changes to the Financial Policies	Y	Various	None	None
Finance and Audit	Waive fees associated with the 11-2023 operation of the Saticoy Wellfield during recent pause in surface water deliveries	N	Revenue	\$5,270	None
Finance and Audit	Requesting Board approval to use funds from select reserve accounts to fund the repair and replacement of damaged and lost equipment related to the Jan. 2023 storm event	N	Reserves	None	None
Eng. and Ops	Authorize Contract Amendment to the PCS with GEI Consultants, Approval of a Supplemental Appropriation and to fund it using the EPA WIFIA loan (CIP 8002)	N	WIFIA Loan	\$1.2M	None



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Board Motion Items with Fiscal Impact

(continued)

Sponsor	Description/Summary	Budget Y/N	Funding Source	Cash Impact of Approval	Other Financial Impact
Eng. and Ops	Authorize approval of a contract with HDR Engineers to develop the final design of the Freeman Conveyance System upgrade (CIP 8018)	Y	051-400-81020	\$350K	None
Eng. and Ops.	Authorize contract amendment to PCS with Cramer Fish Sciences to complete pre-implementation studies	Y	050-600-52220	\$196K	None
Lake Piru Rec. Area	Approving District to procure a new vehicle to be used by the Chief Park Ranger and Interim Chief Operations Officer	Y	020-200-80510	\$60K	None
Lake Piru Rec. Area	Approving General Manager execution of an agreement with Bellingham Marine Industries, Inc., to design and replace the Lake Piru Recreation Area Marina	N	Reserves	<\$100K	None
TOTAL				\$1.9M	

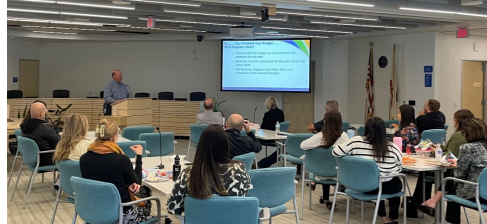


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Finance Department

- Financial audit is beginning the second week of December.
- New District credit cards have been implemented and distributed.
- New vehicle was purchased for the General Manager. The old vehicle will replace one of the 20-year-old vehicles at Santa Felicia Dam.
- Groundwater team is researching unregistered wells and non-reporting wells for potential action.
- Staff is working with Operations to identify fleet management software to manage District fleet.
- “Brown Bag” Budget Workshop held to kick off 2024-25 budget season.



“Brown Bag” presentation on Budget Development
by CFO Brian Zahn held on 11/29/23



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Administrative Update

Josh Perez
Chief Human Resources Officer

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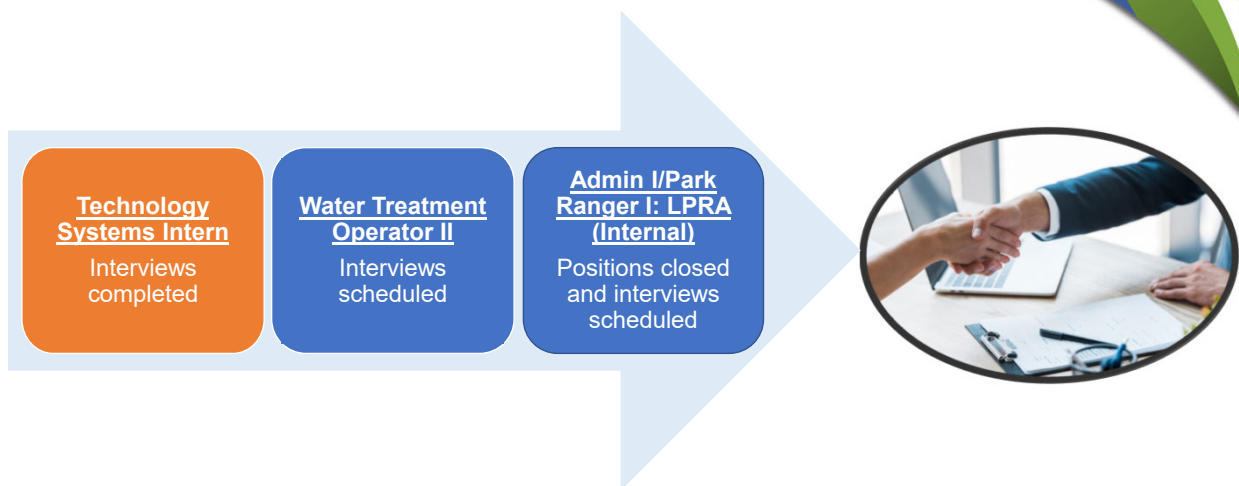
Human Resources

- Working on recruitments for the following positions:
 - Technology Systems Intern
 - Park Ranger I
 - Administrative Assistant I for Recreation Area
 - Water Treatment Operator II
 - Water Treatment Operator III
- Promotions:
 - JD Smallwood - Operations Supervisor–Water Supply and Distribution
 - Kellen Everton - Recharge O&M Worker I
 - Todd Spencer - Park Ranger Cadet
- Attended the ACWA JPIA Human Resources Group Meeting at Cucamonga Valley Water District.
- Supported Palmdale Water District in the selection process of a Water Treatment Plant–Operations Supervisor.
- Processed exit documents for staff that submitted retirement paperwork.
- Continued enrollment for Health Equity Flexible Spending Account.
- Began preparations for personnel planning for next fiscal year.
- Commenced process for employee service awards to be awarded in January.



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Current Employee Recruitments



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Risk Management

- Re-certified HR and Tech Systems in Adult & Pediatric First Aid/CPR/AED.
- Coordinated Cybersecurity outreach efforts and participated in regional tabletop exercise as an observer.
- Established new documentation transfer process with FEMA and Cal OES for ongoing disaster recovery efforts.
- Met with Ventura County IT on regional radio network project to discuss MOU and future milestones.
- Collaborated with vendor and senior hydrologist in developing caution (public safety) high flow release signs deployed as part of our Pyramid Lake water release.
- Attended FEMA's Webinar on Planning Considerations for Cyber Incidents—Guidance for Emergency Managers.



Posted safety signs as part of the Pyramid Dam water release.



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Technology Systems

- Launched the UWCD Phone System, marking a significant milestone in our communication infrastructure upgrade.
- Assessed and prepared the installation of new wireless network equipment for Lake Piru Recreation Area and evaluated new color label software to improve our physical file system management.
- Provided technology support during the multi-day Santa Felicia Dam Improvement Projects, enhancing our capacity for large-scale infrastructure management.
- Upgraded the El Rio Firewall to the current release, conducted routine firewall maintenance, and engaged in Cybersecurity initiatives with Monthly Tree Landscaping and Critical Vulnerability Calls, aligning with National Cybersecurity Guidelines.



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Staff Report

To: UWCD Finance and Audit Committee Members

Through: Mauricio E. Guardado Jr., General Manager
Anthony A. Emmert, Assistant General Manager

From: Brian Zahn, Chief Financial Officer

Date: December 20, 2023 (January 3, 2024, meeting)

Agenda Item: **4.1 Request from Pleasant Valley County Water District to Waive Charges for Late Payment**
Board Motion

Staff Recommendation:

The Committee will review and consider recommending for Board approval a request from Pleasant Valley County Water District (PVCWD) to waive penalties and interest charges of \$5,684.32 for a late payment.

Discussion:

PVCWD has requested the waiver of \$5,684.32 in interest charges that resulted from a late pipeline payment for the October 2023 usage period. The District's adopted Write-off Policy requires Board approval for amounts in excess of \$5,000. The District also implements an Administrative Policy which allows one courtesy waiver of penalty and late fees every three years. PVCWD has not had a courtesy waiver of penalty and late fees in the past three years.

The District received full payment from PVCWD on December 7, 2023 for the October billing period. Office Manager Nancy Lawrence is responsible for PVCWD's reporting and operations. She stated that their payment was delayed by the United States Postal Service and so she requested a waiver upon receipt of the penalty notice in the mail. Staff does not believe that the late payment is due to negligence on the part of PVCWD and therefore recommends the Committee to move this motion forward to the Board for its consideration and approval.

Fiscal Impact:

Forfeiture of \$5,684.32 of General Water Conservation Funds, which were not previously anticipated or included in the adopted budget.

Attachments:

UWCD Executed Memorandum and PVCWD Penalty Waiver Request

**United Water
Conservation District**

Memo

To: Mauricio Guardado
From: Arianna Escobar
cc: Brian Zahn
Date: 12/11/2023
Re: Penalty Waiver Request

Please see attached email requesting waiver of interest for Pleasant Valley County Water District Pipeline Account: [REDACTED] in the amount of \$5,684.32. The interest charges are from 10/01/2023 billing period in the amount of \$295,357.85. Nancy Lawrence emailed UWCD when she received the notice in December stating that their check payment was delayed by USPS. PVCWD has not received a penalty waiver in the past three years.

COURTESY WAIVER OF PENALTIES & INTEREST REQUEST

Please see attached email requesting waiver of interest for Pleasant Valley County

Water District Pipeline Account: [REDACTED] in the amount of \$5,684.32. The

interest charges are from 10/01/2023 billing period in the amount of \$295,357.85.

Nancy Lawrence emailed UWCD when she received the notice in December

stating that their check payment was delayed by USPS. PVCWD has not received a

penalty waiver in the past three years.

Waived within the last three years: Yes _____ No X

Waiver request \$ 5,684.32

Approved _____ Denied _____

Signature DocuSigned by:
Brian H Zahn Date 12/13/2023
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Brian Zahn, Chief Financial Officer

Signature DocuSigned by:
Mauricio Guardado Date 12/14/2023
36D23F9D982745E...
Mauricio E. Guardado, Jr., General Manager

Arianna Escobar

From: Nancy [REDACTED]
Sent: Monday, December 11, 2023 10:24 AM
To: Arianna Escobar
Subject: RE: First Notice sent out- Please disregard

Categories: Check back

Proceed with caution. This email originated from outside the District.

Good morning Arianna,

Can PVCWD ask for a one time waive of late of fee. Our payment was delayed by usps.

Thank you,
Nancy

Nancy Lawrence
Office Manager
Pleasant Valley County Water District
[REDACTED]

From: Arianna Escobar <AriannaE@unitedwater.org>
Sent: Friday, December 8, 2023 3:09 PM
To: Nancy [REDACTED]
Subject: RE: First Notice sent out- Please disregard

Hi Nancy,

I apologize for the inconvenience. Due to the penalty being over \$5,000, we need a written statement to waive the late fee. When time permits, please send a statement requesting for the late fee to be waived due to the mail running late. Please let me know if you have any questions.

Have a good weekend,

Arianna Escobar | Accountant

Main: (805) 525-4431 [REDACTED]



From: Nancy [REDACTED]
Sent: Friday, December 8, 2023 11:37 AM
To: Arianna Escobar <AriannaE@unitedwater.org>
Subject: RE: First Notice sent out- Please disregard



Staff Report

To: UWCD Finance and Audit Committee Members

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

From: Anthony A. Emmert, Assistant General Manager

cc: Brian H. Zahn, Chief Financial Officer
Marissa Caringella, Environmental Services Manager

Date: December 28, 2023 (January 3, 2024, meeting)

Agenda Item: 4.2 Recommend the Authorization of a Supplemental Appropriation of Funds for Pleasant Valley Reservoirs Treatment Chemicals
Board Motion

Staff Recommendation:

The Committee will consider recommending for approval to the full Board authorization for a supplemental appropriation of funds for Pleasant Valley Reservoirs Treatment Chemicals.

Discussion:

During the Fiscal Year 2023-2024, the District and Pleasant Valley County Water District (PVCWD) jointly conducted treatment of the Pleasant Valley Reservoirs utilizing a copper-based algaecide-molluscicide product. The chemical product utilized for that treatment was previously purchased by PVCWD. District staff anticipates similar treatments will be needed during the balance of the fiscal year and will need to purchase additional chemical product for an estimated two treatments, at a cost of \$140,000. As the current budget does not include funding for treatment chemicals for the Pleasant Valley Reservoirs, staff recommends that the Board consider a supplemental appropriation of funds.

Fiscal Impact:

The purchase of treatment chemical product was not planned or budgeted for the Fiscal Year 2023-24 budget. The Pleasant Valley Pipeline Fund has sufficient revenue during the fiscal year to support the recommended \$140,000 supplemental appropriation.



Staff Report

To: UWCD Finance and Audit Committee Members

Through: Mauricio E. Guardado, Jr., General Manager
Anthony A. Emmert, Assistant General Manager

From: Brian H. Zahn, Chief Financial Officer
Sara Guzman, Senior Accountant

Date: December 27, 2023 (January 3, 2024, meeting)

Agenda Item: 6. **Monthly Investment Report (November 30, 2023)**
Information Item

Staff Recommendation:

The Committee will review and discuss the most current investment report for November 30, 2023, that is attached.

Discussion:

Based on the information included in the attached reports, staff will present a summary and discuss key information as an overview.

Fiscal Impact:

As shown.

Attachment:



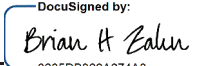
Combined Monthly Investment Report

United Water Conservation District
Monthly Investment Report
November 30, 2023

<u>Investment Recap</u>	<u>G/L Balance</u>	<u>Weighted Avg Days to Maturity</u>	<u>Diversification Percentage of Total</u>
Citizens Business Bank	2,452,494	1	7.01%
US Bank - 2020 COP Bond Balance	51,002	1	0.15%
Petty Cash	4,400	1	0.01%
County Treasury	1,884	1	0.01%
LAIF Investments	32,458,812	1	92.81%
Total Cash, Cash Equivalents and Securities	34,968,592		100.00%
 Investment Portfolio w/o Trustee Held Funds	 34,968,592		
Trustee Held Funds	-		
Total Funds	34,968,592		

<u>Local Agency Investment Fund (LAIF)</u>	<u>Beginning Balance</u>	<u>Deposits (Disbursements)</u>	<u>Ending Balance</u>
	27,458,812	5,000,000	32,458,812
	<u>Interest</u>	<u>Interest</u>	
	<u>Earned YTD</u>	<u>Received YTD</u>	<u>Qtrly Yield</u>
	248,850	500,499	3.59%

II 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.

<div style="text-align: center;"> <small>DocuSigned by:</small>  <small>70D59ECF0D8D46E...</small> Mauricio E. Guardado, Jr., General Manager </div>	On behalf of Mauricio Guardado	12/29/2023 <hr/> Date Certified
<div style="text-align: center;"> <small>DocuSigned by:</small>  <small>70D59ECF0D8D46E...</small> Anthony Emmert, Assistant General Manager </div>	12/28/2023 <hr/> Date Certified	
<div style="text-align: center;"> <small>DocuSigned by:</small>  <small>6685DB362A674A3...</small> Brian H. Zahn, Chief Financial Officer </div>	12/28/2023 <hr/> Date Certified	

<i>United Water Conservation District</i>			
<i>Cash Position</i>			
November 30, 2023			
Fund	Total	Composition	Restrictions/Designations
General/Water Conservation Fund:			Revenue collected for district operations
General/Water Conservation	5,017,572	(8,647,038)	Includes General, Rec & Ranger, Water Conservation
		4,962,000	Reserved for legal expenditures
		4,633,064	Designated for replacement, capital improvements, and environmental projects
		4,069,547	Supplemental Water Purchase Fund
General CIP Funds	14,646,993	14,646,993	Appropriated for capital projects
2020 COP Bond Funds	5,774,382	5,774,382	Reserved for CIP Projects
Special Revenue Funds:			Revenue collected for a special purpose
State Water Project Funds	4,078,356	4,078,356	Procurement of water/rights from state water project
Enterprise Funds:			Restricted to fund usage
Freeman Fund	(1,631,682)	(1,631,682)	Operations, Debt Service and Capital Projects
		-	Designated for replacement and capital improvements
		-	Reserved for legal expenditures
Freeman CIP Fund	4,159,362	4,159,362	Appropriated for capital projects
OH Pipeline Fund	(2,523,242)	(2,523,242)	Delivery of water to OH customers
OH CIP Fund	2,395,242	2,395,242	Appropriated for capital projects
OH Pipeline Well Replacement Fund	(128,450)	(128,450)	Well replacement fund
PV Pipeline Fund	888,117	888,117	Delivery of water to PV customers
PV CIP Fund	244,584	244,584	Appropriated for capital projects
PT Pipeline Fund	684,497	684,497	Delivery of water to PTP customers
PT CIP Fund	1,362,859	1,362,859	Appropriated for capital projects
Total District Cash & Investments	34,968,592	34,968,592	



Staff Report

To: UWCD Finance and Audit Committee Members

Through: Mauricio E. Guardado, Jr., General Manager
Anthony A. Emmert, Assistant General Manager

From: Brian H. Zahn, Chief Financial Officer
Sara Guzman, Senior Accountant

Date: December 27, 2023 (January 3, 2024, meeting)

Agenda Item: 7. **Monthly Pipeline Delivery Report (November 30, 2023)**
Information Item

Staff Recommendation:

The Committee will review and discuss the most current pipeline delivery report for November 30, 2023, that is enclosed.

Fiscal Impact:

As shown.

Discussion:

Based on the information included in the attached reports, staff will present a summary and discuss key information as an overview.

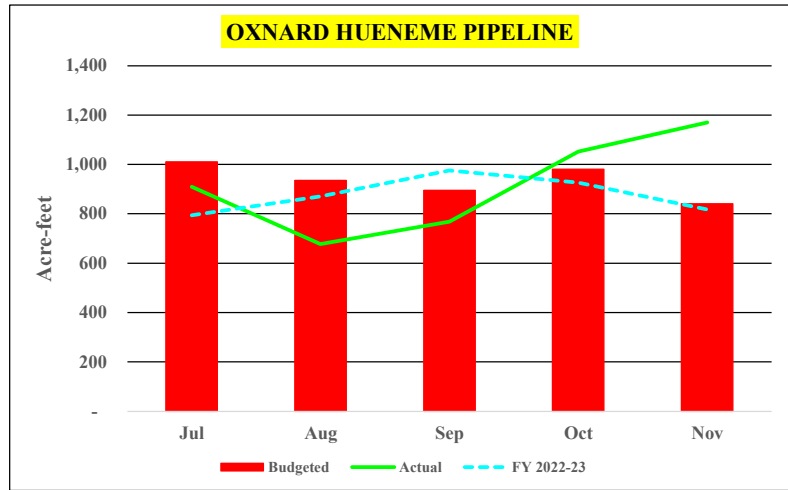
Attachment:

Pipeline Delivery Report

United Water Conservation District
Pipeline Water Deliveries (Acre-feet)
FY 2023-24 data thru November 30, 2023

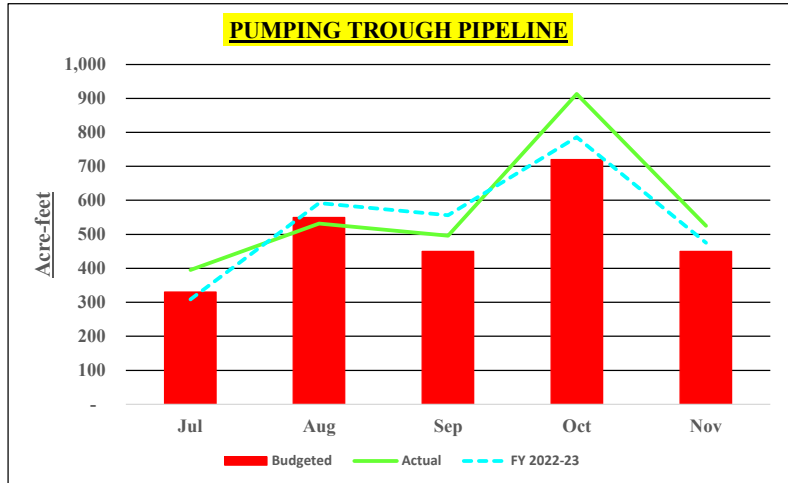
OH Pipeline 2023-24			
	Projection	Actual	Difference
Jul	1,010	909	(101)
Aug	935	678	(257)
Sep	895	768	(127)
Oct	980	1,052	72
Nov	840	1,171	331
Dec	730		
Jan	710		
Feb	750		
Mar	850		
Apr	850		
May	960		
Jun	870		
Totals	10,380	4,579	(81)
YTD	4,660	4,579	(81)

YTD Actual to Budget: -1.7%



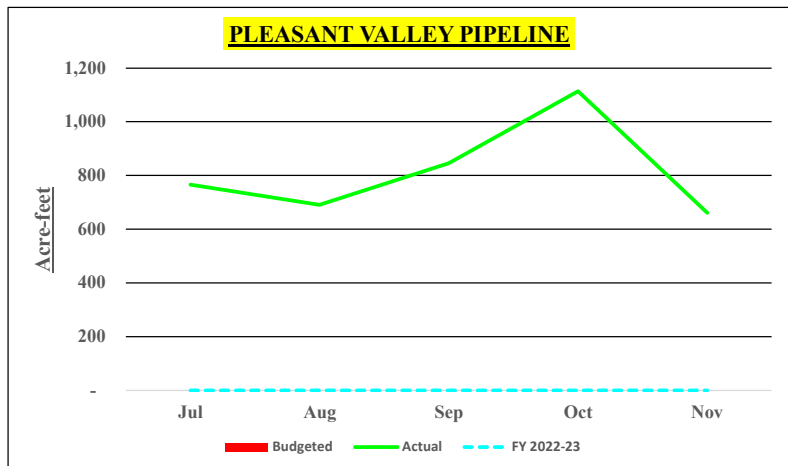
PT Pipeline 2023-24			
	Projection	Actual	Difference
Jul	330	396	66
Aug	550	532	(18)
Sep	450	496	46
Oct	720	913	193
Nov	450	525	75
Dec	230		
Jan	240		
Feb	390		
Mar	410		
Apr	480		
May	500		
Jun	450		
Totals	5,200	2,862	362
YTD	2,500	2,862	362

YTD Actual to Budget: 14.5%



PV Pipeline 2023-24			
	Projection	Actual	Difference
Jul	-	766	766
Aug	-	691	691
Sep	-	846	846
Oct	-	1,114	1,114
Nov	-	661	661
Dec	-		
Jan	400		
Feb	400		
Mar	100		
Apr	-		
May	-		
Jun	-		
Totals	900	4,078	4,078
YTD	-	4,078	4,078

YTD Actual to Budget:





Staff Report

To: UWCD Finance and Audit Committee Members

Through: Mauricio E. Guardado, Jr., General Manager
Anthony A. Emmert, Assistant General Manager

From: Brian H. Zahn, Chief Financial Officer
Sara Guzman, Senior Accountant

Date: December 27, 2023 (January 3, 2024, meeting)

Agenda Item: 8. **Board Requested Cost Tracking Items**
Information Item

Staff Recommendation:

The Committee will receive and review the costs that the District has incurred through November 30, 2023:

- a) as part of the FERC licensing efforts for the Santa Felicia Dam;
- b) in relation to general environmental mandates, and CESA;
- c) in relation to litigation with the City of Ventura, Wishtoyo Foundation, Fifth Amendment takings, and District legal costs over the past several fiscal years;
- d) in relation to professional fees over the past several fiscal years; and
- e) a summary of motion item(s) which have a fiscal impact.

Based on the information provided and the ensuing discussion, provide any necessary direction to staff.

Discussion:

The Finance and Audit Committee requested a monthly update of the accounting being maintained by the District for costs being incurred for various items. The attached report (Attachment A) provides data through November 30, 2023.

Fiscal Impact:

As shown.

Attachments:

Attachment A – Consolidated Cost Summary
Attachment B – Board Motion Items with Fiscal Impact Summary

**United Water Conservation District
Consolidated Cost Summary Report
Through November 30, 2023**

Fiscal Year	FERC License	PMF Study	Gen/Water Conservation Environmental	Freeman Environmental	Quagga Mussels	City of Ventura Lawsuit *	O. Mykiss CESA Listing	Takings Claim	Wishtoyo Complaint	Legal Fees	Other Professional Fees	Total Professional Fees
2001-02	27,083	-	-	-	-	-	-	-	-	-	-	-
2002-03	137,116	-	-	-	-	-	-	-	-	-	-	-
2003-04	395,575	-	-	-	-	-	-	-	-	-	-	-
2004-05	527,191	53,364	-	-	-	-	-	-	-	-	-	-
2005-06	169,655	16,486	3,170	148,847	-	-	-	-	-	-	-	-
2006-07	74,929	10,554	71,678	170,323	-	-	-	-	-	-	-	-
2007-08	105,950	-	304,745	170,995	-	-	-	-	-	-	-	-
2008-09	364,883	-	1,483,036	458,887	-	-	-	-	-	1,267,547	822,498	2,090,045
2009-10	258,473	68,839	524,532	548,673	-	-	-	-	-	324,553	860,496	1,185,049
2010-11	407,597	123,915	306,071	374,490	-	-	-	-	-	255,183	992,758	1,247,941
2011-12	789,792	87,059	479,648	138,686	-	353,598	-	-	-	533,216	902,051	1,435,267
2012-13	531,196	6,942	568,207	291,674	-	52,222	-	-	-	261,810	1,316,817	1,578,627
2013-14	771,128	97,340	499,114	434,354	186,505	365,903	-	-	169,167	770,488	1,244,116	2,014,604
2014-15	968,028	120,094	116,393	725,345	232,259	227,522	-	-	85,654	505,973	1,811,454	2,317,427
2015-16	469,632	53,062	137,400	605,003	311,047	161,858	-	-	230,513	690,261	1,463,670	2,153,931
2016-17	435,599	257,750	139,791	666,810	613,210	23,373	-	-	1,029,773	1,030,758	1,535,352	2,566,110
2017-18	363,051	617,564	119,971	546,179	413,501	272,526	-	-	2,410,909	2,931,575	2,153,367	5,084,942
2018-19	735,757	436,136	137,761	659,368	431,494	193,240	-	-	1,174,589	2,104,842	2,526,710	4,631,553
2019-20	682,306	818,753	57,942	1,184,780	290,047	411,440	-	-	4,812,891	5,839,441	2,898,804	8,738,246
2020-21	298,484	1,692,037	22,583	533,030	348,733	1,540,385	-	259,432	2,301,320	4,841,413	2,115,988	6,957,400
2021-22	731,766	777,246	44,037	385,341	394,269	394,491	-	237,376	1,182,593	2,957,128	1,827,256	4,784,384
2022-23	907,733	921,871	9,189	607,690	288,682	215,063	44,519	294,337	1,749,252	3,393,774	69,178,088	72,571,862
2023-24	119,880	326,388	3,603	191,466	150,352	36,249	12,284	51,533	277,370	1,059,112	854,108	1,913,219
Report Total	10,272,807	6,485,399	5,028,870	8,841,940	3,660,099	4,247,872	56,803	842,678	15,424,030	28,767,074	92,503,533	121,270,607
Previous Report Total	10,229,393	6,380,988	5,028,870	8,799,593	3,643,920	4,235,512	53,435	792,022	15,320,652	28,325,894	92,221,003	120,546,896
<i>Current Activity</i>	<i>43,414</i>	<i>104,412</i>	<i>2,924</i>	<i>42,347</i>	<i>16,178</i>	<i>12,360</i>	<i>3,368</i>	<i>50,655</i>	<i>103,378</i>	<i>441,181</i>	<i>282,530</i>	<i>723,711</i>

* Does not include City of San Buenaventura judgment

Current Activity Narrative:

FERC - The activity for November (\$43K) was spent on staff time (\$18K), legal fees (\$11K) and professional services (\$14K).

PMF - The activity for November (\$104K) was spent on staff time (\$13K), Permitting (\$5K), Professional Services (\$80K) and Legal Fees (\$6K).

General/Water Cons - There were minimal salary and legal costs associated for November.

Freeman - The activity for November (\$42K) was spent on staff time (\$40K) and professional services (\$2K).

Quagga - The activity for November (\$16K) was spent on staff time (\$11K) and professional services (\$5K) related to quagga mussel eradication and the scientific dive agreement.

Ventura - There are legal costs of \$12K associated with the settlement of the City of Ventura Lawsuit.

O. Mykiss CESA - November's activity (\$3K) was spent on staff time.

Takings Claim - Legal fees of \$51K associated with the Takings Claim.

Wishtoyo - The activity for November (\$103K) was spent on salaries (\$7K) and legal fees (\$96K) related to the Wishtoyo complaint.

Legal Fees - Includes all legal fees for the District. These fees were dominated by the Ventura Lawsuit, FCGMA SGMA, SFD FERC and General Counsel.

Other Prof Fees - Includes all contracted professional fees except legal fees. These fees were dominated by fish passage, SFD EAP, quagga related services, storm clean up and administrative costs.

Board Motion Items with Fiscal Impact

Sponsor	Description/Summary	Budget Y/N	Funding Source	Cash Impact of Approval	Other Financial Impact
Finance and Audit	Request from Pleasant Valley County Water District to Waive Charges for Late Payment	N/A	Revenue	\$5,685.32	N
Finance and Audit	Recommend the Authorization of a Supplemental Appropriation of Funds for Pleasant Valley Reservoirs Treatment Chemicals	N	Revenue	\$140K	N
Eng. and Ops.	Recommend the Authorization of a Supplemental Appropriation of Funds for the Freeman Diversion Expansion Project (CIP 8001), Authorize approval of a Contract with GEI Consultants, Inc. for the Hardened Ramp 90% Design	N	Reserves	\$2.1M	N





Staff Report

To: UWCD Finance and Audit Committee Members

Through: Mauricio E. Guardado, Jr., General Manager
Anthony A. Emmert, Assistant General Manager

From: Josh Perez, Chief Human Resources Officer
Brian H. Zahn, Chief Financial Officer
Tony Huynh, Risk and Safety Manager
Zachary Plummer, Technology Systems Manager
Tracy Oehler, Executive Assistant/Clerk of the Board

Date: December 28, 2023 (January 3, 2024, meeting)

Agenda Item: 9. **Monthly Administrative Services Department Report Information Item**

Staff Recommendation:

The Committee will receive this staff report and presentation from the Administrative Services Department regarding its activities for the month of December 2023.

Discussion:

Finance

- Financial audit is currently in its second week of the audit.
- FY 2024-25 Budget templates were distributed to all budget owners.
- 2023-24 rates letter will be distributed with the January Groundwater Statements.
- The Leadership and Manager Budget Workshop is scheduled for January 9, 2024.
- Finalizing selection of fleet management software to manage District fleet.

Administrative Services

- Provided administrative assistance for drafting, finalizing, and distributing/posting materials for the following Committee meetings, Finance and Audit (Dec. 4), Recreation (Dec. 6), and Engineering and Operations (Dec. 7) as well as the regular Board of Directors meeting (Dec. 13); and additionally, a Special Fillmore and Piru Basins Sustainability Agency meeting (Dec. 14) held at the City of Fillmore.
- Provided administrative support, coordination, and purchasing consumables, including room and beverage setup for the District's annual Christmas holiday luncheon.

Human Resources

- Working on recruitments for the following positions:
 - Control Systems Supervisor – position will close January 2
 - Senior Park Ranger – position will close January 2
 - Finance Supervisor – interview conducted, selection pending GM approval.
-

9. **Monthly Administrative Services Department Report** **Information Item**

- Promotions:
 - Promoted Park Ranger Cadets Natalie Everton, Michael Groeneveld and Matt Lundberg to Park Ranger I.
 - Promoted Reservations Coordinator Katie Prado to Administrative Assistant I.
 - Promoted Recharge O&M Worker I Thomas Gonzales to Water Treatment Operator II.
- New hire Anthony Gonzalez was selected for the Water Treatment Operator II position and will start January 8, 2024.
- Processed the annual Special District Risk Management Authority (SDRMA) insurance renewal.
- Picked up annual service awards for tenured employees set for the Board meeting in January.
- Processed staff requests for 2024 flexible spending accounts that will be effective January 1, 2024.
- Updated health insurance rates into InCode to reflect 2024 rates for all health plans, also updated medical opt-out amounts.
- Processed end-of-year updates (SDI, SUI, misc. allowances, etc.) into InCode.
- Assigned Anti-Harassment Training to all employees.
- Drafted new License Use for staff living at Lake Piru Recreation Area.
- Provided HR documents in support of Finance Department annual audit.
- Collaborated with IT and Risk and Safety Departments to purchase District phones and accessories for full-time staff in switch from phone stipend to assigned District devices.

Safety and Risk Management

- Collaborated with Cal OES on uploading disaster recovery documents and answering questions on FEMA Grants Portal.
- In coordination with HR and Recreation staff, aided in the Park Ranger I interview and selection panel.
- In coordination with Engineering staff, completed annual SFD Security Plan update, 10-year Public Safety Plan revision, and EAP status.
- Certified five District employees in Adult & Pediatric CPR/AED/First Aid.
- Completed annual audit of District's Hearing Conservation Program with program's professional supervisor (licensed audiologist).
- Coordinated First Aid cabinets and vehicle kits restocking across all District facilities.

Technology Systems

- **Total Tickets Closed: 21**
 - *Key Issue Types:*
 - IT Services and Support: **17**
 - Employee Information Update: **3**
 - Other: **1**
 - *Priority Distribution:*
 - **Low: 20**
 - **High: 1**

9. Monthly Administrative Services Department Report Information Item

- **30-Day Ticket Creation:**

- *Tickets created during the last 30 days (into December 2023): 50*
- *Significant number of tickets in last 30 days:*
 - The creation of 50 tickets in the past 30 days represents a substantial workload.

- **All Tickets Not Closed:**

- *Open Tickets: 41*

- **Overview:**

Accompanying our typical monthly executive summary, we present our year-over-year trend analysis of the Technology Systems team. The table provided below displays a year-over-year increase in IT service tickets, indicative of several underlying operational dynamics within our organization:

Year	Tickets Created
2019	69
2020	136
2021	217
2022	339
2023	444

- **Implications of Ticket Trends:**

Growing IT Demands: The sustained rise in ticket volume aligns with our organizational growth trajectory. It reflects an increased workload, more effective tech systems request tracking, and the adoption of innovative technologies, or the expansion of our service offerings for internal and external stakeholders.

Rising Complexity: The escalation in ticket numbers suggests a more complex IT environment, potentially arising from the integration of sophisticated systems and the regular implementation of software updates.

Awareness and Reporting: The trend towards heightened tech systems and Cybersecurity vigilance and awareness among our staff, leading to more proactive issue reporting and resolution seeking has been noted by staff.

Potential for Efficiency Gains: The consistent year-over-year increase underscores opportunities for efficiency optimization. Addressing recurrent issues through targeted training, improved documentation, or streamlined processes will help reduce recurring requests but the introduction of new communication methods will continue to increase ticket volumes.

Resource Allocation: As the demand for IT support escalates, the need for advanced tools and effective management strategies becomes increasingly crucial. The Board of Directors and the General Manager have always been supportive in this effort. With budget development season upon us, we thought it beneficial to thank the Board for the continued support and to mention our continued efforts to modernize our technology system infrastructure and staff capabilities as a result.