

VALLEY CENTER MUNICIPAL WATER DISTRICT

AGENDA

Regular Meeting of the Board of Directors

Monday, June 2, 2025 — 2:00 P.M.

The VCMWD Board of Directors welcomes the public to attend its meetings both in-person at its Board Room and virtually via livestream. *Please note that in the event of technical issues that disrupt the meeting livestream or receipt of public comments by phone or email, the meeting will continue, unless otherwise required by law, such as when a Director is attending the meeting virtually pursuant to certain provisions of the Brown Act.*

Instructions for members of the public who wish to address the Board of Directors:

Members of the public can address the Board of Directors during “Public Comments” or on specific agenda items, may do so as instructed below. All comments will be subject to a limit of three (3) minutes.

- Making Public Comment for In-Person Attendance: Members of the public who wish to observe or to address the Board may join the Board Members at the noticed, physical location. A Request to Speak slip must be submitted to the Board Secretary prior to start of the meeting (*if possible*).
- Phone Comments During the Meeting: Before the meeting, or before public comment period for the item closes during the meeting, submit a telephone number by email to the Board Secretary at publiccomments@vcmwd.org, together with the agenda item number, and the Board Secretary will call when the board is ready to hear public comments; *or*
- Emailed Comments: Before the meeting, or before public comment period for that item closes at the meeting, email your comments to the Board Secretary at publiccomments@vcmwd.org and they will be read aloud during the public comment period; *or*
- Written Comments: Written comments can be also be physically dropped off or mailed in advance of the meeting at the District’s Administrative located at 29300 Valley Center Rd., Valley Center, CA 92082, for receipt no later than 1:00 pm on meeting day.

These public comment procedures supersede any District public comment policies and procedures to the contrary. If modifications or accommodations from individuals with disabilities are required, such persons should provide a request at least 24 hours in advance of the meeting by email to the Board Secretary at boardsecretary@vcmwd.org.

Meeting Broadcast: Members of the public may watch the meeting electronically by visiting the District’s website at vcmwd.org/Board/Board-Documents and then clicking the link listed below “live stream” on the page.

Meeting Documents: Board Meeting Packets (*except for closed session materials*) will be made available to the public once distributed to the Board. Please visit the District’s website at vcmwd.org/Board/Board-Documents for Agenda and related Board Meeting Documents.

CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

At its option, the Board may approve the agenda, delete an item, reorder items and add an item to the agenda (Government Code Section 54954.2).

**Valley Center Municipal Water District
Board of Directors' Meeting Agenda**

PUBLIC COMMENTS

Comments and inquiries from the audience will be received on any matter not on the agenda, but within the jurisdiction of the Board. Comments and inquiries pertaining to an item on the agenda will be received during the deliberation of the agenda item (Government Code Section 54954.3).

CONSENT CALENDAR ITEMS

Consent calendar items will be voted on together by a single motion unless separate action is requested by a Board member, staff or member of the audience.

1. **Minutes of the Regular Board Meeting Held Monday, May 19, 2025;**
2. **Audit Demands;**
3. **Request Approval of Resolution No. 2025-13 to Set the District's FY 2025-26 Appropriation Limit for Proceeds from Taxes per Article XIII B of the State Constitution; and**
4. **Request Approval of Resolution No. 2025-14 to Adopt the FY 2025-26 Annual Water Supply and Demand Assessment.**

PUBLIC HEARING ITEM(S)

It is not necessary to notify the Board Secretary if a member of the public wishes to speak on items listed on the agenda as public hearings. Public hearings will begin at the time stated in the notice, or as soon thereafter as the matter can be heard. Opportunities for the public to address the Board will be given after the President opens the hearing.

5. **Public Hearing to Consider Adoption of Proposed Water Availability Charges for Fiscal Year (FY) 2025-26 and Request Adoption of Ordinance No. 2025-05 to Amend the District's Administrative Code:**

A public hearing will be held to receive input on the District's proposed revisions to water availability charges for fiscal year 2025-26. Upon conclusion of the public comments and discussion, adoption of said charge will be considered.

- a. Open Public Hearing
- b. Report by Director of Finance and Administration
- c. Audience comments/questions
- d. Close Public Hearing
- e. Questions/Discussion
- f. If desired, motion to approve or deny Ordinance No. 2025-05

**Valley Center Municipal Water District
Board of Directors' Meeting Agenda**

ACTION ITEM(S)

6. Review of Proposed Revisions to the Meter Capacity Charges and Request to Set Public Hearing Date to Consider Approval of New Charges:

A review of proposed revisions to the Meter Capacity Charges (along with related administrative code amendments), and a request to set public hearing date to consider approval of new charges.

- a. Report by District Engineer
- b. Discussion
- c. Audience comments/questions
- d. If desired, authorize staff to set public hearing date

7. Preview of the FY 2025-26 Annual Assessments for the Woods Valley Ranch Sewer Service Area and Request to Set Public Hearing Date to Put the Service Charge and Grinder Pump Maintenance Charge Assessments on the Property Tax Roll:

A preview of the proposed Woods Valley Ranch Service Areas Sewer Service Charge and Grinder Pump Maintenance Charge, Sewer Standby Fee, annual assessments for Assessment District No. 2012-1 (AD 2012-1), and annual special taxes for Community Facility District No. 2020-1 (CFD 2020-1) to be levied on the property tax roll for FY 2025-26 and request to set a public hearing date to consider collecting the Sewer Service Charge and Grinder Pump Maintenance Charge on the property tax roll.

- a. Report by District Engineer
- b. Discussion
- c. Audience comments/questions
- d. If desired, authorize staff to set a public hearing

8. Request to Approve Amendment No. 1 to the Professional Services Agreement with Enterprise Automation for the HMI Migration Project:

Adoption of Resolution No. 2025-15, approving Amendment No. 1 to the Professional Services Agreement with Enterprise Automation for the HMI Migration Project [Account No. 01-06-78-51730] will be requested.

- a. Report by District Engineer
- b. Discussion
- c. Audience comments/questions
- d. If desired, motion to approve or deny Resolution No. 2025-15

INFORMATION / POSSIBLE ACTION ITEM(S)

9. San Diego County Water Authority (SDCWA) Board Meeting Summary:

A report on the SDCWA's Board of Directors' Meeting of May 22, 2025 will be provided.

- a. Report by General Manager
- b. Discussion
- c. Audience comments/questions
- d. Information item only, no action required

**Valley Center Municipal Water District
Board of Directors' Meeting Agenda**

10. General Information:

General Information items will be reviewed.

- a. Report by General Manager
- b. Discussion
- c. Audience comments/questions
- d. Information item only, no action required

DISTRICT GENERAL COUNSEL'S REPORT

BOARD OF DIRECTORS' AB1234 REPORTING*

** Directors must provide brief reports on meetings/events attended in the performance of their official duties for which compensation or reimbursement is provided. Authority: Government Code Section 53232.3.*

CLOSED SESSION ITEM(S)

At any time during the regular session, the Board may adjourn to closed session to consider litigation, personnel matters, or to discuss with legal counsel matters within the attorney-client privilege. Discussion of litigation is within the attorney-client privilege and may be held in closed session (per Government Code § 54956.9).

ADJOURNMENT

NOTICE TO THE PUBLIC

This agenda was posted at least 72 hours before the meeting in a location freely accessible to the public. No action may be taken on any item not appearing on the posted agenda, except as provided by Government Code Section 54954.2. Any written materials provided to a majority of the Board of Directors within 72 hours prior to the meeting regarding any item on this agenda will be available for public inspection on the District's website. The agenda is available for public review on the District's website, <http://www.vcmwd.org>.

For questions or request for information related to this agenda contact Kirsten Peraino, *Board Secretary*, at (760) 735-4517 or publiccomments@vcmwd.org. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the American with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the Board Secretary at least 48 hours before the meeting, if possible.

— End of Agenda —

VALLEY CENTER MUNICIPAL WATER DISTRICT
MINUTES
Regular Meeting of the Board of Directors
Monday, May 19, 2025 — 2:00 P.M.

The Valley Center Municipal Water District Board of Directors' meeting was called to order by President Ferro at 2:00 PM. In the Board Room at 29300 Valley Center Rd.; Valley Center, CA 92082, and livestreamed on the District's website at www.vcmwd.org.

ROLL CALL

Board Members Present: *Directors* Ferro, Smith, Ness, and Stehly.

Board Members Absent: *Noting the absence of Director Holtz.*

Staff Members Present: *General Manager Arant, District Engineer Grabbe, Director of Finance and Administration Pugh, Director of IT Pilve, Director of Operations and Facilities Lovelady, Special Projects & Regulatory Compliance Manager Nichols, Manager of Accounting/Deputy Director of Finance & Administration Velasquez; Executive Assistant/Board Secretary Peraino, and General Counsel de Sousa present in-person.*

PUBLIC COMMENT(S)

President Ferro established for the record the process by which public comments are received by the Board; this process was also described in the Agenda for the meeting.

SPECIAL ACTION REQUIRED

1. Reconsider the Action the Board Took at its January 17, 2023 Board Meeting Regarding Virtual Participation Under the "Relaxed" Teleconferencing Requirements.

General Manager Arant provided an overview of how Board Meetings have been held since the onset of the COVID-19 pandemic (i.e. in-person, teleconference, and hybrid formats) and their different compliance requirements with the Brown Act. The Board last discussed its virtual/teleconference attendance during its regular meeting on January 17, 2023. At that time, staff provided an overview of the legal methods available under the Brown Act for remote participation, including the provisions outlined in AB 2449. The discussion focused on the applicability of these options to the District and the feasibility of implementing a hybrid meeting model. Following discussion, the Board reached a consensus that the District would continue to operate as an in-person Board.

Before the COVID-19 pandemic, the Brown Act permitted teleconferencing for meetings with specific requirements:

- Identification of each legislative body member's teleconference location;
- Each teleconference location must be accessible to the public;
- Members of the public must be allowed to address the legislative body at each teleconference location;
- The meeting agenda must be posted at each teleconference location; and
- At least a quorum of the legislative body must participate from locations within the boundaries of the agency's jurisdiction.

Valley Center Municipal Water District Board of Directors' Meeting Minutes

Initially, these rules were relaxed, first through the Governor's executive order and then by legislation (via AB 361), allowing members of a legislative body to attend meetings virtually, without complying with the standard teleconference rules. With the conclusion of the pandemic and the termination of the COVID-19 State of Emergency, AB 361 is no longer applicable. Consequently, AB 2449 was adopted, amending the teleconferencing provisions of the Brown Act. This amendment provides public agency legislative bodies with an additional, albeit limited, teleconferencing option starting January 1, 2023.

Unlike teleconferencing under AB 361, AB 2449 requires that at least a quorum of the legislative body must participate in person from a single, clearly designated physical location. This location should be specified in the agenda, accessible to the public, and located within the jurisdictional boundaries of the agency. Under the new teleconference rules, a legislative body may hold a "hybrid" (part teleconference, part in-person) meeting without having to comply with certain procedural requirements (i.e. post agendas at teleconference locations, identify teleconference locations in the agenda, make all teleconference locations open to the public) in the following limited circumstances:

- One or more members of the legislative body (but less than a quorum) have "just cause" for not attending the meeting in person (childcare or family caregiving need, contagious illness, physical or mental disability need, or travel while on official public business); or
- One or more members of the legislative body (but less than a quorum) experience an emergency circumstance (a physical or family medical emergency preventing in-person attendance).

If a member has a qualifying "emergency" or "just cause" circumstance, to participate remotely, the member must also do both of the following: The member must publicly disclose at the meeting before any action is taken, whether any other individuals 18 years of age or older are present in the room at the remote location with the member, and the general nature of the member's relationship with any such individuals; and the member must participate through both audio and visual technology.

Should the Board decide to permit virtual/remote attendance for individual Board Members, pursuant to AB 2449, and reconsider the decision made at the January 17, 2023 Board Meeting, an additional action is required. This involves a Director formally requesting to attend virtually.

Action: Upon motion by Smith, seconded by Stehly; and carried with four (4) affirmative votes, motion to allow virtual participation under the "relaxed" teleconferencing requirements, was approved.

SPECIAL ACKNOWLEDGEMENT

2. Announcement of the 34th Annual Water Awareness Poster Contest Winners and Virtual Award Presentation for First, Second, and Third Places.

This year marked the 34th Annual Water Awareness Fourth-Grade Poster Contest. The Water Awareness Poster Contest's theme this year was "Love Water, Save Water." VCMWD received 72 entries from Valley Center and Lilac Elementary Schools. Winners were virtually welcomed along with their principals. The top winners are as follows:

- 1st Place: Lilac Elementary School – **Cassandra Lefevre**
- 2nd Place: Valley Center Elementary School – **Arden Calderon**
- 3rd Place: Lilac Elementary School – **Kaimani Morgan**

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The 2026 North County Water Agencies calendar will be released in by mid-November, and will be available in the lobby and features the artwork of the top 1st and 2nd place winners.

Action: Informational item only, no action required.

CONSENT CALENDAR ITEMS

Consent calendar items will be voted on together by a single motion unless separate action is requested by a Board member, staff or member of the audience.

3. **Minutes of the Regular Board Meeting Held Monday, May 5, 2025; and**
4. **Audit Demands for Check Nos. 171554 – 171638 from April 26, 2025 – May 9, 2025, and Wire Disbursements for the Month Ending April 30, 2025.**

Action: Upon motion by Ness, seconded by Smith; and carried with four (4) affirmative votes, the previously listed consent calendar items were approved.

PUBLIC HEARING ITEM(S)

5. **Public Hearing to Consider Adoption of Ordinance No. 2025-03 to Approve Proposed Revisions to Miscellaneous Water Fees and Charges for FY 2025-26 and Amending the District's Administrative Code:**

Ordinance No. 2025 03, approving the proposed revisions to the Miscellaneous Water Meter Fees and Charges (Meter Fees and Charges) and related changes to Administrative Code Article 160. *Special Projects & Regulatory Compliance Manager, Alisa Nichols*, stated that staff advertised the Public Hearing ten days in advance through appropriate publications, with notice posted on May 1 and 8, 2025. It was announced that no public comments were received.

Ms. Nichols continued by describing the basis behind the proposed increases. Meter Fees and Charges are evaluated annually by assessing the actual costs of materials and labor, and equipment rates incurred during the current fiscal year (FY 2024-25). This analysis aims to provide recommendations for the Meter Fees and Charges for the upcoming fiscal year (FY 2025-26). The Consumer Price Index for All Urban Consumers (San Diego – Carlsbad) (“CPI”) was utilized to include an appropriate increase in costs expected during the new fiscal year. The CPI for the period from January 2024 to January 2025 was published at 3.1%. On average, the proposed recommendations for the updated Meter Fees and Charges increased 1.6% from the prior year, which is less than the 3.1% CPI. The Meter Fees and Charges shown in the District’s Administrative Code are recommended to be increased to match the actual materials and labor costs and equipment rates of the following various items:

- **Material Costs** are based on the average cost of the District’s material inventory as of January 2025 and adjusted for the 3.1% CPI factor experienced over the previous year. The average materials costs are adjusted only when new components are purchased and added to inventory. A 3.1% increase was applied to reflect the projected rise in average materials costs over the next year, estimating the District’s materials inventory value as of January 2026 – the midpoint of FY 2025-26.
- **Labor Costs** are based on the current “Top of Range” labor rates plus Cost of Living Adjustment (“COLA”) to be implemented for FY 2025-26. It is estimated that the District’s COLA will be set at 3.1%, effective July 1, 2025.

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Board of Directors' Meeting Minutes**

- **Equipment Rates** are based on standard cost values published by Caltrans effective April 1, 2025, and adjusted by the 3.1% CPI factor experienced over the previous year.

After reviewing materials and labor costs, and equipment rates, staff recommended no increase to some categories of Meter Fees and Charges due to insignificant cost increases. Though the average proposed increase is 1.6%, with the majority between 0% and 6%, some categories have proposed increases up to 12%. For example, the materials costs for some double check valves and pressure reducing valves increased significantly, resulting in proposed increases up to 12% over the existing Meter Fees and Charges.

The following sections (§) of the Administrative Code will be amended to reflect the approved increases to fees and charges:

- Section 160.4(a) Connection of Service – updated the fees and charges;
- Section 160.12(d) Backflow Prevention Devices - updated the fees and charges; and
- Section 160.20(c) Pressure Reducing Valves – updated the fees and charges.

Following discussion, the public hearing was closed at 2:25 PM. Staff recommended the adoption of Ordinance No. 2025-03, amending the Administrative Code to increase the various miscellaneous water meter fees and charges to be effective July 1, 2025.

Action: Upon motion by Smith, seconded by Stehly; and carried with four (4) affirmative votes, the following Ordinance was approved:

ORDINANCE NO. 2025-03

**ORDINANCE OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER
MUNICIPAL WATER DISTRICT AMENDING THE ADMINISTRATIVE CODE
TO PROVIDE FOR MODIFICATIONS OF MISCELLANEOUS WATER METER
FEES AND CHARGES, AND RELATED ADMINISTRATIVE CODE SECTIONS**

Was adopted by the following vote, to wit:

AYES: **Directors Ferro, Smith, Ness, and Stehly**
NOES: **None**
ABSENT: **Director Holtz**

ACTION ITEM(S)

6. **Review of Proposed Revisions to the Meter Capacity Charges and Request to Set Public Hearing Date to Consider Approval of New Charges: ITEM PULLED**

Action: Agenda item pulled, will be brought back at the June 2, 2025 Regular Board Meeting.

7. **Review of Proposed Changes to the General Manager Salary Range and Request Adoption of Ordinance No. 2025-04 to Amend the District's Administrative Code:**

General Counsel de Sousa provided the Board with the opportunity to amend Article 8, Section 8.9 (c), *Compensation and Compensation Plan*, adopting a salary range for the General Manager position. To adhere to CalPERS regulations, a publicly approved salary schedule must be adopted for each public employee position, including the General Manager. In anticipation of the upcoming recruitment, the District needed to set a salary range. As proposed, the amendment to the Administrative Code, Article 8, Section 8.9 (c), lists the salary for the General Manager as \$265,000 to \$295,000. This action will have no impact on the compensation for the current

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Board of Directors' Meeting Minutes**

General Manager, as the current compensation is set by the employment agreement with the General Manager, and the current salary is within the proposed salary range.

Action: Upon motion by Smith, seconded by Ness; and carried with four (4) affirmative votes, the following Ordinance was approved:

ORDINANCE NO. 2025-04

**ORDINANCE OF THE BOARD OF DIRECTORS OF THE VALLEY CENTER
MUNICIPAL WATER DISTRICT AMENDING THE ADMINISTRATIVE CODE TO
PROVIDE FOR CHANGES IN THE COMPENSATION POLICY –
POSITION CLASSIFICATIONS AND SALARY RANGES**

Was adopted by the following vote, to wit:

AYES: *Directors Ferro, Smith, Ness, and Stehly*
NOES: *None*
ABSENT: *Director Holtz*

INFORMATION ITEM / POSSIBLE ACTION ITEM(S)

8. Review of Water Rate Sensitivity to Variations of Water Sales for the FY 2025-26 Budget:

Manager of Accounting Velasquez reminded the Board during its regular meeting of May 5, 2025, staff provided an overview of the budget assumptions and expense projections assumed in the preliminary operations, maintenance, and capital budget for FY 2025-26. At the conclusion of the presentation on May 5th, the Board requested further information concerning how water rate sensitivity is affected by fluctuations in water sales.

The wholesale fixed costs from the San Diego County Water Authority (“SDCWA”) are included as a cost component in the Imported Water Costs totaling an estimated \$5,801,200 in the preliminary Budget for FY 2025-26. The District calculates the per-acre-foot equivalent of the wholesale fixed charges that the District must pay to SDCWA by dividing the total charges by projected sales, less a 10% reserve for sales levels under-budgeted amounts. For example, if the District calculated its projected sales at 12,500 Acre Feet (“AF:), wholesale fixed charges would be allocated over 11,250 AF. If the District projected sales at 13,500, wholesale fixed charges would be allocated over 12,150 AF.

For the current 2024-25 FY, it is projected that the District will sell 13,800 acre feet of water. This is 6.2% over the budgeted 13,000 acre feet. The increase in water sales compared to budget is due to drier weather conditions in the first half of the year. As a result, agricultural sales were higher than expected. For FY 2025-26, staff proposed reducing the estimated sales to 12,500 acre feet to more accurately reflect the overall decline in agricultural sales.

Action: Informational item only, no action required.

9. Review of Proposed Fixed Charges for the FY 2025-26 Budget – SDCWA Fixed Transportation Charge and Water Capital Improvement Charge:

General Manager Arant provided the Board with an opportunity for continued consideration of implementing an SDCWA Fixed Transportation Charge and a Water Capital Improvement Charge. Arant reminded the Board of the concepts from the Headwinds Workshops for potential implementation in FY 2025-26. For the upcoming FY 2025-26, staff recommended that the Board consider the implementation of two other concepts that were discussed during the “Headwinds” process: an additional fixed charge and a water capital improvement charge.

**Valley Center Municipal Water District
Board of Directors' Meeting Minutes**

- **SDCWA Fixed Transportation Charge** – The proposed charge shifts the SDCWA Fixed Transportation Charge from a variable, unpredictable, commodity-based revenue stream to a more stable source. More importantly, this change aims to reduce the risk of under-collection of fixed charges from the SDCWA, an issue faced in FY 2022-23 and FY 2023-24. Recently, this issue was partially resolved by incorporating the MWD Readiness to Serve Charge and Capacity Reservation Charges as fixed charges on the monthly water bill. Several implementation options were proposed, which include gradually introducing the fee in incremental amounts over a span of one, two, or three years.
- **Water Capital Improvement Charge** – Another concept previously reviewed, was the possible implementation of a District Water Capital Improvement Charge, similar to the Moosa Wastewater Capital Charge implemented two years ago. As with the proposal for an SDCWA Transportation Fixed Charge, the Water Capital Improvement Charge could be phased in with the incremental amounts. Revenues from such a charge could be used for “Pay Go” financing and / or to leverage bridge financing of SRF Loan Funding. These direct or leveraged funds could be used for the major capital replacement projects slated for FY 2025-26 and FY 2026-27, including the Old Castle Phase 2, North Broadway, and Cole Grade Phase 2.

General Manager Arant summarized the overall implementation approach. One approach would be to select one of the two charges, either the SDCWA Fixed Transportation Charge or the Water Capital Improvement Charge, for implementation in FY 2025-26. However, it was noted that each charge addresses a different financial need and should be evaluated in that context. Alternatively, the Board could consider implementing both charges, phased in over a two- or three-year period, versus only selecting either the SDCWA Fixed Transportation Charge or the Water Capital Improvement Charge.

Action: Informational item only, no action required.

10. General Information:

General Manager Arant provided highlights from the District’s Legislative and Regulatory Report for May 2025.

Action: Informational item only, no action required.

DISTRICT GENERAL COUNSEL’S ITEM(S)

None.

BOARD OF DIRECTORS’ AB1234 REPORTS ON MEETINGS ATTENDED

None.

CLOSED SESSION ITEM(S)

None

**Valley Center Municipal Water District
Board of Directors' Meeting Minutes**

ADJOURNMENT

Action: Upon motion by Stehly, seconded by Ness; motion passed with four (4) affirmative votes, the regular meeting of the Board of Directors was adjourned at 3:11 PM.

ATTEST:

ATTEST:

Kirsten N. Peraino, *Secretary*

Enrico P. Ferro, *President*

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD MAY 10, 2025 THROUGH MAY 16, 2025

MAY

CHECK #	PAYEE	DESCRIPTION	AMOUNT
ACH	Alisa Nichols	Mileage Reimbursement For SDCWA Meetings	102.55
ACH	Alpha Analytical Laboratories, Inc.	Testing	1,172.50
ACH	BluePath Finance Solar III LLC	Lower Moosa Canyon Solar - April 2025	5,848.22
ACH	BluePath Finance Solar V LLC	VCMWD Corporate Center - April 2025	3,224.34
ACH	Grainger, Inc	Materials - Field	3,218.66
ACH	Gretchen Young	PEPP Loan - Laptop Computer	1,957.49
ACH	IntelePeer Holdings Inc.	Services	833.23
ACH	James Nichols	Safety Boot Reimbursement and Difference in DM	207.49
ACH	Jennette Company, Inc	Moosa Clarifier No. 2 Upgrade and Moosa Minor l	45,524.00
ACH	Rockwell Construction Services, LLC	North County Emergency Storage Project	8,737.50
ACH	Self Insured Services Company LLC	Reimbursement Request For Dental Funding Date	277.20
ACH	Service Lighting & Electrical Supplies	Materials - Field	147.26
ACH	Underground Service Alert/SC	Services - April 2025	600.71
ACH	Zions Bancorporation, National Assoc	Prorated Net Special Tax Revenues Received On	1,164.95
171639	A-1 Irrigation, Inc	Materials - Field	3,723.17
171640	Aaron Mehandroo LLC	Vehicle Maintenance	13.30
171641	Richard C. Ambler, Jr.	Truck Delivery	500.00
171642	APCD - County of San Diego	Permits	3,346.00
171643	Ardurra Group, Inc.	TO#2 Old Castle Waterline Replacement Phase 2	66.25
171644	Babcock Laboratories, Inc	Testing	295.17
171645	Boncor Water Systems, LLC	DI Tank Service For Acct#412732 - May 2025 & T	220.00
171646	Burlington Safety Laboratory of Califor	Services	117.50
171647	CalMat Co	Materials - Field	559.32
171648	Complete Office of California, Inc	Office Supplies	65.08
171649	Core & Main LP	Materials - Field	7,477.85
171650	County of San Diego	Permits - Record Number DEH2002-HUPFP-1213	3,626.00
171651	Diamond Environmental Services, LP	Services	5,390.47
171652	Environmental Systems Research Inst	Annual Software/Maintenance Agreement 07/01/2	30,200.00
171653	Fastsigns	Materials - Field	112.84
171654	FedEx	Shipping Services	69.72
171655	Gilbert P. Franco	Hazardous Waste Removal	109.00
171656	Frontier Fence Company, Inc	Materials - Field	367.18
171657	GovConnection, Inc.	Materials - IT	1,558.68
171658	HealthEquity Inc.	Monthly Fees - May 2025	17.70
171659	Infrastructure Engineering Corporator	Cole Grade Road Pipeline Replacement	1,190.00
171660	Johnson Equipment Company	Vehicle Maintenance	3,572.88
171661	Occupational Health Centers of Califo	Medical Services	654.00
171662	O'Reilly Automotive, Inc.	Vehicle Maintenance	1,239.38
171663	Pacific Pipeline Supply	Materials - Field	3,224.56
171664	Palomar Broadband Inc.	Services	69.95
171665	Partners In Control Inc.	SCADA/HMI Services	4,423.75
171666	Richard Brady & Associates, Inc.	Moosa Priority & Meadows Lift Station	112,842.75
171667	Roadrunner Publications, Inc	Advertising	728.00
171668	Runts Trucking Inc	Materials - Field	793.88

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD MAY 10, 2025 THROUGH MAY 16, 2025

MAY

CHECK #	PAYEE	DESCRIPTION	AMOUNT
171669	San Diego Gas & Electric	Electric Services - Acct 0007242272582	46,271.24
171670	San Diego Gas & Electric	Electric Services - Acct 0010212819358	14,174.10
171671	Self Insured Services Company	Medical & Dental Insurance Premiums - June 202	687.47
171672	Spear & Associates, Inc.	Turner Dam Survey	1,200.00
171673	Waterline Technologies Inc	Materials - Field	709.05
171674	Yardley Orgill Co. Inc.	Materials - Field	2,241.20
	TOTAL		<u>324,873.54</u>

Approved By: _____


General Manager


Director of Finance & Administration

VALLEY CENTER M.W.D.
DISBURSEMENTS
FOR PERIOD MAY 17, 2025 THROUGH MAY 23, 2025

MAY

CHECK #	PAYEE	DESCRIPTION	AMOUNT
ACH	Alpha Analytical Laboratories, Inc.	Testing	955.00
ACH	Grainger, Inc	Materials - Field	648.64
ACH	Hasa, Inc.	Chemicals	710.72
ACH	Hawthorne Machinery Co	Materials - Field	778.84
ACH	International City Mgmt Association Re	Plan# 801966. MissionSquare Remittance 05/02/2	6,922.65
ACH	Johnson Equipment Company	Vehicle Maintenance	218.19
ACH	Liquid Environmental Solutions of Calif	Services	8,034.28
ACH	Orion Construction Corporation	Project No. 01-00-00-18045	109,442.37
ACH	Paymentus Corporation	Transaction Fees - April 2025	11,287.55
ACH	Self Insured Services Company LLC	Reimbursement Request For Dental Funding Datec	1,750.76
ACH	Turbine Supply Co	Materials - Field	2,365.87
ACH	United Parcel Service, Inc.	Shipping	48.00
ACH	Valley Center Municipal Water District	Employee Contributions 05/02/25-05/16/25 - Barga	397.50
ACH	VCMWD Employees Association	Employee Contributions 05/02/25-05/16/25 - Social	540.00
171675	Asbury Environmental Services	Hazardous Waste Removal	7.00
171676	AT&T	Services	31.57
171677	AT&T Mobility	Services - Account No. 287290784385	3,741.67
171678	Babcock Laboratories, Inc	Testing	160.00
171679	Chris Banner	Weed Abatement - Lilac Property	4,350.00
171680	Bidell Gas Compression Inc.	Materials - Field	1,225.34
171681	CWEA	Renewal For Collections System Maintenance Gra	106.00
171682	CWEA	Renewal For Collections System Maintenance Gra	106.00
171683	DIRECTV	Moosa Dish Service 05/11/25-06/10/25	53.49
171684	Emission Compliant Controls Corporati	Services	1,075.00
171685	FedEx Freight	Freight For Shafting From Turbine Supply	635.28
171686	Ferguson Waterworks #1083	Materials - Field	4,835.16
171687	Government Finance Officers Associati	Membership Renewal Notice ID 224253001 - 04/01	160.00
171688	Hach Company	Materials - Field	2,322.95
171689	HealthEquity Inc.	Employee Contributions 05/02/25-05/16/25	277.00
171690	Nakamichi Consulting Services, Inc.	Services	4,996.50
171691	Pacific Pipeline Supply	Materials - Field	249.98
171692	Pinpoint Pest Control Co Inc	Bee/Wasp Hive Removal	125.00
171693	Republic Services Inc.	Hazardous Waste Removal	1,817.78
171694	S & R Towing, Inc.	Services	162.00
171695	Snap-On Industrial	Materials - Field	104.37
171696	Southwest Answering Service, Inc	Answering Service 04/17/25-05/14/25	404.00
171697	SWRCB	Application For D3 Exam - James Sedillo Operator	100.00
171698	United Way of San Diego County	Employee Contributions 05/02/25-05/16/25	20.00
171699	Youngren Construction	Refund Check 020711-000, 21962583 FH@ 33.2	1,372.88
TOTAL			172,539.34

Approved By:

General Manager

Director of Finance & Administration

June 2, 2025

TO: Honorable President and Board of Directors

FROM: Gary T. Arant, General Manager

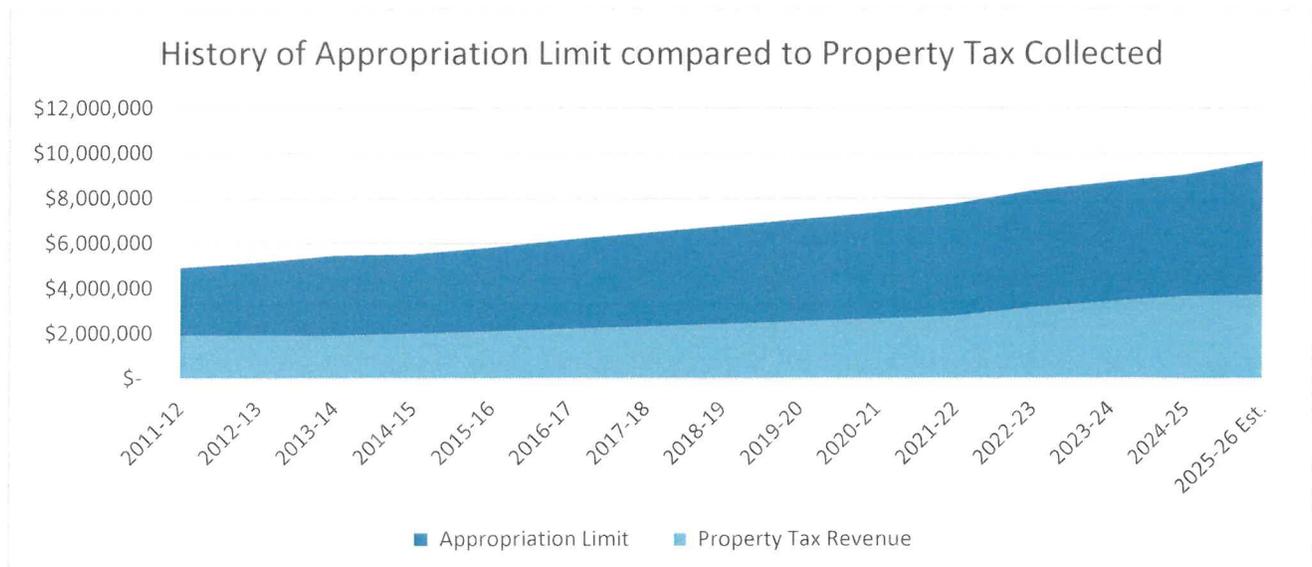
SUBJECT: RESOLUTION TO ESTABLISH APPROPRIATION LIMIT FOR 2025-26

PURPOSE:

Board adoption of Resolution No. 2025-13 establishing the appropriation limit for proceeds from taxes is required by Section 7910 of the Government Code and Article XIII B of the State Constitution (Gann Amendment).

SUMMARY:

In November, 1979, the voters of California approved the addition of Article XIII B to the State Constitution. This amendment provided a maximum annual percentage that proceeds of taxes could increase. The impact of this legislation is most felt by cities and agencies that exist almost entirely on proceeds of taxes of one sort or another. The District's revenues consist primarily of water and wastewater charges, with approximately 7% from general property taxes.



The District is required to comply with the legislation by establishing an appropriation limit for the amount it does receive from property taxes. In Fiscal Year 2025-26, property tax collections are estimated to be 38% of the appropriation limit. The margin is so wide between the proceeds of taxes and the \$9,682,059 appropriation limit, that the District does not expect to ever reach the limit. If however, actual tax collections ever exceeded the limit, a refund of the excess would have to be made.

Under Proposition 111, the method of calculating the annual appropriation limit was revised, effective July 1, 1990. The California Constitution specifies that the appropriation limit may increase annually by a factor comprised of the change in population combined with either the change in California per capita personal income or the change in the local assessment role due to local nonresidential construction. The appropriation limit method recommended for adoption uses the highest of the options available to maximize the District's limit for Fiscal Year 2025-26.

Government Code Section 7910 also requires a 15-day period for our calculations to be available to the public for their review, if desired. The attached Public Notice was posted May 12, 2025, in compliance with this requirement.

RECOMMENDATION:

That Resolution No. 2025-13 be adopted to establish the appropriation limit for Fiscal Year 2025-26 as \$9,682,059.

PREPARED BY:

APPROVED BY:



James V. Pugh
Director of Finance & Administration



Gary T. Arant
General Manager

PUBLIC NOTICE

In accordance with Government Code Section 7910, notice is hereby given that on June 2, 2025, at 2:00 P.M. at 29300 Valley Center Road, the Board of Directors will, by resolution, establish the District's 2025-26 appropriation limit pursuant to Article XIII B of the State Constitution as amended by Proposition 111 effective July 1, 1990. The appropriation limit for Fiscal Year 2025-26 is to be set at \$9,682,059 and was calculated as set forth below. Documentation of the computation is available in the office of the Director of Finance of the District at the above address.

<u>Fiscal Year</u>	<u>Price Increases (1)</u>	<u>Population Increases</u>	<u>Appropriation Limit</u>
Proceeds of Taxes Base Year			
1986-87			\$855,392
Annual adjustment factors:			
1987-88	12.54% (b)	5.83%	\$1,018,772
1988-89	15.56% (b)	6.09%	\$1,249,014
1989-90	7.21% (b)	5.63%	\$1,414,508
1990-91	7.96% (b)	5.83%	\$1,616,075
1991-92	4.14% (a)	5.24%	\$1,771,218
1992-93	2.75% (b)	4.04%	\$1,893,432
1993-94	2.72% (b)	2.95%	\$2,002,304
1994-95	0.71% (a)	1.42%	\$2,045,153
1995-96	4.72% (a)	1.55%	\$2,174,816
1996-97	4.67% (a)	1.19%	\$2,303,565
1997-98	4.67% (a)	1.46%	\$2,446,386
1998-99	4.15% (a)	2.63%	\$2,614,942
1999-00	4.53% (a)	2.17%	\$2,792,758
2000-01	4.91% (a)	2.33%	\$2,998,026
2001-02	7.82% (a)	1.96%	\$3,295,730
2002-03	0.06% (b)	1.80%	\$3,357,031
2003-04	2.31% (a)	1.77%	\$3,495,341
2004-05	3.28% (a)	1.73%	\$3,672,555
2005-06	5.26% (a)	1.27%	\$3,914,944
2006-07	3.96% (a)	0.94%	\$4,108,342
2007-08	4.42% (a)	2.00%	\$4,375,795
2008-09	4.29% (a)	1.43%	\$4,628,716
2009-10	0.62% (a)	1.32%	\$4,718,976
2010-11	-0.37% (b)	1.52%	\$4,772,772
2011-12	2.51% (a)	0.72%	\$4,927,887
2012-13	3.77% (a)	0.92%	\$5,160,483
2013-14	5.12% (a)	0.80%	\$5,468,048
2014-15	-0.23% (b)	1.23%	\$5,522,728
2015-16	3.82% (a)	1.48%	\$5,818,746
2016-17	5.37% (a)	0.78%	\$6,178,926
2017-18	3.69% (a)	0.92%	\$6,465,628
2018-19	3.67% (a)	0.95%	\$6,766,280
2019-20	3.85% (a)	0.52%	\$7,063,320
2020-21	3.73% (a)	0.59%	\$7,369,868
2021-22	5.73% (a)	-0.37%	\$7,763,419
2022-23	7.55% (a)	-0.08%	\$8,342,570
2023-24	4.44% (a)	0.00%	\$8,712,980
2024-25	3.62% (a)	0.31%	\$9,056,271
2025-26	6.44% (a)	0.44%	\$9,682,059

Posted May 12, 2025



James V. Pugh, Director of Finance
Valley Center Municipal Water District

(1) A California governmental unit may increase its appropriation limit by either
(a) the annual percentage increase in California fourth quarter per capita personal income, or
(b) the percentage increase in the local assessment roll from the preceding year due to the addition of local non-residential construction, whichever is greater.

RESOLUTION NO. 2025-13

**RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY
CENTER MUNICIPAL WATER DISTRICT TO ESTABLISH THE
APPROPRIATION LIMIT FOR THE 2025-26 FISCAL YEAR**

WHEREAS, effective July 1, 1980, Article XIII B of the California Constitution took effect limiting the appropriations of certain state and local agencies; and

WHEREAS, effective July 1, 1990, Article XIII B of the California Constitution was amended; and

WHEREAS, the Legislature has adopted Government Code Sections 7900 through 7914 setting forth procedures to be followed by affected local agencies in fixing and determining their appropriation limit; and

WHEREAS, pursuant to said Government Code sections, the County of San Diego and the State of California Department of Finance have supplied the District with data regarding changes in population, cost of living, per capita income, nonresidential new construction, and local assessment roll for use in determining its appropriation limit; and

WHEREAS, the District had a tax rate in excess of 12.5 cents per \$100 of assessed valuation during the 1977-78 fiscal year, and, therefore, is subject to the provisions of Article XIII B and implementing legislation; and

WHEREAS, the Government Code Section 7910 requires that each year the governing body of the District, by resolution, establish its appropriation limit for the following fiscal year; and

WHEREAS, the Government Code Section 7901 requires the governing body of the District, annually by resolution, to select the basis for its change in population as defined in that section; and

WHEREAS, Section 8(e)(2) of Article XIII B of the Constitution requires the Board to select the method of determining "change in the cost of living" as defined in that section; and

WHEREAS, at least 15 days prior to the meeting at which this resolution was adopted, the documentation used in the determination of the appropriation limit was made available to the public at the offices of the District; and

WHEREAS, the Board has fully considered said laws, the revenues and expenditures of the District during the relevant years, the data received from the State of California Department of Finance, the reports and recommendations of staff, and the opinions of counsel;

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED by the Board of Directors of Valley Center Municipal Water District as follows:

1. That the foregoing facts are true and correct.
2. That the appropriation limit for the 2024-25 fiscal year was \$9,056,271, and that the proceeds of taxes estimated to be received in that year, amount to approximately \$3,659,500, will not exceed that appropriation limit.
3. That in determining the appropriation limit for 2025-26, the District shall use the percentage change in the California per capita personal income from the preceding year or the change in the local assessment roll from the preceding year due to the addition of local new nonresidential construction, whichever is greater.
4. That in determining the appropriation limit for 2025-2026, the District shall use the percentage change in population for San Diego County or for the unincorporated portion of San Diego County, whichever is greater, as provided by the State of California Department of Finance.
5. That pursuant to Article XIIB, as amended, and Section 7910 of the Government Code, as amended, the appropriation limit for Valley Center Municipal Water District for the 2025-26 fiscal year is established at \$9,682,059.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of **VALLEY CENTER MUNICIPAL WATER DISTRICT** held the 2nd day of June, 2025, by the following vote, to wit;

Enrico P. Ferro, *President*

ATTEST:

Kirsten N. Peraino, *Secretary*

June 2, 2025

TO: Honorable President and Board of Directors

FROM: Gary T. Arant, *General Manager*

SUBJECT: CONSIDER APPROVAL OF THE ANNUAL WATER SUPPLY AND DEMAND ASSESSMENT

PURPOSE:

To provide the Board of Directors with the opportunity to review and consider approval of the Annual Water Supply and Demand Assessment and request the Board of Directors adopt Resolution No. 2025-14.

SUMMARY:

Background

In accordance with California Water Code Section 10632.1, the District is required to conduct an Annual Water Supply and Demand Assessment (Annual Assessment), and on or before July 1 of each year, submit an Annual Water Shortage Assessment Report (Assessment Report) to the Department of Water Resources with information for any anticipated shortages, triggered shortage response actions, compliance and enforcement actions, and communication actions consistent with the supplier's Water Shortage Contingency Plan.

Section 1.2.2 of the District's Water Shortage Contingency Plan, adopted by the Board of Directors on June 28, 2021, outlines the steps to conduct the Annual Assessment including direction to present the findings and recommendations to the Board for adoption. Following the adoption of the Annual Assessment, staff will submit the Assessment Report to the Department of Water Resources by July 1, 2025.

Annual Water Supply and Demand Assessment

The Annual Assessment consists of determining the projected water demand for the upcoming fiscal year and the projected available supply to determine if there is an anticipated shortage. If an anticipated shortage is determined, staff identifies demand reduction, supply augmentation, and other actions to be taken to mitigate the shortage in accordance with the adopted Water Shortage Contingency Plan. The Annual Assessment requires water suppliers to assess a total demand that includes unconstrained demand, which is water demand absent any water supply or demand restrictions.

The District's potable water supply consists entirely of imported water from the San Diego County Water Authority (SDCWA). The District coordinates the Annual Assessment with SDCWA each year, and SDCWA requests member agencies to provide projected unconstrained demands for one dry year. Staff has projected a total water demand on SDCWA of 13,300 AF for Fiscal Year 2025-2026, which includes water supply to meet customer sales, operational needs and water loss. Projected unconstrained demands expected with only permanent water use efficiency measures implemented and anticipated increased demand of

10% due to dry year conditions total 14,561. Permanent water use efficiency measures are implemented by the District at all times, even when no shortage is anticipated. Staff additionally projected 150 AF of recycled water available for outdoor irrigation through the Woods Valley Ranch Water Reclamation Facility.

SDCWA has access to approximately 340,000 AF of additional supplies through the Carryover Storage Program and Metropolitan Water District of Southern California via SDCWA's preferential right to purchase water, with no anticipated shortage. With adequate supplies to meet projected demands, the District does not anticipate a water shortage. No demand reduction actions are expected to be implemented in Fiscal Year 2025-2026 beyond the permanent water use efficiency measures, which are always in effect.

RECOMMENDATIONS:

After review and discussion, staff recommends the Board of Directors adopt Resolution No. 2025-14 approving the Fiscal Year 2025-2026 Annual Water Supply and Demand Assessment and directing staff to submit the Annual Water Shortage Assessment Report to the Department of Water Resources by July 1, 2025.

PREPARED BY:



Alisa Nichols
*Special Projects and Regulatory
Compliance Manager*

SUBMITTED BY:



Gary T. Arant
General Manager

Attachments:

*Attachment 1 – Resolution No. 2025-14
Fiscal Year 2025-2026 Annual Water Supply and Demand Assessment*

RESOLUTION NO. 2025-14

**RESOLUTION OF THE BOARD OF DIRECTORS OF
VALLEY CENTER MUNICIPAL WATER DISTRICT ADOPTING
THE FISCAL YEAR 2025-2026 ANNUAL WATER
SUPPLY AND DEMAND ASSESSMENT**

WHEREAS, California Water Code, Section 10632.1 mandates that every urban supplier of water shall conduct an Annual Water Supply and Demand Assessment (“Annual Assessment”) pursuant to subdivision (a) of Section 10632 and, on or before July 1 of each year, submit an Annual Water Shortage Assessment Report (“Assessment Report”) to the Department of Water Resources (“DWR”) with information for any anticipated shortage, triggered shortage response actions, compliance and enforcement actions, and communication actions consistent with the supplier’s Water Shortage Contingency Plan;

WHEREAS, pursuant to the Water Conservation Act of 2009, also referred to as SB X7-7 (Water Code Section 10608 et seq.), an “Urban Retail Water Supplier” is defined as a water supplier that directly provides potable municipal water to more than 3,000 end users or that supplies more than 3,000 acre feet of potable water annually at retail for municipal purposes, and an “urban wholesale water supplier” is defined as a water supplier that provides more than 3,000 acre feet of water annually at wholesale for potable municipal purposes;

WHEREAS, the Valley Center Municipal Water District (“District”) meets the definition of an Urban Retail Water Supplier for purposes of the Act and SB X7-7;

WHEREAS, Section 1.2.2 of the District’s Water Shortage Contingency Plan, adopted by the Board of Directors on June 28, 2021, outlines the steps to conduct the Annual Assessment including direction to present the findings and recommendations to the Board for adoption;

WHEREAS, the District has prepared an Annual Assessment pursuant to subdivision (a) of Section 10632 of the California Water Code and the current Water Shortage Contingency Plan;

WHEREAS, the Board of Directors has reviewed and considered the contents of the Annual Assessment, and has determined that the factual analyses and conclusions set forth therein are legally sufficient;

WHEREAS, the Board of Directors desires to direct the District General Manager, or designee, to submit the Assessment Report prior to July 1, 2025, in compliance with California Water Code Section 10632.1; and

WHEREAS, California Water Code Section 10652 provides that the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) (“CEQA”) does not apply to the implementation of actions taken pursuant to California Water Code Section 10632.

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED, AND ORDERED by the Board of Directors of VALLEY CENTER MUNICIPAL WATER DISTRICT as follows:

1. Adoption of the Annual Water Supply and Demand Assessment is not subject to CEQA pursuant to California Water Code Section 10652 because CEQA does not apply to actions taken pursuant to Section 10632.
2. The attached Valley Center Municipal Water District's Fiscal Year 2025-2026 Annual Water Supply and Demand Assessment is hereby adopted.
3. The General Manager, or designee, is hereby authorized and directed, in accordance with California Water Code Section 10632.1 to electronically submit a copy of the Annual Water Shortage Assessment Report to DWR no later than July 1, 2025.

PASSED AND ADOPTED, by the Board of Directors of the Valley Center Municipal Water District this 2nd day of June 2025, by the following vote:

Enrico Ferro, **Board President**

ATTEST:

Kirsten Peraino, **Board Secretary**

Attachment:

Fiscal Year 2025-2026 Annual Water Supply and Demand Assessment

Table 1. Annual Assessment Information	
Type of Supplier (Required to check one or two)	
Supplier is a Wholesaler	<input type="checkbox"/>
Supplier is a Retailer	<input checked="" type="checkbox"/>
If you are both a wholesaler and retailer, will you be submitting two separate reports or a combined report?	Number of Reports
Year Covered By This Shortage Report (Required)	
Start: July 1,	2025
End: June 30,	2026
Volume Unit for Reported Supply and Demand: <i>(Must use the same unit throughout)</i>	AF
Supplier's Annual Assessment Planning Cycle (Required)	
Start Month:	July
End Month:	June
Data Interval:	Annually (1 data point per year)
Water Supplier's Contact Information (Required)	
Water Supplier's Name:	Valley Center Municipal Water District
Contact Name:	Alisa Nichols
Contact Title:	Special Projects & Regulatory Compliance Manager
Street Address:	29300 Valley Center Road
ZIP Code:	92082
Phone Number:	(760) 735-4516
Email Address:	anichols@vcmwd.org
Report Preparer's Contact Information <i>(if different from above)</i>	
Preparer's Organization Name:	
Preparer's Contact Name:	
Phone Number:	(XXX)XXX-XXXX
Email Address:	
Supplier's Water Shortage Contingency Plan	
WSCP Title	VCMWD Water Shortage Contingency Plan
WSCP Adoption Date	6/28/2011
Other Annual Assessment Related Activities	
Activity	Timeline/ Outcomes / Links / Notes
Annual Assessment/ Shortage Report Title:	Optional
Annual Assessment / Shortage Report Approval Date:	MM/DD/YYYY
Other Annual Assessment Related Activities:	Optional
(Add rows as needed)	

= Auto calculated
= From prior tables
= For manual input

Table 4(P): Potable Water Shortage Assessment ¹													Start Year: 2025	Volumetric Unit Used ² :					AF	
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun ³	Total							
Anticipated Unconstrained Demand	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	14,561	14,561							
Anticipated Total Water Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	14,561	14,561							
Surplus/Shortage w/o WSCP Action	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0							
% Surplus/Shortage w/o WSCP Action												0%	0%							
State Standard Shortage Level	0	0	0	0	0	0	0	0	0	0	0	0	0							
Planned WSCP Actions ⁴																				
Benefit from WSCP: Supply Augmentation													0.0							
Benefit from WSCP: Demand Reduction													0.0							
Revised Surplus/Shortage with WSCP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0							
% Revised Surplus/Shortage with WSCP												0%	0%							

¹Assessments are based on best available data at time of submitting the report and actual volumes could be different due to many factors.
²Units of measure (AF, CCF, MG) must remain consistent.
³When optional monthly volumes aren't provided, verify Tables 2 and 3 use the same columns for data entry and are reflected properly in Table 4 and make sure to use those same columns to enter the benefits from Planned WSCP Actions. Please see directions on the shortage balancing exercise in the Table Instructions. If a shortage is projected, the supplier is highly recommended to perform a monthly analysis to more accurately identify the time of shortage.
⁴If you enter any WSCP Benefits, then you must enter the corresponding planned Actions into Table 5.

= Auto calculated
= From prior tables
= For manual input

Table 4(NP): Non-Potable Water Shortage Assessment ¹													Start Year: 2025	Volumetric Unit Used ² :					AF	
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun ³	Total							
Anticipated Unconstrained Demand: Non-Potable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	150	150							
Anticipated Total Water Supply: Non-Potable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	150	150							
Surplus/Shortage w/o WSCP Action: Non-Potable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0							
% Surplus/Shortage w/o WSCP Action: Non-Potable												0%	0%							
Planned WSCP Actions ⁴																				
Benefit from WSCP: Supply Augmentation													0.0							
Benefit from WSCP: Demand Reduction													0.0							
Revised Surplus/Shortage with WSCP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0							
% Revised Surplus/Shortage with WSCP												0%	0%							

¹Assessments are based on best available data at time of submitting the report and actual volumes could be different due to many factors.
²Units of measure (AF, CCF, MG) must remain consistent.
³When optional monthly volumes aren't provided, verify Tables 2 and 3 use the same columns for data entry and are reflected properly in Table 4 and make sure to use those same columns to enter the benefits from Planned WSCP Actions. Please see directions on the shortage balancing exercise in the Table Instructions. If a shortage is projected, the supplier is highly recommended to perform a monthly analysis to more accurately identify the time of shortage.
⁴If you enter any WSCP Benefits, then you must enter the corresponding planned Actions into Table 5.

June 2, 2025

TO: Honorable President and Board of Directors

FROM: Gary T. Arant, General Manager

SUBJECT: PUBLIC HEARING AND ADOPTION OF ORDINANCE NO. 2025-05 TO SET WATER AVAILABILITY CHARGES FOR FISCAL YEAR 2025-26

PURPOSE:

To conduct a public hearing to receive written and oral public testimony and take action to adopt annual water availability charges for Fiscal Year 2025-26.

SUMMARY:

The District has been collecting an annual water availability charge of \$10 per acre with a \$10 per parcel minimum since Fiscal Year 1995-1996. The total charge will raise about \$564,000 after delinquencies and exemptions. The Fiscal Year 2025-26 Budget provides that this amount will be used as follows:

Capital Improvements:	\$ <u>564,000</u>
Total:	\$ 564,000

If the District issues debt for water system capital projects in Fiscal Year 2025-26 (except for projects funded through an assessment district), it will designate the water availability charges as revenue for the annual payments on this debt. If the debt is not issued, the water availability charges will be used to fund capital requirements.

As of May 22, 2025, zero (0) protest letters to the proposed water availability charge were received. Any letters received after that date will be distributed at the Board meeting.

RECOMMENDATION:

That the Board adopt Ordinance No. 2025-05 to set the annual water availability charge for Fiscal Year 2025-26 at \$10/acre with a \$10/parcel minimum.

PREPARED BY:



James V. Pugh
Director of Finance & Administration

SUBMITTED BY:



Gary T. Arant
General Manager

ORDINANCE NO. 2025-05

**ORDINANCE OF THE BOARD OF DIRECTORS OF
VALLEY CENTER MUNICIPAL WATER DISTRICT
ESTABLISHING WATER AVAILABILITY CHARGES FOR
FISCAL YEAR 2025-26 ON ALL PROPERTY WITHIN
THE DISTRICT**

WHEREAS, pursuant to Resolution No. 2025-07 of the Board of Directors of VALLEY CENTER MUNICIPAL WATER DISTRICT, a schedule of proposed water availability charges for Fiscal Year 2025-26 was set forth; *and*

WHEREAS, notice of a hearing in connection with the proposed schedule was duly given and the hearing therein set forth was duly and regularly held; *and*

WHEREAS, it is deemed to be in the best interest of the inhabitants, landowners, water consumers, and taxpayers of VALLEY CENTER MUNICIPAL WATER DISTRICT that water availability charges be fixed for all lands lying within the District.

NOW, THEREFORE, IT IS HEREBY ORDAINED by the Board of Directors of VALLEY CENTER MUNICIPAL WATER DISTRICT as follows:

1. The recitals set forth hereinabove are true.
2. The annual water availability charge for each separately assessed parcel of land within VALLEY CENTER MUNICIPAL WATER DISTRICT for Fiscal Year 2025-26 shall be ten dollars (\$10.00) per acre or ten dollars (\$10.00) for a parcel of land less than one acre.
3. The schedule of water availability charges mentioned above is on file with the Secretary of VALLEY CENTER MUNICIPAL WATER DISTRICT. The schedule sets forth the name of the owner, address, assessor's parcel number, and proposed availability charges for Fiscal Year 2025-26 for each parcel of real property located within the District. Said schedule is hereby incorporated herein by reference. Said schedule, together with a copy of this ordinance, shall be furnished to the San Diego County Board of Supervisors and the County Auditor, as provided by law.
4. That the water availability assessment rate and methodology applied in this ordinance, are the same as that established by Ordinance No. 95-06 adopted June 5, 1995 and reassessed each successive year

thereafter and that the charges assessed herein are a reassessment of the water availability charges assessed at that time and were therefore in place and in existence on November 6, 1996.

5. Pursuant to Section 71635 of the Water Code, the Board hereby directs that, at the time and in the manner required by law for the levying of taxes for county purposes, the San Diego County Board of Supervisors shall levy, in addition to any other tax it levies, the water availability charges in the amounts for the respective parcels fixed by this Board, and pursuant to Section 71636 of the Water Code, all county officers charged with the duty of collecting taxes shall collect the water availability charges of VALLEY CENTER MUNICIPAL WATER DISTRICT with the regular tax payments to the county. Said charges shall be collected in the same form and manner as county taxes are collected, and shall be paid to VALLEY CENTER MUNICIPAL WATER DISTRICT.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of **VALLEY CENTER MUNICIPAL WATER DISTRICT** held on the 2nd day of June, 2025, by the following vote, to wit;

Enrico P. Ferro, *President*

ATTEST:

Kirsten N. Peraino, *Board Secretary*

June 2, 2025

TO: Honorable President and Board of Directors

FROM: Gary T. Arant, General Manager

**SUBJECT: WATER METER CAPACITY AND ANNEXATION CHARGE
RECOMMENDATION FOR FY 2025-2026**

PURPOSE:

Present to the Board of Directors preliminary findings regarding the proposed Valley Center Municipal Water District (“District”) Water Meter Capacity Charges (“Meter Capacity Charges”) and Annexation Charge and related Administrative Code modifications. Request the Board of Directors approve the public notice setting the public hearing time and date to consider the proposed revisions to the Meter Capacity and Annexation Charges and related Administrative Code modifications.

SUMMARY:

Meter Capacity and Annexation Charges are collected for new water meters purchased from the District and for properties requesting annexation to the District. The last adjustment to the District’s Meter Capacity and Annexation Charges was approved in June 2024. The recommendations are based on the water system and non-facility asset values as of June 30, 2024. These values support an 8.7% increase in the Meter Capacity Charges and a (2.6%) decrease in the Annexation Charge.

Modifications to the approach since last year include the following:

- Added Value of Capital Improvements completed during the year.
- Updated Asset Values to reflect the current Replacement Cost New Less Depreciation value.
- Updated the percentage of the Asset Values related to Usage Based Revenue versus Land Based Revenue.
- Updated the Equivalent ¾-inch Meter count.

Staff will incorporate the Board’s discussion and direction from this meeting into the final recommendation to be presented in a public hearing held at the July 7, 2025, Board meeting. If approved at that time, the Meter Capacity and Annexation Charges would become effective immediately.

Methodology

The methodology used for determining the recommendations are a “Buy-In” approach to the Water System Asset Value for the Meter Capacity Charge and the Corporate Asset Value for the Annexation Charge. The “Buy-In” components are based on a determination of the water facility’s Replacement Cost New Less Depreciation (“RCNLD”) valuation and applicable

reserve balances as of June 30, 2024. This “Buy-In” methodology is in accordance with recommendations included in the AWWA Manual of Water Supply Practices entitled, “M1 - Principles of Water Rates, Fees, and Charges.” Meter Capacity Charge revenues collected under this methodology can be used for capital replacement or investment in expansion projects. An additional incremental charge for funded projects that have a substantial benefit to new connections within a specific, clearly defined, service area (“Incremental Charges”) is added to the Meter Capacity Charges for properties in those specific areas.

Water Meter Capacity Charge

Buy-in Component Calculation – The Buy-In calculation for determining the Meter Capacity Charge is a result of the following calculation, utilizing values as of the end of FY 2023-2024:

$$\frac{\text{Value of Water System Assets}}{\text{Number of Equivalent } \frac{3}{4}\text{-inch Meter Connections}}$$

Key considerations in determining the value of the Water System Assets include adjustments made to the useful life of the facility assets, not considering contributed capital and adjustments for the amount of the asset value attributable to Usage Based Revenue (Water Commodity and Meter Service Charges) versus Land Based Revenue (Property Tax and Availability Charges).

Usage Based Revenue vs Land Based Revenue – As in previous years, the Water Facility Asset Value used for the Meter Capacity Charge and Annexation Charge was adjusted based on the estimated ratio between water sales revenue and Availability Charge and Property Tax revenues. With this year’s recommendation, the Water Facility Asset Values used in the calculations were modified to reflect the source of the revenue from District customers that contributed to the asset value. Usage Based Revenue (consisting of net Water Commodity Charge and Meter Service Charge revenues) was used for the Meter Capacity Charges and Land Based Revenue (Availability Charge and Property Tax Revenue) for the Annexation Charge. Other Revenue (Interest Earnings, Penalties, Fire Meter Service Charges, etc.) was not considered in the Meter Capacity Charge or Annexation Charge revenues. This modification resulted in nearly the same percentage of Usage Based Revenue from previous years, but significantly reduced the percentage for Land Based Revenue, resulting in a lower Annexation Charge.

Updated Equivalent ¾-inch Meter Count – The Equivalent Meter Count was modified from previous years to include only Active meter accounts. In prior years, InActive meters were included in the calculation for the number of total equivalent connections, as those meters had a capacity commitment in the distribution system. Customers could request to convert their status from InActive to Active at minimal cost. No revenue is collected from InActive meter accounts. Considering that the basis for the new meter Buy-In calculation is to match the investment of the current District customers, it was determined to be inappropriate to include InActive meters in the total Equivalent Meter Count. Including the InActive meters in the overall Equivalent Meter Count kept the new meter Buy-In amount artificially low.

The calculation for the total number of equivalent ¾-inch meters remains based on the ratio of the Maximum Safe Operating Capacity of each meter size. However, using only Active accounts reduced the total number of equivalent meters, resulting in a higher Meter Capacity

Charge. With this change in methodology, the District’s Meter Capacity Charge ranking compared to other agencies has moved closer to the overall average, as indicated in the attached Water Meter Capacity Comparison Chart.

Proposed Water Meter Capacity Charge – The Meter Capacity Charge recommendation from the described evaluation results in an 8.7% increase in the ¾-inch Meter Capacity Charge, from \$5,705 charge to \$6,203. The following table summarizes the asset values used in determining the proposed water Meter Capacity Charges.

Meter Capacity Charge Summary			
ITEM	WATER SYSTEM ASSETS	FINAL WATER SYSTEM VALUE (as of 06/30/2023)	FINAL WATER SYSTEM VALUE (as of 06/30/2024)
1	Debt Service Reserve	\$220,421	\$220,421
2	Capacity Charge Reserve (Unallocated Funds)	\$0	\$403,553
3	Capital Improvement Reserve (Unallocated Funds)	\$2,125,000	\$0
4	Continuing Projects Reserve (Carry Over to Next FY)	\$6,640,403	\$5,524,669
5	Construction in Progress (Funds Spent to Date on Projects not yet Complete)	\$5,787,872	\$5,563,075
6	Inventory	\$1,366,400	\$1,153,904
7	Land - (not including Corporate Facility Land and District Annexation Fees to MWD and SDCWA)	\$2,132,980	\$2,132,980
8	Water System Facilities (RCNLD)	\$159,631,893	\$168,020,525
	Subtotal Water System Facilities Assets	\$177,904,970	\$183,019,127
	Less Outstanding Capital Improvement Debt	(\$2,754,885)	(\$9,673,574)
	Subtotal Water System Assets	\$175,150,085	\$173,345,553
	Total Water System Asset Value Related to Capacity Charge	\$105,090,051	\$103,820,118
	Equivalent Connections	18,763	16,737
	Recommended Water Meter Capacity Charge	\$5,705	\$6,203
	Effective	FY 2024-2025	FY 2025-2026
	Percent Increase from Previous FY¹	0.0%	8.7%

¹ Meter Capacity Charge was not increased for FY 2024-2025

The current Meter Capacity Charge for a ¾-inch meter equivalent is \$5,705. Changes in the Water Facilities Assets in FY 2023-2024 and Equivalent Meter Count support an 8.7% increase in the proposed Meter Capacity Charge to \$6,203 for a ¾-inch meter equivalent for FY 2025-2026.

The Meter Capacity Charge for each meter size is increased by the ratio of the Maximum Safe Operating Capacity to the capacity of the ¾-inch meter, as indicated in the following table.

Water Meter Capacity Ratios					
DESCRIPTION	Meter Size				
	¾-inch	1-inch	1 ½-inch	2-inch	3-inch
Maximum Rated Safe Operating Flow Rate (gpm)	30	50	100	160	350
Meter Equivalent Ratio	1.0000	1.6667	3.3333	5.3333	11.6667

The following table summarizes the proposed Meter Capacity Charges for the various meter sizes to be presented for consideration at the public hearing.

Water Meter Capacity Charge Summary					
Meter Size	¾-inch	1-inch	1 ½-inch	2-inch	3-inch
Current Capacity Charge	\$5,705	\$9,509	\$19,016	\$30,426	\$66,559
Proposed Increase	\$498	\$830	\$1,660	\$2,656	\$5,810
Proposed Capacity Charge	\$6,203	\$10,339	\$20,676	\$33,082	\$72,369
Percent Increase	8.7%	8.7%	8.7%	8.7%	8.7%

Incremental Charges

An Incremental Component to the Meter Capacity Charge is added for projects either 1) constructed by the District that benefit future connections in a specific area or 2) for contributed capital projects (Developer Projects with Reimbursement Agreements) that benefit future connections in a specific area. Where an Incremental Component applies, a Specific Benefit Area (“SBA”) is established and a Specific Benefit Area Capacity Charge (“SBACC”) is separately approved, conceptually during the project approval process based on estimated project costs, with final approval after project completion when all project costs are known. The SBACC is only applied, in addition to the Meter Capacity Charge, for new meters requested for properties located within an SBA.

The proposed Incremental Charges for the current SBAs are summarized in the following table.

Specific Benefit Area Capacity Charges						
SPECIFIC BENEFIT AREA (SBA) DESCRIPTION	Original Project Value	Total Project Value (6/30/2023) (RCNLD) ¹	Total Project Value (6/30/2024) (RCNLD) ¹	SBA Build Out (Equivalent ¾-inch meter)	SPECIAL BENEFIT AREA CAPACITY CHARGE (per equivalent ¾ inch meter)	Percent Change from Previous Year
High Mountain Waterline	\$181,940	\$227,207	\$228,586	168	\$1,361	0.61%
Wilkes Road Waterline	\$712,620	\$794,708	\$799,026	362	\$2,207	0.54%
Via Piedra Waterline Extension - Total	\$571,203	\$571,203	\$571,203	37	N/A	0.00%
Via Piedra Waterline Extension - Subarea A	\$3,656	\$3,656	\$3,656	10	\$366	0.00%
Via Piedra Waterline Extension - Subarea B	\$73,611	\$73,611	\$73,611	6	\$12,268	0.00%
Via Piedra Waterline Extension - Subarea C	\$493,936	\$493,936	\$493,936	21	\$23,521	0.00%

¹ Original Cost with No Depreciation is used for the Via Piedra SBACC pursuant to the Reimbursement Agreement.

The RCNLD asset value for the projects is adjusted each year based on the Engineering News Record Construction Cost Index and an additional year of depreciation. The factors resulted in an average 0.56% increase for the District’s projects from the previous year.

Proposed Annexation Charge

Owners of property outside the District, requesting annexation, have not paid District Availability Charges or Property Taxes that benefited the District. Payment of the District’s Annexation Charge is intended to bring the property requesting annexation to an equal equity investment level in the District assets as existing customers within the District. Using a similar “Buy-In” methodology as the Meter Capacity Charges, the Annexation Charge is determined as described in the District’s Administrative Code Article 220.6. The portion of the Water Facility Asset Value used in determining the Annexation Charge is based on the ratio of the Land Based Revenue to the Total Revenue. Modifications to the methodology in determining the Usage and Land Based Revenue ratios as previously described have resulted in a lower portion of the water Facility Asset Value being included in the calculation for the Annexation Charge. This modification resulted in a slight decrease (2.6%) in the proposed Annexation Charge from \$1,443 per acre to \$1,406 per acre for FY 2025-2026

The following table summarizes the asset values used to determine the Annexation Charge:

Annexation Charge Summary			
ITEM	ASSET DESCRIPTION	FINAL CORPORATE ASSET VALUE (as of 06/30/2023)	FINAL CORPORATE ASSET VALUE (as of 06/30/2024)
1	Facility Assets funded from Land Based Revenue (Divided by Non-Exempt Acreage)	\$70,060,034	\$56,913,592
2	Corporate Assets		
2(A)	Corporate Non-Facility Assets	\$6,161,922	\$6,534,856
2(B)	Corporate Facility Assets (Buildings)	\$3,914,576	\$3,919,608
2(B)	Facility Assets funded from Other Revenue		\$10,476,080
2(C)	Land Associated with Corporate Facility Assets	\$1,712,071	\$1,712,071
2	Total Corporate Assets from All Sources of Revenue (Divided by Non-Exempt Acreage plus Exempt Acreage with Service)	\$11,788,570	\$22,642,616
Total Corporate Assets Related to Annexation Charges		\$81,848,603	\$79,556,208
Total Non-Exempt District Acreage		56,306	55,805
Total Non-Exempt Acreage plus Exempt Acreage with Service		59,170	58,626
Annexation Charge (\$/Acre)		\$1,443	\$1,406
Percent Increase from Previous FY		1.8%	(2.6%)

Administrative Code Modifications – Once approved at the public hearing, Sections 160.4(c) and 220.2(e) of the District’s Administrative Code would need to be modified to reflect the approved changes in the Meter Capacity Charges and Annexation Charge.

RECOMMENDATION:

After discussion and consideration of the proposed increased Meter Capacity Charges and Annexation Charge for FY 2025-2026, staff recommends the Board of Directors:

- Set the date of the public hearing to consider approval of the recommended water Meter Capacity and Annexation Charges and related Administrative Code modifications for the July 7, 2025 Board Meeting, and direct staff to publish the appropriate notices incorporating any comments or revisions as directed by the Board.

PREPARED BY:



Wally Grabbe
District Engineer

SUBMITTED BY:

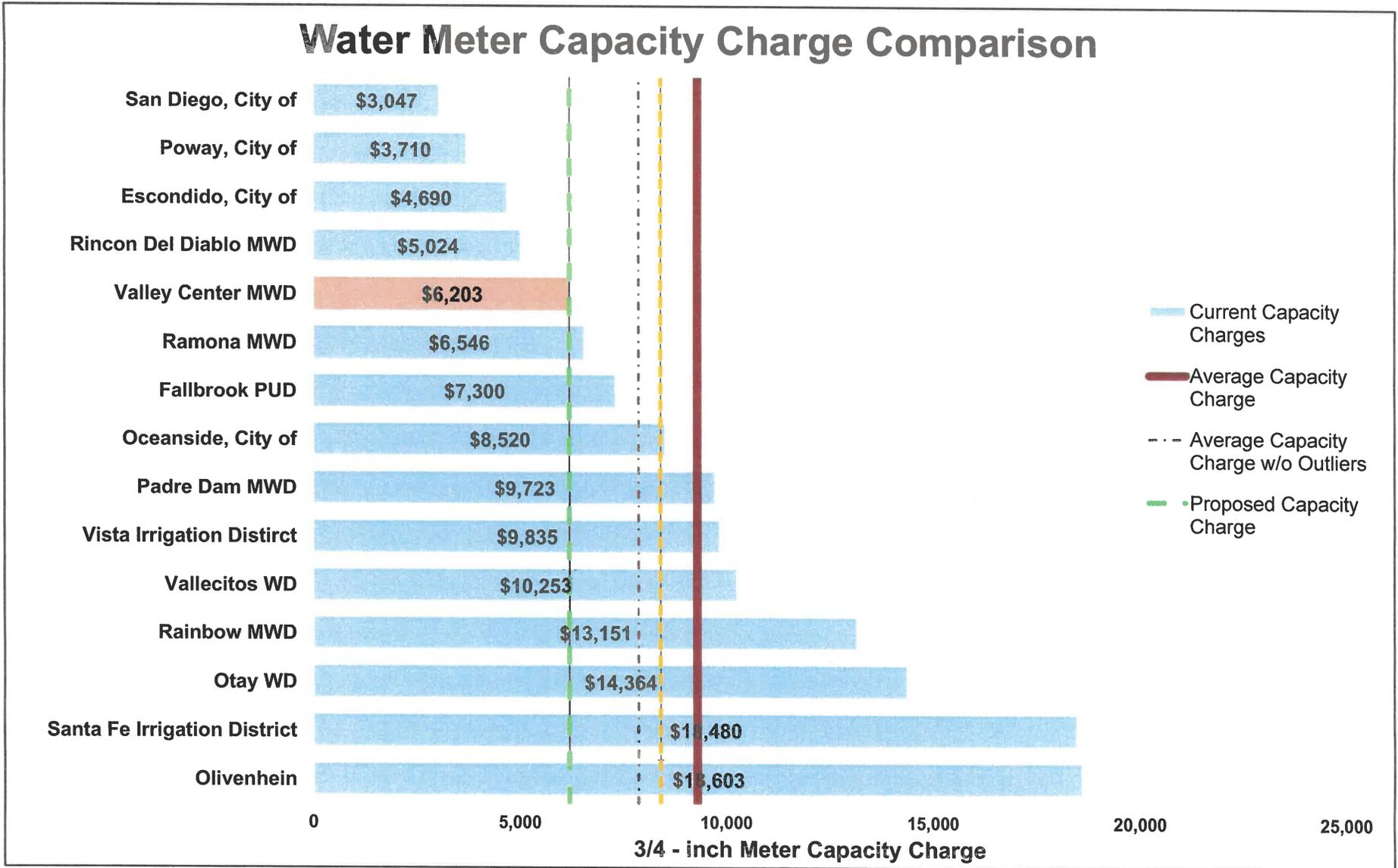


Gary Arant
General Manager

Attachments:

Attachment 1 – Water Meter Capacity Charge Comparison Chart
Attachment 2 – Draft Public Notice

Water Meter Capacity Charge Comparison



VALLEY CENTER MUNICIPAL WATER DISTRICT
NOTICE TO AMEND
WATER METER CAPACITY AND ANNEXATION CHARGES

NOTICE IS HEREBY GIVEN THAT on Monday, July 7, 2025, at 2:00 p.m., the Board of Directors of the Valley Center Municipal Water District (“District”) at their regularly scheduled Board Meeting will consider proposed changes to the Water Meter Capacity Charges and Annexation Charge assessed by the District.

The methodology for determining the Water Meter Capacity Charges and Annexation Charge recommendations are a “Buy-In” approach to the value of specific benefit area (SBA) facilities for the Water Meter Capacity Charges and the corporate asset value for the Annexation Charge. The “Buy-In” components are based on a determination of the fixed asset valuation and applicable reserve balances as of June 30, 2024. The proposed charges are shown in the following tables:

Water Meter Capacity Charge Summary					
Meter Size	¾-inch	1-inch	1 ½-inch	2-inch	3-inch
Current Capacity Charge	\$5,705	\$9,509	\$19,016	\$30,426	\$66,559
Proposed Increase	\$498	\$830	\$1,660	\$2,656	\$5,810
Proposed Capacity Charge	\$6,203	\$10,339	\$20,676	\$33,082	\$72,369
Percent Increase	8.7%	8.7%	8.7%	8.7%	8.7%

Incremental Capacity Charges for Specific Benefit Areas Summary			
SPECIFIC BENEFIT AREA (SBA) DESCRIPTION	SPECIAL BENEFIT AREA CAPACITY CHARGE (per equivalent ¾ inch meter)		Percent Increase
	Existing	Proposed	
High Mountain Waterline	\$1,352	\$1,361	0.67%
Wilkes Road Waterline	\$2,195	\$2,207	0.55%
Via Piedra Waterline Extension			
Subarea A	\$366	\$366	0.00%
Subarea B	\$12,268	\$12,268	0.00%
Subarea C	\$23,521	\$23,521	0.00%

Annexation Charge Summary Table			
	Current	Proposed	Percent Increase
Annexation Charge (\$/Acre)	\$1,443	\$1,406	(2.6%)

Documentation for the proposed charges are available upon request from the District, and can be viewed in the District’s Administrative Office at 29300 Valley Center Road, 7:00 a.m. to 4:30 p.m., Monday through Thursday and 7:00 a.m. to 3:30 p.m., Friday. A written protest to the proposed increases may be filed with the Board Secretary of the District at 29300 Valley Center Road, Valley Center, CA (mailing address: P.O. Box 67, Valley Center, CA 92082) any time prior to the hour set for the meeting.

The VCMWD Board of Directors welcomes the public to its Board Room in a limited capacity while accommodating virtual observation options as a convenience to the public. Additionally, Board Meetings continue to be livestreamed for those who wish to observe remotely. *Please note in the event of technical issues that disrupt the meeting livestream or receipt of public comments by phone or email, the meeting will continue.*

Instructions for members of the public who wish to address the Board of Directors:

Members of the public who wish to address the Board of Directors under “Audience Comments/ Questions” or on specific agenda items, may do so as instructed below. All comments will be subject to a limit of three (3) minutes.

- Making Public Comment for Those Attending In-Person: Members of the public who wish to observe or to address the Board may join the Board Members at the noticed, physical location. A Request to Speak slip is required to be submitted to the Board Secretary prior to the start of the meeting *(if possible)*.
- Phone Comments During the Meeting: Before the meeting, or before public comment period for the item closes during the meeting, submit a telephone number by email to the Board Secretary at publiccomments@vcmwd.org, together with the agenda item number, and the Board Secretary will call when the Board is ready to hear public comments; *or*
- Emailed Comments: Before the meeting, or before the public comment period for that item closes at the meeting, email your comments to the Board Secretary at publiccomments@vcmwd.org, and the comments will be read aloud during the public comment period; *or*
- Written Comments: Written comments can also be physically dropped off or mailed in advance of the meeting at the District’s Administrative Office located at 29300 Valley Center Road, Valley Center, CA 92082, for receipt no later than 1:00 p.m. on meeting day.

These public comment procedures supersede the District’s standard public comment policies and procedures to the contrary. If modifications or accommodations from individuals with disabilities are required, such persons should provide a request at least twenty-four (24) hours in advance of the meeting by email to the Board Secretary at kperaino@vcmwd.org.

Meeting Broadcast: Members of the public may watch the meeting electronically by visiting the District's website at vcmwd.org/Board/Board-Documents and then clicking the link listed below "live stream" on the page.

Any protest submitted via email or other electronic means will not be accepted as a formal written protest.

At the time stated above, the Board of Directors shall hear and consider all objections or protests, if any, to the proposed increase in charges and may continue the hearing from time to time. Upon the conclusion of the hearing, the Board may adopt, revise, change, reduce, or modify the increases or overrule any or all objections. If approved, the new Water Meter Capacity Charges and Annexation Charge will take effect immediately.

Gary Arant
General Manager

June 19 & June 26, 2025

June 2, 2025

TO: Honorable President and Board of Directors

FROM: Gary T. Arant, General Manager

SUBJECT: PROPOSED ANNUAL ASSESSMENTS AND SPECIAL TAXES FOR PROPERTY WITHIN THE WOODS VALLEY RANCH SEWER SERVICE AREAS TO BE COLLECTED ON THE FY 2025-2026 TAX ROLL

PURPOSE:

Presentation, for review and discussion by the Board of Directors, of the following proposed annual assessments and special taxes for property within the Woods Valley Ranch Sewer Service Areas to be collected on the FY 2025-2026 tax roll:

- Woods Valley Ranch Sewer Service Charge – Service Areas 1 and 2;
- Woods Valley Ranch Grinder Pump Maintenance Charge – Service Area 2;
- Woods Valley Ranch Sewer Standby Fee – Service Areas 1 and 2
- Annual Assessments – Assessment District No. 2012-1 (“AD 2012-1”)
- Annual Special Taxes – Community Facilities District No. 2020-1 (“CFD 2020-1”)

SUMMARY:

Background

The process for approval of the various sewer service fees and charges, assessments, and special taxes for the Woods Valley Ranch sewer service areas consists of the following:

- A Public Hearing and Board Action Item to put the sewer service charges on the tax roll:
 - One Resolution – Three Exhibits:
 - Service Area 1 – Sewer Service Charge
 - Service Area 2 – Sewer Service Charge
 - Service Area 2 – Grinder Pump Maintenance Charge
- A Board Action Item to put the Sewer Standby Fee on the tax roll; and
 - One Resolution – Two exhibits:
 - Service Area 1 – Standby Fee
 - Service Area 2 – Standby Fee
- A Board Action Item to put AD 2012-1 Assessments and CFD 2020-1 Special Taxes on the tax roll:
 - Two Resolutions.
 - AD 2012-1 - Assessments
 - CFD 2020-1 – Special Taxes

This presentation is a preview of the charges proposed to be collected on the FY 2025-2026 property tax roll prior to publishing the required notifications.

Sewer Service Charges

The sewer service and grinder pump maintenance charges for the Woods Valley Ranch Sewer Service Areas have been collected annually on the County of San Diego Property Tax Roll (Tax Roll). The service charges provide for the operation, annual maintenance, and ultimate replacement of the District owned and operated collection, treatment, and seasonal storage facilities, and are levied on those properties connected to the wastewater collection system as of the end of the fiscal year (June 30, 2025). The California Health and Safety Code Section 5473.1 and Administrative Code require that a public hearing be conducted each year to consider continuing the collection of these charges on the Tax Roll. These charges consist of the following:

- Woods Valley Ranch Service Area 1 Annual Sewer Service Charge,
 - 5.0% increase from the prior year – **\$1,242.00** per Year per EDU;
- Woods Valley Ranch Service Area 2 Annual Sewer Service Charge,
 - 5.0% increase from the prior year – **\$1,242.00** per Year per EDU; and
- Woods Valley Ranch Service Area 2 Annual Grinder Pump Maintenance Charge
 - 5.1% increase from the prior year:
 - Simplex Unit - **\$642.24** per Year per EDU.
 - Duplex Units – See attached Exhibit.

District Funding Responsibility - The District's Sewer Service Charge responsibility is \$4,854.24, based on the 3 EDUS considered connected at the Corporate Facility Site.

Sewer Standby Fees

The Sewer Standby Fee is levied on those parcels in the service area that have a capacity reservation, but are not connected to the wastewater collection system as of the end of the fiscal year (June 30, 2025). The standby fee provides funding for the following costs for the Woods Valley Ranch Water Reclamation Facility and Collection System:

- a) Certain fixed maintenance cost items,
- b) Operation support, and
- c) Replacement reserve contribution.

All of which are necessary to maintain a parcel's capacity commitment until the parcel is developed and connected to the wastewater collection system.

In addition, the Sewer Standby Fee revenue supplements the Sewer Service Charge (SSC) revenue in the case that the SSC is not sufficient to cover the full cost of operation of the treatment and collection facilities.

The following is a summary of the proposed sewer standby fees:

- Woods Valley Ranch Service Area 1 Annual Sewer Standby Fee,
 - No Change from the prior year – **\$550.32** per Year per EDU; and
- Woods Valley Ranch Service Area 2 Annual Sewer Standby Fee,
 - No Change from the prior year – **\$550.32** per Year per EDU.

District Funding Responsibility - The District's Sewer Standby Fee responsibility is \$24,214.08, based on 35 EDUs for the District's Lilac Road Site and 9 EDUs of the 12 EDUs allocated to the Corporate Facility Site (3 EDUS are considered connected and are subject to the Sewer Service Charge).

Assessment District No. 2012-1 Annual Assessment

The annual assessments of AD 2012-1 are used to fund the debt service repayment of the three California State Water Resources Control Board SRF Loans and two 1915 Act Limited Obligation Improvement Bonds ("Bonds") used to finance the Woods Valley Ranch Wastewater Expansion Project and a portion of the Orchard Run Lift Station construction.

Annual assessments totaling approximately \$1.85M are estimated for FY 2025-2026. Costs for the Expansion project were allocated to seven Benefit Areas (A through G) based on the benefit as defined in the Engineer's Report for the assessment district and the 821 EDUs allocated to the properties within Service Area 2 and outside CFD 2020-1. In the current fiscal year (FY 2024-2025), modifications to the assessments included the transfer and reallocation of 1 EDUs. The modifications will be included in the assessments for the FY 2024-2025 tax roll.

District Funding Responsibility - The Valley Center Municipal Water District has a total capacity reservation of 47 EDUs; 35 EDUs reserved for the future Lilac Road corporate facility site and 12 EDUs for the Valley Center Road Corporate Facility Site. The annual assessment for the District's capacity reservation totals approximately \$75,000.

Community Facilities District No. 2020-1 Special Tax Levy

The amount of the annual CFD 2020-1 Special Tax levy is established and determined by the Rate and Method of Apportionment (RMA) document prepared by Koppel & Gruber Public Finance. The RMA was approved with the formation of the community facilities district and allows for a maximum 2% annual increase in the special tax levy. The proposed Special Tax Levy for the next fiscal year is based on whether the property is undeveloped (without a building permit) or developed (with a building permit) as of May 15. The Special Tax for the developed property is further dependent on the characteristics (square footage) of the home permitted for the parcel. The special tax levy for FY 2025-2026 is estimated at approximately \$906,600. Of this amount approximately \$536,900 is allocated to the CFD 2020-1's share of AD 2012-1 debt and administration fees with the balance (\$349,700) available for the debt service on the

Series 2024 bond and administration fees. The Series 2024 bond debt for FY 2025-2026 is \$236,137, potentially leaving \$113,560 available to fund a partial transfer of capacity from the Indian Creek development in the North Village if approved by the Board. The special tax revenue requirements anticipated for the Series 2024 bond and the Phase 3 Improvements or the proposed capacity transfer will require the maximum allowable increase in the special tax levy to continue for the foreseeable future.

District Funding Responsibility – None

Public Notifications

A public hearing is required to consider placing the Sewer Service Charges and Grinder Pump Maintenance Charge on the Tax Roll. The public hearing requires two published notifications; the first publication being at least two weeks prior to the public hearing date and the second publication being at least 6 days after the first publication date. The standby fees, assessments and special taxes are subject to the standard posting requirements for the Board meeting. Staff prepared the attached notification to be published in the local newspaper a minimum of two weeks prior to the public hearing currently scheduled for July 7, 2025.

RECOMMENDATION:

Staff recommends the Board of Directors authorize staff to set a public hearing date (anticipated for July 7, 2025) to place the service charges on the tax roll and to proceed with the proper notifications to consider collecting the following annual sewer service charges, fees, assessments, and special taxes on the FY 2025-2026 tax roll:

- Woods Valley Ranch Service Area 1 - Sewer Service Charge,
- Woods Valley Ranch Service Area 2 - Sewer Service Charge and Grinder Pump Maintenance Charge,
- Woods Valley Ranch Service Areas 1 and 2 - Sewer Standby Fee,
- AD No. 2012-1 Annual Assessments, and
- CFD 2020-1 Special Taxes.

PREPARED BY:



Wally Grabbe, PE
District Engineer

SUBMITTED BY:



Gary T. Arant
General Manager

Attachments:

- Draft Public Hearing Notice
- Duplex Grinder Pump Charges

NOTICE OF PUBLIC HEARING

VALLEY CENTER MUNICIPAL WATER DISTRICT WOODS VALLEY RANCH SEWER SERVICE AREAS 1 AND 2 ANNUAL SEWER SERVICE AND GRINDER PUMP MAINTENANCE CHARGES

Notice is hereby given that a public hearing on the Woods Valley Ranch WRF Fees and Charges Annual Report (the "Report") prepared for the Board of Directors of the Valley Center Municipal Water District (the "District") pertaining to the Woods Valley Ranch Annual Sewer Service Charge of **\$1,242.00** per EDU (Equivalent Dwelling Unit) and Annual Grinder Pump Maintenance Charge of up to **\$642.24** per EDU (or per pump for multi-pump units) to be levied for FY 2024-2025 on certain parcels located within the Woods Valley Ranch Sewer Service Areas 1 and 2 ("Service Area") of the District will be held in the regular meeting place of the Board of Directors of the District, being the District offices located at 29300 Valley Center Road, Valley Center, California (Mailing Address: P. O. Box 67, Valley Center, CA 92082, Telephone: 760-735-4500), on the following date and at the following time:

July 7, 2025 AT 2:00 P.M.

Documentation for the proposed changes are available upon request from the District, and can be viewed in the District's Office at 29300 Valley Center Road, 7:00 a.m. to 4:30 p.m., Monday through Thursday and 7:30 a.m. to 4:00 p.m., Friday. A written protest to the proposed increases may be filed with the Board Secretary of the District at 29300 Valley Center Rd., Valley Center, CA (mailing address: P. O. Box 67, Valley Center, CA 92082) any time prior to the hour set for the hearing.

The VCMWD Board of Directors welcomes the public to its Board Room in a limited capacity while accommodating virtual observation options as a convenience to the public. Seating inside the Board Room will be spaced to accommodate social distancing. Additionally, Board Meetings continue to be livestreamed for those who wish to observe remotely. *Please note that in the event of technical issues that disrupt the meeting livestream or receipt of public comments by phone or email, the meeting will continue.*

Instructions for members of the public who wish to address the Board of Directors:

Members of the public who wish to address the Board of Directors under "Audience Comments/Questions" or on specific agenda items, may do so as instructed below. All comments will be subject to a limit of three (3) minutes.

- Making Public Comment for Those Attending In-Person: Members of the public who wish to observe or to address the Board may join the Board Members at the noticed, physical location. A Request to Speak slip is required to be submitted to the Board Secretary prior to start of the meeting (*if possible*).
- Phone Comments During the Meeting: Before the meeting, or before public comment period for the item closes during the meeting, submit a telephone number

by email to the Board Secretary at publiccomments@vcmwd.org, together with the agenda item number, and the Board Secretary will call when the board is ready to hear public comments; *or*

- Emailed Comments: Before the meeting, or before public comment period for that item closes at the meeting, email your comments to the Board Secretary at publiccomments@vcmwd.org and the Board Secretary and it will be read aloud at the public comment period; *or*
- Written Comments: Written comments can also be physically dropped off in advance of the meeting at the District's Administrative Office or mailed in advance of the meeting to 29300 Valley Center Rd., Valley Center, CA 92082, for receipt no later than 1:00 pm on meeting day.

These public comment procedures supersede the District's standard public comment policies and procedures to the contrary. If modifications or accommodations from individuals with disabilities are required, such persons should provide a request at least 24 hours in advance of the meeting by email to the Board Secretary at kperaino@vcmwd.org.

Meeting Broadcast: Members of the public may watch the meeting electronically by visiting the District's website at vcmwd.org/Board/Board-Documents and then clicking the link listed below "live stream" on the page.

Any protest submitted via e-mail or other electronic means will not be accepted as a formal written protest.

At the time stated above, the Board of Directors shall hear and consider all objections or protests, if any, to the proposed increase in fees and charges and may continue the hearing from time to time. Upon the conclusion of the hearing, the Board may adopt, revise, change, reduce, or modify the increases, or overrule any or all objections.

The Sewer Service Charge is used to finance the annual cost of the operation and maintenance of certain facilities required to provide sewer service to properties within the Service Area. The Sewer Service Charge will be imposed on all developed parcels within Service Area that are connected to the District's sewer collection system.

The Grinder Pump Maintenance Charge is used to finance the annual cost of the operation and maintenance of certain private pump facilities required to provide sewer service to properties within Service Area 2. The Grinder Pump Maintenance Charge will be imposed on all developed parcels within Service Area 2 that have an approved private grinder pump connected to the District's low pressure sewer collection system.

The Sewer Service Charge and the Grinder Pump Maintenance Charge are proposed to be collected on the property tax bill. If the Board of Directors find that a protest has been made by the owners of a majority of the separate parcels described in the Report, then such Report shall not be adopted and the protested Sewer Service Charge or Grinder

DUPLEX GRINDER PUMP MAINTENANCE CHARGES FY 2025-2026		
EDUS	MONTHLY	ANNUALLY
1	\$65.86	\$790.32
2	\$80.32	\$963.84
3	\$94.02	\$1,128.24
4	\$107.14	\$1,285.68
5	\$119.59	\$1,435.08
6	\$131.38	\$1,576.56
7	\$142.49	\$1,709.88
8	\$152.80	\$1,833.60
9	\$162.56	\$1,950.72
10	\$171.65	\$2,059.80
11	\$180.07	\$2,160.84
12	\$187.81	\$2,253.72
13	\$194.76	\$2,337.12
14	\$201.16	\$2,413.92
15	\$206.89	\$2,482.68
16	\$211.92	\$2,543.04
17	\$216.31	\$2,595.72
18	\$220.01	\$2,640.12
19	\$222.93	\$2,675.16
20	\$225.28	\$2,703.36

June 2, 2025

TO: Honorable President and Board of Directors

FROM: Gary Arant, General Manager

SUBJECT: AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES AGREEMENT WITH ENTERPRISE AUTOMATION FOR THE WATER SYSTEM HMI MIGRATION PROJECT [PROJECT No. 01-06-78-51730]

PURPOSE:

Request the Board of Directors adopt Resolution No. 2025-15 approving Amendment No. 1 for \$128,431 to Enterprise Automation's (EA) Professional Services Agreement for additional support and programming for the remaining sites associated with the Water System SCADA/HMI Migration Project.

SUMMARY:

On May 20, 2024, the Board authorized the General Manager to enter into a Professional Services Agreement with Enterprise Automation ("EA") in an amount not to exceed \$449,931 for the Water System HMI Migration Project. The original scope included HMI software migration and PLC programming for eight District facilities.

With the original authorization, it was anticipated that the PLC programming for the Phase 1 sites, not included in the NCESP project, would be completed by District staff. This would include the Couser Pump Station and Reservoir Site, the Pfau Pump Station Site, the Lilac-Pala Pump Station Site and San Gabriel, and Weaver Reservoir sites.

During the course of this project, continued discussion between EA and the District has led to the District considering a modified approach. The District has requested that EA now provide services to complete the PLC and Ignition programming, testing, and commissioning of the remaining sites. District staff will be able to participate in the testing and commissioning process so they can become familiar with the programming to still support the goal of staff maintaining the system in the future. This addition to the scope of work results in an increase of \$128,431 to the original contract amount of \$449,931.

AMENDMENT No. 1:

Amendment No. 1 to the Professional Services Agreement with EA will revise the contract, bringing the not-to-exceed amount to \$578,362 and allowing for the continued efficient and standardized migration to the Ignition platform, while supporting operational reliability and consistency across District facilities.

Funding Summary

No additional funding is required for this amendment. The San Diego County Water Authority (SDCWA) will fund their respective portion (approximately \$13,000), and the remaining amount will be accommodated through the reallocation of existing funds within the approved project budget.

The following table represents the current funding authorization for the project and the line item budget reallocations needed for the proposed amendment:

BUDGET SUMMARY - SCADA/HMI Migration Project			
Description	Current Budget	Reallocation for Amendment 1	Revised Budget
Staff	145,500	0	145,500
Rockwell Construction Services	49,875	0	49,875
Enterprise Automation	449,931	128,431	578,362
Original Authorization	449,931		449,931
Amendment No. 1	0	128,431	128,431
SDCWA Funding (18045)	(138,176)	(12,979)	(151,155)
Hardware/Software	157,686	(75,000)	82,686
Miscellaneous	11,000	(1,794)	9,206
Contingency	44,684	(38,658)	6,026
Total	\$720,500	\$0	\$720,500

RECOMMENDATIONS:

Staff recommends that the Board of Directors adopt Resolution No. 2025-15 approving Amendment No. 1 to the Enterprise Automation Professional Services Agreement for additional support in the amount of **\$128,431.15** for a new total contract amount of \$578,362.35.

PREPARED BY


Wally Grabbe, PE
District Engineer

SUBMITTED BY:


Gary Arant
General Manager

Attachments:

Resolution No. 2025-15

RESOLUTION NO. 2025-15

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
VALLEY CENTER MUNICIPAL WATER DISTRICT
APPROVING AMENDMENT NO. 1 TO THE PROFESSIONAL SERVICES
AGREEMENT WITH ENTERPRISE AUTOMATION FOR THE
WATER SYSTEM HMI MIGRATION PROJECT - PHASE 1 INTEGRATION
[ACCOUNT NO. 01-06-78-51730]**

WHEREAS, the District's Supervisory Control and Data Acquisition ("SCADA") system consists of a wireless Ethernet network connecting all the water and wastewater facilities to a server, allowing the operators to monitor and control the facilities through Human Machine Interface ("HMI") software connecting to the operator's workstations;

WHEREAS, the Water System HMI Migration Project was initially established to transition the District's HMI software from Wonderware InTouch to Inductive Automation Ignition to save on annual software licensing cost and extend the SCADA system monitoring and control functions to the operators tablets and cell phones;

WHEREAS, given the complexity, magnitude and cost of upgrading the entire system at once, staff created an initial Phase 1 project centered around the three sites associated with the District's North County Emergency Storage Project ("NCESP") plus five other nearby sites that are operationally connected (Weaver and San Gabriel Reservoirs, Lila-Pala, Couser and Pfau Pump Stations);

WHEREAS, Enterprise Automation ("EA") was selected to provide the HMI migration services and entered into a Professional Services Agreement ("PSA") in the amount of \$449,931.20 to complete the work;

WHEREAS, the project was initially intended to be completed utilizing in-house IT staff for the PLC and HMI programming for the Weaver and San Gabriel reservoirs and Couser, Lilac-Pala, and Pfau pump station sites, staff now desires to have EA complete this work;

WHEREAS, EA's has provided the attached proposal in the amount of \$128,431.15 as an amendment to their current PSA to complete the work, increasing EA's total contract amount to \$578,632.35;

WHEREAS, a portion of EA's scope of work in the amount of approximately \$150,000 for the original contract amount and \$13,000 for Amendment 1 is attributable to the NCESP project and will be funded from proceeds provided by the San Diego County Water Authority for that project; and

WHEREAS, there is sufficient funding available in the current project budget for the balance of the proposed amendment.

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED, AND ORDERED by the Board of Directors of VALLEY CENTER MUNICIPAL WATER DISTRICT as follows:

1. The District finds and determines that the preceding recitals are true and correct.
2. Enterprise Automation's proposal dated March 14, 2025, in the amount of \$128,431.15 for the Water Systems HMI Migration Project is accepted.
3. The General Manager, or his designee, is authorized and directed to execute said Professional Services Agreement on behalf of the District with Enterprise Automation.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Valley Center Municipal Water District held on the 2nd day of June 2025, by the following vote:

Enrico P. Ferro, *President*

ATTEST:

Kirsten Peraino, *Board Secretary*

Attachment:

Enterprise Automation Proposal dated 3/14/2025

Change Order 2
EA24VCW101
Valley Center MWD

3/14/2025

Mr. Wally Grabbe,

This letter represents Enterprise Automation's (EA) formal request to amend or alter the scope, schedule, fee, or other pertinent project documents. A description of the project modifications is contained hereafter.

Justification for Project Change

The original project scope was developed with an intentional split of responsibilities between EA, the District, and their contracted integrator for the NCESP sites. This was done to efficiently meet the District's budgetary requirements, allowing EA to provide value through development of documentation, standards, and templates, while allowing either the District or their contracted integrator to perform the actual programming and commissioning work for each site. This approach also allowed for District staff to more closely participate in the development of the new Ignition system, since it would be theirs to maintain once commissioned.

During the course of this project, continued discussion between EA and District has led to the District considering a modified approach. The District has requested that EA now provide services to complete the PLC and Ignition programming, testing, and commissioning of the remaining five (of eight) sites originally in their scope to complete. District staff will be able to participate in the testing and commissioning process so they can become familiar with the programming to still support the goal of staff maintaining the system in the future.

This change order both reallocates existing budget and adds more budget to support the District in completing the remaining sites originally in their scope. Due to the additional clarity gained through executing the project to date, the estimated cost of EA's proposed additional scope is significantly less than originally anticipated during the original negotiation of project costs during the RFP process (which was subsequently excluded at the time).

Description of Project Change

The following changes are organized in terms of the major budget headings represented on the project progress summary for ease of tracking purposes. Both removal and addition of scope is described in each, and the cost estimate included in Appendix A shows the impact of each item.

1. Site Template Design

Re-incorporate scope for developing a reservoir site functional specification, including associated workshops and submittals, that was originally removed in Change Order 1. The budget for this task has been determined based on the latest information provided by the District regarding the full set of functionality required to build a site-level template that can be applied to all reservoir sites.

2. Standards Configuration

Add scope for EA to develop additional HMI standards features as discussed with the District. EA is providing a ready to use HMI standards library as a part of the original scope of this project. After review with the District, they have requested a few additional customizations as listed below:

- Enable/disable alarms within faceplates
- Link to trend client from faceplates
- Additional symbol color for stopped & auto available

3. NCESP San Gabriel PS

Remove site investigation scope which has been determined to be no longer required after discussion with the District.

4. NCESP Halcones FCF

Remove site investigation scope which has been determined to be no longer required after discussion with the District.

5. NCESP Muutama FCF

Remove site investigation scope which has been determined to be no longer required after discussion with the District.

6. NCESP Lilac-Pala PS

Remove site investigation and panel retrofit design scope which has been determined to be no longer required after discussion with the District. Any electrical modifications done to install the new PLC will be minimal (just a swap) vs. a brand-new design as originally planned, and will be the responsibility of the District to plan and complete the work.

Add scope for EA to develop a functional testing plan for the addition of the second pump, which is otherwise under the scope of the contracted integrator and the District to complete the programming, test, and commissioning of. The District will be responsible for executing the test plan that EA develops.

Add scope for EA to develop the replacement pump station PLC program for the new Ignition system. EA will achieve this by taking the San Gabriel PS PLC program developed by the contracted integrator and turning it into a pump station site template, of which an instance will be created for this site specifically. The Ignition development for this site will remain in EA's scope under the original project plan. EA will then complete integrated testing and commissioning of the Ignition and PLC programming for this site, with the assistance of the District for any necessary electrical modifications and operational support for functional testing.

7. NCESP Couser RES & PS

Remove site investigation and panel retrofit design scope which has been determined to be no longer required after discussion with the District. Any electrical modifications done to install the new PLC will be minimal (just a swap) vs. a brand-new design as originally planned, and will be the responsibility of the District to plan and complete the work.

Add scope for EA to develop the replacement pump station PLC program for the new Ignition system. EA will achieve this by taking the San Gabriel PS PLC program developed by the contracted integrator and turning it into a pump station site template, of which an instance will be created for this site specifically. The Ignition development for this site will remain in EA's scope under the original project plan. EA will then complete integrated testing and commissioning of the Ignition and PLC programming for this site, with the assistance of the District for any necessary electrical modifications and operational support for functional testing.

8. NCESP Pfau PS

Remove site investigation and panel retrofit design scope which has been determined to be no longer required after discussion with the District. Any electrical modifications done to install the new PLC will be minimal (just a swap) vs. a brand-new design as originally planned, and will be the responsibility of the District to plan and complete the work.

Add scope for EA to develop the replacement pump station PLC program for the new Ignition system. EA will achieve this by taking the San Gabriel PS PLC program developed by the contracted integrator and turning it into a pump station site template, of which an instance will be created for this site specifically. The Ignition development for this site will remain in EA's scope under the original project plan. EA will then complete integrated testing and commissioning of the Ignition and PLC programming for this site, with the assistance of the District for any necessary electrical modifications and operational support for functional testing.

9. NCESP San Gabriel RES

The complete scope for this site was previously removed in Change Order 1. The following items are therefore all considered scope additions.

Add scope for EA to develop the replacement reservoir site PLC program and SCADA screen for the new Ignition system. EA will achieve this by first creating a reservoir site template based on the developed functional specification, of which an instance will then be created for this site specifically. EA will then complete integrated testing and commissioning of the Ignition and PLC programming for this site, with the assistance of the District for any necessary electrical modifications and operational support for functional testing.

10. NCESP Weaver RES

The complete scope for this site was previously removed in Change Order 1. The following items are therefore all considered scope additions.

Add scope for EA to develop the replacement reservoir site PLC program and SCADA screen for the new Ignition system. EA will achieve this by first creating a reservoir site template based on the developed functional specification, of which an instance will then be created for this site specifically. EA will then complete integrated testing and commissioning of the Ignition and PLC programming for this site, with the assistance of the District for any necessary electrical modifications and operational support for functional testing.

11. Travel Expenses

Additional travel expenses have been included to cover the added commissioning scope for each site.

12. Project Management

Additional project management time has been included reflecting the added scope.

13. Contingency Funds

Change Order 1 was a "zero dollar" change order to entirely remove scope related to the reservoir sites and reallocate some of the available budget towards additional design tasks. Since all the remaining budget was not reallocated, the remainder was set aside as a contingency anticipated to be used for additional programming services. As this is now effectively the scope of Change Order 2, these contingency funds have been entirely allocated towards the budget of this change order.

Schedule Effect

Delay Advance None Unknown

Cost Estimate

The tasks to be performed along with the estimated time to complete the tasks are detailed in the attached cost estimate (Appendix A).

Conclusion

I welcome any further discussion that may facilitate the refinement of this scope of work. Please contact me on our main office number (949) 769-6000 x114 or alternatively on my cell phone at (949) 874-7649 with any questions.

Thank you,

Alex Coker, PE

Automation Architect

Assumptions & Clarifications

1. The District will be performing the necessary SCADA changes (in the existing Wonderware system), and Soffa will be performing the necessary PLC changes (in the existing site PLC) for the addition of pump 2 at Lilac-Pala PS. EA will only be providing the test documentation for the SCADA and PLC changes, and testing will be executed by the District/Soffa.
2. The District will still be responsible for any electrical modifications required to install the new PLC hardware at sites that are not the responsibility of the construction contractor. EA will not be providing any design documentation or support related to this activity.
3. All assumptions from the original project proposal and previous change orders remain in effect.
4. Written approval (email or letter) from Valley Center MWD is required for all submittals within 10 business days of release by EA.
5. Delays due to mechanical, electrical, or IT related issues, production scheduling constraints, or lack of system availability out of EA's control, which result in additional site time, will be charged at EA's standard hourly rates.
6. Terms and conditions are per the original Purchase Order.

Change Order Log

Change Order #	Description	Proposed Price	Status	Approved Price
-	Original Contract	-	N/A	\$449,931.20
1	CO1: Repurpose Reservoir Scope	\$0.00*	Approved	\$0.00*
2	CO2: Reservoir Spec, Programming, Deploy	\$128,431.15	Pending	-
TOTAL APPROVED AMOUNT				\$449,931.20
TOTAL PENDING CHANGE ORDERS				\$128,431.15
TOTAL APPROVED + PENDING CHANGE ORDERS				\$578,362.35

*NOTE: CO1 represents a scope change only

Appendix A: Cost Estimate

Change Order 2

Engineering Labor		Labor Hours Breakdown				Totals	
wbs	Description	Proj. Eng.	Lead Eng.	Architect	PM	Hours	Price
	Site Template Design Add reservoir functional specification Add reservoir specification review workshops Add reservoir specification final updates	34	14			56	\$13,326.00
	Standards Configuration Additional required features discussed by District/EA Enable/disable alarms within faceplates Link to trend client from faceplates Additional symbol color for stopped & auto available Internal testing and non-conformance fixes	16	4			74	\$17,450.00
	NCESP San Gabriel PS Remove investigation scope	-4	-2			-6	-\$1,436.00
	NCESP Halcones FCF Remove investigation scope	-2	-2			-4	-\$988.00
	NCESP Muutama FCF Remove investigation scope	-2	-2			-4	-\$988.00
	NCESP Lilac-Pala PS Remove investigation scope Remove panel retrofit scope Add pump 2 commissioning test plan Add PLC program template creation Add test documentation & internal testing Add deployment documentation & planning Add commissioning	-21 -24 24 64 4 40	-5 -8 8 48 4 40	-1 2 2		181	\$44,898.00
	NCESP Couser RES & PS Remove investigation scope Remove panel retrofit scope Add PLC program instance creation Add deployment documentation & planning Add commissioning	-21 -24 16 4 30	-5 -8 8 4 30	-1		33	\$8,670.00
	NCESP Pfau PS Remove investigation scope Remove panel retrofit scope Add PLC program instance creation Add deployment documentation & planning Add commissioning	-21 -24 16 4 30	-5 -8 8 4 30	-1		33	\$8,670.00

Client: Valley Center MWD
Project: Water Systems SCADA/HMI Migration - Phase 1



Number: EA24VCW101 Date: 3/14/2025 Revision: 1.0.0 Author: AC Reviewed By: MPM/NT

Change Order 2

Engineering Labor		Labor Hours Breakdown				Totals	
		Proj. Eng.	Lead Eng.	Architect	PM	Hours	Price
	NCESP San Gabriel RES					165	\$39,960.00
	Add Ignition programming	12	4				
	Add PLC program template creation	32	12	1			
	Add test documentation & internal testing	32	24				
	Add deployment documentation & planning	4	4				
	Add commissioning	20	20				
	NCESP Weaver RES					70	\$17,060.00
	Add Ignition programming	12	4				
	Add PLC program instance creation	4	2				
	Add deployment documentation & planning	4	4				
	Add commissioning	20	20				
	Travel						\$800.00
	mileage (~\$100 round trip)						\$3,184.00
	hotel (GSA \$199 per night)						\$1,376.00
	per diem (GSA \$86 per night)						
	Project Management					60	\$15,900.00
	Project Management				60		
	Contingency					-166	-\$39,450.85
	Use contingency funds for pump station programming (CO1)	-132	-34				
Hours		191	239	2	60	492	
Price		\$42,784	\$64,530	\$560	\$15,900		\$128,431.15



SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING MAY 22, 2025

1. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the monthly Treasurer's Report.
2. Resolution setting a Public Hearing date and time for proposed CY 2026 Rates and Charges.
The Board adopted Resolution No. 2025-13, setting the time and place for a public hearing on June 26, 2025, at or after 9:00 a.m., or as soon thereafter as may practicably be heard, during the Administrative and Finance Committee meeting, to receive comments regarding the recommended rates and charges.
3. Butterfly and plug valve procurement for the Ramona Pipeline Buried Valves Replacement project.
The Board awarded a contract to Cascade Consultants LLC in the amount of \$818,276 to purchase 23 butterfly valves for the Ramona Pipeline Buried Valves Replacement project.; and awarded a contract to Cascade Consultants LLC in the amount of \$157,019 to purchase 11 plug valves for the Ramona Pipeline Buried Valves Replacement project.
4. The Board approved the minutes of the Formal Board of Directors' meeting of April 24, 2025 and the Special Administrative and Finance Committee minutes of April 29 and 30, 2025.
5. The Board adopted Resolution No. 2025-12, a Resolution of the Board of Directors of the San Diego County Water Authority, honoring Fern Steiner upon her retirement from the Board of Directors.

June 2, 2025

TO: Honorable President & Board of Directors
FROM: Gary T. Arant, General Manager
SUBJECT: DISTRICT MONTHLY STATUS REPORT – MARCH 2025

PURPOSE:

To provide the Board with a status report on District operations, activities and projects.

SUMMARY:

For the month ending March 31, 2025, the following reports are presented by the Operations, Engineering, Finance, Information Technology (I.T.), and General Administration Departments:

I. OPERATIONS DEPARTMENT:

A. WATER / WASTEWATER DIVISION:

	<u>MAR</u>	<u>MAR</u>	<u>FY</u>	<u>FY</u>
Water Operations	<u>2025</u>	<u>2024</u>	<u>2024-25</u>	<u>2023-24</u>
			<u>to Date</u>	<u>to Date</u>
Flow (average cfs)	7.35	6.02	20.64	16.76
Total Rainfall (inches)	3.61	4.98	7.5	19.65
Average 24 Hr. Temp. (EF)	54	53	63	62
Average High Temp. (EF)	65	63	77	74

Water Purchases (A.F.)	451.67	370.45	9,743.15	9,166.70
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	<u>Budgeted</u>	<u>Projected</u>	<u>Actual</u>
Water Sales (A.F.)	<u>2024-25</u>	<u>2024-25</u>	<u>2023-24</u>
	13,000.0	13,800.0	11,493.3

	<u>FEB</u>	<u>JAN</u>	<u>F.Y.</u>
Power Purchases	<u>2025</u>	<u>2025</u>	<u>2024-25</u>
Electricity and Natural Gas			<u>to Date</u>
Total kWh Purchased	194,002	449,441	4,530,218
Avg. Cost/kWh	\$0.311303	\$0.226890	\$0.236809
Total Therms Purchased	20,620	40,455	381,834
Avg. Cost/Therm	\$1.35287	\$1.21452	\$1.05687

Operations and Facilities Department RENEWABLE ENERGY PROJECTS



Country Club Res - 58kW



Miller Pump Sta. (A) - 70kW



Tyler Pump Station - 52kW



Cool Valley Res - 91kW



Solar Sites Online

★ (9) Sites - Total 1.86MW

Proposed Future Solar Sites

- Betsworth PS - Future 868kW
 - Miller PS (B) - Future 431kW
- Total: 1.3MW

Terms:
 kW - Kilowatt or 1,000 Watts
 MW - Megawatt or 1,000 Kilowatts
 1 MW will power 1,000 Homes

Moosa WRF - 278kW



Betsworth PS



Corporate Facility - 152.5kW



Lake Turner - 1.1MW



Cobb Res - 30kW



MJM Pump Station - 30kW



RENEWABLE ENERGY PROGRAM

Project	Start Date	kWh Produced FEB 2025	Savings from Solar FEB 2025	CSI Rebate FEB 2025	kWh Produced Fiscal Year	Savings from Solar Fiscal Year	CSI Rebate Fiscal Year	kWh Produced To Date	Savings from Solar To Date	CSI Rebate To Date
Lake Turner	1/1/2009	126,703	Not Available		872,431	Not Available		24,208,113	\$443,357	
Tyler Pump Station	6/3/2013	5,733	\$1,261		53,572	\$11,823		1,025,651	\$209,403	\$61,739
Circle R Pump Station	11/13/2013	5,869	\$1,291		55,462	\$12,241		1,036,129	\$213,054	\$68,201
Cobb Reservoir	4/1/2015	3,831	\$843		35,728	\$7,882		544,256	\$113,525	\$37,481
MJM Pump Station	6/1/2015	2,975	\$655		28,874	\$6,362		450,046	\$94,487	\$32,525
Cool Valley Pump Station	3/23/2016	10,377	\$2,283		97,302	\$21,461		1,357,055	\$291,479	
Miller Pump Station	7/1/2016	7,375	\$1,623		68,288	\$15,075		961,582	\$205,955	
Lower Moosa Canyon	8/7/2023	29,403	\$235		281,774	\$3,934		807,651	\$25,087	
Corporate Facility	7/12/2024	14,747	\$621		126,017	\$14,322		126,017	\$14,322	
TOTALS		207,013	\$8,812	\$0	1,619,448	\$93,101	\$0	30,516,500	\$1,610,669	\$199,946

Total Program Cost Savings:

\$1,810,615

Total Metric Tons of CO2e Offset by Renewable Energy Production:

9,826

SDG&E CO2e Factor:

0.322

Total Renewable Energy Credits ("REC") Sold:

24,581

Value: \$ 49,207

No credits sold in February 2025

+ 0

+ \$ -

24,581

\$ 49,207

Wastewater	MAR	MAR	MAR
Daily Flows (Average M.G.D.)	<u>2025</u>	<u>2024</u>	<u>2023</u>
Moosa	.266	.320	.262
Woods Valley	.128	.132	.108

Recycled Water	MAR	MAR	F.Y.	F.Y.
	<u>2025</u>	<u>2024</u>	<u>2024-25</u>	<u>2023-24</u>
			<u>to Date</u>	<u>to Date</u>
Woods Valley Ranch WWRF (A.F.)	11.04	11.76	93.29	90.63

B. CUSTOMER CONTACTS:

Customer Service Requests:	MAR	MAR	F.Y.	F.Y.
	<u>2025</u>	<u>2024</u>	<u>2024-25</u>	<u>2023-24</u>
			<u>to Date</u>	<u>to Date</u>
Backflow Leaking	5	3	48	111
Conservation	0	0	0	0
Facilities Damaged by Others	0	0	2	1
Leaks	14	21	216	245
Miscellaneous	25	19	180	177
No Water	4	4	47	40
Pressure	7	6	75	76
Sewer	0	0	4	2
STEP System	3	5	24	27
Water Quality	0	0	6	10
After-Hour Call-Outs				
SCADA	6	1	39	29
Customer	12	4	204	68

C. SAFETY MEETINGS:

Safety Meetings

03/04/25	Machine Guarding & Operating Safety	(Bill Morris)
03/11/25	First-Aid Kits	(Bill Morris)
03/14/25	Qualified Rigger & Signalman/Hoist & Slings	(Bill Morris)

Seminars/Meetings

03/12-13/25 CVU 101 hosted by Cla Val Company attended by Ron Darland

D. SECURITY:	MAR 2025	MAR 2024	F.Y. 2024-25 to Date	F.Y. 2023-24 to Date
Trespassing/Break-ins	0	0	5	1
Vandalism	0	0	0	0
Threats/Suspicious Activity	0	0	0	0
Theft	0	0	0	1
E. METER SERVICES DIVISION:	MAR 2025	MAR 2024	F.Y. 2024-25 to Date	F.Y. 2023-24 to Date
Installation/Maintenance/Repair				
Meters Installed	4		53	134
Meter Service Repairs		12	50	82
Total Meters Exchanged		8	113	125
Meter Flow Test Bench				
Meters Tested		8	95	121
Backflow Program RP & DC Devices				
Tested		840	5,044	4,852
Repaired		49	272	253
Installed		22	123	250
F. WATER FACILITIES DIVISION:	MAR 2025	MAR 2024	F.Y. 2024-25 to Date	F.Y. 2023-24 to Date
Pump Maintenance				
Pumps Pulled	0		8	4
Electric Motors Repaired	0		9	2
Electric Motors Rewound	0		0	0
G. CONSTRUCTION & MAINTENANCE DIVISION:	MAR 2025	MAR 2024	F.Y. 2024-25 to Date	F.Y. 2023-24 to Date
Pipeline Maintenance/Repair				
Mainline Repairs	0		14	15
Shutdowns	0		4	5
Shutdowns Due to New Construction	0		5	9
Valve Maintenance				
Quad completed: A – K				
65% through Quad L				
Leak Detection Program Status				
100% of facilities detected through Quads: A – K				
65% of facilities detected through Quad L				
Landscape (Reservoirs) Maintenance				
Station Maintenance	17		204	185

H. VEHICLE MAINTENANCE:

	<u>MAR</u> <u>2025</u>	<u>F.Y.</u> <u>2024-25</u> <u>to Date</u>	<u>F.Y.</u> <u>2023-24</u> <u>to Date</u>
Vehicles Serviced	6	50	43
Miles Driven	28,239	251,387	253,002
Gallons of Fuel Consumed - Vehicles	2,125	20,413	21,502
Gallons of Fuel Consumed – Equipment	111	4,184	1,526
MPG (average)	12.0	12.6	12.4
Pickup Trucks MPG	13.5	14.5	14.7
Service Trucks MPG	7.7	7.9	7.6
Average Vehicle Miles	459	519	507
Total Mileage on Vehicles		4,374,613	4,311,135
Total Number of Vehicles in Fleet	57		
Vehicles in Service	51		
Surplus Vehicles Available	6		

II. ENGINEERING DEPARTMENT:

A. ENGINEERING SERVICES:

	<u>March 2025</u>	<u>February 2025</u>	<u>F.Y. 2024-25 To Date</u>	<u>F.Y. 2023-24 To Date</u>
Fire Meter Sales	4	2	29	74
Meter Sales	5	0	24	69
Meter Relocation	0	1	2	30
Meter Resize	0	0	2	10
Maps Processed (PF letters)	0	5	13	20
Agency Clearances Signed	2	5	53	97
Fire Hydrants/Special Projects Accepted	0	0	5	5
Underground Service Alerts/Mark-Outs	289	322	3,325	4,678
Potable Construction Meters	1	1	21	43
One Day Permits	0	0	1	1
Wastewater Inspections	0	0	2	4

General Activity:

In addition to the items listed in the above table, Engineering Services staff assists with encroachment permits and violations, provides information for mark outs and helps customers with water conservation questions, and available rebate programs.

B. GEOGRAPHICAL INFORMATION SYSTEM (GIS):

The GIS team continuously adds or updates facility data in the system as changes occur, supporting project managers with maps, exhibits, and data analysis.

The following took place in March:

1. Water and wastewater infrastructure updates included adding or updating 13 valve/appurtenances, adding 152 laterals and fitting to existing meters, 190 water meter location updates via GPS coordinates, adding or updating 29 backflow devices and adding 2 wells. There were 8 service area updates to reflect changes in the parcel layer from SanGIS. Edits generated from 5 as-built record drawings were completed and 7 map exhibits were produced. SanGIS updates were downloaded for the most recent addresses, parcels, right of way and roads.
2. Continued to assist other departments in leveraging web applications, educating them on available tools and data queries while identifying opportunities to improve job efficiency.

3. Updated the Natural Gas Engine and Generator tables, enabling users to easily identify which units are active and which are inactive within Cityworks.
4. Improved the process of importing relevant customer information into the meters feature with the assistance of a consultant, allowing seamless access to meter data within both Cityworks and the main web application. This enhancement helps users efficiently view and manage meter information to better serve the District.
5. Consolidated wastewater information into a web dashboard, providing an at-a-glance view of the system along with detailed insights.

C. EASEMENT ENCROACHMENTS:

Summary of Activities:

In the month of March, no new Permits were requested and no new Violations were discovered. All other existing files are still pending.

	ENCROACHMENTS STATUS TABLE				
	Encroachment Violations			Encroachment Permits	
3/1/2025-3/31/2025	Pending Evaluation	Owner Resolution	District Resolution	Pending Evaluation	Active Permits
Beginning Log	12	23	11	18	11
Plus New	0	0	0	0	0
Less Completed	0	0	0	0	0
Ending Log	12	23	11	18	11

Encroachment VIOLATION Footnotes:

Pending Evaluation – This column represents the status of reported encroachment violations. The number of new violations reported during the month is indicated along with the number of violations that were resolved during the month. Resolution may result in either a) the property owner agreeing to remove the encroachment violation, b) in some cases, the District allowing the encroachment violation to remain pending resolution by the District, c) issuance of an encroachment permit that allows the encroachment to remain as is, or d) issuance of an encroachment permit that requires modification of the encroachment by the owner. Once the course of action for resolution of the encroachment violation has been determined, it is shown completed in the Pending Evaluation column and becomes a new item in either the Owner Resolution Column, the District Resolution Column, or the Active Permit Column.

Owner Resolution – Removal of the encroachment violation is a property owner action requirement and will be inspected by District staff. The number of encroachment violations that were removed during the month is indicated as completed in this column.

District Resolution – Staff has determined that the encroachment violation is not a result of the current owner’s action and has agreed to allow the encroachment to remain pending resolution by the District. The encroachment violation is properly documented and made clear to the owner that the District is not responsible for damage to the encroachment as a result of the operation, maintenance, or failure of the District’s facility in the easement.

Encroachment PERMIT Footnotes:

Pending Evaluation – This column represents the status of requests to construct facilities or other improvements within a District easement under review and consideration. The number of requests received during the month is indicated as new and the number of requests resolved is indicated as completed. Resolution of the request included either a) denial of the encroachment request, or b) issuance of an encroachment permit. Many times, the encroachment permits are issued concurrently with the completion of the work. Encroachment permits that will require further follow up inspection are shown in the Active Permits column.

Active Permits – This column shows the status of encroachment permits approved by District with work in progress and being inspected by District staff. Although the work is authorized, work may not commence immediately.

D. MAPPING:

General Activity: In the month of March staff received 19 mapping update requests for a total of 46, 21 were completed. In addition, staff digitized 20 VCMWD easement. From a total of 3,017 easements, 1,108 have been added to the District’s geodatabase, 1,909 are pending. Staff also assisted with the Site Facilities Fire Extinguisher plans, Site Facilities Hazmat plans, Standard Detail Drawings, and Moosa priority project drawings.

MAPS AND RECORDS UPDATE STATUS TABLE					
March	Capital Improvement Projects ⁽¹⁾	Developer Projects ⁽²⁾	Encroachment Permits ⁽³⁾	Special Projects ⁽⁴⁾	Facility Mapping ⁽⁵⁾
Beginning Log	0	0	0	15	27
Plus New	1	0	0	1	19
Less Completed	(1)	0	0	(1)	(21)
Ending Log	0	0	0	15	25

Maps and Records Updates: Maps and records consist of preparing record drawings (as-builts) and valve detail drawings and updating the District base map, GIS facility map, and database. Maps and records are continually being updated to accurately reflect completed projects, non-District improvements (encroachments), and current field conditions. The following table summarizes the status of the record map updates.

Maps and Records Update Status Table Footnotes:

1) Capital Improvement Projects – This column represents AutoCAD record drawing status of recently constructed Capital Improvement Projects. Each project may generate or affect one or more record drawings. Each project is counted as one regardless of the number of improvement sheets.

- 2) Developer Projects – This column represents AutoCAD record drawing status of recently constructed Developer Improvement Projects. Each project may generate or affect one or more record drawings. Each project is counted as one regardless of the number of improvement sheets.
- 3) Encroachment Permits – This column represents changes made to existing AutoCAD record drawings to reflect an encroachment that has been generated through the permit process.
- 4) Special Projects – This column represents AutoCAD record drawing status of recently constructed Special Projects such as the installation of new fire hydrants or service laterals.
- 5) Facility Mapping – This column represents individual minor mapping update requests from field or office staff.

E. FUNDING REQUESTS:

Drinking Water State Revolving Fund Loan (DWSRF) Application – 2020 Pipeline Replacement Project. This DWSRF Loan provides funding for Four pipeline replacement projects, Gordon Hill, Oat Hill, Lilac Road, and Alps Way. Loan approval in the amount of \$8.5M was received in March '22. Staff has submitted eight disbursement requests for construction funding, the most recent being Disbursement No. 8 (\$168K) submitted November, 2024, for expenses through August 30, 2024. The eight funding requests submitted to date total \$8.252M. To date, the SWRCB has disbursed \$7.842M in loan proceeds, the most recent being received on November 1, 2024. On average, it takes 136 days from disbursement submittal to receipt of the SRF loan proceeds.

EPA Community Grant. In April '23, VCMWD was awarded a \$3.06M Community Grant for the Lilac Road Pipeline Replacement Project. Because the Lilac Road project was already under construction, the EPA approved, a “Technical Correction” to shift the grant funding from the Lilac Road Pipeline Replacement Project to the Rodriguez Road Pipeline Replacement Project.

In April '24, VCMWD was awarded a \$715K Community Grant for the Old Castle Road Pipeline Replacement Project. Staff is in process of requesting, a “Technical Correction” to shift the \$3.06M grant funding from the Rodriguez Road Pipeline Replacement Project to the Old Castle Road Pipeline Replacement Project for a combined total of \$3,775M.

Staff is preparing the application for submittal through the EPA’s Grants.gov website in conjunction with an SRF application for the balance of the funding.

Drinking Water State Revolving Fund Loan (DWSRF) Application – 2023 Water Facility Replacement Project. Staff prepared and submitted in November '23 a \$9.3M application (\$12.36M total less the \$3.06M in grant funding) to the SWRCB for funding the following three projects: a) Old Castle Road Pipeline Replacement, b) Broadway South Pipeline Replacement and c) Rodriguez Road Pipeline Replacement. Due to anticipated cash flow requirements during construction, staff reduced the loan request to a \$5.525M application to include only the Old Castle project in combination with the \$3.775M for total project cost of \$9.3M. The application was completed in December and SWRCB staff is reviewing the submitted documents for issuance of the loan approval.

Drinking Water State Revolving Fund Loan (DWSRF) Application – North Broadway Pipeline Relocation Project. In December '24 Staff prepared and submitted a \$4.2M application for the North Broadway Pipeline Relocation Project. This was one of the projects eliminated from the 2023 Water Facility Replacement Project for cash flow purposes. The application is currently under SWRCB staff review for inclusion in the FY 2025-26 IUP.

F. SEMINARS/MEETINGS:

3/11/25 – M. Wick virtually attended the SDCWA Water Loss Control Group Meeting.

3/20/25 – M. Wick attended the Third Thursday, DWR Water Loss and Leak Detection webinar.

IV. FINANCE DEPARTMENT:

A. COMPARISON OF STATISTICS:

	<u>MAR</u> <u>2025</u>	<u>FY to Date</u> <u>2024-25</u>	<u>FY to Date</u> <u>2023-24</u>
<u>BILLS MAILED:</u>	10,507	94,613	94,345
<i>Actions for Non-Payment:</i>			
Notices Mailed	1,328	12,458	11,307
48 Hr. Phone Calls	538	4,902	4,912
Meters Flow Restricted	3	17	31
Accounts Liened	2	33	71
Lien Notices Mailed	6	72	217
Accounts Transferred	44	386	440
<u>CUSTOMER COUNTS:</u>	<u>MAR</u>	<u>MAR</u>	<u>MAR</u>
Active Water Accounts:	<u>2025</u>	<u>2024</u>	<u>2023</u>
Certified Ag - PSAWR	630	628	637
M & I	9,174	9,161	9,065
Fire Meters	<u>2,034</u>	<u>2,010</u>	<u>1,900</u>
<i>Total Active Accounts</i>	<i>11,840</i>	<i>11,799</i>	<i>11,602</i>
Inactive Water Accounts:			
PSAWR	53	53	46
M & I	728	718	709
Fire Meters	<u>155</u>	<u>140</u>	<u>133</u>
<i>Total Inactive Accounts</i>	<i>936</i>	<i>911</i>	<i>888</i>
Total Water Accounts	<u>12,776</u>	<u>12,710</u>	<u>12,490</u>
Active Wastewater Accounts			
Moosa	2,475	2,472	2,492
Woods Valley	<u>984</u>	<u>973</u>	<u>895</u>
Total Wastewater Accounts	<u>3,459</u>	<u>3,445</u>	<u>3,387</u>
		<u>Acre-Feet</u>	<u>Value</u>
Interim MWD Agricultural Program:			
JULY 1994 through DEC 2012		<u>513,882.8</u>	\$63,681,802
MWD RTS Estimated Savings:			
JAN 2003 through DEC 2012			\$17,884,325
SDCWA PSAWR:			
JULY 1998 through MAR 2025		<u>498,922.4</u>	\$36,476,012
SDCWA Emergency Storage Est. Savings:			
JAN 2003 through MAR 2025			\$37,203,114
SDCWA Supply Reliability Est. Savings:			
JAN 2016 through MAR 2025			\$6,307,141
TOTAL MWD & SDCWA DISCOUNTS:			<u>\$161,552,394</u>

B. MEETINGS:

No meetings attended in the month of March.

V. INFORMATION TECHNOLOGY DEPARTMENT:

A. CAPITAL IMPROVEMENT PROJECTS –

SCADA HMI Improvements – Replacement of the HMI system for the water system is currently in progress of being initially deployed to North County Emergency Storage Project (NCESP) sites and then expanded to other sites in the future. HMI software upgrade is also being planned for Woods Valley WTP.

Asset Management System – Phase 2 of Cityworks development and deployment is in progress, which includes fleet maintenance, equipment/tools, storeroom modules, and integration with GIS and ERP systems. Various reports and dashboards for water operations are currently being developed that show the data collected by this system.

Boardroom Technology Upgrade – The existing video technology in the board room is being replaced with a new high definition media system. In-room video presentation system and video system wiring upgrades are in progress.

B. GENERAL ACTIVITY –

SCADA Upgrades – Continuous rolling upgrades are being done to replace older devices such as radios, cameras, network switches, and Uninterruptible Power Supply (UPS) units with newer models, which are faster and more reliable. This is an ongoing, continuous product lifecycle refresh process.

Geographic Information Systems (GIS) Upgrades – GIS staff has deployed web maps and user portals within the software, and GIS databases and maps have been integrated with the Cityworks Asset Management System. The system is being continuously enhanced and actively used by District personnel.

Video Surveillance System Upgrades – Staff is continuing to enhance the system by upgrading older cameras with new models and performing software upgrades to existing systems.

Secondary Data Center Construction – A secondary data center is now operational at Moosa Water Reclamation Facility. It provides the District with environmentally controlled space for additional servers and data storage that can be activated quickly if needed, and it is at sufficient distance away from corporate offices to survive a local disaster. It has multiple redundant communication paths to corporate office with automatic failover, a dedicated high-bandwidth fiber connection to the Internet, has generator-backed power, and is monitored by multiple security cameras.

Analog Phone Circuit Migration – Due to AT&T planning to phase out analog phone lines in the area in the next few years, initial planning is being done to move all District analog telephone circuits to digital by using a gateway device that connects to the District's phone system.

C. SYSTEM STATUS –

All systems operated normally in March 2025.

D. MEETINGS –

No meetings attended in March 2025.

VI. GENERAL ADMINISTRATION PROJECTS AND PROGRAMS:

A. General Administration Meetings and Activities for Month of March 2025 –

- 3/03/25 – SDCWA Joint Public Information/Conservation Coordinators Meeting (AN); VCMWD CII Classification Meeting (AN);
- 3/04/25 – VCMWD Agenda Meeting (GA & AN); VCMWD Budget Review Meeting (GA & AN); SDCWA MWD Delegates Meeting (GA); VCMWD Table Top Exercise Planning Meeting (AN); SDCWA Regional UWMP Planning Meeting (AN);
- 3/05/25 – Local Supply Projections for SDCWA Meeting (GA & AN); Lake Wohlford Annexation Status Meeting (GA); SDCWA WUE Regulatory Workshop (AN); ACWA Legislative Committee Region 10 Prep Meeting (AN);
- 3/06/25 – CMUA Low Income Rate Assistance (LIRA) Strike Team (AN);
- 3/11/25 – SD County Farm Bureau Water Committee (GA); SDCWA Regional Water Loss Control Group Meeting (AN);
- 3/13/25 – SDCWA Legislative Liaison Meeting (AN); VCMWD Table Top Exercise Planning Meeting (AN);
- 3/17/25 – VCMWD Regular Board Meeting (GA & AN);
- 3/18/25 – VCMWD Agenda Meeting (GA & AN); CMUA Low Income Rate Assistance (LIRA) Strike Team (AN);
- 3/19/25 – White Pines Renewable, Expansion of Lake Turner Solar (GA);
- 3/20/25 – Regional Interagency Collaboration Meeting – VCMWD FPUD, RMWD, & YMWD (GA);
- 3/21/25 – North County Manager’s Meeting (GA); Congressman Issa’s Staff – Federal Funding (GA); North Village EDU Transfer Agreement Meeting (GA & AN); VCMWD Table Top Exercise Planning Meeting (AN);
- 3/25/25 – SDCWA Admin. & Finance Pre-Board Meeting (GA); ACWA Legislative Committee Region 10 Prep Meeting (AN); VCMWD Table Top Exercise Planning Meeting (AN);
- 3/26/25 – SDCWA North County Caucus Meeting (GA);
- 3/27/25 – SDCWA Regular Board Meeting (GA); ACWA Legislative Committee (AN).

**Key: GA – Gary Arant; AN – Alisa Nichols*

B. Water Conservation and Public Outreach –

Staff distributed copies of the 2025 Calendar along with entry forms to Lilac and Valley Center Elementary School 4th grade classrooms for this year’s contest, and are waiting for the April 1, 2025 entry deadline.

C. Personnel –

1) Regular Full-Time Employees, as of March 31, 2025:

<u>Funds</u>	<u>Budgeted</u>	<u>Employed</u>
Water	66	64
Wastewater	<u>7</u>	<u>7</u>
Total	73	71

2) Pending Retirements –

- a) Gary Arant – December 26, 2025
- b) Wally Grabbe – February 25, 2026

Compiled By:



Kirsten N. Peraino, Board Secretary

Submitted By:



Gary T. Arant, General Manager