

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF
VISTA IRRIGATION DISTRICT

April 5, 2017

A Regular Meeting of the Board of Directors of Vista Irrigation District was held on Wednesday, April 5, 2017 at the offices of the District, 1391 Engineer Street, Vista, California.

1. CALL TO ORDER

President Miller called the meeting to order at 8:30 a.m.

2. ROLL CALL

Directors present: Miller, Vásquez, Dorey, Sanchez, and MacKenzie.

Directors absent: None.

Staff present: Eldon Boone, General Manager; Lisa Soto, Secretary of the Board; Don Smith, Director of Water Resources; Brian Smith, Director of Engineering; Randy Whitmann, Engineering Project Manager; Frank Wolinski, Operations and Field Services Manager; Marlene Kelleher, Finance Manager; and Marian Schmidt, Administrative Assistant. Back-up General Counsel Jeremy Jungreis was also present.

Other attendees: None.

3. PLEDGE OF ALLEGIANCE

Director Vásquez led the pledge of allegiance.

4. APPROVAL OF AGENDA

17-04-42	<i>Upon motion by Director MacKenzie, seconded by Director Vásquez and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors approved the agenda as presented.</i>
----------	---

5. PUBLIC COMMENT TIME

No public comments were presented on items not appearing on the agenda.

6. CONSENT CALENDAR

17-04-43	<i>Upon motion by Director MacKenzie, seconded by Director Vásquez and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors approved the Consent Calendar, including Resolution No. 17-15 approving disbursements.</i>
----------	--

A. Acceptance of Water System

See staff report attached hereto. Staff recommended and the Board accepted the water system for a nine lot single-family residential subdivision consisting of approximately 6.93 gross acres owned by Hayden Ranch 9, L.L.C., located at Taylor Street and Hayden Ranch Road (Private Road), Vista (PC 2-043; WOI-3066; LN 2014-031; APNs 171-162-25 to -33; DIV NO 1).

B. Grant of Right of Way

See staff report attached hereto. Staff recommended and the Board accepted Grant of Right of Way No. S169 for a 30-foot wide specific easement over a single-family residential parcel consisting of approximately 0.44 gross acres owned by Dennis Spence, located at 833 Anns Way, Vista (LN 2016-018; APN 163-342-29; DIV NO 2).

C. Water Meter Purchases

See staff report attached hereto. Staff recommended and the Board approved the purchase of Neptune water meters from Ferguson Waterworks Meter & Automation Group/Equarius Waterworks in the amount of \$110,135.29.

D. Minutes of the Board of Directors meetings on March 13 and 15, 2017

The minutes of March 13 and 15, 2017 were approved as presented.

E. Minutes of the Public Affairs Committee meeting on March 23, 2017

The Board noted and filed the minutes of the Public Affairs Committee meeting on March 23, 2017, which were provided for information only.

F. Resolution ratifying check disbursements

RESOLUTION NO. 17-15

BE IT RESOLVED, that the Board of Directors of Vista Irrigation District does hereby approve checks numbered 55547 through 55735 drawn on Union Bank totaling \$1,323,655.14.

FURTHER RESOLVED that the Board of Directors does hereby authorize the execution of the checks by the appropriate officers of the District.

PASSED AND ADOPTED unanimously by a roll call vote of the Board of Directors of Vista Irrigation District this 5th day of April 2017.

7. **DIVISION REPORTS**

See staff report attached hereto.

General Manager Eldon Boone advised the Board of ongoing negotiations with the State of California Department of General Services for the renewal of the CAL FIRE lease at the Puerta La Cruz Honor Camp on District property at the Warner Ranch. Mr. Boone stated that the second 30-year term of this lease recently expired; however, he indicated that the lease will continue on a month-to-month basis until negotiations are complete, and a new lease can be presented to the Board for its consideration.

Mr. Boone updated the Board on the HP Reservoir Rehabilitation Project, stating that two-thirds of the project has been bid out, and so far, the project is 7.5 percent below the engineer's estimate. Mr. Boone referred to project photographs that were left at each Director's place at the dais. Engineering Project Manager Randy Whitmann provided clarification regarding the photographs and updated the Board regarding the status of the project. Mr. Whitmann also provided an update regarding the status of the Flume Relocation Project at the Hidden Valley Estates.

Director of Water Resources Don Smith updated the Board regarding the water table depth at the District's Warner Wellfield. He stated that he did not expect that the District would begin pumping water from the wellfield again until Fall 2017. He added that if the rains continue, pumping could be minimal in the Fall which would aid in the recovery of the water table.

Mr. Boone stated that the District's water usage for the month of February 2017 was down 17 percent compared to the same month in 2013. He noted that the amount of rain received in February was a contributing factor to this level of conservation. Director Vásquez expressed an interest in seeing a running total of the District's monthly water usage. He requested that staff put together and send to him a simple table with the District's monthly water usage and a total for the 12-month period. Mr. Boone responded that staff would compile this information and send it to him.

8. SCHOLARSHIP CONTEST

See staff report attached hereto.

Director Vásquez, as Chair of the Public Affairs Committee, provided an overview of the Committee's review of the District's Scholarship Contest applications. He noted that three of the applications were particularly outstanding in terms of the essays written, the students' grade point averages, and their participation in extracurricular activities and in the community. Director Vásquez reviewed the Committee's recommendations for the top award and the two runner-up awards.

17-04-44

Upon motion by Director Vásquez, seconded by Director MacKenzie and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors approved the Public Affairs (PA) Committee's recommendation to award a \$1,500 scholarship to Jacob Toney from Rancho Buena Vista High School as the winner of the Vista Irrigation District scholarship contest. The Board also approved awarding \$750 scholarships to Thomas Montero and Sawyer Post, both from Vista High School, as runners-up in the scholarship contest, per the PA Committee's recommendation.

9. 2016 ANNUAL REPORT

See staff report attached hereto.

Director Vásquez thanked staff for an excellent job in putting together the 2016 Annual Report and incorporating the input made by the Committee last year, which at that time consisted of himself and late Director Reznicek. Director Vásquez was complimentary of the message written by the General Manager for the report which focused on the District staff and the fact that the running of the District is very much a team effort. The Board expressed satisfaction with the report as presented.

17-04-45 *Upon motion by Director Vásquez, seconded by Director Dorey and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors approved the 2016 Annual Report.*

10. COMMITTEE APPOINTMENT

See staff report attached hereto.

Mr. Boone stated that when the Board entertained committee appointments for 2017 a question was raised regarding the Board’s practice for appointing the President and First Vice President to the Fiscal Policy Committee, and whether it had been commemorated in the District’s Rules and Regulations. Mr. Boone recalled that Director MacKenzie stated that she believed that the practice had been incorporated into the Rules and Regulations a few years earlier. Mr. Boone said that Director MacKenzie was correct; Section 1.5.5 (C) of Rules and Regulations states “The President shall make appointments to District standing committees on an annual basis at the first meeting of the calendar year, with the exception of the Fiscal Policy Committee which shall consist of the President and the First Vice President every year.” He noted that this provision was added to the Rules and Regulations in 2012.

President Miller appointed Director Patrick Sanchez to the Water Sustainability Committee and designated Director Vásquez as Chair of the Water Sustainability Committee.

17-04-46 *Upon motion by Director Dorey, seconded by Director MacKenzie and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors ratified President Miller’s appointment of Director Patrick Sanchez to the Water Sustainability Committee and his designation of Director Vásquez as Chair of the Water Sustainability Committee.*

11. NORTH SAN DIEGO WATER REUSE COALITION JOINT LOBBYING AGREEMENT

See staff report attached hereto.

Mr. Boone stated that after the District joined the North San Diego Water Reuse Coalition (Coalition), the Shadowridge Golf Course drilled its own groundwater well and significantly reduced its need for potable water. Consequently, the extension of a recycled water system to this area would no longer be practical. He recalled that earlier this year the Board authorized the transfer of the District’s share of State Proposition 84 grant funds to the City of Oceanside (Oceanside) to use towards its recycled water project, since the District no longer had a viable project of its own. Mr. Boone said that staff recently learned that Oceanside staff plans to recommend to its City Council a reprioritization of its recycled water projects; the first project would be to extend recycled water service to its customers in areas north of Highway 78, which is not near the District’s service area. He said that staff recommends

that the District not participate in sharing the cost of the renewing the agreement with the Furman Group, a lobbying group working on behalf of the Coalition to seek potential federal funds for recycled water projects. The Board discussed the matter briefly.

17-04-47	<i>Upon motion by Director Dorey, seconded by Director Vásquez and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors elected to discontinue District participation in the Joint Lobbying Agreement with the Furman Group on behalf of the North San Diego Water Reuse Coalition.</i>
----------	---

12. STATUS OF SAN LUIS REY INDIAN WATER RIGHTS SETTLEMENT IMPLEMENTATION

See staff report attached hereto.

Mr. Boone said that the District's Special Counsel John Carter has been working on scheduling meetings with the appropriate parties from the San Diego County Water Authority, the San Luis Rey Indian Water Authority and the Metropolitan Water District of Southern California regarding the implementation of the Settlement Agreement as it pertains to the wheeling of water.

Mr. Boone advised the Board that when this matter goes to US District Court for final disposition of the case, the Board President will have to appear in Court. Mr. Boone said that there is nothing new to report regarding former Senior Policy Analyst for the US Department of the Interior, Robert Laidlaw's offer of consulting in the Indian Water Rights Settlement Implementation. He noted that the City of Escondido (Escondido) staff has indicated that Escondido is also not ready to make a decision on Mr. Laidlaw's offer either.

13. MATTERS PERTAINING TO THE ACTIVITIES OF THE SAN DIEGO COUNTY WATER AUTHORITY

See staff report attached hereto.

President Miller reported that the San Diego County Water Authority (Water Authority) Board of Directors authorized the General Manager to award a professional services contract for just under \$2 million to Infrastructure Engineering Corporation to provide design service for the San Diego 12 Flow Control and Alvarado Hydroelectric Facilities Rehabilitation project. He further reported that the Board renewed its General Counsel's contract for one year with a salary increase and also approved a cost-of-living increase for its General Manager.

President Miller reported that he attended the energy storage seminar the previous week in Sacramento as a member of the Water Authority's Hydropower/Pumped Storage Task Force. He said that the information disseminated at this seminar was related to the possibility of the 500 megawatt energy storage project at the San Vicente Dam.

Mr. Boone reported on a special meeting that was held for Water Authority Member Agency General Managers regarding an item that will be presented for the Water Authority Board's consideration in Spring 2017 concerning the Drought Management Plan. Mr. Boone said that within this plan there are levels for determining the drought conditions and corresponding levels of drought response. Mr. Boone said that the two programs have been confusing for the public, and the Water Authority is working on reorganizing and simplifying the program. He added that they are also considering renaming the program the "Water Shortage Response Program". Mr. Boone said the Board can expect to hear more about this in the months to come.

14. MEETINGS AND EVENTS

See staff report attached hereto.

Director Sanchez reported on his two half-days of “new director orientation”. He thanked Mr. Boone and his staff for the presentations and the time that was given to him to help him become acclimated to the District. Director Sanchez was very complimentary of staff and the way that the District is being run. He commented that he was also struck by the wonderful organizational culture of the District and what a great place it is for its employees. Director Sanchez reported that he completed (via webinar) his requirement for two hours of ethics training.

Director Dorey reported on his attendance at the Groundwater Resources Association (GRA) Legislative Symposium where there was a great deal of discussion regarding the recent failure of the Oroville Dam spillway and the costs associated with that incident. There was also discussion regarding the ongoing “drought emergency” status in California.

Director Dorey reported on his attendance at a meeting of the Association of California Water Agencies (ACWA) Joint Powers Insurance Authority (JPIA) Liability Committee. He said that subject of the meeting centered on ACWA JPIA’s model for evaluating and determining liability insurance premiums.

Director MacKenzie reported on her attendance at the ACWA Legislative Committee meeting and her participation in the California Special Districts Association (CSDA) Legislative Roundup webinar, both of which reviewed current and pending legislation including AB 554 regarding desalination. ACWA is in favor of this bill but would like it to include brackish groundwater as well as seawater. Another bill discussed was AB 567, which would require all new school facilities to install bottle filling stations with their drinking fountains. AB 1667 was also discussed; this bill would require commercial, institutional and industrial, and multi-family properties to have dedicated irrigation meters installed by 2020 if the parcel has 1,000 square feet of irrigated landscape.

Director MacKenzie reported on her attendance at a CSDA Legislative Committee meeting where AB 946 was discussed, which would require CalPERS to divest itself from any company having an association with the building of the U.S./Mexico border wall. CSDA is opposed to this bill based on a belief that this type of entity should invest according to its best judgment and not according to social engineering. Also discussed was legislation that would require hospital districts to have websites.

Director MacKenzie reported on her attendance at a meeting of CSDA Membership Committee. She noted that the CSDA membership is currently up to 1,139 members, 852 of which are special districts and the rest are associates and business affiliates.

Directors Sanchez, Dorey, and Vásquez reported on their attendance at the recent meeting of the Council of Water Utilities (COWU) where the presentation was about the Water Management and Leadership Program at the California State University, San Marcos. Dr. Lee Brown presented an overview of the program. Management Analyst Alisa Nichols also spoke to the group about her experiences in the program.

Director Vásquez requested to attend the Water Education Foundation Santa Ana River Watershed Conference in Ontario on May 25, 2017. He also requested authorization to tentatively attend the Law of the Colorado River, sponsored by the Continuing Legal Education (CLE) International, in Las Vegas on June 22-23, 2017.

Directors Dorey and Vásquez requested authorization to attend COWU in Poway on April 18, 2017. Director Dorey requested authorization after the fact for his attendance at the Groundwater Resources Association (GRA) Legislative Symposium.

17-04-48 *Upon motion by Director Dorey, seconded by Director MacKenzie and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors authorized the following attendances: Director Vásquez to attend the Santa Ana River Watershed Conference in Ontario on May 25, 2017 and the Law of the Colorado River in Las Vegas in June 22-23, 2017; Directors Dorey and Vásquez to attend COWU in Poway on April 18, 2017; Director Dorey to receive authorization after the fact for his attendance at the GRA Legislative Symposium on March 29, 2017 in Sacramento.*

15. ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

See staff report attached hereto.

Mr. Boone stated that a draft itinerary of the upcoming April 25, 2017 Board tour of Lake Henshaw and the Warner Ranch was left at each of the Directors' places at the dais. He requested that the Board let him know if there are any requested changes to the draft itinerary. Mr. Boone pointed out that a stop at the Warner-Carrillo Ranch House (WCRH) was scheduled within the tour. He noted that an informational item would be on the next Board agenda on April 19 regarding the management contract for the WCRH; and after touring the house on April 25, the contract will be agendized for Board action.

Mr. Boone informed the Board that the District's application was approved for its District of Distinction Reaccreditation. He said that a representative from the Special District Leadership Foundation could come and present the reaccreditation at a Board meeting or that the reaccreditation can be presented at the CSDA Annual Conference in the Fall. The Board chose to wait until the CSDA Annual Conference to receive the recognition.

16. COMMENTS BY DIRECTORS

Director Vásquez reported on recent news articles about the water industry, including one about lead testing in the public schools. He commented on a program which aired on KUSI News regarding the San Diego County Water Authority's lawsuit with the Metropolitan Water District.

17. COMMENTS BY GENERAL COUNSEL

Mr. Jungreis informed the Board that General Counsel Kuperberg would not be attending the Spring ACWA Conference; however, he said that he would be there and would be pleased to have the Board and staff members attending the conference join him for dinner on Thursday evening. He added that details would be forthcoming.

18. COMMENTS BY GENERAL MANAGER

Mr. Boone informed the Board that the March/April Edition of the CSDA Magazine would soon be coming in the mail. He advised that this issue ran an article based on a press release the District submitted in December 2016 regarding the appointment of Director Miller as President and late Director Reznicek as First Vice President for 2017. Mr. Boone said that when CSDA staff tried to make a correction it was too late, the magazine had already gone to press. Mr. Boone advised that the press

release regarding the appointment of Director Sanchez would be in the May/June issue. Director MacKenzie added that there would also be an article in memoriam for Director Reznicek in the same issue.

Mr. Boone said that the CSDA Video Contest had one entry by a student from North County Trade Tech High School in the District's service area. He noted that the District's logo was displayed in his video. Mr. Boone advised that some 8th grade students participating in the Talent Cities program would be touring the District the following week, after being rescheduled due to rain.

Director Vásquez said that he received a brochure regarding an interesting solution for leak detection. He said that he would leave the brochure with staff to investigate.

Mr. Boone said that lead testing in school water systems is ongoing with nothing new to report at this time.

19. ADJOURNMENT

There being no further business to come before the Board, at 10:30 a.m. President Miller adjourned the meeting to April 19, 2017 at 8:30 a.m.



Marty Miller, President

ATTEST:



Lisa R. Soto, Secretary
Board of Directors
VISTA IRRIGATION DISTRICT



STAFF REPORT

Agenda Item: 6.A

Board Meeting Date: April 5, 2017
Prepared By: Al Ducusin
Reviewed By: Brian Smith
Approved By: Eldon Boone

SUBJECT: ACCEPTANCE OF WATER SYSTEM

RECOMMENDATION: Accept this water system for a nine lot single-family residential subdivision consisting of approximately 6.93 gross acres owned by Hayden Ranch 9, L.L.C., located at Taylor Street and Hayden Ranch Road (Private Road), Vista (PC 2-043; WOI-3066; LN 2014-031; APNs 171-162-25 to -33; DIV NO 1).

PRIOR BOARD ACTION: The Board approved the waterline project on August 19, 2015.

FISCAL IMPACT: None.

SUMMARY: The water system is ready for acceptance by the Board which will allow the Notice of Acceptance to be filed with the County Recorder.

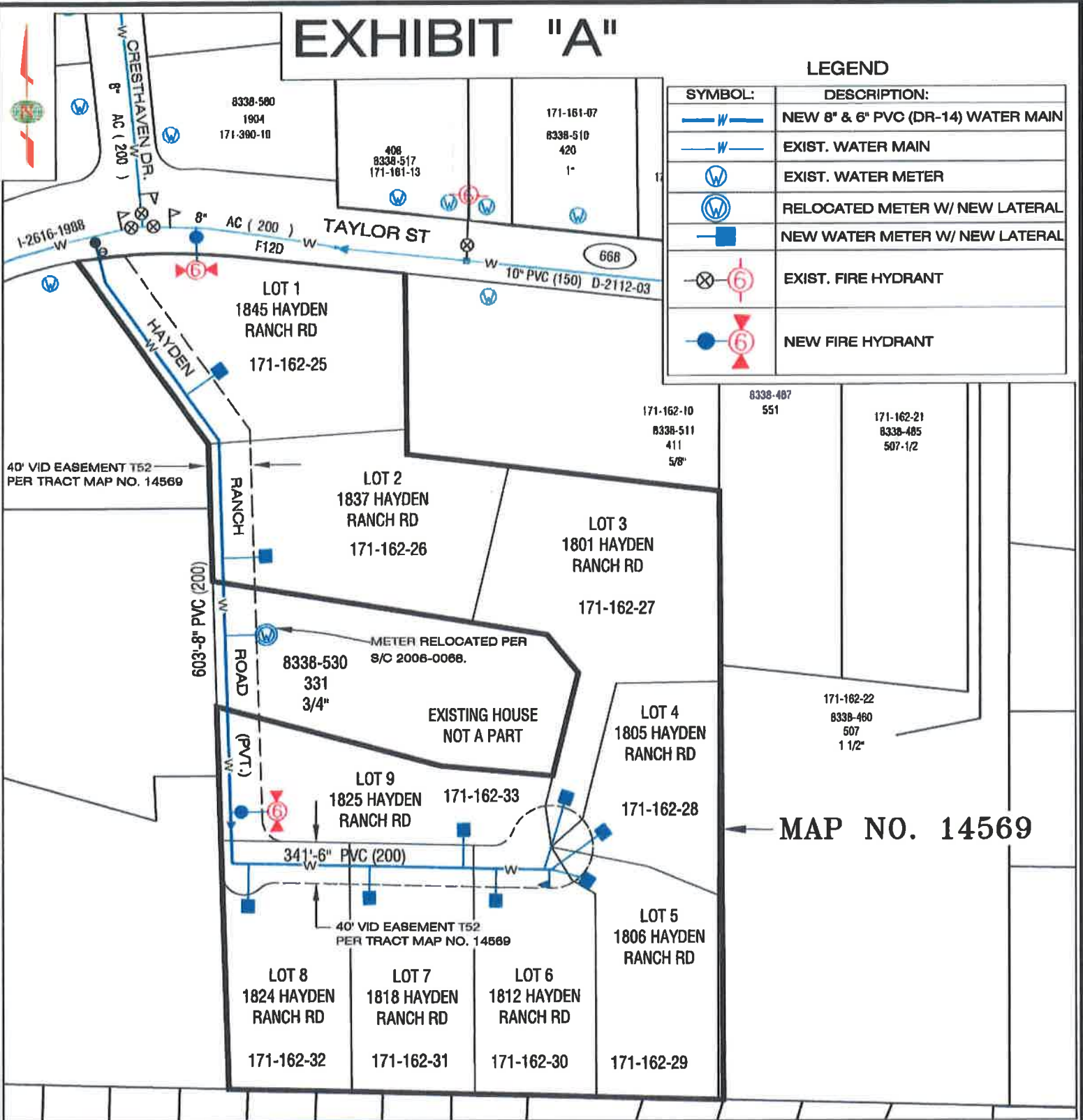
DETAILED REPORT: All the work required by the construction contract (WOI-3066) has been completed. Under District inspection, the developer's contractor completed the installation of approximately 603 feet of 8" PVC pipe, 341 feet of 6" PVC pipe, 10 - 1" domestic water services and two standard 6" fire hydrants.

ATTACHMENT: Map

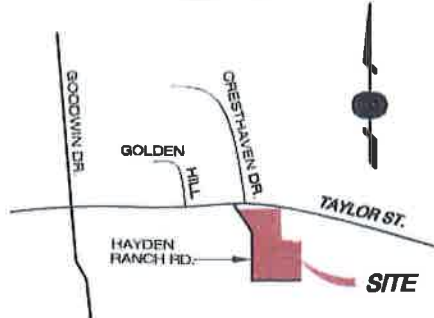
EXHIBIT "A"

LEGEND

SYMBOL:	DESCRIPTION:
	NEW 8" & 6" PVC (DR-14) WATER MAIN
	EXIST. WATER MAIN
	EXIST. WATER METER
	RELOCATED METER W/ NEW LATERAL
	NEW WATER METER W/ NEW LATERAL
	EXIST. FIRE HYDRANT
	NEW FIRE HYDRANT



MAP NO. 14569



VICINITY MAP
NO SCALE

OWNER:
HAYDEN RANCH 9 LLC
740 LOMAS SANTA FE DR # 204
SOLANA BEACH CA 92075-1441

ENGINEER:
EXCEL ENGINEERING
440 STATE PLACE
ESCONDIDO, CA. 92029
CONTACT: MIKE LEVIN

VISTA IRRIGATION DISTRICT		
TAYLOR STREET & HAYDEN RANCH ROAD (PVT.)		
APN	171-162-25 TO -33	T.B. 1087-H2
SCALE	NONE	L.N. 2014-031
APPD. BY	<i>AD</i>	DATE <i>3/24/17</i> W.O.
DRAWN BY	<i>M.S.</i>	DATE <i>01/17/17</i> I-3066
SHEET	1 OF 1	MAP FB & FB
REVISED	09/09/16 AJD	
PATH	Z:\Engineering\JOBS\I-JOBS\LN2011-028	



STAFF REPORT

Agenda Item: 6.B

Board Meeting Date: April 5, 2017
Prepared By: Al Ducusin
Reviewed By: Brian Smith
Approved By: Eldon Boone

SUBJECT: GRANT OF RIGHT OF WAY

RECOMMENDATION: Accept Grant of Right of Way No. S169 for a 30-foot wide specific easement over a single-family residential parcel consisting of approximately 0.44 gross acres owned by Dennis Spence, located at 833 Anns Way, Vista (LN 2016-018; APN 163-342-29; DIV NO 2).

PRIOR BOARD ACTION: None.

FISCAL IMPACT: None.

SUMMARY: The acceptance of Grant of Right of Way No. S169 will allow the District to secure a dedicated specific easement over an existing 10" water main and fire-hydrant located within an existing private road and utility easement encumbered on Assessor Parcel Number (APN) 163-342-29.

DETAILED REPORT: The owner is in the process of developing a single-family home located on a vacant parcel on Anns Way. The owner will make application to install a new water meter at his expense. The acceptance of Grant of Right of Way No. S169 will allow the owner to continue with his single-family residential development.

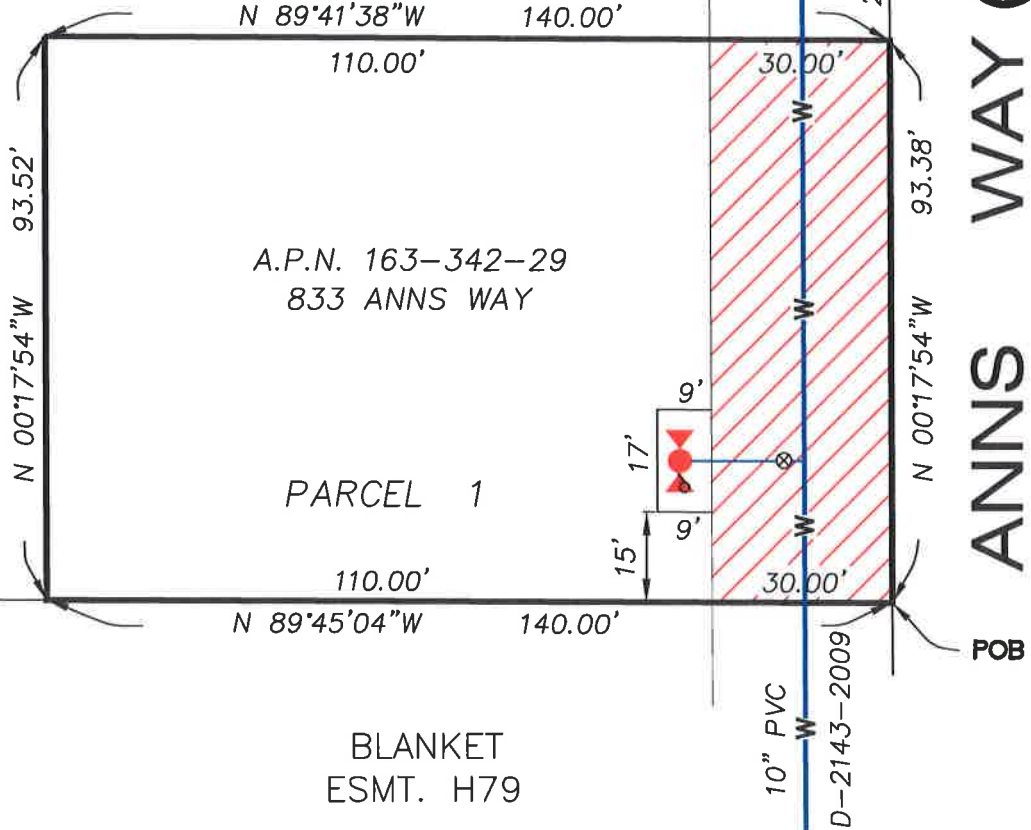
The District currently has Blanket Easement (BH79) encumbering this property.

The acceptance of this Grant of Right of Way will allow the existing 10" water main, fire-hydrant, and a proposed water meter to be within a specific easement.

ATTACHMENT: Map

OLIVE AVENUE

BLANKET
ESMT. H79



A.P.N. 163-342-29
833 ANNS WAY

PARCEL 1

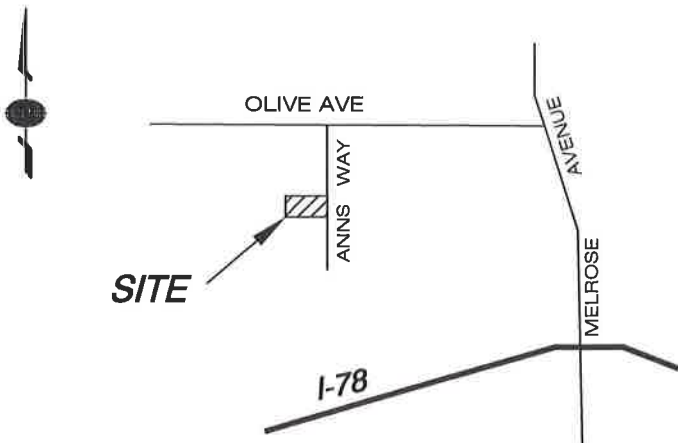
ANNS WAY (pvt.)
POB

OWNER:
DENNIS SPENCE
833 ANNS WAY
VISTA, CA 92084

BLANKET
ESMT. H79



EASEMENT TO BE GRANTED TO
VISTA IRRIGATION DISTRICT (S169)



VICINITY MAP
NO SCALE

VISTA IRRIGATION DISTRICT GRANT OF RIGHT OF WAY NO. S169

APN	163-342-29	T.B.	1087-F6
SCALE	NO SCALE	L.N.	2016-018
APPD. BY	<i>AD</i>	DATE	<i>3/27/17</i>
DRAWN BY	J.V.	DATE	03/18/17
SHEET	1 OF 1	MAP	D13;1
REVISED:	3/27/17	Al Ducusin	
PATH:	Z:ENGINEERING/JOBS/LN2016-018.DWG		

W.O.



STAFF REPORT

Agenda Item: 6.C

Board Meeting Date: April 5, 2017
Prepared By: Marlene Kelleher
Reviewed By: Brett Hodgkiss
Approved By: Eldon Boone

SUBJECT: WATER METER PURCHASES

RECOMMENDATION: Approve the purchase of Neptune water meters from Ferguson Waterworks Meter & Automation Group/Equarius Waterworks in the amount of \$110,135.29.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: \$110,135.29 includes tax and freight.

SUMMARY: It is anticipated that the District will need to purchase 500 meters to supplement its current inventory, which is being used for meter change-outs and new installations. The District will be purchasing meters ranging in size from 5/8" to 2".

DETAILED REPORT: The District recently solicited pricing for meters from three (3) manufacturers, in order to continue to secure the most advantageous prices for the District. Pricing was obtained from our current provider, Ferguson Waterworks Meter & Automation Group/Equarius Waterworks (Neptune meters) as well as, National Meter and Automation (Badger meters) and HD Supply (Master meters). HD Supply was non-responsive due to bid irregularities.

Based on the total price for the estimated number of meters to be purchased, staff recommends that the District purchase Neptune water meters from Ferguson Waterworks Meter & Automation Group/Equarius Waterworks. Below is a cost summary based on pricing for 30 – 5/8", 250 – 3/4", 100 – 1", 70 – 1 1/2" and 50 – 2" meters. The actual number of meters purchased may change slightly based on the actual needs of the District.

COST SUMMARY

Ferguson Waterworks Meter & Automation Group/Equarius Waterworks	\$110,135.29
National Meter and Automation	\$116,570.60
HD Supply	Non-Responsive

Cash Disbursement Report

Payment Dates 03/02/2017 - 03/22/2017



Payment Number	Payment Date	Vendor	Description	Amount
55547	03/08/2017	ADA Sign Depot, Inc	Restroom Signs	695.79
55548	03/08/2017	Allied Electronics Inc	Alarm Indication Hardware	233.41
	03/08/2017		Repeater Enclosure	284.26
55549	03/08/2017	American Water Works Association	AWWA Standards on CD Renewal	1,458.00
55550	03/08/2017	Bearcom	2-Way Radios Installed, Antennas (4)	1,529.72
55551	03/08/2017	Basic pacific	Cobra Reimbursement	4,689.58
55552	03/08/2017	Capital One Commercial	Warehouse Supplies	1,477.87
	03/08/2017		Warehouse Supplies	77.99
	03/08/2017		Training Refreshments	104.63
55553	03/08/2017	Cecilia's Safety Service Inc	Traffic Control - La Rueda	935.00
	03/08/2017		Traffic Control - Skyline Dr/Sunrise Place	1,275.00
55554	03/08/2017	Christopher Craghead	Tuition Reimbursement 03/2017	960.00
55555	03/08/2017	City Of Escondido	Escondido Canal Operating Cost 10/2016-12/2016	101,863.61
55556	03/08/2017	Drug Testing Network Inc	Drug/Alcohol Testing	505.00
55557	03/08/2017	EDCO Waste & Recycling Services Inc	Trash/Recycle 02/2017	206.46
55558	03/08/2017	Edgehill Gate Account	Road Maintenance Fees for Edgehill/HP Access	600.00
55559	03/08/2017	El Camino Rental	Concrete	200.26
55560	03/08/2017	Endicott Comm., Inc - CV	Answering Service 02/2017	107.41
55561	03/08/2017	ESRI Inc	ESRI Annual Renewal 03/14/2017-02/13/2018	11,200.00
55562	03/08/2017	Glennie's Office Products Inc	Office Supplies	37.92
	03/08/2017		Office Supplies	67.68
	03/08/2017		Office Supplies	68.82
	03/08/2017		Office Supplies	67.27
55563	03/08/2017	Grainger	Straight Ladder	165.85
	03/08/2017		Building Maintenance Supplies	332.29
	03/08/2017		Ice Machine Supplies	465.37
55564	03/08/2017	Hawthorne Machinery Co	Rear Wheel - B21	693.63
55565	03/08/2017	HD Supply Waterworks	Connections	17.68
	03/08/2017		Couplings (6)	440.99
55566	03/08/2017	Home Depot Credit Services	Pipe, Couplings	48.58
	03/08/2017		Material to Build Block Wall	71.31
	03/08/2017		Sprayer, Roof Jack	11.14
	03/08/2017		Grass Seed	21.63
	03/08/2017		Cutting Blades	18.41
	03/08/2017		Spackle, Faucets	57.68

Payment Number	Payment Date	Vendor	Description	Amount
	03/08/2017		Copper Pipe	22.64
	03/08/2017		Chlorine	21.30
	03/08/2017		Retaining Wall Blocks	16.80
	03/08/2017		Retaining Wall Blocks	77.70
	03/08/2017		Retaining Wall Blocks	25.20
	03/08/2017		Faucet, Kitchen Latches	93.30
	03/08/2017		Tools - Truck 42	72.41
	03/08/2017		Fuses, Panel Filler, Containers	82.02
	03/08/2017		Electrical Supplies	184.97
	03/08/2017		Organizers	103.96
	03/08/2017		Electrical Supplies	41.51
	03/08/2017		Conduit, Diamond Plate Ratchet	117.81
	03/08/2017		TV Mount	108.22
	03/08/2017		Couplings	38.84
55567	03/08/2017	Joe's Paving	Patch Paving - Various Locations	5,267.55
55568	03/08/2017	Lawnmowers Plus Inc	Valve Turner Motor Muffler - Truck 1	205.59
55569	03/08/2017	Lightning Messenger Express	Messenger Service 02/10/17	32.00
	03/08/2017		Messenger Service 02/24/17	32.00
55570	03/08/2017	Moody's	Dump Fee	200.00
	03/08/2017		Dump Fees (3)	600.00
55571	03/08/2017	NAPA Auto Parts	License Plate Lamps, Vacuum Cap - Truck 70	9.77
55572	03/08/2017	North County Auto Parts	Brake Pads - Truck 70	47.95
	03/08/2017		Carb Cleaner Spray, Silicone Spray - Shop	10.83
55573	03/08/2017	North County Industrial Park	Association Fees 03/2017 - Pipeline Dr	256.40
55574	03/08/2017	North County Industrial Park	Association Fees 03/2017 - 1391 Engineer St	879.30
55575	03/08/2017	North County Pool Center Inc	Bottle Return	(6.00)
	03/08/2017		Chlorine	16.45
55576	03/08/2017	O'Reilly Auto Parts	Air Fresheners	30.22
	03/08/2017		Strobe Light Mounts, Racks, Lights	604.04
55577	03/08/2017	Parkhouse Tire Inc	Road Call, Tire/Mounting - B21	901.76
55578	03/08/2017	PHED Corp	Disc Retainers (8)	4,546.50
55579	03/08/2017	Benetrac	Employee Benefits Tracking 03/2017	400.00
55580	03/08/2017	Ramona Disposal Service	Trash Service 02/2017	153.43
55581	03/08/2017	Rancho Environmental Service	Tree Removal & Stump Grinding	2,800.00
55582	03/08/2017	RDO Water LLC	Gopher Bait	149.54
55583	03/08/2017	Richard Brady & Associates, Inc	HP Reservoir Construction Mgmt 01/2017	18,910.00
55584	03/08/2017	Rincon del Diablo MWD	MD Reservoir Water Service 02/2017	32.64
55585	03/08/2017	RouseSign and Graphics Inc	Date Change Stickers	64.95
55586	03/08/2017	Rutan & Tucker LLP	Legal 01/2017	4,909.05
	03/08/2017		Legal 01/2017	484.50

Payment Number	Payment Date	Vendor	Description	Amount
	03/08/2017		Legal 01/2017	229.50
	03/08/2017		Legal 01/2017	1,479.00
	03/08/2017		Legal 01/2017	178.50
55587	03/08/2017	S & J Supply Company Inc	18-Inch Pratt Hydraulic Butterfly Valve	6,624.90
55588	03/08/2017	San Diego Gas & Electric	Electric 02/2017 - Well Field	16,003.92
	03/08/2017		Electrical Transmission 02/2017	2,708.66
55589	03/08/2017	Sherry Thorpe	Tuition Reimbursement 03/2017	529.16
55590	03/08/2017	Southern Counties Lubricants, LLC	Fuel 02/01/17 - 02/15/17	4,658.09
55591	03/08/2017	Spok, Inc	Pagers 03/2017	32.87
55592	03/08/2017	Sunrise Materials Inc	Cement	90.93
55593	03/08/2017	Midas Service Experts	Tire Sensor - Truck 59	252.73
55594	03/08/2017	TS Industrial Supply	Towel 1CG47 Scrub (12)	181.86
	03/08/2017		Shovel Square Point Straight (12)	245.51
	03/08/2017		Shovel Round Point Straight (12)	233.82
	03/08/2017		Shovel Drain Spade Pothole (5)	254.39
55595	03/08/2017	Verizon Wireless	SCADA Remote Access 01/21/17-02/20/17	240.02
55596	03/08/2017	VG Donuts & Bakery Inc	Board Mtg 03/01/17	29.25
55597	03/08/2017	Volt	Temporary Service PE 02/12/17	291.68
	03/08/2017		Temporary Service PE 02/19/17	300.80
55598	03/08/2017	Vulcan Materials Company and Affiliates	Cold Mix - Alessandro Trail	2,091.03
55599	03/08/2017	Weseloh Chevrolet	Mirror Assembly - Truck 51	387.01
55600	03/08/2017	WorkPartners OHS	Physicals (5)	1,005.00
55601	03/08/2017	Refund Check 55601	Customer Refund	244.21
55602	03/15/2017	ACWA/JPIA	Medical & Dental Ins 04/2017 - Cobra	69.09
	03/15/2017		Medical & Dental Ins 04/2017 - Cobra	69.09
	03/15/2017		Medical & Dental Ins 04/2017 - Cobra	69.09
	03/15/2017		Medical & Dental Insurance 04/2017 - Employees	159,314.91
	03/15/2017		Medical & Dental Insurance 04/2017 - Retirees	35,490.02
	03/15/2017		Medical & Dental Insurance 04/2017 - R Vasquez	1,462.29
	03/15/2017		Medical & Dental Insurance 04/2017 - P Dorey	1,462.29
	03/15/2017		Medical & Dental Insurance 04/2017 - J MacKenzie	1,731.63
	03/15/2017		Medical & Dental Insurance 04/2017 - M Miller	1,731.63
55603	03/15/2017	Adco Underground Services	Potholing Service - Lobelia	3,640.00
55604	03/15/2017	Canon Solutions America, Inc	Copier Maintenance	38.00
55605	03/15/2017	Cecilia's Safety Service Inc	Traffic Control - Alessandro Trail	1,540.00
	03/15/2017		Traffic Control - Woodland Dr	1,275.00
55606	03/15/2017	City of Oceanside	Weese Treatment 02/2017	23,087.90
55607	03/15/2017	Clinical Lab of San Bernardino Inc	Lab Testing	920.00
55608	03/15/2017	EDCO Waste & Recycling Services Inc	40 Yd Dumpster	465.65
55609	03/15/2017	Electrical Sales Inc	Step Bits & Fuse - Truck 70	169.06

Payment Number	Payment Date	Vendor	Description	Amount
55610	03/15/2017	Eurofins Eaton Analytical Inc	Mid Lake Samples	350.00
55611	03/15/2017	FedEx	Express Shipping	66.55
55612	03/15/2017	Ferguson Waterworks	Meter 3/4" x 1" electronic read (150)	21,108.75
	03/15/2017		Meter 1" electronic read (20)	3,788.75
	03/15/2017		Meter 3/4" x 9 straight electronic read (6)	844.35
	03/15/2017		10" Pump Control Valve with Pilot Controls	11,636.88
	03/15/2017		Ell 6" Cast Iron PO 45 Degree (4)	282.75
	03/15/2017		Ell 6" Cast Iron POxFL 22.5 Degree (4)	272.79
	03/15/2017		Ell 6" Cast Iron FL 90 Degree (4)	348.57
	03/15/2017		Tee 4" Cast Iron Flange	102.84
	03/15/2017		Tee 6" Cast Iron Flange (4)	513.11
	03/15/2017		Tee 8" Cast Iron Flange (4)	856.91
	03/15/2017		Ell 4" Cast Iron FL 90 Degree (4)	225.16
	03/15/2017		Ell 8" Cast Iron FL 90 Degree (4)	574.16
	03/15/2017		Adapter 8" Cast Iron POxFL (6)	574.81
	03/15/2017		Ell 8" Cast Iron PO 22.5 Degree (4)	342.07
	03/15/2017		Ell 4" Cast Iron PO 11.25 Degree (4)	182.29
	03/15/2017		Tee 6x4 Cast Iron POxFL	105.22
	03/15/2017		Adapter 6" Cast Iron POxFL (6)	424.12
	03/15/2017		Ell 8" Cast Iron FL 22.5 Degree (2)	231.01
	03/15/2017		Ell 4" Cast Iron POxFL 45 Degree (3)	128.28
	03/15/2017		Ell 6" Cast Iron POxFL 45 Degree (3)	272.47
	03/15/2017		Tee 10" Cast Iron Flange	325.72
55613	03/15/2017	Glennie's Office Products Inc	Office Supplies	357.31
55614	03/15/2017	Grainger	Hydration Station	1,639.65
	03/15/2017		4X4" Hinges (6)	180.04
	03/15/2017		Supply Protector, Hole Saw, Pilot Drill	223.33
55615	03/15/2017	Hello Deli	Lunch/Interview Panel 03/07/17 (3)	28.00
	03/15/2017		Lunch/Special Board Mtg 03/13/17 (7)	78.82
55616	03/15/2017	Inland Water Works Supply Co	Meter 100W ERT (86)	6,982.13
55617	03/15/2017	Joe's Paving	Patch Paving - Various Locations	4,139.70
	03/15/2017		Patch Paving - Various Locations	2,693.25
55618	03/15/2017	Major League Pest/Gemini Pest Control	Bee Removal	85.00
55619	03/15/2017	Moodys	Dump Fees (4)	800.00
	03/15/2017		Dump Fees (4)	800.00
	03/15/2017		Dump Fee	200.00
	03/15/2017		Dump Fees (3)	600.00
55620	03/15/2017	NAPA Auto Parts	Universal Joint - Shop	22.72
55621	03/15/2017	North County Auto Parts	Oil Filter, 3V Batteries	14.31
	03/15/2017		Sensor - Truck 42	70.37

Payment Number	Payment Date	Vendor	Description	Amount
	03/15/2017		Ignition Coil	56.24
55622	03/15/2017	Pacific Pipeline Supply	Pipe 8" PVC DR-14 C900 (40)	333.41
	03/15/2017		Tee 8x4 Cast Iron Flange	206.76
	03/15/2017		Cover 8" Valve Cast Iron Water (4)	116.91
	03/15/2017		Zinc Anode bag 30lb (11)	1,369.34
	03/15/2017		Tubing 2" Copper Soft (200)	2,522.23
	03/15/2017		Corp Stop 1" Flare (12)	583.25
	03/15/2017		Corp Stop 2" (3)	548.50
	03/15/2017		Service Saddle 4x2 C900 PVC (2)	210.01
	03/15/2017		Gate Valve 8" POxFL R/W C900 (2)	2,132.53
	03/15/2017		Coupling 8" Repair Macro (2)	554.24
	03/15/2017		Service Saddle 4x1 C900 PVC (10)	887.65
	03/15/2017		Adapter 2" Copper x MIP (3)	37.35
	03/15/2017		Wire 10 Copper (2)	238.15
	03/15/2017		Service Saddle 8x2 C900 PVC	136.40
	03/15/2017		Nipple 2x12 Brass (2)	82.27
	03/15/2017		Gate Valve 4" POxFL R/W C900	510.94
	03/15/2017		Tubing 1" Copper Soft (420)	1,727.67
	03/15/2017		Curb Stop 1" Flare (12)	1,070.38
	03/15/2017		Pipe 4" PVC DR-14 C900 (500)	1,217.81
	03/15/2017		Ell 2" Brass 90 Degree St. (2)	56.29
	03/15/2017		2" x 1" Copper Tee (2)	92.66
	03/15/2017		4" Bolt & Nuts	6.49
	03/15/2017		1" Copper Female Adapters (2)	16.89
	03/15/2017		2" Copper Cap	9.22
	03/15/2017		8" Bolt & Nuts (2)	19.49
	03/15/2017		2" Copper Coupling (7)	66.15
	03/15/2017		8" Galvanize Sleeves (12)	51.96
	03/15/2017		2" Sch 80 Threaded Caps (2)	23.82
	03/15/2017		4" PO End Cap	35.72
	03/15/2017		Curb Stop 2" FNPT X MNPT (2)	484.96
	03/15/2017		Gate Valve 4" RW Cast Iron Flange (2)	1,021.88
	03/15/2017		Gate Valve 8" POxFL R/W C900 (7)	7,463.84
	03/15/2017		Ell 6"x16" POxFL Bury Cast Iron (9)	2,065.41
	03/15/2017		Gate Valve 4" POxFL R/W C900 (6)	3,065.64
	03/15/2017		Flange 6" SOW 8-hole	20.57
	03/15/2017		Fire Hydrant Check Valve (9)	12,168.38
	03/15/2017		Gate Valve 6" POxFL R/W C900 (9)	6,030.61
	03/15/2017		Coupling 8" Deflection C900 (16)	984.47
	03/15/2017		Coupling 8" Repair PVC C900 (5)	352.46

Payment Number	Payment Date	Vendor	Description	Amount
	03/15/2017		Coupling 6" Deflection C900 (2)	51.27
	03/15/2017		Coupling 12" Deflection C900 (16)	2,702.61
	03/15/2017		Coupling 4" Deflection C900 (10)	163.89
	03/15/2017		Coupling 6" Repair PVC C900	29.15
	03/15/2017		Coupling 4" Repair PVC C900 (7)	130.71
	03/15/2017		Coupling 12" Repair PVC C900 (6)	1,265.23
	03/15/2017		Coupling 6" Repair Macro	246.81
	03/15/2017		Coupling 4" Repair Macro (3)	545.58
	03/15/2017		Pipe 2" PVC Schedule 80 (20)	33.56
	03/15/2017		Tubing 2" Copper Soft (340)	4,287.78
	03/15/2017		Wire 10 Copper (14)	1,667.05
	03/15/2017		Coupling 8" Repair Macro	277.12
	03/15/2017		Tubing 1" Copper Soft (180)	740.43
	03/15/2017		Ell 2" Brass 90 Degree St. (12)	337.74
	03/15/2017		Adapter 2" Copper x MIP (52)	647.34
	03/15/2017		Zinc Anode bag 30lb (46)	5,775.13
	03/15/2017		Top Section Valve Box (60)	820.97
	03/15/2017		Plugs 2" Sch 80 threaded PVC (9)	48.71
	03/15/2017		4" NB & Gasket Kit (8)	38.97
	03/15/2017		6" NB & Gasket Kit (55)	410.81
	03/15/2017		12" Gate Valve FL x PO (5)	9,812.87
	03/15/2017		2" Ell Copper 90 (9)	99.37
	03/15/2017		Caps 2" Sch 80 threaded PVC (12)	103.92
	03/15/2017		Tee 12"x 6" Cast Iron POxFL (2)	500.12
	03/15/2017		Reducer 8x6 Cast Iron FL	102.84
	03/15/2017		Adapter 8" Cast Iron POxFL (3)	285.78
	03/15/2017		Reducer 8x4 Cast Iron FL	94.18
	03/15/2017		Reducer 8x6 Cast Iron POxPO	99.59
	03/15/2017		Tee 8x6 Cast Iron POxFL (5)	725.28
	03/15/2017		Adapter 6" Cast Iron POxFL	71.45
	03/15/2017		Tee 8x6 Cast Iron Flange	184.01
	03/15/2017		Tee 12" FL x FL (3)	1,458.13
	03/15/2017		Reducer 12' x 8" FL x FL (3)	630.02
	03/15/2017		Tee 12" x 4" PO x FL (5)	1,255.70
	03/15/2017		4" x 2" Threaded Companion FL	40.05
	03/15/2017		Adapter 12" FL x PO	189.44
	03/15/2017		Cross 8" FL	267.37
	03/15/2017		Tee 8" x 4" PO x FL (3)	428.67
	03/15/2017		Service Saddle 4x2 C900 PVC (6)	630.02
	03/15/2017		Service Saddle 12x2 C900 PVC (10)	1,916.03

Payment Number	Payment Date	Vendor	Description	Amount
	03/15/2017		Service Saddle 4x1 C900 PVC (5)	443.81
	03/15/2017		Service Saddle 8x1 C900 PVC (32)	4,018.24
	03/15/2017		Service Saddle 12x1 C900 PVC (4)	675.48
	03/15/2017		Service Saddle 8x2 C900 PVC (11)	1,500.35
	03/15/2017		Curb Stop 1" Flare (41)	3,657.12
	03/15/2017		Corp Stop 2" (26)	4,753.69
	03/15/2017		Curb Stop 2" FNPT X MNPT (17)	4,122.16
	03/15/2017		Curb Stop 2" (9)	1,868.61
	03/15/2017		Corp Stop 1" Flare (41)	1,992.77
	03/15/2017		Zinc Anode Bar 15lb (60)	4,091.85
	03/15/2017		Service Saddle 8x1 C900 PVC	125.57
	03/15/2017		Service Saddle 4x1 C900 PVC (7)	621.36
	03/15/2017		Curb Stop 1" Flare (8)	713.58
	03/15/2017		Tee 8x4 Cast Iron Flange	206.76
	03/15/2017		Pipe 4" PVC DR-14 C900 (440)	1,071.68
	03/15/2017		Service Saddle 8x2 C900 PVC	136.40
	03/15/2017		Coupling 8" Repair Macro	277.12
	03/15/2017		Adapter 8" Cast Iron POxFL	95.26
	03/15/2017		Tubing 1" Copper Soft (260)	1,069.51
	03/15/2017		Gate Valve 8" POxFL R/W C900	1,066.26
	03/15/2017		Wire 10 Copper (2)	238.15
	03/15/2017		Corp Stop 1" Flare (8)	388.83
	03/15/2017		Pipe 12" PVC DR-14 C900 (18)	370.22
	03/15/2017		Corp Stop 2" (3)	548.50
	03/15/2017		Pipe 8" PVC DR-14 C900 (20)	166.71
	03/15/2017		Adapter 2" Copper x MIP (2)	24.90
	03/15/2017		Nipple 2x12 Brass (2)	82.27
	03/15/2017		Curb Stop 2" FNPT X MNPT (3)	727.44
	03/15/2017		Service Saddle 4x2 C900 PVC (2)	210.01
	03/15/2017		Gate Valve 4" POxFL R/W C900	510.94
	03/15/2017		Ell 2" Brass 90 Degree St. (2)	56.29
	03/15/2017		Tubing 2" Copper Soft (40)	504.45
	03/15/2017		Zinc Anode bag 30lb (7)	871.39
	03/15/2017		Valves (2)	1,986.17
55623	03/15/2017	Pacific Safety Center	PPE & Tool Safety Class	425.00
55624	03/15/2017	Ramco Petroleum	Fuel 02/2017	1,090.44
55625	03/15/2017	XC2 Software LLC	Backflow Software	10,000.00
55626	03/15/2017	RC Auto & Smog	Diagnose/Replace Throttle Body - Truck 60	683.33
55627	03/15/2017	Perdue Russell & Matthies Real Estate Appraisal	Grazing Lease Market Survey	12,000.00
55628	03/15/2017	S & J Supply Company Inc	Gate Valve 6" R/S Cast Iron Flange (16)	10,173.25

Payment Number	Payment Date	Vendor	Description	Amount
	03/15/2017		Clamp 1x3 Repair Full Circle 1.32OD Orangeburg (8)	203.68
	03/15/2017		Clamp 1x3 Repair Full Circle 1.13OD Copper (6)	150.49
	03/15/2017		Gate Valve 6" POxFL R/W C900 (15)	7,654.49
	03/15/2017		Zinc Anode bag 30lb (25)	2,878.37
	03/15/2017		Gate Valve 4" RW Cast Iron Flange (6)	2,855.07
	03/15/2017		Clamp 1x6 Repair Full Circle Stainless Steel (4)	204.81
55629	03/15/2017	San Diego Gas & Electric	Gas 02/2017	768.85
	03/15/2017		Electric 02/2017 - T&D	23.57
55630	03/15/2017	Shred-it USA LLC	Shredding Fees	96.96
55631	03/15/2017	SignArt	Decals (3)	48.60
55632	03/15/2017	Sloan Electric Company	Reports	(460.00)
	03/15/2017		Pump Refurbishment & Automation Services	980.00
55633	03/15/2017	Southern Counties Lubricants, LLC	Fuel 02/16/17-02/28/17	2,946.81
	03/15/2017		Credit - Hydraulic Oil	(88.86)
55634	03/15/2017	Statewide Traffic Safety and Signs, Inc	Traffic Signs	831.83
55635	03/15/2017	Steven Enterprises Inc	Plotter Cartridges (10)	2,001.83
55636	03/15/2017	Sunrise Materials Inc	Blocks to Repair Damaged Wall - Sycamore Ave	331.25
	03/15/2017		Concrete 90lb bag (280)	1,812.11
	03/15/2017		Rock Bags, Pallets (420)	1,702.77
	03/15/2017		Gravel	31.39
55637	03/15/2017	Tegriscap Inc	Landscaping Maint @ VID and 4 Reservoirs 02/2017	1,840.00
55638	03/15/2017	The San Diego Union-Tribune LLC	Advertising - Meyer's Siphon Bid Notice	386.01
55639	03/15/2017	TS Industrial Supply	First Aid Kits (3)	69.66
	03/15/2017		Gloves Rubber Nitrile XL 100 per box (50)	713.91
	03/15/2017		Gloves Rubber Nitrile LG 100 per box (50)	713.91
	03/15/2017		Demolition Hammer	842.67
	03/15/2017		#160 60LB Paving Breaker 1-1/8 x 6	968.84
	03/15/2017		Diagnose/Repair Paving Breaker	250.00
	03/15/2017		Visqueen Black 20'x100'x.006 (8)	654.70
55640	03/15/2017	UniFirst Corporation	Uniform Service	346.47
	03/15/2017		Uniform Service	343.82
55641	03/15/2017	Union Bank	CA-NV AWWA Spring Conference	267.93
	03/15/2017		CA-NV AWWA Spring Conference	445.00
	03/15/2017		CA-NV AWWA Spring Conference	267.93
	03/15/2017		CA-NV AWWA Spring Conference	445.00
	03/15/2017		Advance Water Quality Review	150.00
	03/15/2017		ACWA Spring Conference - P Dorey	106.80
	03/15/2017		ACWA Spring Conference - J MacKenzie	213.60
	03/15/2017		ACWA Spring Conference - M Miller	213.60
	03/15/2017		ACWA Spring Conference - P Dorey	78.20

Payment Number	Payment Date	Vendor	Description	Amount
	03/15/2017		Urban Water Institute Spring Conf - R Vasquez	178.90
	03/15/2017		ACWA Water Quality Committee Mtg - R Vasquez	24.70
	03/15/2017		ACWA Water Quality Committee Mtg - R Vasquez	198.90
	03/15/2017		GRA Annual Legislative Symposium - P Dorey	24.70
	03/15/2017		GRA Annual Legislative Symposium - P Dorey	81.00
	03/15/2017		ACWA Spring Conference- J MacKenzie	699.00
	03/15/2017		ACWA Legislative Symposium - J MacKenzie	245.00
	03/15/2017		GRA Annual Legislative Symposium - P Dorey	315.00
	03/15/2017		ACWA Spring Conference - E Boone	196.40
	03/15/2017		ACWA Spring Conference - B Hodgkiss	176.40
55642	03/15/2017	UPS	Shipping	29.15
	03/15/2017		Shipping	18.11
55643	03/15/2017	Vinje & Middleton Engineering Inc	Compaction Test - Alessandro Trail	258.75
55644	03/15/2017	Vista Lock & Safe Co	Keys, Hide a Key	35.48
55645	03/15/2017	Volt	Temporary Service PE 02/26/17	291.68
55646-55648	03/15/2017	Refund Checks 55646-55648	Customer Refunds	869.35
55649-55650	03/22/2017	Refund Checks 55649-55650	Customer Refunds	1,963.97
55651-55676	03/22/2017	Refund Checks 55651-55676	Customer Refunds	3,767.70
55677	03/22/2017	ABABA Bolt	Flange Hardware	68.18
55678	03/22/2017	Adco Underground Services	Potholing Services - Lobelia	10,630.00
55679	03/22/2017	American Backflow Specialties, Inc	Backflow Parts	174.76
55680	03/22/2017	BHA Inc	Lake Henshaw Dam Survey 02/2017	3,680.00
55681	03/22/2017	Boot World Inc	Footwear Program (3)	524.53
55682	03/22/2017	Canon Solutions America, Inc	Copier Maintenance	131.91
55683	03/22/2017	Cass Construction, Inc	Flume Relocation Construction - Shea Homes 02/2017	331,139.60
55684	03/22/2017	Cecilia's Safety Service Inc	Traffic Control - Thibodo Rd	1,360.00
	03/22/2017		Traffic Control - Plumosa Ave	1,190.00
	03/22/2017		Traffic Control - E Bobier Dr/Calle Jules	595.00
55685	03/22/2017	City Of Escondido	Escondido Canal Operating Costs 01/2017-03/2017	2,500.00
	03/22/2017		EVWTP Onsite Chlorine Generation 10/2016-12/2016	93,812.48
55686	03/22/2017	Council of Water Utilities	Meeting 03/21/2017 - R Vasquez	25.00
	03/22/2017		Meeting 03/21/2017 - P Sanchez	25.00
	03/22/2017		Meeting 03/21/2017 - P Dorey	25.00
	03/22/2017		Meeting 03/21/2017 - B Hodgkiss	25.00
	03/22/2017		Meeting 03/21/2017 - E Boone	25.00
55687	03/22/2017	County of San Diego	Inspection Fee	39.20
	03/22/2017		Inspection Fee - Gopher Canyon	536.50
55688	03/22/2017	CWEA	Membership Renewal	172.00
55689	03/22/2017	Diamond Environmental Services	Portable Restroom Service	89.71
	03/22/2017		Portable Restroom Service	89.71

Payment Number	Payment Date	Vendor	Description	Amount
	03/22/2017		Portable & Stationary Restroom Service	163.68
55690	03/22/2017	Digital Deployment, Inc	Web Hosting, Maintenance & Support	300.00
55691	03/22/2017	Direct Energy	Electric 02/2017 - VID	907.78
	03/22/2017		Electric 02/2017 - Henshaw Well Field	9,048.76
	03/22/2017		Electric 02/2017 - T & D / Cathodic Protection	11.67
	03/22/2017		Electric 02/2017 - Reservoirs	19.05
	03/22/2017		Electric 02/2017 - Pump Stations	1,307.50
	03/22/2017		Electric 02/2017 - Treatment Plants	20.79
55692	03/22/2017	El Camino Rental	Rammer Sleeve Protection, O-Rings, Knob	326.45
	03/22/2017		Box Scraper Blade - B12	171.79
55693	03/22/2017	Electrical Sales Inc	Vehicle Exhaust Parts - Truck 11	254.99
55694	03/22/2017	Ferguson Waterworks	Brass Flare Fittings (25)	115.83
	03/22/2017		Visqueen 8 mil 3'x100' (25)	622.44
55695	03/22/2017	Coast Fitness Repair Shop	Maintenance of Fitness Equipment	200.00
55696	03/22/2017	Fleet Pride	Air Compressor Governor - Truck 26	26.93
55697	03/22/2017	D.H. Maintenance Services	Janitorial Services 3/2017	1,850.00
55698	03/22/2017	GLC-(CA) Vista LLC	Solar Power 02/2017	3,545.22
55699	03/22/2017	Glennie's Office Products Inc	Office Supplies	89.57
	03/22/2017		Office Supplies	85.26
55700	03/22/2017	Grainger	Copper Pipe Cutter	58.78
	03/22/2017		Saw Blades	34.43
55701	03/22/2017	HDR	2016 Water Master Plan 02/2017	28,598.50
55702	03/22/2017	Headsets.com, Inc	Replacement Batteries for Plantronics CS50/CS55	86.49
55703	03/22/2017	Horton Knox Carter & Foote LLP	Legal 02/2017	36,225.00
55704	03/22/2017	InfoSend Inc	Mailing Service 02/2017	5,221.18
	03/22/2017		Data Processing 02/2017	2,147.82
	03/22/2017		Storage & Support 02/2017	1,125.38
55705	03/22/2017	Infrastructure Engineering Corporation	Beehive Rehab Study 01/28/17-02/24/17	1,498.19
55706	03/22/2017	Iron Mountain Records Management	Offsite Data Storage	235.62
55707	03/22/2017	Joe's Paving	Patch Paving - Various Locations	3,371.85
	03/22/2017		Road Repair - Various Locations	2,634.15
	03/22/2017		Road Repair - Foothill Dr	102.60
	03/22/2017		Patch Paving - Various Locations	7,089.45
	03/22/2017		Patch Paving - Citrus Ave/Broadway	1,368.00
55708	03/22/2017	Kelly Paper	Door Hanger Notifications	199.34
55709	03/22/2017	Ken Grody Ford Carlsbad	Floor Mat - Truck 63	82.43
55710	03/22/2017	Leon Perrault Trucking & Materials	Trucking & Material 02/2017	10,570.50
55711	03/22/2017	San Diego Freightliner	Door Latch - Truck 26	233.85
55712	03/22/2017	Major League Pest/Gemini Pest Control	Pest Control Service @ VID	93.00
55713	03/22/2017	Medical Eye Services	Vision Insurance 04/2017 - Cobra	56.96

Payment Number	Payment Date	Vendor	Description	Amount
	03/22/2017		Vision Insurance 04/2017 - Cobra	56.96
	03/22/2017		Vision Insurance 04/2017 - Employees	1,731.90
	03/22/2017		Vision Insurance 04/2017 - R Vazquez	14.24
	03/22/2017		Vision Insurance 04/2017 - M Miller	14.24
	03/22/2017		Vision Insurance 04/2017 - P Dorey	14.24
	03/22/2017		Vision Insurance 04/2017 - J MacKenzie	14.24
55714	03/22/2017	Moody's	Dump Fees (3)	600.00
55715	03/22/2017	Mutual of Omaha	LTD/STD/Life Insurance 04/2017	6,660.06
55716	03/22/2017	NAPA Auto Parts	Service Filters (7)	172.99
	03/22/2017		Fan Belt & Tensioner - Truck 14	80.62
55717	03/22/2017	North County Auto Parts	Filters, Work Lamp	111.12
	03/22/2017		Starting Fluid, Fuse, Filter, Protectant	48.45
	03/22/2017		Electrical Wiring - Truck 36	8.66
	03/22/2017		Fire Extinguisher Decals (5)	22.56
55718	03/22/2017	North County Industrial Park	Association Fees 04/2017 - 1391 Engineer St	879.30
55719	03/22/2017		Association Fees 04/2017 - Pipeline Dr	256.40
55720	03/22/2017	One Source Distributors	Hat Hard Full Brim with Rat HG (25)	287.24
	03/22/2017		Fall Protection	240.49
55721	03/22/2017	Pacific Pipeline Supply	PVC Couplings, Torque Wrench	127.38
	03/22/2017		Valve Parts	65.89
	03/22/2017		Coupling 8" Repair Macro	277.12
	03/22/2017		Epoxy Coating (2)	225.76
	03/22/2017		Flange Tees, Reducer	2,206.89
	03/22/2017		Materials for Sarver Lane	2,482.82
	03/22/2017		Materials for Sarver Lane	2,172.58
55722	03/22/2017	Pacific Safety Center	Dog Bite Prevention Training	1,805.00
	03/22/2017		Traffic Control Class	230.00
55723	03/22/2017	RC Auto & Smog	Smog Test - Truck 16	50.00
	03/22/2017		Smog Test - Truck 58	50.00
55724	03/22/2017	San Diego Chapter of RIMS	Meeting 03/30/17 (2)	85.00
55725	03/22/2017	San Diego Gas & Electric	Electric 02/2017 - T&D	59.99
	03/22/2017		Electric 02/2017 - Reservoirs	42.05
	03/22/2017		Electric 02/2017 - Cathodic Protection & T&D	188.87
	03/22/2017		Electric 02/2017 - Reservoirs	113.19
	03/22/2017		Electric 02/2017 - Pump Stations	7,139.19
	03/22/2017		Electric 02/2017 - Plants	85.25
55726	03/22/2017	Santa Fe Car Wash	Car Washes (25)	200.00
55727	03/22/2017	Southern Counties Lubricants, LLC	Fuel 03/01/2017 - 03/15/2017	5,780.17
55728	03/22/2017	State Water Resources Control Board	ELAP Certificate Renewal	2,741.00
55729	03/22/2017	Totalfunds By Hasler	Postage for Postage Meter	2,500.00

Payment Number	Payment Date	Vendor	Description	Amount
55730	03/22/2017	Underground Service Alert of Southern California	New Dig Alert Tickets 02/2017 (263)	394.50
55731	03/22/2017	UniFirst Corporation	Uniform Service	343.82
55732	03/22/2017	VG Donuts & Bakery Inc	Board Meeting 03/15/17	28.25
55733	03/22/2017	Video Fact Documentation Service	Pre-construction Video - Lobelia/Primrose	675.00
55734	03/22/2017	Vista Paint Corporation	Paint	49.05
55735	03/22/2017	Wayne Green	Reimburse for Main Line Leak Damage	3,600.00
Grand Total:				1,323,655.14



STAFF REPORT

Agenda Item: 7

Board Meeting Date: April 5, 2017
Prepared By: Brett Hodgkiss, Don Smith, and Brian Smith
Approved By: Eldon Boone

SUBJECT: DIVISION REPORTS

RECOMMENDATION: Note and file informational report.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: None.

SUMMARY: Previous month's and anticipated activities are reported by each division.

FIELD SERVICES AND WATER RESOURCES DIVISION

**VID Water Production
February 2017**

Description	Current Month Production		Average Production of Last 12 Months		Total, Fiscal Year-to-Date
	(mgd)	(af)	(mgd)	(af)	(af)
VID's Escondido-Vista Water Treatment Plant (EVWTP) Water Production					
Local Water	0.00	0.00	1.22	114.85	858.40
SDCWA Raw Water	6.72	577.20	8.92	834.09	6,238.50
Subtotal (EVWTP Water Production)	6.72	577.20	10.15	948.94	7,096.90
Oceanside Contract Water	1.93	166.10	1.23	114.23	1,112.40
SDCWA Treated Water	1.23	105.70	3.71	347.65	3,134.50
TOTAL WATER PRODUCTION	9.88	849.00	15.09	1,410.82	11,343.80

Lake Henshaw and Warner Ranch Wellfield statistics are summarized as follows:

Lake Henshaw

Storage as of March 27, 2017: 15,741 af (30% of 51,774 af capacity)
 Current releases: 0 cfs
 Change in storage for month of February: 5,375 af (gain)
 Total releases for month of February: 143 af
 Hydrologic year-to-date rain total: 32.59 inches (March 27, 2017)
 Percent of yearly average rain: 135% (30-year average: 24.09 inches)
 Percent of year-to-date average rain: 151% (30-year average through March: 21.63 in.)

Warner Ranch Wellfield

Number of wells running in February: 13
Total production for month of February: 384 af
Average depth to water table (February): 123 ft (see attached historical water table chart)

Electrical Energy Use at VID Headquarters

February 2017

Description	Current Month Production	Average of Last 12 Months	Total, Fiscal Year-to-Date
	(kWh)	(kWh)	(kWh)
Solar Production (\$0.16 per kWh)	22,559	33,306	239,813
Power purchased from Direct Energy (\$0.05 per kWh)	16,276	13,919	148,214
TOTAL ELECTRICAL ENERGY USE	38,835	47,225	388,027

March

- Water Quality Calls/Incidents for March – received two odor calls. One call was related to drain odor. The other odor call was undetermined.
- Continued main line replacement of 6” steel pipe on Lobelia Drive and Primrose Avenue – install 4,300’ of various size PVC, 49 services and 9 hydrants. Approximately 10% complete.
- Continued main line replacement of 4” Nipponite pipe on Mimosa Avenue (private easement) – install 460’ of 4” PVC and seven services. Approximately 75% complete.
- Completed main line replacement of 4” Nipponite pipe on Plumosa Avenue (private easement) – installed 375’ of 4” PVC, 180’ of 2” copper and 11 services.
- Wellfield operation was suspended due to rising lake level. Pumping now is limited to the minimum necessary to provide water for grazing lessees and periodic equipment exercise.
- Negotiations with the State of California Department of General Services are ongoing for the renewal of the CALFIRE lease at the Puerta La Cruz Honor Camp. The second 30-year term of this lease expired March 31, 2017; the lease will continue on a month-to-month basis.
- EVWTP On-Site Chlorine Generation and Electrical Upgrades Project: Emergency generator, sodium hypochlorite storage and feed systems, and chlorine dioxide generation and feed systems are installed and operational. Gaseous chlorine storage and feed systems have been demolished. New sodium hypochlorite generation equipment has been delivered and is awaiting installation.
- Received seven proposals for Groundwater Assessment and Consultation Services; proposals are currently being reviewed.

April

- Continue main line replacement of 4” Nipponite pipe on Mimosa Avenue.
- Continue main line replacement of 6” steel pipe on Lobelia Drive and Primrose Avenue.
- Start main line replacement of Nipponite pipe on Taylor Street (private easement).

ATTACHMENTS:

Lake Henshaw Resort, Inc., Activity Reports – January 31, 2017
VID's Warner Wellfield - Water Table Depth vs. Monthly Wellfield Production

ADMINISTRATION DIVISION

March

- **The District's total water production for February 2017 was 849 acre-feet (AF) compared to 1,028 AF in 2013, representing a 17 percent decrease. For the twenty one month period ended February 28, 2017 that the State has mandated conservation standards, the District's total water production has decreased by 16 percent when compared to a twenty one month period using 2013 data. The District's State mandated conservation standard is 0%.**
- Issued a news release regarding the Board's appointment of Patrick Sanchez to fill the Division 4 vacancy.
- Presented information regarding the poster contest to 4th grade classes located within the District's service area.
- Presented information on water supply conditions and water conservation to Vista Hi-noon Rotary Club.
- Hosted Homeowner Landscape Makeover Workshop.
- Continued coordinating the development of the District Budget.
- Began recruitment for Construction Worker position.
- Continued recruitment for Information Technology System Administrator position.
- Coordinated annual training on pesticide application for field personnel.
- Hosted dog bite prevention training; this training is open to other public agencies.

April

- Host Homeowner Landscape Makeover Workshop.
- Host California Special Districts Association's workshop on supervisory skills in the public sector.
- Continue coordinating the development of the District Budget
- Continue recruitments for Information Technology System Administrator and Construction Worker positions.
- Present information about the District and its operation to a group of eighth grade students from Vista Unified School District as part of the school district's "Talent Cities" pilot program; the goal of the program is to provide students with career ideas so that they are better able to plan their high school and post-secondary educational program.
- Coordinate training on proper use of respiratory protection equipment and fit testing for field personnel.

ENGINEERING DIVISION

March

- Mainline Replacements – Continued working on design of main replacement projects.
- The District has replaced approximately 5.8 miles of Nipponite pipe since 2002. Of the 11.3 miles of Nipponite pipe remaining in the system, replacement of 4.3 miles is currently in design and 0.5 mile is in construction.
- Meyer's Siphon Replacement – Design completed; construction postponed until spring 2018.
- Flume Relocation (Hidden Valley Estates) – Cass Construction continued on flume relocation work.
- North San Diego Water Reuse Coalition – Attended progress meeting.
- Master Plan Update – HDR continued on master planning efforts.
- HP Reservoir Rehabilitation – Richard Brady and Associates (Brady) completed roof demolition work. See cost estimate / bid summary table attached.

April

- Mainline Replacement Projects in design (current projects): Lobelia Dr., Primrose Ave.*, Plumosa Ave.*, Mimosa Ave.*, Barbara Drive, Lita Lane, Pala Vista Dr., Copper Dr.*, Delta Ln.*, San Luis Rey Ave. *, Cathan Lane, Buena Village Dr., York Dr. (Pvt Rd.), Lonsdale Ln.*, Rosario Ln.*, Catalina Ave.*, Quails Trail*, Peach Grove Lane, Via Christina, Robinhood Rd., Lower Ln., Easy St., Vista Grande Dr.*, Green Hills Way, Elevado Road.
- Mainline Replacement Projects in planning (future projects): Camino Ciego*, Mar Vista Dr., Miramar Dr., Marine View Dr., E. Vista Way, Mason Rd., Lado De Loma, Eddy Dr., Camino Patricia, Camino Corto, Nordahl Rd.*, HN Line- Gopher Canyon to Fairview Dr., N. Citrus Ave., Nevada Ave., Lemon Ave., Buena Creek Rd.*, Via Christina, S. Santa Fe Pipeline, Rancho Vista Rd., Bandini Place, McGavran Dr., Ora Avo Dr., Shale Rock, San Clemente Ave.*, San Clemente Way*, La Mirada, Crescent Dr., Descanso Ave., Pump Station No. 10 By-Pass – Blue Bird Canyon.
- Mainline Replacements (consultant projects) – KEH and Associates to continue with design for: Osborne St.*, North Santa Fe Ave.*, Taylor St.*, Goodwin Dr.*, Rush Ave.*, Portia Ave.*.
- City of Vista Projects – Paseo Santa Fe Streetscape Improvements: Phase II along South Santa Fe from Ocean View Drive to Terrace Drive (CIP #8289); Phase III along Terrace Drive to Civic Center Drive (CIP #8291). Coordinate design of water improvements associated with City street improvements.
- Flume Relocation (Hidden Valley Estates) – Cass Construction to continue with flume relocation work.
- Master Plan Update – HDR to continue with master planning efforts.
- HP Reservoir Rehabilitation – Brady to begin gunite / pre-stressed wire removal work.

*Nipponite pipe

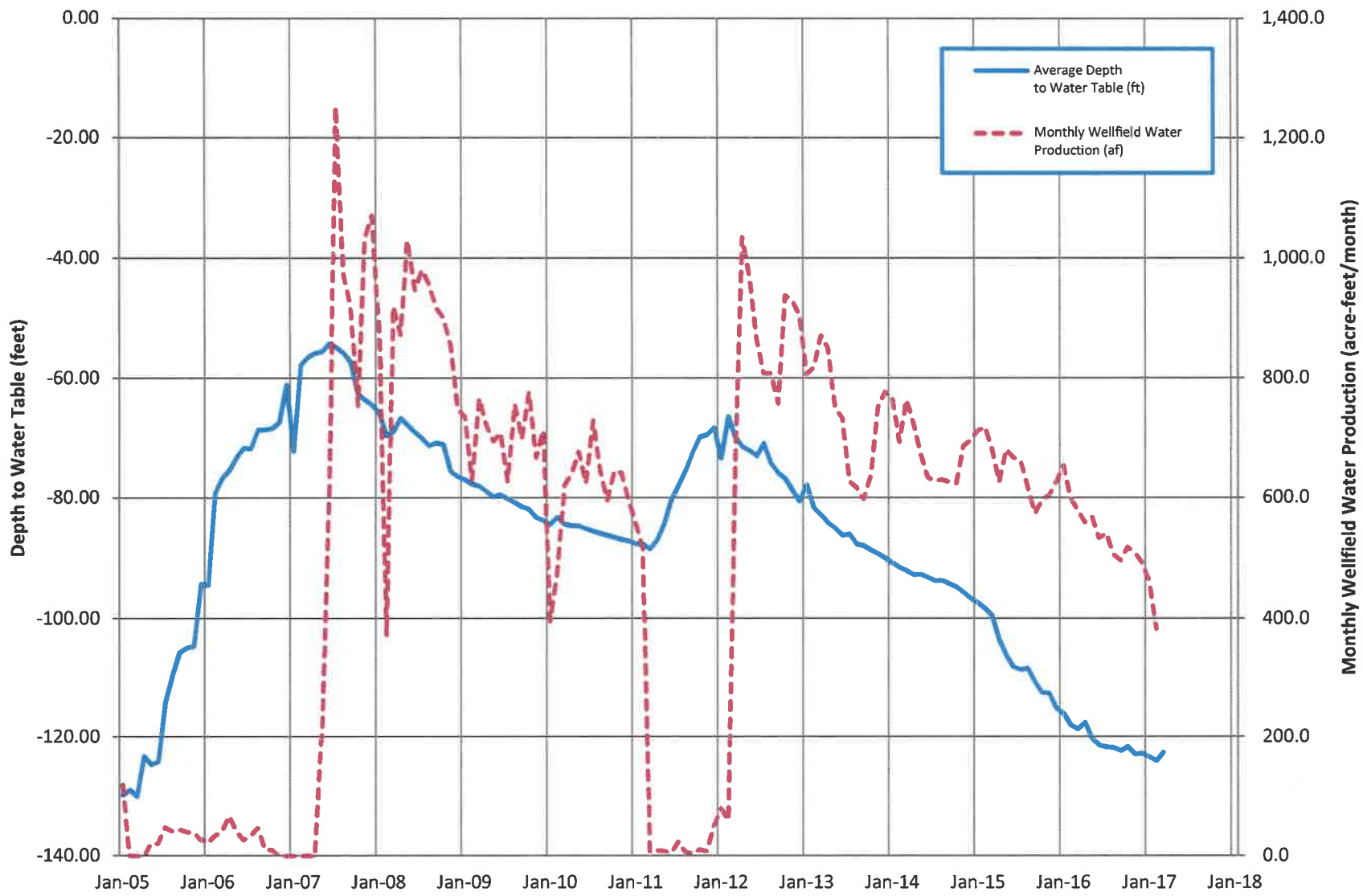


**LAKE HENSHAW RESORT, INC.
ACTIVITY REPORT
AS OF JANUARY 31, 2017**

	2016 Jan	2016 Feb	2016 Mar	2016 Apr	2016 May	2016 Jun	2016 Jul	2016 Aug	2016 Sep	2016 Oct	2016 Nov	2016 Dec	2017 Jan	12 MO AVG
Fishing Permits	234	327	591	699	650	772	835	617	573	356	285	80	109	491
Boat Launches	4	9	14	26	32	62	24	3	2	5	2	0	0	15
Motor Boats (full day rental)	14	13	27	52	55	59	56	49	24	13	1	13	14	31
Motor Boats (half day rental)	1	6	3	8	3	12	9	8	5	9	2	0	0	5
Campground/Head Count	130	170	153	194	2,124	659	1,642	1,159	1,294	749	205	115	77	712
Campground/Cars, Trucks, etc.	17	58	128	284	797	283	848	386	406	347	137	17	12	309
Campground/Recreational Vehicles	3	5	21	15	16	6	13	6	9	10	19	6	0	11
Mobile Home/Spaces	61	61	61	62	62	62	62	62	62	63	64	65	65	63
M.H.P. Daily (Visitors/Head Count)	44	9	12	23	22	53	6	12	18	0	0	0	0	13
M.H.P. (Residents/Head Count)	85	85	84	86	84	84	84	84	84	89	96	98	98	88
Storage	4	4	3	1	4	4	4	4	4	2	3	6	4	4
Cabins	79	91	231	166	174	127	109	191	238	211	248	167	109	172
Hunters	88	0	0	0	0	0	0	0	0	0	0	131	78	17

VID's Warner Wellfield

Water Table Depth vs. Monthly Wellfield Production



HP RESERVOIR CONSTRUCTION COST ESTIMATE AND BID SUMMARY

ITEM	ESTIMATE	ACTUAL BID / QUOTE	UNDER / (OVER)
Tank Rehab			
Demo existing gunite and wire, abrasive blast wall	\$150,000	\$150,000	\$0
Extend wall footing	\$310,000	\$204,215	\$105,785
Install prestressing/seismic strand and shotcrete	\$845,300	\$880,000	(\$34,700)
Remove and replace floor/ wall joint mastic	\$85,000		
Install backer-rod and Sikaflex	\$65,000		
Epoxy inject floor cracks	\$10,000		
Abatement and Demo			
Remove floor/wall mastic patch, encapsulate lead-paint	\$7,500	\$3,500	\$4,000
Disposal of asphalt	\$5,000		
Disposal of gunite and wire	\$75,000	\$55,000	\$20,000
Demo and dispose existing roof/columns and tank footing, cut and cap roof columns	\$280,000	\$295,100	(\$15,100)
Aluminum Roof	\$650,000	\$497,195	\$152,805
Miscellaneous Items			
Special inspection services	\$12,000		
Bonds	\$53,000	\$35,848	\$17,152
Interior SS staircase	\$75,000		
Exterior galv. staircase	\$40,000		
Exterior painting of tank	\$30,000	\$32,452	(\$2,452)
Furnish and install new pipe brackets for overflow pipe	\$10,000		
Furnish/Install new overflow pipe & interior waterline	\$10,000		
Site office and sanitary	\$8,000	\$4,426	\$3,574
Site Restoration and Yard Piping Improvements			
Replace perimeter fence 750 lf and entry gate	\$28,400		
Remove and replace perimeter asphalt 12,000 est. sf	\$100,800		
Yard piping improvements	\$150,000	\$84,068	\$65,932
Total (Construction Budget)	\$3,000,000	\$2,241,804	\$316,996



PUBLIC AFFAIRS

COMMITTEE REPORT

Agenda Item: 8

Board Meeting Date: April 5, 2017
Prepared By: Dirs. Vásquez & Dorey

SUBJECT: SCHOLARSHIP CONTEST

RECOMMENDATION: Approve the Public Affairs Committee's recommendation to award a \$1,500 scholarship to Jacob Toney from Rancho Buena Vista High School as the winner of the Vista Irrigation District scholarship contest. The Committee also recommends awarding \$750 scholarships to Thomas Montero and Sawyer Post, both from Vista High School, as runners-up in the scholarship contest.

PRIOR BOARD ACTION: At their April 20, 2016 meeting, the Board awarded a \$1,500 scholarship to Nicholas Smith from Tri-City Christian School as the winner of the Vista Irrigation District scholarship contest. The Board also awarded \$750 scholarships to Marcy Faison from North County Trade Tech and Randy Robbins from Rancho Buena Vista High School as runners-up in the scholarship contest.

FISCAL IMPACT: \$3,000.

SUMMARY: Each year, the District's invites high school seniors who live or go to school within its service area to compete for a \$1,500 scholarship. The purpose of the scholarship program is to increase student knowledge and awareness of water related issues impacting the District and its customers. Students who compete for a scholarship must complete an essay and provide a one page personal statement related to their background and/or goals; selection criteria also include community involvement or volunteer service, and letters of recommendation from high school faculty.

The winning scholarship award is \$1,500, and the balance (\$1,500) is available to award to a runner-up (or runners-up) at the Committee's discretion. Last year, the Committee recommended and the Board awarded a \$1,500 scholarship to the contest winner and two \$750 scholarships to the runner-ups.

DETAILED REPORT: In December 2016, application packets for VID's scholarship contest were provided to counselors of high schools within the District's jurisdictional boundaries. Follow-up calls were made to counselors to make sure the application materials were received and inquire as to students' interest in the program. Additional scholarship promotional efforts included: placing information about the scholarship in Rancho Buena Vista High School's monthly scholarship bulletin, recording a segment on the scholarship program for Vista High School's daily video bulletin, issuing a news release, and announcing the program on our on-hold telephone message and web site. Application materials were also made available on the District's web site. The District received ten applications by the February 24, 2017 deadline.

Public Affairs Committee members Vásquez and Dorey were the competition judges. The Committee reviewed the applications and recommends Jacob Toney from Rancho Buena Vista High School as the winner of the Vista Irrigation District scholarship contest. The Committee also recommends awarding \$750 scholarships to Thomas Montero and Sawyer Post, both from Vista High School, as runners-up in the scholarship contest.

If the Committee's recommendation is approved by the Board, a certificate for \$1,500 will be presented to the winner and certificates for \$750 will be presented to the runners-up at the April 19, 2017 Board meeting. Once each student has enrolled at a university, District staff will forward a check for \$1,500 (or \$750) to each university on behalf of the student(s).

ATTACHMENTS:

1. Scholarship Application Instructions/Requirements
2. Scholarship Applications



SCHOLARSHIP APPLICATION PACKAGE

The Vista Irrigation District (VID) invites local high school seniors to compete for a scholarship of \$1,500 from VID. A Winner will be chosen based on the quality of essay prepared by the applicant, as well as academic and service qualifications. Applications will not be accepted if all criteria are not met including correct formatting. **Applicants must submit the following documents by February 24, 2017:**

1. Completed application form.
2. High School transcript and continuing education registration information.
3. School/Community involvement:
 - a. One letter of recommendation from a high school faculty member.
 - b. One letter of character reference from a personal or professional associate.
4. A typewritten personal statement (**two pages or less, Arial font, 12 point type, with 1 inch margins top, bottom, left and right, and line spacing set to 1½**). Suggested topics include the student's reasons for applying for the scholarship or seeking a higher education, the student's educational/career goals, personal background or interests.
5. A typewritten essay (**two pages Arial font, 12 point type, with 1 inch margins top, bottom, left and right, and line spacing set to 1½**) addressing the following topic/question:

The multi-year drought has impacted the way California residents think about water as well as how they use it. Describe how water supply reliability is important to you and to your community?

The essay will be judged on originality and demonstrated understanding of the question.

Students may obtain an application package from their Scholarship Counselor or from VID by contacting Brent Reyes at (760) 597-3107. The application package and related materials are also available on the district's website (www.vidwater.org) in the Publications section.

A completed application package must be submitted to the Vista Irrigation District, 1391 Engineer Street, Vista, CA 92081-8840, **by 5:00 PM on Friday, February 24, 2017.**

VID will review qualified applications and select a winner who will receive a \$1,500 scholarship from the district. Once enrolled at a college, university or vocational school, VID will send a check directly to the school on scholarship recipient's behalf.

Scholarship applications were provided to the Public Affairs Committee under separate cover.



PUBLIC AFFAIRS

COMMITTEE REPORT

Agenda Item: 9

Board Meeting Date:

April 5, 2017

Prepared By:

Dirs. Vásquez & Dorey

SUBJECT: 2016 ANNUAL REPORT

RECOMMENDATION: Approve the 2016 Annual Report.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: Design and layout of the annual report is performed in-house by District staff. No outside printing costs are anticipated for the Annual Report. The document will be available for viewing on the District's website.

SUMMARY: Each year the District prepares an Annual Report that includes its financial statements, demographic data and articles about various water related topics, such as water conservation, infrastructure improvements and security. The Annual Report is posted on the District's website and printed upon request.

DETAILED REPORT: On November 16, 2017, the Public Affairs Committee met and provided input on information to be contained in the 2016 Annual Report. The layout and design process of the Annual Report was completed in early March, and the Committee reviewed and approved a draft of the Annual Report on March 23, 2017. The draft Annual Report is now ready for the full Board's review and approval. A copy of the document is attached.

ATTACHMENT: Draft 2016 Annual Report



Vista Irrigation District 2016 Annual Report



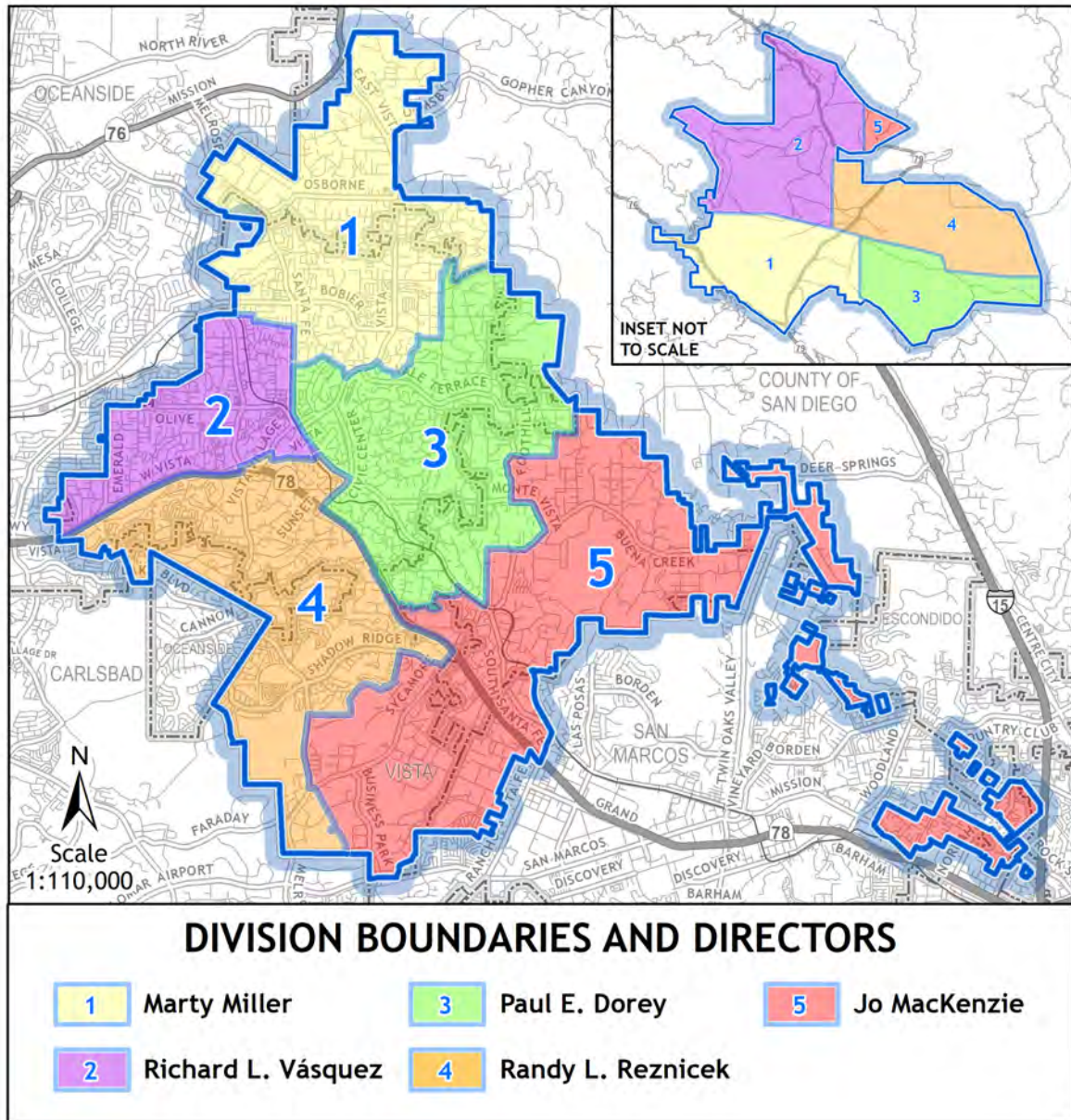
Cover photo: Lake Henshaw

2016 Annual Report

Table of Contents

Division Boundary Map	2
Board of Directors	3
Message from the Board President	4
Message from the General Manager	5
San Diego County Water Authority Report	6
California Drought Update	7
Awareness, Conservation, and Education	8
Customers Showcase Their Water-Wise Landscapes	9
Water Supply Facts	10
Employee Service Awards	12
District Demographics	13
District Financials	21
Management's Discussions and Analysis	22
Financial Statements	26
Notes To Financial Statements	31
Required Supplementary Information	56

Division Boundary Map



The Vista Irrigation District serves more than 129,000 people through approximately 28,500 residential and business connections in Vista and portions of Escondido, Oceanside, San Marcos and unincorporated areas of San Diego County.

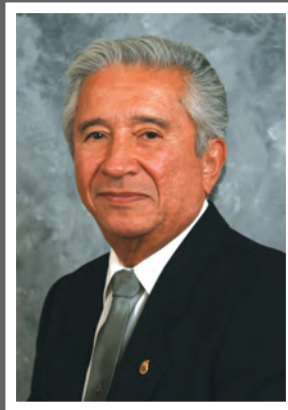
Vista Irrigation District

Board of Directors

Marty Miller
Division 1



Richard L. Vásquez
Division 2



Paul E. Dorey
Division 3



Randy L. Reznicek
Division 4



Jo MacKenzie
Division 5



Board meetings are generally held on the first and third Wednesday of each month. Standing committees meet on an as needed basis. All meetings are held at the District office. Meetings are open to the public, and agendas are posted the Friday prior to the scheduled meeting. For further information about a meeting, or to request a copy of an agenda or staff report, please contact the Board Secretary at (760) 597-3128.



*Richard Vásquez, 2016 Board President
Director, Division 2*

A Message from the Board President

The past year was filled with the many achievements and milestones, most notably the approval of legislation that will settle a decades old dispute between the federal government, five Indian Bands, City of Escondido and Vista Irrigation District. It was also a bitter-sweet year because we bid a fond farewell and extended our best wishes in retirement to our long time General Manager, Roy Coox, but welcomed two very savvy individuals to lead the District.

The Board selected Eldon Boone to succeed Mr. Coox and become the District's 12th General Manager in its 93 year history. He began working for the District as its Accounting Manager in 1994 and became the Director of Finance in 1996. In 2008, Mr. Boone was promoted to Assistant General Manager and has served as the District's Treasurer since that time. He has also served as the Auditor/Controller for the Association of California Water Agencies-Joint Powers Insurance Authority from 2005 through 2015. Prior to joining the District, Mr. Boone worked for KPMG Peat Marwick as a certified public accountant.

Brett Hodgkiss was promoted to Assistant General Manager. Before being promoted, he had served as the District's Administrative Services Manager since 2001. Prior to working at the District, Mr. Hodgkiss was the Administrative Services Manager at the Cambria Community Services District located on the central coast of California and spent eight years in administrative positions at the city of Encinitas.

I encourage you to contact the District to offer insights and suggestions as they will help us to better serve you in the future. I think you will find that these two individuals, as well as the rest of our District staff, are as dedicated and passionate about what they do and that they will be eager to assist you. The District is in good hands and will continue to provide safe, reliable and economical water, just as it has for the better part of a century, well into the future.

“The District is in good hands and will continue to provide safe, reliable and economical water, just as it has for the better part of a century, well into the future.”

~ R. Vásquez



Eldon Boone
General Manager

A Message from the General Manager

Serving you, our customers, is a privilege. Whether it is answering your calls for assistance, repairing a broken fire hydrant in the middle of the night or ensuring the quality of your drinking water, we are committed to providing you with excellent service.

Much has changed over the last 93 years since the District was formed. What hasn't changed, though, is our commitment to providing high-quality, reliable water service at a fair price. Our dedicated staff continually ensures that the District provides the best quality and value possible for our product and our service.

“Every day, our employees put our customers first to ensure that residents and businesses have safe water when they turn on their taps.”

~ E. Boone

Our employees are some of the most knowledgeable and skilled in the water industry, and it is a pleasure to observe their dedication and enthusiasm each day. While our industry and environment continue to change, we remain mindful of your needs and are constantly looking for ways to improve. Every day, our employees put our customers first to ensure that residents and businesses have safe water when they turn on their taps. That is why I am very proud of the employees of Vista Irrigation District. It is their efforts that made 2016 a successful year for the District.

As you will see in the pages that follow, Vista Irrigation District ended the fiscal year in a strong position. The employees and Board of Directors managed costs well, provided certainty for long-term water rates and continued an aggressive capital replacement program while remaining debt-free.

It has been a pleasure to lead Vista Irrigation District and I look forward to working with customers, staff and the Board of Directors to continue to improve the vital services that we provide every day.



San Diego County Water Authority Report

Region's Water Supplies Sufficient for 2017

Claude "Bud" Lewis Carlsbad Desalination Plant

The region's projected water supplies will be sufficient to meet demand in 2017 and beyond, according to the San Diego County Water Authority (Water Authority). However, continued water-use efficiency remains essential to help the region manage those supplies.

Even if dry conditions return, the Water Authority's investments in diversifying its water supply portfolio will help meet the region's demands. Examples of these investments include the purchase of desalinated seawater from the Claude "Bud" Lewis Carlsbad Desalination Plant, which produces approximately 50 million gallons of potable water per day, and the conservation-and-transfer contracts and agreements for high-priority water from the Colorado River. These resources as well as others allowed the Water Authority and its member agencies to pass the State Water Resources Control Board's water reliability stress test, which requires water agencies to demonstrate they have adequate water supplies to meet demands even if they experience three consecutive dry years.

San Diego County is benefiting from the development of alternative water supplies and major infrastructure that began in the early 1990s. This long-term strategy, implemented after successive years of drought conditions and a significant reduction in water deliveries (31%) to the region, was crafted to help the region withstand droughts or other water supply challenges. These developments have greatly improved the region's water supply reliability; however, the need to continue using our water resources efficiently remains.

Residents and businesses throughout the region have a track record for reducing their water use through long-term efficiency efforts and through the implementation of short-term conservation measures in response to drought. According to the Water Authority, the region has decreased its per capita water use by nearly 40 percent between 1990 and 2015. Actions to comply with state mandates drove per capita potable water use even lower; by June 2016, per capita water use had dropped to 119 gallons per day which is nearly half of the amount consumed per person in the region in 1990 (235 gallons per day).

The Water Authority has invested in diversifying its water supply portfolio and improving its infrastructure. Those investments coupled with the water-use efficiency measures implemented by residents and businesses across San Diego County mean that the region will continue to have a sufficient water supply in the future.

Photo credit: San Diego County Water Authority www.sdcwa.org

California Drought Update

California entered its fifth consecutive year of drought in 2015. The state remained in a declared drought emergency with water agencies mandated by the State Water Resources Control Board (State Board) to reduce water use an average of 25%. Vista Irrigation District (District) was assigned a reduction target of 20%; as a result, the District instituted mandatory water use restrictions, including assigned watering days and limiting irrigation run times, in June 2015.

While water suppliers were working with their customers to reduce water use, hope of relief from the drought began to take shape in the Pacific Ocean. An El Niño condition began forming in the Pacific and would grow over the fall to become one of the strongest El Niño conditions ever measured. Californians were warned to prepare for a very wet winter and hopefully a possible end to drought conditions.

As fall turned to winter, the weather remained hot and dry in southern California. El Niño would not provide the drought relief the region had anticipated. However, the northern part of the state received much needed precipitation with run-off filling the state's two largest reservoirs, Lake Shasta and Lake Oroville (pictured below).

Responding to improving water supply conditions and feedback from urban water agencies, the State Board adopted revised emergency water conservation regulations in February 2016. Under the revised regulations, water agencies were allowed to adjust their conservation targets by taking into account local climate, water efficient growth and investments in new drought resilient sources of potable water supply. Taking into account the regional drought resilient water supply provided by the Claude "Bud" Lewis

Carlsbad Desalination Plant, the District was able to reduce its conservation target from 20% to 12%, easing the burden of the mandatory water use reductions on its customers.

In May 2016, after making the final assessment of the state's water supply condition, the State Board would again change its approach to urban water conservation. The State Board replaced the percentage reduction based water conservation targets with a "stress test" approach that would allow urban water agencies to determine their individual conservation target based upon each agency's verifiable supplies if three more years of drought were to occur. Once again, investments in diversifying the region's water supply portfolio made by the region's water wholesaler, the San Diego County Water Authority, and its member agencies paid dividends and allowed all San Diego County water agencies to demonstrate to the State Board that they had sufficient water supplies to meet all of its customers' needs should the state experience three more years of drought. Consequently, the District's mandated conservation target percentage was reduced to zero, and the District declared an end to mandatory water use restrictions in June 2016.

As we enter 2017, water supply conditions continue to improve with much needed snowfall in the Colorado River Basin and in the Sierra Mountain Range in addition to rainfall throughout California. That being said, it is important to maintain water wise practices and continue to make permanent changes to the way that we use water so we can remain efficient and resilient. The District appreciates its customers continuing water conservation efforts and looks forward to working with them to meet any future water supply challenges.

Lake Oroville 2014



Lake Oroville 2016



Pictured above are comparison aerial photos of Lake Oroville, one of California's largest reservoirs. The photo on the left shows the water level at the height of the drought in January 2014. The photo on the right, taken in May 2016 shows Lake Oroville at 96% capacity following a much needed rainy season in Northern California.

Photo credit: California Department of Water Resources <http://pixel-ca-dwr.photoshelter.com/index>

Awareness Conservation and Education

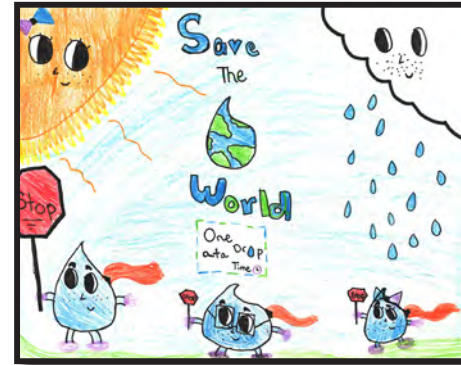
A Conservation Message from the Kids

May is “Water Awareness Month” and the Vista Irrigation District, in conjunction with other North County water agencies, sponsors a poster contest to promote awareness of the importance of water. Fourth grade students in each of the North County water agencies’ service areas submit posters illustrating the significance of water in everyday life. The theme of the 2016 contest was “Be Water Smart.”

The District received 262 entries from students in its service area. The top three winners received cash prizes and the winner’s poster will appear in the 2017 Water Awareness Calendar. Lanea Rico from Mission Meadows Elementary School won first place in the District’s contest. Rebecca Gutierrez from Tri-City Christian School was VID’s second place winner, and Ariana Barragan from Joli Ann Leichtag Elementary School was VID’s third place winner. A limited number of 2017 Water Awareness calendars, displaying artwork of District winners, are available at the District office.



1st Place - Lanea Rico
Mission Meadows Elementary School



2nd Place - Rebecca Gutierrez
Tri-City Christian School



3rd Place - Ariana Barragan
Joli Anne Leichtag Elementary School

High School Seniors Learn About Water Supply Challenges

The Vista Irrigation District also sponsors a scholarship contest. The purpose of the contest is to increase the knowledge and awareness of water related issues impacting the Vista Irrigation District.

Congratulations to Nicholas Smith from Tri-City Christian School. He was the winner of the District’s 2016 scholarship contest. Marcy Faison from North County Trade Tech High School and Randy Robbins from Rancho Buena Vista High School were the runners-up in the contest. All participants are congratulated for a job well done.

CUSTOMERS SHOWCASE THEIR WATER WISE LANDSCAPES

Whether you have a cleared lot or want to replace your natural grass, selecting water wise plants can be a formidable task. You can look on the Internet, peruse books and visit local nurseries and water conservation gardens to research what types of flora are available. However, seeing plants in an established residential landscape may be the best way to judge if a particular plant will work in your garden.

There are many examples of water wise landscapes close to where we live; people just don't know about them. The Vista Irrigation District, along with twelve other local water agencies, held California-Friendly Landscape Contests this year, providing an opportunity for water wise landscapes to be showcased throughout the region. The Vista Irrigation District was fortunate to receive a large number of submissions, and its top entries showed how beautiful water wise landscaping can be when used in the proper setting and mixed with other landscape elements, such as hardscape and garden art.

John and Marcia Rea received the Best in District award. In summer 2015, the Reas removed the dying lawn in their front yard and replaced it with low maintenance, decomposed granite pathways that wind through colorful planting beds. Incorporated in their design are boulders and rocks that define and blend in with the pathways and plants, creating a natural looking landscape with great curb appeal. They say the best part of the whole project was getting to know more of their neighbors who would see their yard and stop by to compliment them on their landscape transformation. Their new landscape has reduced their water use by 27 percent as compared to the same period last year.

Tamara Diaz was recognized with an honorable mention award. She wanted to remove 5,000 square feet of lawn in her front yard. Ms. Diaz researched and designed her own landscape, carefully picking appropriate and colorful plants. Since replacing her lawn, Ms. Diaz's annual water use has dropped by 64 percent. She says her landscape transformation was a fun journey and now recommends to her neighbors with suffering lawns to take a drive by her home and see how a California-Friendly landscape can be beautiful and aesthetically pleasing.

With a majority of their water consumption going to watering landscapes, homeowners are searching for ways to decrease their water use outdoors. By showcasing their beautiful landscapes in the California-Friendly Landscape Contest, these Vista Irrigation District customers are providing other homeowners with great ideas about how to reduce their own outdoor water use by installing attractive water wise landscaping. For more information about the contest and to see more examples of water wise landscaping, visit www.landscapecontest.com.



*Best In District
John and Marcia Rea*



*Honorable Mention
Tamara Diaz*



WATER SUPPLY FACTS

WATER SOURCES

The Vista Irrigation District's original source of water, dating back to 1926, was from Lake Henshaw. The lake was later purchased by the District, along with the 43,000 acre Warner Ranch, in 1946. However, drought conditions and population growth eventually caused the District to look for other sources of water. In 1954, the District became a member of the San Diego County Water Authority to take advantage of water imported from the Colorado River and Northern California.



Local Water Source: Lake Henshaw



Imported Water Source: Colorado River

Typically, 30 percent of the District's water has come from Lake Henshaw and 70 percent has come from imported water from the Colorado River and Northern California. In fiscal year 2016, just ten percent of the District's water came from Lake Henshaw. During years when rainfall is significantly below average and the availability of local water is limited, well over ninety percent of the District's water supply can come from imported sources.

WATER QUALITY

The Vista Irrigation District takes all steps necessary to safeguard its water supply. Each year staff conducts more than 12,000 tests for over 75 drinking water contaminants, ensuring that the District's water meets safe drinking water standards. Last year, the District's water met or exceeded all Federal and State safe drinking water standards.

In June of each year, the District makes available its Consumer Confidence Report, also known as the Water Quality Report. The report provides a snapshot of the quality of water provided during the past year. Included are details about what is in your water and how it compares to prescribed standards. It also provides answers to commonly asked questions, such as "what affects the taste of my water?"

The District is committed to providing its customers with information about drinking water because informed customers are the District's best customers. If customers have questions or concerns about water quality, they may contact the District and speak with the water distribution supervisor.

2015 WATER QUALITY MONITORING RESULTS (continued)									
Parameter	Units	Federal or State MCL (MRDL)	PHQ (MCLG) (MRDLG)	Range	Treatment Plant Effluents			DLR	Typical Source/Comments
					Average	Escondido-Vista Water Treatment Plant	Skinner, Twin Oaks Valley, & Vernal Water Treatment Plants Combined Effluents		
Additional Analyzed (continued)									
Bicarbonate (HCO ₃)	mg/L	ND	NS	Range: 150-190 Average: 160	NR	NR	NR	NR	Emission of natural deposits: leaching
Hardness as CaCO ₃	mg/L	NS	NS	Range: 210-300 Average: 255	NR	NR	NR	NR	Emission of natural deposits: leaching
Calcium (Ca)	mg/L	ND	ND	Range: 51-75 Average: 62	NR	NR	NR	NR	Emission of natural deposits: leaching
Magnesium (Mg)	mg/L	ND	ND	Range: 20-27 Average: 24	NR	NR	NR	NR	Emission of natural deposits: leaching
Nitrate (NO ₃)	mg/L	10	10	Range: NR Average: NR	ND-0.5	ND-0.5	ND-0.5	0.4	Runoff/leaching from fertilizers; urea, nitrogen; natural emission
Sodium (Na)	mg/L	ND	ND	Range: 10-110 Average: 103	NR	NR	NR	NR	Emission of natural deposits: leaching
				Range: 7.8-9.2	7.7-8.3	7.80-9.74			Measurement of activity

Excerpts from the 2016 Consumer Confidence Report (CCR). The 2017 CCR will be available July 1, 2017.

WATER SUPPLY FACTS

Continued

WATER INFRASTRUCTURE

In 1995, the Board of Directors initiated an on-going Main Replacement Program with the goal of replacing aging pipelines before they reach the end of their useful life and become a maintenance liability. Formalizing the Main Replacement Program has allowed pipe replacements to be prioritized based on the age of the line, leak history, and pipe material as well as a number of factors related to site conditions. Another important factor is input from District crews, who evaluate every line's condition at the time repairs are being made.

Since its inception, the Board has allocated \$21.4 million to this program which has allowed the replacement of 28 miles of older pipe ranging in size from 4 to 20 inches. The Board approved another \$2.5 million for this program as part of the capital improvement program for fiscal year 2017.

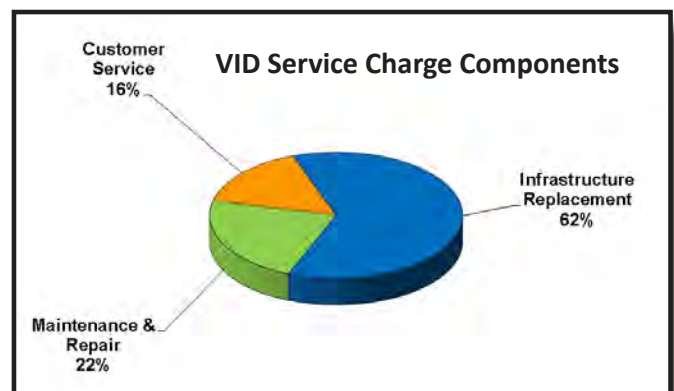
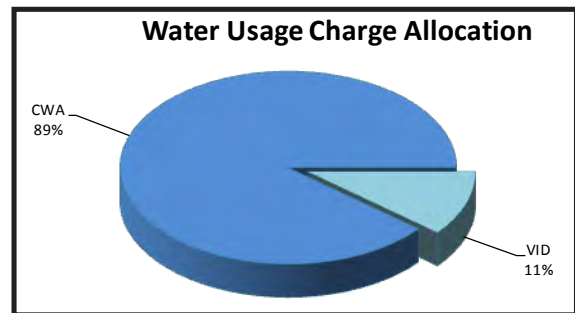


WATER RATES AND CHARGES

Approximately 11% of the revenue generated by water usage charges is utilized by the Vista Irrigation District to cover operating and maintenance expenses. The remaining 89% is used to pay the San Diego County Water Authority (Water Authority) for water purchases.

The Water Authority is responsible for supplying water to 24 member agencies within San Diego County. Not simply a water provider, the Water Authority is also responsible for the construction and maintenance of regional storage, delivery and treatment infrastructure necessary to ensure the reliable delivery of water to local water agencies like the Vista Irrigation District.

The Vista Irrigation District's service charge helps pay the District's fixed costs, which exist regardless of the amount of water pumped and delivered. Fixed costs continue without regard to the amount of water that a customer uses, and are sometimes called "readiness-to-serve" charges because they are incurred as part of keeping the water system ready to deliver water to any customer at a moment's notice. The largest component of the service charge recovers the cost of replacing the District's aging water system infrastructure.



MORE INFORMATION ABOUT THE VISTA IRRIGATION DISTRICT

Information about the Vista Irrigation District's water supply as well as an electronic copy of the latest Consumer Confidence Report can be found on the District's website, www.vidwater.org. Additionally, you can find out more information about District services, rates, water conservation, and recent announcements. Customers can also download publications, such as the District's direct payment program application and engineering standard specifications/drawings.

Employee APPRECIATION Awards



Annually the Board of Directors recognizes employees who have reached major milestones in their careers with the District. Longevity is a hallmark of VID and this year was no exception. The employees pictured here received service awards commemorating their involvement with VID.

15 Years of Service



Brett Hodgkiss



Johnna Pokojni



Jay Vittachi

10 Years of Service



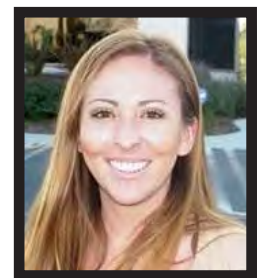
Lee Hodges



Sabrina Willis



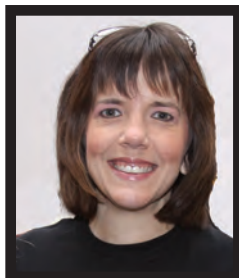
Mark Saltz



Susie Castro



Dean Farris



Marlene Kelleher



Brent Reyes



DISTRICT DEMOGRAPHICS

District Demographics

Distribution System

This table shows the District's treated water storage capacity by reservoir. The elevation numbers represent each reservoirs height above mean sea level.

RESERVOIR	SIZE AND TYPE	EXISTING CAPACITY	FLOOR ELEVATIONS	TOP WATER ELEVATIONS
		(Million Gallons)	(Feet)	(Feet)
Lupine Hills	Prestressed Concrete – 137' Dia. – 31' High	3.4	537.0	568.0
Pechstein	Prestressed Concrete – 355' Dia. - 27' High	20.0	810.0	837.0
Deodar	Prestressed Concrete - 86' Dia. - 30' High	1.3	869.0	899.0
San Luis Rey	Concrete - 156' x 136' x 25' High	3.1	540.0	565.0
Virginia Pl. (A)	Concrete - 100' Dia. - 13' High	0.8	695.0	708.0
Summit Trail (C)	Concrete - 100' Dia. - 13' High	0.8	625.0	638.0
Edgehill (E)	Concrete - 96' Dia. - 12' High	1.5	741.0	753.0
Cabrillo Cir. (E-1)	Concrete - 90' Dia. - 13' High	0.6	546.0	559.0
Rockhill (MD)	Concrete - 55' Dia. - 11' High	0.2	886.0	887.0
Edgehill (HP)	Prestressed Concrete – 160' Dia. – 30' High	4.5	943.0	973.0
Buena Creek (HB)	Prestressed Concrete – 160' Dia. – 30' High	4.5	951.0	981.0
Elevado (H)	Prestressed Concrete – 160' Dia. – 36' High	5.4	774.0	810.0
Total		46.1		

Water Transmission Facilities

Escondido Canal and Intake	Carrying Capacity: 70 CFS	VID rights = 2/3rds
Vista Main Canal (Flume)	Carrying Capacity: 44 CFS	Twelve miles of conduit from the Escondido-Vista Water Treatment Plant to Pechstein Reservoir

Water Meters

This table shows the total number of meters in service by the use type.

Residential (Single and Multi-Family)	24,069
Commercial/Industrial	1,586
Irrigation	919
Agricultural	575
Fire Service (Fire Sprinklers)	1,238
Governmental	91
Total	28,478

VID Pipelines

This table shows miles of pipeline in the District's distribution system by size and material type.

8" to 36" Concrete Gravity	8 miles
4" to 12" AC	265 miles
14" to 36" AC	17 miles
4" to 12" PVC	84 miles
14" to 18" PVC	1 mile
4" to 12" Steel	67 miles
14" to 42" Steel	26 miles
All other materials larger than 4"	5 miles
Total	473 miles

Water Equivalentents

- 1 Acre Foot equals 325,900 gallons
- 1 Acre Foot equals 43,560 cubic feet
- 1 Cubic Foot equals 7.48 gallons
- 1 Cubic Foot per Second (CFS) equals 449 gallons per minute and in 24 hours equals 1.983-acre feet

District Demographics

Performance of Distribution Systems

(Fiscal Year 2015–2016)

This table shows water delivered to the District (from imported and local sources) versus how much was delivered to customers. Losses encompass water that was delivered to the District but not sold to customers. Water losses can be attributable to a number of factors, including pipeline leaks and breaks, theft, hit fire hydrants and fire suppression activities.

	Water In	Water Out
Received at Intake of Main Conduit (Henshaw Water)	1,582	
Received from San Diego Aqueduct (Imported)	14,230	
Miscellaneous Purchases	0	
Metered to VID users		14,375
Losses		1,437
Total	15,812	15,812

Lake Henshaw Properties

Warner Ranch:

43,402 acres (68 square miles)

Groundwater Development:

21 wells and 91,000 feet of conduit

Semi-Hydraulic Earth Fill Dam:

Height 110 feet, Length 1,950 feet

Reservoir (Lake Henshaw):

51,774 acre feet capacity;
2,219 acres in area, 203 square mile watershed

Ownership of Lake Henshaw Waters

This table presents a snapshot of ownership of the water stored in the lake at the beginning and end of the fiscal year. The categories of water listed are defined in terms of contractual obligations.

Information gathered from Ownership Analysis Report.

	July 1, 2015	July 1, 2016
Rincon Band	0	6
Escondido Replacement	0	0
Vista Replacement	0	0
Escondido Pumped	0	0
Escondido Contract	716	593
Vista Contract	4,035	3,888
Vista Pumped	0	0
Unallocated Henshaw Surplus	(144)	(85)
Total	4,607	4,402

Lake Henshaw Releases

(Fiscal Year 2015-2016)

This table accounts for the fate of water released from the lake in terms of contract deliveries and losses. The contracts with the Rincon Band of Mission Indians and the City of Escondido (formerly the Escondido Mutual Water Company), who had senior water rights on the San Luis Rey River, were entered into in 1923 when the Henshaw Dam was built and diverted flow on the river.

Losses in San Luis Rey River	249
Delivered to Rincon Band	0
Escondido "A" Water*	0
In Lieu "A" Water*	107
Escondido "B" Water*	1,183
In Lieu "B" Water, Esc. Joint Well Water*	522
Replacement Water to Lake Wohlford	1,582
Loss of Release below Intake	70
Total Releases	3,713

"A", "B", and "In Lieu" refer to different classes of water provided to the City of Escondido from Lake Henshaw per the terms of historic water contracts. These classes of water correspond to historic water rights and are available in quantities, times, and costs that vary per the terms of those contracts.

Lake Henshaw Performance

This table presents an annual accounting of various sources of inflows, such as run-off and pumped water from the Warner Basin aquifer, and outflows of water from the lake.

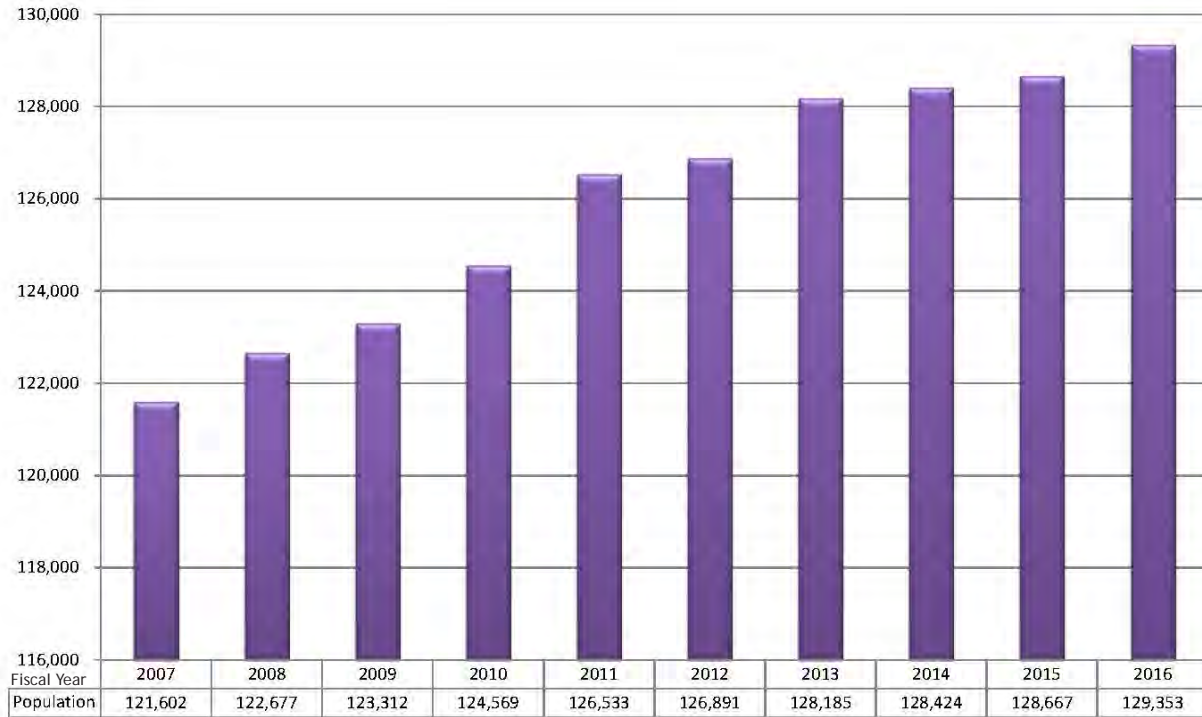
	Acre Feet
Total Storage July 1, 2015	4,607
Less Release	(3,713)
Less Evaporation	(4,001)
Less Spill	0
Plus Pumped Water	7,177
Plus Runoff*	332
Total Storage July 1, 2016	4,402

* Computed Runoff plus Rainfall, Conserved Evaporation, and Bank Storage

District Demographics

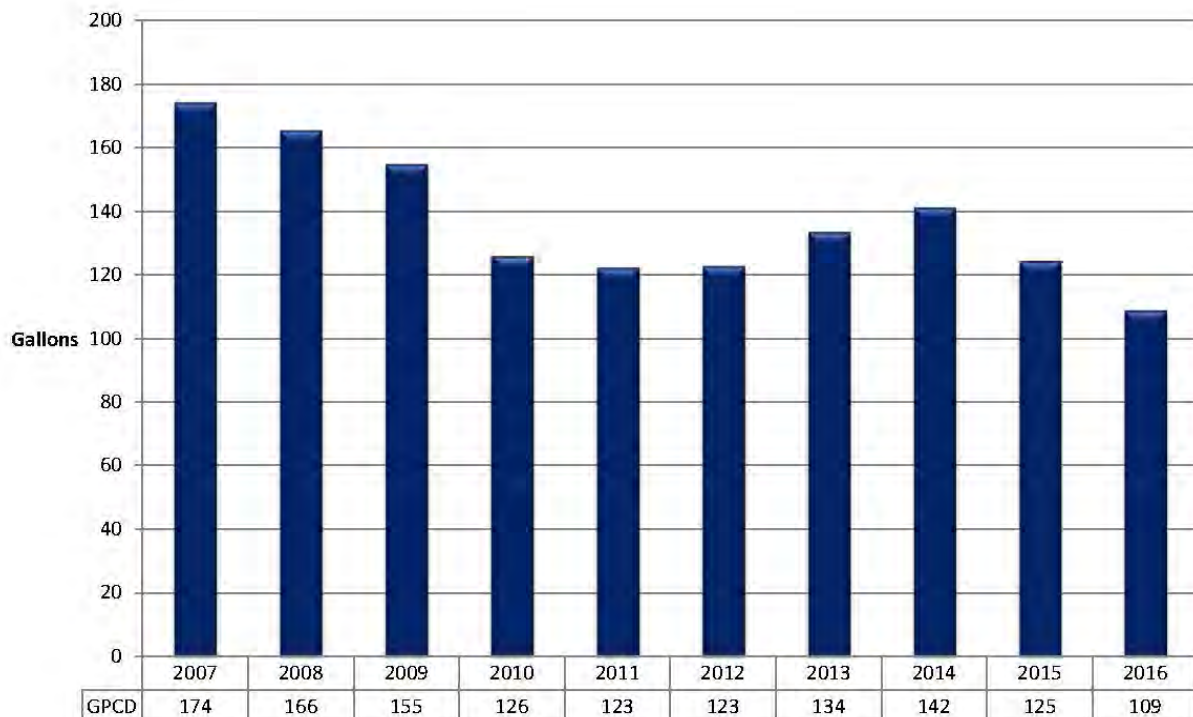
Population

This graph depicts population growth within the District's service area, which is comprised of the City of Vista as well as portions of San Marcos, Escondido, Oceanside, and unincorporated areas of the county. Source: San Diego Association of Governments.



Average Daily Water Use Per Person

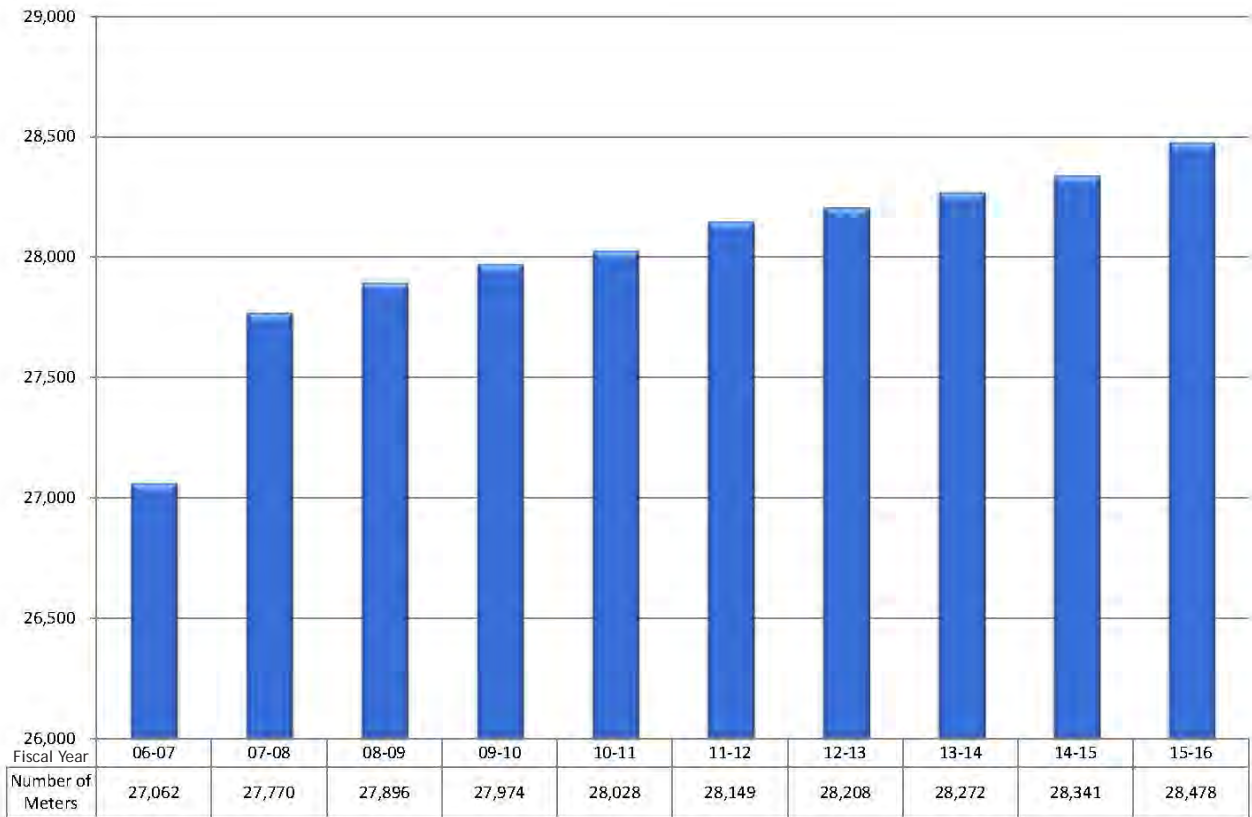
SBX 7-7 requires retail water agencies to achieve a 10% reduction in per capita water use by 2015 and 20% reduction in per capita water use by December 31, 2020 (referred to as "20 X 2020"). The District's 2020 target is 142 GPCD. The District's estimated daily per capita water use in 2016 was 109 gallons per capita per day (GPCD), which is 33 GPCD less than its 2020 target.



District Demographics

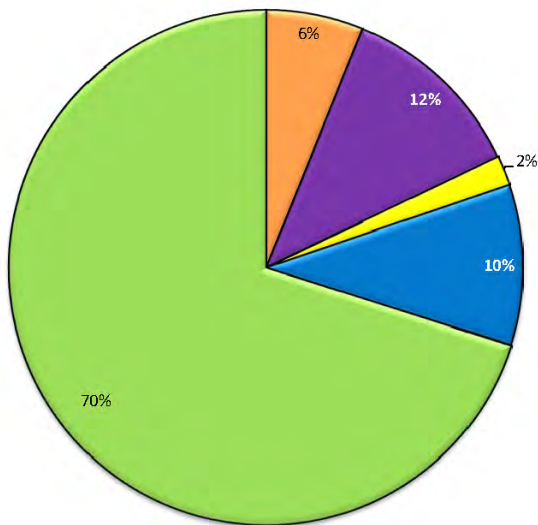
Meters in Use

This graph shows the increase in the number of meters in use over a ten year period.



Water Delivered by Use Type

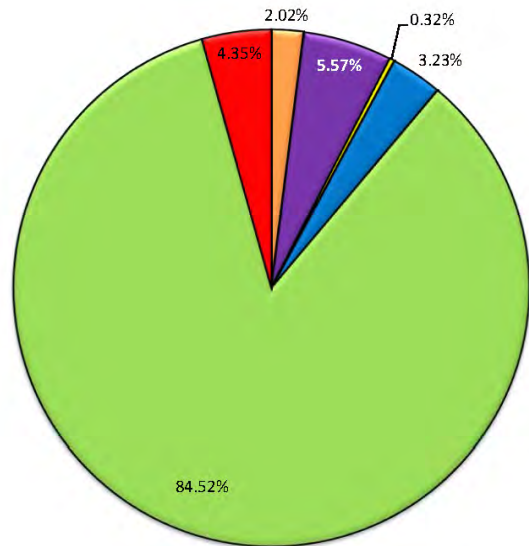
This graph shows how much water is delivered for different uses. As illustrated, a majority of the water delivered to District Customers (70%) is for residential use. The balance is delivered for irrigation, commercial/industrial (business), agriculture and governmental/institutional (parks, libraries, schools) uses.



- Residential
- Irrigation
- Commercial/Industrial
- Agriculture
- Government/Institutional

Meters in Service by Use Type

This graph shows meters in service by use. Almost 85% of the District's 28,478 meters are used to supply water to single-family residences.



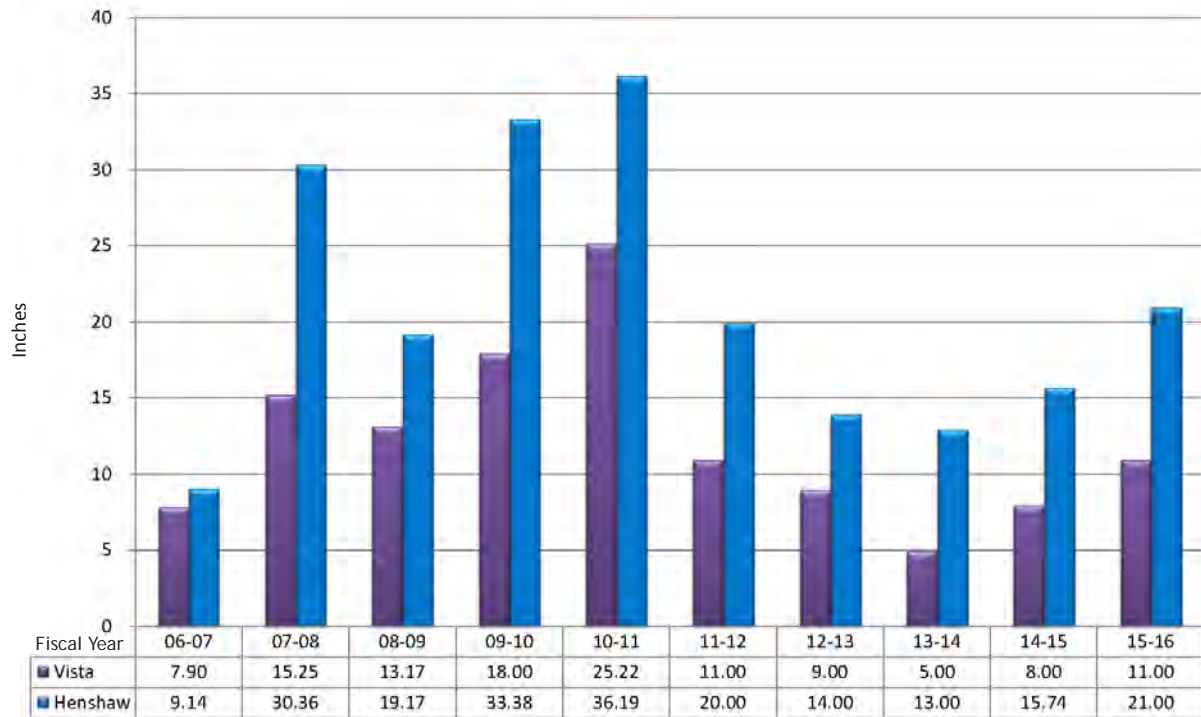
- Residential
- Irrigation
- Commercial/Industrial
- Agriculture
- Government/Institutional
- Fire Service

District Demographics

Rainfall

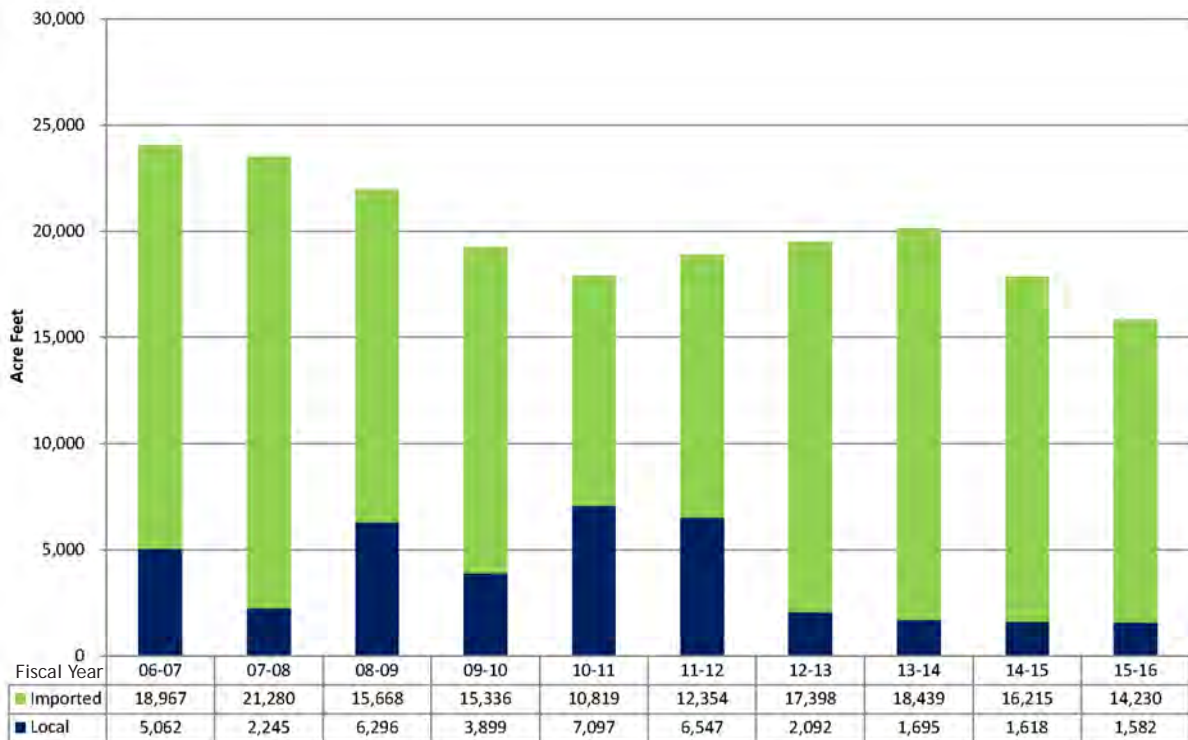
(July 1 - June 30)

This graph shows rainfall totals for Vista and the Lake Henshaw area over the past ten years.



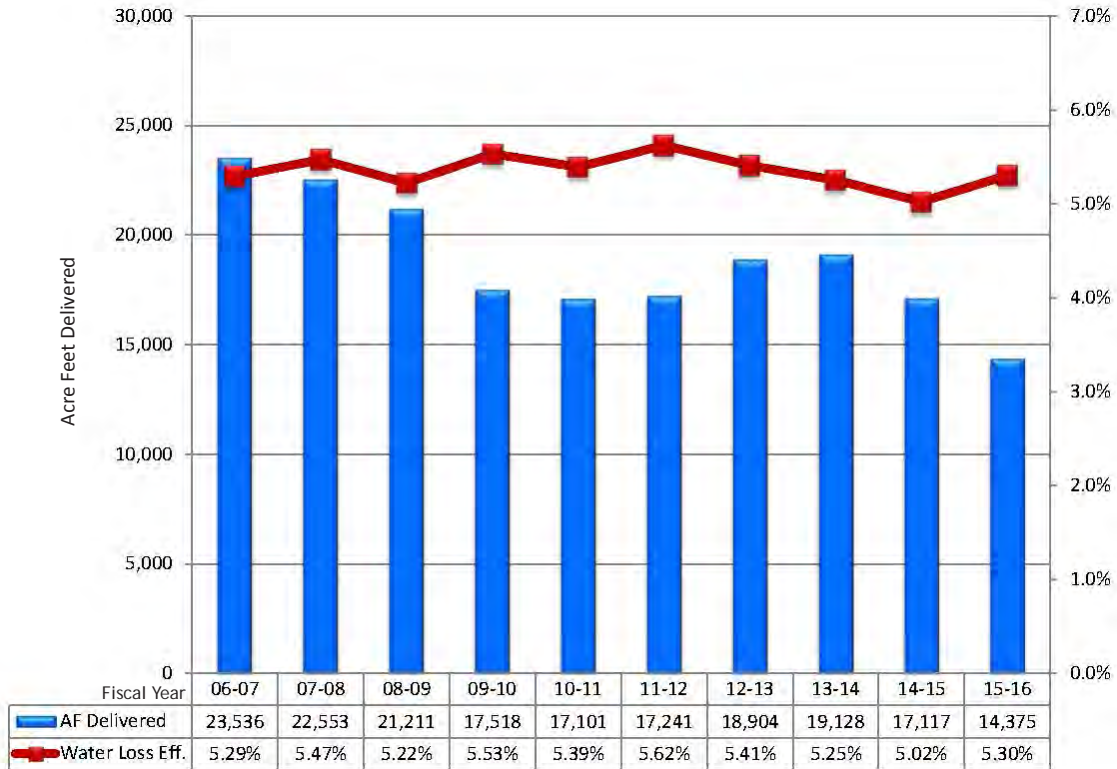
Water Received

The District receives water from Lake Henshaw (local) and from Northern California and the Colorado River (imported). This graph shows how much of each source was received in a given year.



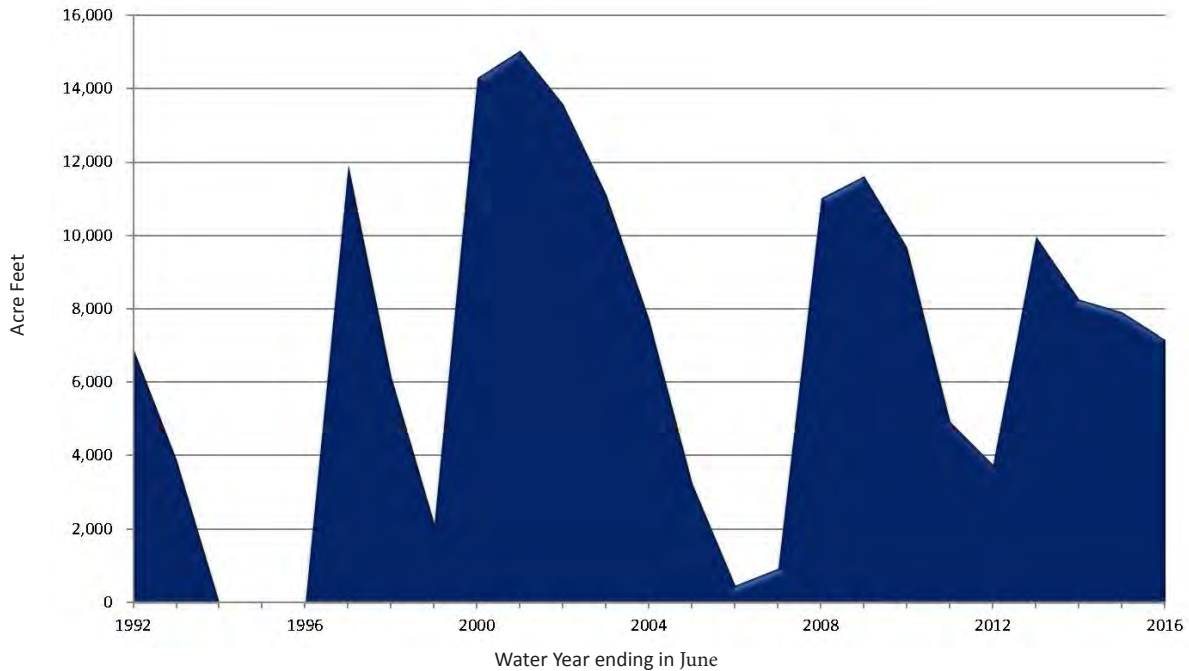
Distribution Efficiency

The Distribution Efficiency graph shows water delivered to customers (from imported and local sources) which is represented by the blue bars. The red line shows historical water losses. Losses encompass water that was delivered to the District but not sold to customers. Water losses can be attributable to a number of factors, including pipeline leaks and breaks, under-registering meters, evaporation, theft, hit fire hydrants and fire suppression activities.



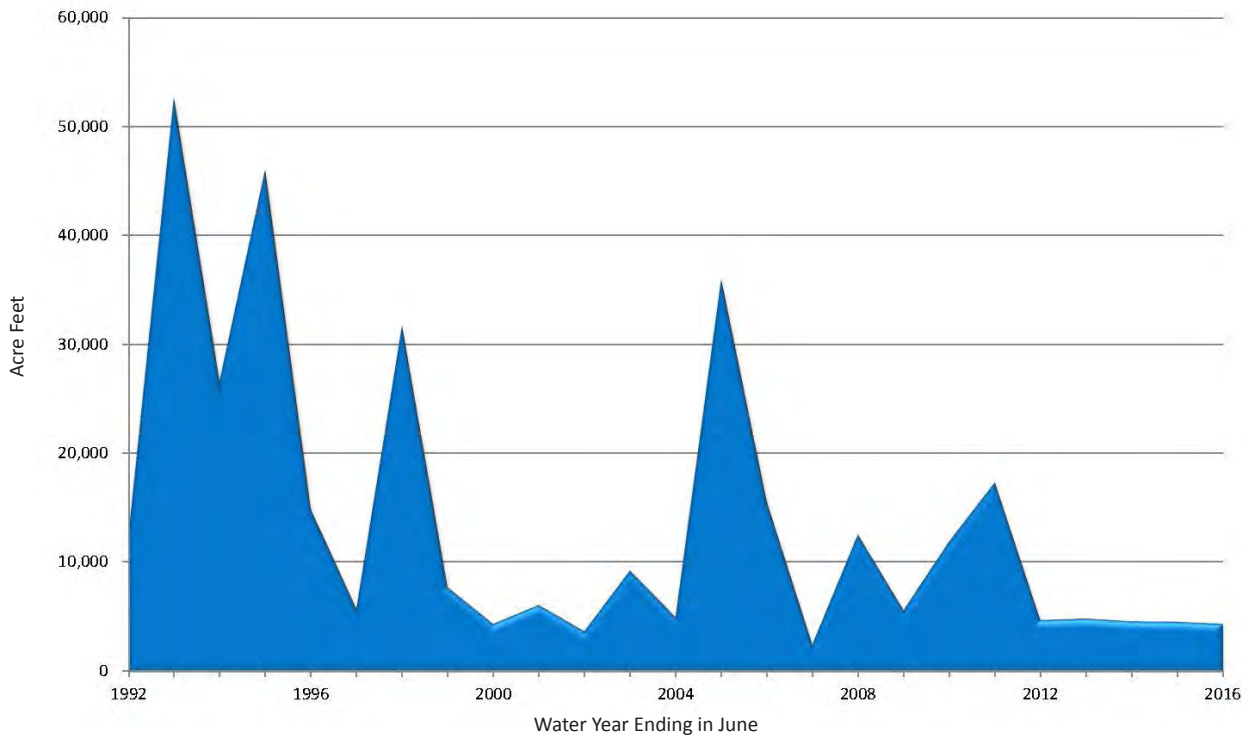
Water Pumped from Warner Basin (Yearly Totals)

Lake Henshaw's water comes from run-off as well as pumped groundwater from the Warner Basin, which surrounds the lake. This graph shows pumped water totals from 1992 to 2016. Typically, pumped water is more heavily relied on during extended dry periods.



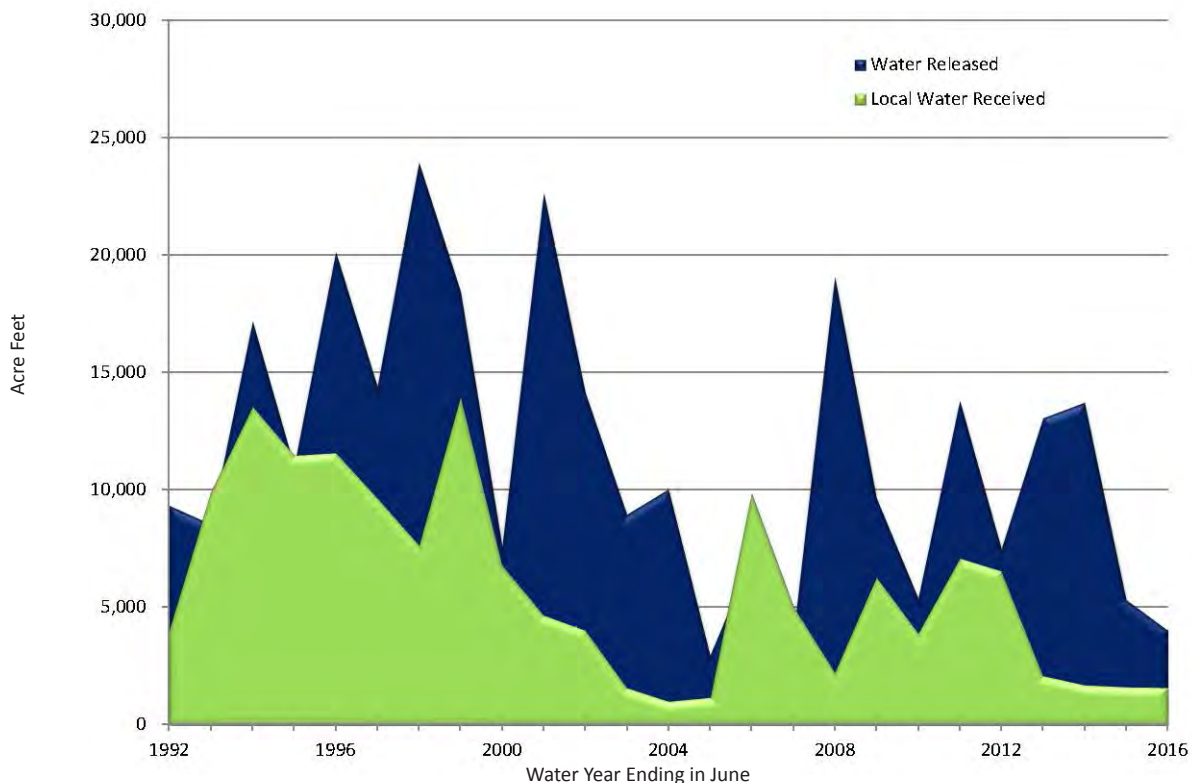
Water Stored in Lake Henshaw

Lake Henshaw's storage capacity is 51,774 acre feet. As depicted in the graph, the lake has been full once in the last 25 years; the last time the lake was full was 1993.



Water Released from Lake Henshaw versus Local Water Received

This graph compares water released from Lake Henshaw with local water received by the District. Typically, the amount of water received is less than the amount of water released because, by contract, the District must release a percentage of water to the City of Escondido and Rincon Band of Mission Indians.





DISTRICT FINANCIALS

Management's Discussion and Analysis

Our discussion and analysis of the Vista Irrigation District's financial performance provides an overview of the District's financial activities for the year ended June 30, 2016. Please read it in conjunction with the District's financial statements which begin on page 26. This annual financial report consists of two parts -- Management's Discussion and Analysis (this section) and the Financial Statements.

Financial Statements

The District's financial statements include four components:

- Statements of Net Position
- Statements of Revenues, Expenses and Changes in Net Position
- Statements of Cash Flows
- Notes to Financial Statements

The statements of net position includes all of the District's assets, deferred outflows, liabilities and deferred inflows, with the difference reported as net position. Net Position is displayed in two categories:

- Net investment in capital assets
- Unrestricted

The statements of net position provide the basis for evaluating the capital structure of the District and assessing its liquidity and financial flexibility.

The statements of revenues, expenses and changes in net position present information which shows how the District's net position changed during each year. All of the year's revenues and expenses are recorded when the underlying transaction occurs, regardless of the timing of the related cash flows. The statements of revenues, expenses and changes in net position measure the success of the District's operations during the year and determine whether the District has recovered its costs through user fees and other charges.

The statements of cash flows provide information regarding the District's cash receipts and cash disbursements during the year. These statements report cash activity in four categories:

- Operating
- Noncapital financing
- Capital and related financing
- Investing

These statements differ from the statements of revenues, expenses and changes in net position by only accounting for transactions that result in cash receipts or cash disbursements.

The notes to the financial statements provide a description of the accounting policies used to prepare the financial statements and present material disclosures required by accounting principles generally accepted in the United States of America that are not otherwise present in the financial statements.

Management's Discussion and Analysis

Financial Highlights

- Overall, operating revenues decreased 7.3%, while operating expenses decreased 3.6%.
- The District realized a \$3.3 million operating gain during the current fiscal year primarily due to higher water rates in the current year, along with a decrease in depreciation expense, as a result of changing the useful lives of capital assets discussed below.
- Contributed capital decreased \$0.3 million due to the completion of three capital contribution jobs in the current year, as compared to five in the prior year.
- The District made a \$7.8 million prepayment of a portion of the PERS unfunded liability in the current year. This resulted in an increase to Pension-related deferred outflows of resources.
- The District also made a \$1.4 million prepayment of the unfunded portion of the OPEB liability. This resulted in an increase to Long-term prepaid expenses.
- During the current year, the District re-evaluated the useful lives of their capital assets, and as a result, extended the useful lives of many capital asset items. This resulted in a significant decrease in depreciation expense in the current fiscal year.

Financial Analysis of the District

Net Position - The District's overall net position increased \$3.9 million between fiscal years 2015 and 2016, from \$102.3 to \$106.2 million. Cash and cash equivalents decreased \$8.3 million primarily due to the \$7.8 million prepayment of the PERS unfunded liability, and the \$1.4 million prepayment of the OPEB unfunded liability, as previously noted in the Financial Highlights section. The net investment in capital assets increased \$2.0 million which reflects the excess of net capital additions over the current year depreciation and dispositions. The unrestricted net position increased \$1.9 million primarily due to operating income exceeding operating expenses.

Vista Irrigation District's Net Position (In Millions of Dollars)

	<u>2016</u>	<u>2015</u>
Current assets	\$ 37.3	\$ 45.4
Capital assets	84.6	82.5
Long-term prepaid expenses	<u>4.0</u>	<u>2.4</u>
Total Assets	<u>125.9</u>	<u>130.3</u>
Deferred outflows of resources	<u>9.8</u>	<u>1.5</u>
Current liabilities	7.0	6.8
Noncurrent liabilities	<u>20.1</u>	<u>17.8</u>
Total Liabilities	<u>27.1</u>	<u>24.6</u>
Deferred inflows of resources	<u>2.4</u>	<u>4.9</u>
Net Position:		
Net investment in capital assets	84.6	82.6
Unrestricted	<u>21.6</u>	<u>19.7</u>
Total Net Position	<u>\$ 106.2</u>	<u>\$ 102.3</u>

Management's Discussion and Analysis

Change in Net Position - The District's operating revenues decreased by 7.3% to \$43.2 million. In fiscal year 2016, 95.4% of the District's operating revenues came from water sales. The decrease in operating revenues resulted primarily due to decreased water sales, as a result of water conservation efforts.

The District's operating expenses decreased 3.6% to \$39.9 million primarily due to a decrease in purchased water, due to lesser demand as discussed above, as well as a decrease in depreciation expense, as a result of the change in useful lives discussed previously in the Financial Highlights section, and a decrease in wages and benefits expenses.

The District's contributed capital decreased from \$0.5 million to \$0.2 million due to less capital contribution jobs completed in the current year.

Vista Irrigation District's Changes in Net Position (In Millions of Dollars)

	<u>2016</u>	<u>2015</u>
Operating Revenues		
Water sales, net	\$ 41.2	\$ 44.6
Property rentals	0.7	0.7
Other services	0.7	0.4
System fees	<u>0.6</u>	<u>0.9</u>
Total Operating Revenues	<u>43.2</u>	<u>46.6</u>
 Operating Expenses	 <u>39.9</u>	 <u>41.4</u>
Operating Income	 <u>3.3</u>	 <u>5.2</u>
 Nonoperating Revenues (Expenses)		
Property taxes	0.4	0.4
Investment income	0.1	0.1
Legal settlement	<u>(0.1)</u>	<u>(0.1)</u>
Total Nonoperating Revenues	<u>0.4</u>	<u>0.4</u>
 Contributed Capital	 <u>0.2</u>	 <u>0.5</u>
Changes in Net Position	3.9	6.1
 Total Net Position - beginning	 <u>102.3</u>	 <u>96.2</u>
 Total Net Position - ending	 <u>\$ 106.2</u>	 <u>\$ 102.3</u>

Management's Discussion and Analysis

Capital Assets

At June 30, 2016, the District had invested \$168.6 million in capital assets with \$84.0 million in accumulated depreciation. Net capital assets increased \$2.0 million as a result of capital acquisitions exceeding the annual depreciation and dispositions. During the year the District added \$4.6 million of capital assets. The largest capital additions were \$2.5 million in costs for several mainline replacement projects, \$1.3 million for water treatment plant construction costs, and \$0.2 million for SCADA upgrades and expansion. This year's capital reductions included replacement/disposals of pipelines, reservoir-related assets, vehicles, SCADA and other equipment with a total historical cost of \$0.7 million. Depreciation for the year was \$2.6 million.

Vista Irrigation District's Capital Assets, Net (In Millions of Dollars)

	<u>2016</u>	<u>2015</u>
Land, franchises and water rights	\$ 6.0	\$ 6.0
Buildings, canals, pipelines, reservoirs and dams	73.9	73.6
Equipment	1.6	1.2
Henshaw pumping project	0.4	0.4
Construction in progress	<u>2.7</u>	<u>1.3</u>
Total Capital Assets, Net	<u>\$ 84.6</u>	<u>\$ 82.5</u>

For more detailed information on capital asset activity, please refer to "Note 4 – Capital Assets" in the notes to the financial statements.

Capital Debt

At June 30, 2016, the District had no capital debt and has no immediate need to issue debt.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the District's finances and to demonstrate the District's accountability for and the stewardship of the financial resources and facilities it manages and maintains. If you have questions about this report or need additional financial information, contact the Vista Irrigation District's Finance Department at 1391 Engineer Street, Vista, California 92081.

Financial Statements

Statements of Net Position June 30, 2016 with Comparative Totals for June 30, 2015

	<u>2016</u>	<u>2015</u>
Assets		
Current Assets:		
Cash and cash equivalents (notes 1 and 2)	\$ 9,860,788	\$ 18,204,575
Investments (notes 1 and 2)	19,464,400	19,485,885
Accounts receivable, net (notes 1 and 3)	7,322,618	6,958,027
Taxes receivable	38,701	33,228
Accrued interest receivable	12,755	7,509
Inventories of materials and supplies	443,284	547,277
Prepaid expenses and other current assets	130,902	123,865
Total Current Assets	<u>37,273,448</u>	<u>45,360,366</u>
Noncurrent Assets:		
Capital assets: (notes 1 and 4)		
Depreciable assets, net of accumulated depreciation:		
Buildings, canals, pipelines, reservoirs and dams	73,835,413	73,650,324
Equipment	1,585,894	1,165,718
Henshaw pumping project	432,342	379,715
Nondepreciable assets:		
Land, franchises and water rights	6,001,127	6,001,127
Construction in progress	2,695,476	1,354,968
Total capital assets	<u>84,550,252</u>	<u>82,551,852</u>
Long-term prepaid expenses (note 9)	4,026,847	2,374,626
Total Noncurrent Assets	<u>88,577,099</u>	<u>84,926,478</u>
Total Assets	<u>125,850,547</u>	<u>130,286,844</u>
Deferred Outflows of Resources		
Pension related (notes 1, 6 and 8)	<u>9,778,045</u>	<u>1,488,966</u>
Total Deferred Outflows of Resources	<u>9,778,045</u>	<u>1,488,966</u>

The accompanying notes are an integral part of the financial statements.

(Continued)

Statements of Net Position June 30, 2016 with Comparative Totals for June 30, 2015

	<u>2016</u>	<u>2015</u>
Liabilities		
Current Liabilities:		
Accounts payable (note 5)	\$ 4,561,766	\$ 4,331,156
Deposits	613,318	726,632
Accrued expenses and other liabilities	1,843,941	1,736,973
Total Current Liabilities	<u>7,019,025</u>	<u>6,794,761</u>
Noncurrent Liabilities:		
Claims payable (note 6)	4,329,271	4,245,365
Net pension liability (notes 1, 6 and 8)	15,723,785	13,526,753
Total Noncurrent Liabilities	<u>20,053,056</u>	<u>17,772,118</u>
Total Liabilities	<u>27,072,081</u>	<u>24,566,879</u>
Deferred Inflows of Resources		
Pension related (notes 1, 6 and 8)	<u>2,376,061</u>	<u>4,932,631</u>
Total Deferred Inflows of Resources	<u>2,376,061</u>	<u>4,932,631</u>
Net Position		
Net investment in capital assets	84,550,252	82,551,852
Unrestricted (notes 7 and 11)	21,630,198	19,724,448
Total Net Position	<u>\$ 106,180,450</u>	<u>\$ 102,276,300</u>

The accompanying notes are an integral part of the financial statements.

Financial Statements

Statements of Revenues, Expenses and Changes in Net Position For the Year Ended June 30, 2016 with Comparative Totals for the Fiscal Year Ended June 30, 2015

	2016	2015
Operating Revenues		
Water sales, net (notes 1 and 3)	\$ 41,193,157	\$ 44,594,810
Property rentals	718,075	738,767
Other services	657,891	428,667
System fees	622,039	853,041
Total Operating Revenues	<u>43,191,162</u>	<u>46,615,285</u>
Operating Expenses		
Purchased water	18,721,053	19,235,486
Wages and benefits	11,870,598	12,298,601
Contractual services	4,125,191	3,827,299
Depreciation	2,581,311	3,363,263
Supplies	1,396,166	1,309,636
Professional fees	700,489	658,616
Power	656,238	662,164
Insurance	531,811	489,023
Office and general	489,547	488,237
Communications	49,845	55,126
Burden allocation	<u>(1,255,779)</u>	<u>(945,126)</u>
Total Operating Expenses	<u>39,866,470</u>	<u>41,442,325</u>
Operating Income	<u>3,324,692</u>	<u>5,172,960</u>
Nonoperating Revenues (Expenses)		
Property taxes	384,960	381,843
Investment income	129,591	63,423
Federal and state assistance	-	42,810
Gain (Loss) on disposal of capital assets	(16,209)	30,557
Legal settlement	<u>(83,905)</u>	<u>(55,173)</u>
Total Nonoperating Revenues	<u>414,437</u>	<u>463,460</u>
Income Before Contributed Capital	3,739,129	5,636,420
Contributed Capital	<u>165,021</u>	<u>499,911</u>
Changes in Net Position	3,904,150	6,136,331
Total Net Position - beginning	<u>102,276,300</u>	<u>96,139,969</u>
Total Net Position - ending	<u>\$ 106,180,450</u>	<u>\$ 102,276,300</u>

The accompanying notes are an integral part of the financial statements.

Statements of Cash Flows
For the Year Ended June 30, 2016 with Comparative Totals
for the Fiscal Year Ended June 30, 2015

	2016	2015
Cash Flows From Operating Activities		
Receipts from customers	\$ 42,826,571	\$ 46,771,464
Payments to suppliers	(39,320,532)	(30,411,752)
Payments to employees	(7,830,931)	(7,591,369)
Collection of deposits	877,561	1,021,251
Return of deposits	(990,875)	(786,508)
Net Cash Provided (Used) by Operating Activities	(4,438,206)	9,003,086
Cash Flows From Noncapital Financing Activities		
Receipts from property taxes	379,487	376,947
Proceeds from Federal and State assistance	-	42,810
Net Cash Provided by Noncapital Financing Activities	379,487	419,757
Cash Flows From Capital and Related Financing Activities		
Proceeds from disposal of capital assets	40,651	40,827
Acquisition and construction of capital assets	(4,471,550)	(3,667,212)
Net Cash Used by Capital and Related Financing Activities	(4,430,899)	(3,626,385)
Cash Flows From Investing Activities		
Proceeds from maturities of investments	19,500,000	13,000,000
Interest on cash and investments	39,740	32,540
Purchase of investments	(19,393,909)	(19,461,325)
Net Cash Provided (Used) by Investing Activities	145,831	(6,428,785)
Net Decrease in Cash and Cash Equivalents	(8,343,787)	(632,327)
Cash and Cash Equivalents - beginning	18,204,575	18,836,902
Cash and Cash Equivalents - ending	\$ 9,860,788	\$ 18,204,575

The accompanying notes are an integral part of the financial statements.

(Continued)

Financial Statements

Statements of Cash Flows For the Year Ended June 30, 2016 with Comparative Totals for the Fiscal Year Ended June 30, 2015

	2016	2015
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities		
Operating Income	\$ 3,324,692	\$ 5,172,960
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	2,581,311	3,363,263
Pension related adjustments	(8,648,617)	100,885
Changes in Assets and Liabilities:		
Accounts receivable, net	(364,591)	1,177,430
Inventories of materials and supplies	103,993	(162,368)
Prepaid expenses and other assets	(1,659,258)	(91,311)
Accounts payable	230,610	(830,498)
Deposits	(113,314)	234,742
Accrued expenses and other liabilities	106,968	37,983
Net Cash Provided (Used) by Operating Activities	\$ (4,438,206)	\$ 9,003,086
Noncash Investing, Capital and Financing Activities		
Contributed capital assets	\$ 165,021	\$ 499,911
Increase in fair value of investments	\$ 84,606	\$ 28,758
Increase in claims payable	\$ 83,905	\$ 55,173

The accompanying notes are an integral part of the financial statements.

Note 1 - Reporting Entity and Summary of Significant Accounting Policies

Description of the Reporting Entity

Vista Irrigation District (District) is a public entity established in 1923, pursuant to the Irrigation District Act of the California Water Code, for the purpose of providing water services to the properties in the District. The District's service area lies within the northwestern quadrant of San Diego County, encompassing approximately 21,160 acres. Historically, the District has received 30% of its water supply from Lake Henshaw which, along with the surrounding 43,000 acre Warner Ranch, is owned and operated by the District. The remaining 70% of the District's supply comes from Northern California through the State Water Project and from the Colorado River. These sources are conveyed to the District via aqueducts owned and operated by water wholesalers, the Metropolitan Water District of Southern California and the San Diego County Water Authority. The District is governed by a Board of Directors consisting of five directors elected by geographical divisions, based on District population, for four-year alternating terms.

The criteria used in determining the scope of the reporting entity are based on the provisions of the Governmental Accounting Standards Board (GASB) Statement 14. The District is the primary government unit and currently has no component units. Component units are those entities which are financially accountable to the primary government, either because the District appoints a voting majority of the component unit's board, or because the component unit will provide a financial benefit or impose a financial burden on the District.

Basic Financial Statements

The basic financial statements are comprised of the Statements of Net Position, the Statements of Revenues, Expenses and Changes in Net Position, the Statements of Cash Flows and the notes to the basic financial statements.

Basis of Presentation

The accounts of the District are reported as an enterprise fund. An enterprise fund is a Proprietary type fund used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied. The accompanying financial statements are reported using the economic resources measurement focus, and the accrual basis of accounting. Under the economic measurement focus all assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or noncurrent) associated with these activities are included on the Statements of Net Position. The Statements of Revenues, Expenses and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Notes to Financial Statements

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Those estimates and assumptions affect: the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Prior Year Data

Selected information regarding the prior year has been included in the accompanying financial statements. This information has been included for comparison purposes only and does not represent a complete presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's prior year financial statements, from which this selected financial data was derived. Certain reclassifications have been made to the prior year amounts to conform to the current year's presentation. There is no effect on the change in net position.

Cash and Cash Equivalents

For purposes of the statement of cash flows, all investment instruments are considered to be cash equivalents if purchased with a maturity of three months or less and are readily convertible to known cash amounts.

Investments

Investments are reported at fair value in the statement of net position. All investment income, including changes in the fair value of investments, is recognized as revenues in the statement of revenues, expenses, and changes in net position. Investments that are not traded on a market, such as investments in external pools, are valued based on the stated fair value as represented by the external pool.

Accounts Receivable

Accounts receivable includes both billed and unbilled water sales provided to District customers. An allowance for doubtful accounts is provided for uncollectible accounts based on the District's bad debt experience and on management's estimate.

Inventories of Materials and Supplies

Inventories of materials and supplies consist primarily of materials used in the construction and maintenance of the water system and are valued at average cost.

Prepaid Expenses

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Capital Assets and Depreciation

The District records at cost the acquisition of capital assets greater than \$5,000 and with a useful life of 3 or more years. Contributed assets are recorded at their fair value at the date of acceptance by the District. Self-constructed assets are recorded in the amount of labor, material, and overhead incurred. Depreciation is charged to expense and is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

	<u>Useful Life</u>
Buildings, canals, pipelines, reservoirs and dams	15 - 80 years
Equipment	3 - 25 years
Henshaw pumping project	10 - 20 years

Burden Allocation

The District allocates overhead burden costs to pipeline installation jobs, inspection work, fixed fee jobs, damage claims, and other small jobs. The overhead burden costs include management salaries, benefits, use of equipment, warehousing, and handling.

Vacation and Sick Leave

The District records a liability equal to 100% of vacation earned and the applicable percentage of sick leave available to employees at year end (25%-100%), which is included in accrued expenses and other liabilities. At June 30, 2016, accrued vacation and sick leave was \$1,337,099.

Pension Plans

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the California Public Employees Retirement System (CalPERS) Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" (GASB 68), requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date (VD)	June 30, 2014
Measurement Date (MD)	June 30, 2015
Measurement Period (MP)	July 1, 2014 to June 30, 2015

Notes to Financial Statements

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until that time. The District has the following items that qualify for reporting in this category:

- Deferred outflow related to pensions. This amount is equal to employer contributions made after the measurement date of the net pension liability.
- Deferred outflow related to pensions for differences between expected and actual experiences. This amount is amortized over a closed period equal to the average of the expected remaining services lives of all employees that are provided with pensions through the plans, which is 3.8 years.

In addition to liabilities, the statements of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The District has the following items that qualify for reporting in this category:

- Deferred inflow related to pensions resulting from the difference in projected and actual earnings on investments of the pension plans fiduciary net position. This amount is amortized over five years.
- Deferred inflows from pensions resulting from changes in assumptions. This amount is amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans, which is 3.8 years.
- Deferred inflow related to pensions for the changes in proportion and differences between employer contributions and the proportionate share of contributions. This amount is amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans, which is 3.8 years.

Operating Revenues and Expenses

Operating activities generally result from providing services and producing and delivering goods. As such, the District considers fees received from water sales, capacity fees, connection and installation fees and property rentals to be operating revenues. The collection of deposits and return of deposits related to operating activities are reported in the District's cash flows from operating activities. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses

The collection of deposits and return of deposits related to the specific purpose of deferring the cost of acquiring, constructing or improving assets are reported in the District's cash flows from capital and related financing activities.

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Net Position

In the Statements of Net Position, net position is classified in the following categories:

- Net investment in capital assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.
- Restricted net position - This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.
- Unrestricted net position - This amount is all net position that does not meet the definition of “net investment in capital assets” or “restricted net position”.

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the Statements of Net Position, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District’s practice to consider restricted - net position to have been depleted before unrestricted - net position is applied.

Property Taxes

Property taxes are attached as an enforceable lien on property as of March 1. Taxes are levied on July 1 and are due in two installments. The first installment is due on November 1, and is payable through December 10 without penalty. The second installment is due February 1, and becomes delinquent on April 10. Property taxes are remitted to the District from the County of San Diego at various times throughout the year.

Risk Management

The District is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; and natural disasters. To help mitigate this risk, the District is a member of the Association of California Water Agencies Joint Powers Insurance Authority (Authority). The Authority is a risk-pooling self-insurance authority, created under provisions of California Government Code Sections 6500 et. seq. The purpose of the Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage.

The District participates in the following self-insurance programs of the Authority:

Property Loss - Insured up to \$150,000,000 per occurrence (total insurable value \$29,038,029) with \$5,000 deductible for buildings, personal property, fixed equipment, mobile equipment, and licensed vehicles; the Authority is self-insured up to \$100,000 per occurrence and excess insurance coverage has been purchased.

Notes to Financial Statements

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

Risk Management (Continued)

General Liability - Insured up to \$60,000,000 per occurrence with no deductible; the Authority is self-insured up to \$2,000,000 and excess insurance coverage has been purchased.

Auto Liability - Insured up to \$60,000,000 per occurrence with no deductible for property damage; the Authority is self-insured up to \$2,000,000 and excess insurance coverage has been purchased.

Public Officials' Liability - Insured up to \$60,000,000 per occurrence; the Authority is self-insured up to \$2,000,000 and excess insurance coverage has been purchased.

Fidelity - Insured up to \$100,000 per occurrence with \$1,000 deductible.

Dam Failure Liability - Insured up to \$5,000,000 per occurrence with \$50,000 deductible; the Authority is self-insured up to \$50,000 and excess insurance coverage has been purchased.

The District pays annual premiums for these coverages. They are subject to retrospective adjustments based on claims experience. The nature and amounts of these adjustments cannot be estimated and are charged to expense as invoiced. There were no instances in the past three years where a settlement exceeded the District's coverage.

New Accounting Pronouncements

GASB Current Year Standards

In fiscal year 2015-2016, the District implemented Governmental Accounting Standards Board Statement No. 72, "Fair Value Measurement and Application" (GASB 72). GASB 72 requires the District to use valuation techniques which are appropriate under the circumstances and are either a market approach, a cost approach or income approach. GASB 72 establishes a hierarchy of inputs used to measure fair value consisting of three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs, and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. GASB 72 also contains note disclosure requirements regarding the hierarchy of valuation inputs and valuation techniques that were used for the fair value measurements. There was no material impact on the District's financial statements as a result of the implementation of GASB 72.

GASB Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68", was required to be implemented in the current fiscal year, except for those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement No. 68, which are effective for periods beginning after June 15, 2016, and did not impact the District.

GASB Statement No. 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", was required to be implemented in the current fiscal year and did not impact the District.

Note 1 - Reporting Entity and Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncements (Continued)

GASB Current Year Standards (Continued)

GASB Statement No. 79, "Certain External Investment Pools and Pool Participants", was required to be implemented in the current fiscal year, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing, which are effective for periods beginning after December 15, 2015, and did not impact the District.

GASB Statement No. 82, "Pension Issues an Amendment of GASB Statement No. 67, No. 68 and No. 73", changed the measurement of covered payroll reported in required supplementary information and has been early implemented.

GASB Pending Accounting Standards

GASB has issued the following statements, which may impact the District's financial reporting requirements in the future:

- GASB 73 - "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68", the provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of GASB 68, effective for periods beginning after June 15, 2016.
- GASB 74 - "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans", effective for periods beginning after June 15, 2016.
- GASB 75 - "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", effective for periods beginning after June 15, 2017.
- GASB 77 - "Tax Abatement Disclosure", effective for periods beginning after December 15, 2015.
- GASB 78 - "Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans", effective for periods beginning after December 15, 2015.
- GASB 79 - "Certain External Investment Pools and Pool Participants", the certain provisions on portfolio quality, custodial credit risk, and shadow pricing, effective for periods beginning after December 15, 2015.
- GASB 80 - "Blending Requirements for Certain Component Units", effective for periods beginning after June 15, 2016.
- GASB 81 - "Irrevocable Split-Interest Agreements", effective for periods beginning after December 15, 2016.
- GASB 82 - "Pension Issues", effective for periods beginning after June 15, 2016, except for certain provisions on selection of assumptions, which is effective in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017.

Notes to Financial Statements

Note 2 - Cash and Investments

The following is a detail of cash and cash equivalents as of June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>
Cash on hand	\$ 7,439	\$ 6,147
Deposits	515,117	599,935
State Treasurer's investment pool	9,077,818	10,941,309
California Asset Management Program	260,414	6,657,184
Total cash and cash equivalents	<u>\$ 9,860,788</u>	<u>\$ 18,204,575</u>

As of June 30, 2016 and 2015, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>2016</u> Fair Value	<u>2015</u> Fair Value
State Treasurer's investment pool	1 day	\$ 9,077,818	\$ 10,941,309
California Asset Management Program	1 day	260,414	6,657,184
Total cash equivalents		<u>\$ 9,338,232</u>	<u>\$ 17,598,493</u>
U.S. Treasury bills	6 months weighted	\$ 19,464,400	\$ 19,485,885
Total Investments		<u>\$ 19,464,400</u>	<u>\$ 19,485,885</u>

Authorized deposits and investments of the District are governed by the California Government Code as well as policies set forth by the District's Board of Directors. Within the contents of these limitations, permissible instruments include FDIC-insured institutions' certificates of deposit and savings accounts, corporate medium-term notes, U.S. government agency/instrumentalities, money market instruments, money market mutual funds, mortgage backed securities, U.S. government bills, notes and bonds, and asset backed securities. Funds may also be invested in the local government investment pools.

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Note 2 - Cash and Investments (Continued)

The District is a voluntary participant in the California Asset Management Program (CAMP), an investment pool managed by Public Financial Management, Inc. CAMP was established under provisions of the California Joint Exercise of Powers Act. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by CAMP for the entire CAMP portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by CAMP, which are recorded on an amortized cost basis.

Interest Rate Risk. In accordance with its investment policy, the District manages its exposure to declines in fair values by limiting investment maturities to five years. Express authority is granted to invest in investments with term to maturity of greater than five years with a maximum term of ten years, provided the investments are in accordance with stated policy and total investments shall not exceed the amount of long term liabilities outstanding. Investments exceeding five years will be matched with a corresponding liability.

Credit Risk. State law and District policy limits investments in money market funds to the top ratings issued by nationally recognized statistical rating organizations. The District's investment in the California Asset Management Program was rated AAAM by Standard & Poor's Corporation. The District's investment in the California State Treasurer's investment pool was unrated. U.S. Treasury bills are exempt from rating disclosures.

Concentration of Credit Risk. The District manages the concentration of credit risk by limiting local government investment pools and money market funds to a maximum of 40% and 20%, respectively, of the District's total available investment capital as outlined in the District investment policy. Furthermore, no more than 10% of the District's available investment capital can be invested in a single money market fund.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. All deposits are entirely insured or collateralized. State law requires banks to secure the District's deposits by pledging government securities valued at 110% of the amount of the deposit as collateral. The District may waive the collateral requirement for deposits that are fully insured by the Federal Deposit Insurance Corporation (FDIC). Beginning on January 1, 2013, combined deposits are insured by the FDIC up to \$250,000. As of June 30, 2016, the District's bank balances were \$638,466, of which \$250,000 were insured and the remaining \$388,466 were collateralized with securities held by the pledging institution's trust department. As of June 30, 2015, the District's bank balances were \$402,133, of which \$250,000 were insured and the remaining \$152,133 were collateralized.

Fair Value Measures

GASB Statement No. 72, Fair Value Measurement and Application, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the District has the ability to access.

Notes to Financial Statements

Note 2 - Cash and Investments (Continued)

Fair Value Measurements (Continued)

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the District's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the District's own data.

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The determination of what constitutes observable requires judgment by the District's management. District management considers observable data to be that market data which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market.

The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to District management's perceived risk of that investment.

The following is a description of the valuation methods and assumptions used by the District to estimate the fair value of its investments. There have been no changes in the methods and assumptions used at June 30, 2016. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. District management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy. When quoted prices in active markets are not available, fair values are based on evaluated prices received from the District's custodian of investments in conjunction with the third party service provider results delivered to the independent certified public accountant organization providing this report.

For a large portion of the District's portfolio, the District's custodians generally use a multi dimensional relational model. Inputs to their pricing models are based on observable market inputs in active markets. The inputs to the pricing models are typically benchmark yields, reported trades, broker dealer quotes, issuer spreads and benchmark securities, among others.

Note 2 - Cash and Investments (Continued)

Fair Value Measurements (Continued)

The District has no investments categorized in Level 3. When valuing Level 3 securities, the inputs or methodology are not necessarily an indication of the risks associated with investing in those securities. Changes in valuation techniques may result in transfers into or out of an assigned level within the disclosure hierarchy.

	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total
Fixed Income Securities:				
Treasury Bills	\$ -	\$ 19,464,400	\$ -	\$ 19,464,400
Total Leveled Investments	\$ -	\$ 19,464,400	\$ -	19,464,400
Money Market and LAIF*				9,077,818
California Asset Management Program*				260,414
Total Investment Portfolio				\$ 28,802,632

*Not subject to fair value measurement.

Note 3 - Accounts Receivable, Net

As of June 30, 2016 and 2015, the net balances were comprised of accounts receivable balances of \$7,842,310 and \$7,449,667, respectively, less the allowances for doubtful accounts of \$519,692 and \$491,640, respectively.

On the Statements of Revenues, Expenses and Changes in Net Position for the years ended June 30, 2016 and 2015, the balances of water sales, net of uncollectible accounts expense, were comprised of water sales revenues of \$41,239,946 and \$44,596,500, respectively, less uncollectible amounts of \$46,789 and \$1,690, respectively.

Notes to Financial Statements

Note 4 - Capital Assets

Capital assets consist of the following at June 30, 2016:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land, franchises, and water rights	\$ 6,001,127	\$ -	\$ -	\$ 6,001,127
Construction in progress	<u>1,354,968</u>	<u>4,201,134</u>	<u>(2,860,626)</u>	<u>2,695,476</u>
Total capital assets not being depreciated	<u>7,356,095</u>	<u>4,201,134</u>	<u>(2,860,626)</u>	<u>8,696,603</u>
Capital assets being depreciated:				
Buildings, canals, pipelines, reservoirs and dams	149,035,819	2,615,860	(494,806)	151,156,873
Equipment	5,278,941	594,468	(245,550)	5,627,859
Henshaw pumping project	<u>3,003,795</u>	<u>85,735</u>	<u>-</u>	<u>3,089,530</u>
Total capital assets being depreciated	<u>157,318,555</u>	<u>3,296,063</u>	<u>(740,356)</u>	<u>159,874,262</u>
Less accumulated depreciation for:				
Buildings, canals, pipelines, reservoirs and dams	(75,385,495)	(2,386,368)	450,403	(77,321,460)
Equipment	(4,113,223)	(161,835)	233,093	(4,041,965)
Henshaw pumping project	<u>(2,624,080)</u>	<u>(33,108)</u>	<u>-</u>	<u>(2,657,188)</u>
Total accumulated depreciation	<u>(82,122,798)</u>	<u>(2,581,311)</u>	<u>683,496</u>	<u>(84,020,613)</u>
Total capital assets being depreciated, net	<u>75,195,757</u>	<u>714,752</u>	<u>(56,860)</u>	<u>75,853,649</u>
Total capital assets, net	<u>\$ 82,551,852</u>	<u>\$ 4,915,886</u>	<u>\$ (2,917,486)</u>	<u>\$ 84,550,252</u>

Notes to Financial Statements

Note 4 - Capital Assets (Continued)

Capital assets consisted of the following at June 30, 2015:

	Beginning Balance	Additions	Retirements	Ending Balance
Capital assets not being depreciated:				
Land, franchises, and water rights	\$ 5,960,313	\$ 40,814	\$ -	\$ 6,001,127
Construction in progress	<u>456,338</u>	<u>3,194,297</u>	<u>(2,295,667)</u>	<u>1,354,968</u>
Total capital assets not being depreciated	<u>6,416,651</u>	<u>3,235,111</u>	<u>(2,295,667)</u>	<u>7,356,095</u>
Capital assets being depreciated:				
Buildings, canals, pipelines, reservoirs and dams	146,320,440	2,752,855	(37,476)	149,035,819
Equipment	5,228,882	417,137	(367,078)	5,278,941
Henshaw pumping project	<u>2,977,296</u>	<u>54,618</u>	<u>(28,119)</u>	<u>3,003,795</u>
Total capital assets being depreciated	<u>154,526,618</u>	<u>3,224,610</u>	<u>(432,673)</u>	<u>157,318,555</u>
Less accumulated depreciation for:				
Buildings, canals, pipelines, reservoirs and dams	(72,378,776)	(3,044,142)	37,423	(75,385,495)
Equipment	(4,182,763)	(290,389)	359,929	(4,113,223)
Henshaw pumping project	<u>(2,623,467)</u>	<u>(28,732)</u>	<u>28,119</u>	<u>(2,624,080)</u>
Total accumulated depreciation	<u>(79,185,006)</u>	<u>(3,363,263)</u>	<u>425,471</u>	<u>(82,122,798)</u>
Total capital assets being depreciated, net	<u>75,341,612</u>	<u>(138,653)</u>	<u>(7,202)</u>	<u>75,195,757</u>
Total capital assets, net	<u>\$ 81,758,263</u>	<u>\$ 3,096,458</u>	<u>\$ (2,302,869)</u>	<u>\$ 82,551,852</u>

Note 5 - Accounts Payable

At June 30, 2016, the accounts payable of \$4,561,766 included \$3,524,222 for water purchases from the San Diego County Water Authority and \$1,037,544 for obligations to other vendors. The accounts payable of \$4,331,156 at June 30, 2015 included \$2,869,116 for water purchases from the San Diego County Water Authority and \$1,462,040 for obligations to other vendors.

Note 6 - Noncurrent Liabilities

See Note 10 – Commitments and Contingencies, for information regarding the establishment of the original \$3.85 million in claims payable that is owed to the Indian Water Authority.

Changes in the claims payable amounts in fiscal years ended June 30, 2016 and 2015 were as follows:

Fiscal Year	Beginning Balance	Consumer Price Index Adjustment	Ending Balance
2015	\$ 4,190,193	\$ 55,172	\$ 4,245,365
2016	\$ 4,245,365	\$ 83,906	\$ 4,329,271

Notes to Financial Statements

Note 6 - Noncurrent Liabilities (Continued)

Increases to the claims payable amount are based on the increase in the Consumer Price Index, All Urban Consumers, San Diego, published by the United States Department of Labor, Bureau of Labor Statistics, per the proposed changes to the Settlement Agreement terms discussed in Note 10.

Note 7 - Unrestricted Net Position

Unrestricted net position has been reserved by the Board of Directors for the following purposes:

	2016	2015
Emergency and contingency	\$ 8,000,000	\$ 8,000,000
Working capital	8,000,000	9,000,000
Future construction	5,521,079	2,643,279
Ranch improvements	109,119	81,169
Total unrestricted net position	<u>\$ 21,630,198</u>	<u>\$ 19,724,448</u>

Note 8 - Defined Benefit Pension Plan

A. General Information about the Pension Plan

Plan Description

The Plan is a cost-sharing, multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not account purposes), and membership information is listed in the June 30, 2015 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the actuarial valuation report. The actuarial valuation report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications, at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

Notes to Financial Statements

Note 8 - Defined Benefit Pension Plan (Continued)

A. General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

The Plan's provisions and benefits in effect at June 30, 2016 are summarized as follows:

	Miscellaneous Plan		
	Tier 1	Tier 2	PEPRA
Hire date	prior to 1/1/2012	from 1/1/12 to 12/31/12	on or after 1/1/13
Benefit formula	3% @ 60	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 60	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 3.0%	1.092% - 2.418%	1.0% to 2.5%
Required employee contribution rates	4.5%	7.0%	6.25%
Required employer contribution rates	21.322%	8.005%	6.25%

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by Miscellaneous risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement periods ended June 30, 2015 and 2014 (the measurement dates), the average active employee contribution rates for the respective miscellaneous Tier 1, Tier 2, and PEPRA plans were 4.5%, 7.0%, and 6.25% of annual pay. The employer's contribution rates were 21.322%, 8.005%, and 6.25% of annual payroll for the measurement period ended June 30, 2015, and 20.273%, 8.049% and 6.25% for the measurement period ended June 30, 2014. Employer contribution rates may change if plan contracts are amended. Employer Contributions for the measurement period ended June 30, 2015 and 2014 for the combined miscellaneous Tier 1, Tier 2, and PEPRA plans were \$1,488,966 and 1,459,677, respectively.

B. Net Pension Liability

The District's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2015, using an annual actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

Notes to Financial Statements

Note 8 - Defined Benefit Pension Plan (Continued)

B. Net Pension Liability (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2015 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2014 total pension liability. The June 30, 2014 and June 30, 2015 total pension liabilities for the Plan was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2014
Measurement Date	June 30, 2015
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Salary Increases (1)	3.3% - 14.2%
Investment Rate of Return (2)	7.50%
Mortality Rate Table (3)	Derived using CALPERS' membership data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until purchasing power protection allowance floor on purchasing power applies, 2.75% thereafter

(1) Annual increases vary by category, entry age, and duration of service

(2) Net of pension plan investment and administrative expenses; includes inflation

(3) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Change of Assumptions

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

Note 8 - Defined Benefit Pension Plan (Continued)

B. Net Pension Liability (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The following table reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 ¹	Real Return Years 11+ ²
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	2.0%	(0.55%)	(1.05%)
Total	100%		

¹ An expected inflation of 2.5% used for this period

² An expected inflation of 3.0% used for this period

Notes to Financial Statements

Note 8 - Defined Benefit Pension Plan (Continued)

C. Proportionate Share of Net Pension Liability

The following table shows the Plan's proportionate share of the net pension liability over the measurement period.

Miscellaneous Plan:

	Increase (Decrease)		
	Plan Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Plan Net Pension Liability (c) = (a) - (b)
Balance at: 6/30/2014 (VD)	\$ 79,703,912	\$ 66,177,159	\$ 13,526,753
Balance at: 6/30/2015 (MD)	\$ 81,295,803	\$ 65,572,018	\$ 15,723,785
Net Changes during 2014-15	\$ 1,591,891	\$ (605,141)	\$ 2,197,032

Valuation Date (VD), Measurement Date (MD).

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2015, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. The District's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website under Forms and Publications, at www.calpers.ca.gov. The District's proportionate share of the net pension liability for the Plan as of June 30, 2014 and 2015 was as follows:

Proportionate Share - June 30, 2014	<u>Miscellaneous</u> 0.54731%
Proportionate Share - June 30, 2015	<u>0.57314%</u>
Change - Increase (Decrease)	<u><u>0.02583%</u></u>

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.65 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.65 percent) or 1 percentage-point higher (8.65 percent) than the current rate:

	Discount Rate - 1% (6.65%)	Current Discount Rate (7.65%)	Discount Rate + 1% (8.65%)
Miscellaneous Plan's Net Pension Liability	\$ 26,795,190	\$ 15,723,785	\$ 6,583,054

Notes to Financial Statements

Note 8 - Defined Benefit Pension Plan (Continued)

D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the measurement period ending June 30, 2015 (the measurement date), the District incurred a pension expense of \$978,564 for the Plan.

As of June 30, 2015, the District has deferred outflows and deferred inflows of resources related to pensions as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 9,682,740	\$ -
Differences between expected and actual experience	95,305	-
Changes in assumptions	-	(901,680)
Net difference between projected and actual earnings on pension plan investments	-	(452,024)
Changes in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	(1,022,357)
Total	<u>\$ 9,778,045</u>	<u>\$ (2,376,061)</u>

These amounts above are net of outflows and inflows recognized in the 2014-15 measurement period expense. \$9,682,740 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

<u>Year Ended June 30:</u>	<u>Deferred Outflows/(Inflows) of Resources, Net</u>
2017	\$ (1,045,754)
2018	(1,018,111)
2019	(794,679)
2020	577,788
2021	-
Thereafter	-
	<u>\$ (2,280,756)</u>

E. Payable to the Pension Plan

At June 30, 2016, the District had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2016.

Notes to Financial Statements

Note 9 - Other Postemployment Benefits

Plan Description

In accordance with the terms and conditions of the employment agreements for employees hired before January 1, 2012, the District offers postemployment healthcare benefits to eligible employees who retire on or after January 1, 2006 under CalPERS, who have reached the minimum age of 50, and have completed fifteen years of service with the District (ten years for management employees). The plan is a single-employer benefit plan. Coverage will not extend beyond a combined fifteen years for the retiree and their eligible spouse (twenty years for management employees). The years of coverage may be split between the retiree and spouse; however, the maximum coverage for a retiree may not exceed ten years, and the number of years of coverage for the spouse may not exceed the number of years of coverage for the retiree. A specific health plan provides this direct insurance coverage to retiring employees that reside in the California service area as defined by the plan. If the retiree lives outside the California service area, the District reimburses the retiree quarterly for health insurance premiums not to exceed the current premiums paid to the specific health plan.

For employees who retired on or after January 1, 1990 and prior to January 1, 2006, the District offers postemployment healthcare benefits to eligible employees for a coverage period not extending beyond 10 years and does not cover dependents.

The District pre-funds its other postemployment benefits (OPEB) with CalPERS through the California Employers' Retiree Benefits Trust (CERBT) Fund. The CERBT is a trust fund that allows public employers to pre-fund the future cost of their retiree health insurance benefits and OPEB obligations for their covered employees or retirees. Employers that elect to participate in the CERBT make contributions into the trust fund. Participating employers use investment earnings to pay for retiree health benefits, similar to the CalPERS pension trust.

The District fully funds its OPEB liability through the CERBT. For the years ended June 30, 2016 and 2015, the District was fully funded in a prepaid status (in relation to the Annual Required Contribution), and was not required to make any contributions to the CERBT.

CERBT publishes separate financial statements that conform to GASB Statement No. 43 in separately issued financial statements for the CalPERS Trust. Copies of the CalPERS' annual financial report for its OPEB Trust may be obtained from its executive office at 400 P Street, Sacramento, California 95811.

Notes to Financial Statements

Note 9 - Other Postemployment Benefits (Continued)

Funding Policy and Annual OPEB Cost

The District's annual other postemployment benefit (OPEB) cost (expense) for the plan is calculated based on the "annual required contribution of the employer" (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the value of employer promised benefits expected to be earned or allocated for each fiscal year and to amortize any unfunded actuarial liabilities (or funding expense) over a period not to exceed thirty years. The District's annual OPEB cost for the current year and the related information for the plan are as follows:

	Retiree Healthcare Plan 2016	Retiree Healthcare Plan 2015
Annual required contribution	\$ 300,155	\$ 316,284
Interest on net OPEB asset	(173,526)	(172,439)
Adjustment to annual required contribution	<u>172,422</u>	<u>138,785</u>
Annual OPEB cost (expense)	299,051	282,630
Contributions made	<u>(1,951,272)</u>	<u>(391,306)</u>
Increase (decrease) in net OPEB obligation/(asset)	(1,652,221)	(108,676)
Net OPEB obligation (asset) - beginning of year	<u>(2,374,626)</u>	<u>(2,265,950)</u>
Net OPEB obligation (asset) - end of year	<u>\$ (4,026,847)</u>	<u>\$ (2,374,626)</u>

In June 2016, the District opted to make a lump sum payment of \$1,399,898 in order to pay off the unfunded portion of the District's OPEB liability.

Annual OPEB Cost includes interest and the ARC adjustment, in addition to the ARC.

In accordance with the provisions of GASB Statement No. 45, the District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

	Year End	Annual OPEB Cost	Actual Contribution	Percent of OPEB Cost Contributed	Net OPEB Obligation (Asset)
Retiree Healthcare Plan	June 30, 2014	\$306,082	\$2,505,415	818.5%	(\$2,265,950)
Retiree Healthcare Plan	June 30, 2015	\$282,630	\$391,306	138.5%	(\$2,374,626)
Retiree Healthcare Plan	June 30, 2016	\$299,051	\$1,951,272	652.5%	(\$4,026,847)

Notes to Financial Statements

Note 9 - Other Postemployment Benefits (Continued)

Funded Status and Funding Progress

The funded status of the plan was as follows:

Actuarial Valuation Date	Actuarial Value of Plan Assets	Actuarial Accrued Liability	Unfunded Liability	Funded Ratio	Annual Covered Payroll	Unfunded Liability as a % of Annual Covered Payroll
	(A)	(B)	(A-B)	(A/B)	(C)	[(A-B)/C]
July 1, 2011	\$1,109,493	\$3,779,819	(\$2,670,326)	29.4%	\$7,523,865	(35.5%)
July 1, 2013	\$1,238,734	\$3,574,767	(\$2,336,033)	34.7%	\$7,494,718	(31.2%)
July 1, 2015	\$3,599,740	\$4,999,638	(\$1,399,898) *	72.0%	\$7,601,853	(18.4%)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

*A \$1,399,898 prepayment was made in June 2016, subsequent to the July 1, 2015 actuarial valuation date, in order to pay off the unfunded portion of the District's actuarial accrued liability.

Actuarial Methods and Assumptions

Projections of benefits are based on the substantive plan (the plan as understood by the employer and the plan members) and includes the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the District and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Actuarial valuation date	June 30, 2015
Actuarial cost method	Projected Unit Credit
Amortization method	Level percentage of pay
Remaining amortization period	22 years
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate of return	7.28%
Projected salary increases	3.00%

The actuarial cost method used for determining the benefit obligations is the Projected Unit Credit with service prorated. The actuarial assumptions included a 7.28% investment rate of return, which is the assumed rate of the expected long-term investment returns on plan assets calculated based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 6.5% HMO and 7.0% PPO for 2017, each declining by 0.5% per year through 2020, and a trend rate of 5.0% per year for both HMO and PPO for all years after 2020. Both rates included

Note 9 - Other Postemployment Benefits (Continued)

Actuarial Methods and Assumptions (Continued)

a 2.8% inflation assumption. The UAAL is being amortized over an initial 30 years using the level-percentage of pay method on a closed-basis. The remaining amortization period at June 30, 2015 is assumed to be 22 years. It is assumed the District's payroll will increase 3.00% per year.

Note 10 - Commitments and Contingencies

Commitments

Under terms of a 1922 contractual agreement with the United States Department of the Interior, the District and the City of Escondido are obligated to provide the first 6 cubic feet per second of the natural flow of the San Luis Rey River to the Rincon Indians. The agreement is one of those claimed to be void ab initio by the United States and the Rincon Indians in the litigation discussed below.

In July 2007, the District announced entry into a "settlement agreement in principle" with the City of Escondido (Escondido) and the Indian bands. Per the terms of the "settlement agreement in principle", the Rincon Band would continue to receive its historic entitlement of water, but now quantified as a right to 2,900 acre-feet per year, on average, adjusted by annual hydrologic conditions. Following are the provisions of the "settlement agreement in principle":

1. Allocation of Local Water and Supplemental Water

- a) The Rincon Band shall receive its historic right to the first 6 cubic feet per second of the natural flow of the San Luis Rey River (local water). The District and Escondido shall have the right to use the remaining local water, subject to the right of the Bands to divert and use local water through an acre foot for acre foot exchange with supplemental water.
- b) The Indian Water Authority (an intertribal entity established by the Bands) shall be entitled to the benefit of the 16,000 acre feet of supplemental water provided by the Settlement Act. The Indian Water Authority may exchange supplemental water for local water.

2. Financial Obligations

- a) The Indian Water Authority is responsible for all costs associated with obtaining supplemental water. The District and Escondido are responsible for all costs associated with maintaining and operating the local water system, including the cost of a proposed canal undergrounding on the San Pasqual Indian Reservation (currently estimated to cost \$30 million). The cost of the proposed undergrounding project will be divided evenly between the District and Escondido.
- b) In return for the Bands' and the United States' agreement that the Settlement shall be an entire agreement, and no obligations among the parties from the 1894, 1914, and 1922 contracts shall endure, there shall be no annual charges paid by the District or Escondido for the use of tribal lands, and all liability among the parties shall be waived prior to the effective date of the Settlement Agreement. The District and Escondido agree to each pay the Indian Water Authority \$3.85 million on October 1, 2008. This amount can be paid either as a lump sum, or paid over the next 20 years at

Notes to Financial Statements

Note 10 - Commitments and Contingencies (Continued)

Commitments (Continued)

5% interest, or paid over 20 years, delayed for 5 years, at 6% interest. Any payment may be prepaid without a prepayment penalty.

- c) The Rincon Band's revised entitlement to local water is estimated to cost the District approximately \$290,000 annually, based on the current cost of imported water and the assumption that the new formulation of the Rincon entitlement will result in the District purchasing additional imported water.

On September 30, 2008, the negotiators for the District, the Bands and Escondido announced a Settlement Agreement regarding the water rights issues. The provisions of the Settlement Agreement are essentially the same as those of the "settlement agreement in principle" announced in July, 2007 as mentioned above.

However, in order for the Agreement to take effect, the following conditions are necessary: (i) the Agreement must be executed by all of the parties; (ii) the Agreement must be approved by the United States District Court for the Southern District of California after the Court has ascertained in open court and on the record that all parties understand and agree with the terms of the Agreement and represent that: (a) the Settlement was entered into in good faith, and this Agreement provides fair and reasonable terms for the use of Local and Supplemental Water by the Parties and for financial and other consideration among the Parties, and (b) that all Parties understand and agree with the terms of this Agreement and represent that they have received adequate legal representation in reaching that conclusion; (iii) a stipulated judgment of dismissal or other appropriate final disposition has been entered in the litigation involving the City of Escondido and Vista Irrigation District (Local Entities), the United States, and the Bands in all of the proceedings among the parties pending in United States District Court for the Southern District of California and the Federal Energy Regulatory Commission (FERC); (iv) FERC has issued the Conduit Exemption License and has approved the Surrender Application; (v) the Secretary of the Interior has issued all necessary rights-of-way for the Local Water System in accordance with section 109(b) of the Settlement Act; and (vi) all applicable appeal periods have expired. The date when all these conditions have been satisfied shall be the effective date of the Agreement.

The District's legal counsel and management are unable to opine upon the length of time it will take to resolve the matter and obtain all required approvals for a final settlement agreement.

Litigation

Several bands of Indians have claimed the rights to certain water now utilized by the District, substantial actual and punitive damages, and the invalidation of certain contracts. Actions on those claims naming the District as a defendant have been filed in the United States District Court by the bands and by the United States, in its own right and on behalf of the bands. Legislation authorizing the settlement of the Indian water rights dispute was enacted on November 17, 1988, as the "San Luis Rey Indian Water Rights Settlement Act". This legislation authorizes the parties to the dispute to enter into a settlement agreement and establishes a trust fund in the amount of \$30,000,000. Implementation of this legislation is pending development of a 16,000 acre foot per year supplemental water supply and negotiation of the precise terms of the settlement agreement. In October 2000, the source of the 16,000 acre foot supplemental water supply was identified as a portion of the water conserved from the lining of the All-American Canal and the Coachella Branch of the All-American Canal. Commencing in about January 2007, the settlement parties began obtaining 4,500 acre feet of water annually from the completed Coachella Branch Canal Lining Project. Construction of the lining of the All-American Canal (which produces the remaining 11,500 acre feet) was completed in 2010.

Note 10 - Commitments and Contingencies (Continued)

Litigation (Continued)

The District's legal counsel and management are unable to opine upon the ultimate outcome of the above matters. The Settlement Agreement summarizes some of the major proposed terms of agreement among the parties.

Discussions have continued on a long-standing dispute between the District and the City of Escondido (successor to Escondido Mutual Water Company) over the calculations and allocations between the two entities of natural flow of the San Luis Rey River. Management's opinion is that this matter will be resolved concurrently with the dispute with the Indian bands by adhering to the settlement rubric outlined in the July 2007 "settlement agreement in principle."

The District has been named as defendant in various other legal actions. In the opinion of management and legal counsel, it is too early to determine the outcome and effect on the District's financial position.

Note 11 - Subsequent Events

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through December 5, 2016, the date the financial statements were available to be issued.

Required Supplementary Information

June 30, 2016

Schedule of the District's Proportionate Share of the Plan's Net Pension Liability and Related Ratios as of the Measurement Date Last 10 Years*

	Measurement Date <u>6/30/2015</u>	Measurement Date <u>6/30/2014</u>
Plan's Proportion of the Net Pension Liability ¹	0.22908%	0.21738%
Plan's Proportionate Share of the Net Pension Liability	\$ 15,723,785	\$ 13,526,753
Plan's Covered-Employee Payroll ²	\$ 7,473,687	\$ 7,494,718
Plan's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	210.39%	180.48%
Plan's Proportionate Share of the Fiduciary Net Position as a percentage of the Plan's Total Pension Liability	80.66%	83.03%
Plan's Proportionate Share of Aggregate Employer Contributions ³	\$ 1,487,007	\$ 1,789,539

¹ Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 Survivors Risk Pool.

² Covered-Employee Payroll represented above is based on the total payroll of employees that are provided pensions through the pension plan in accordance with GASB 68.

³ The plan's proportionate share of aggregate contributions may not match the actual contributions made by the employer during the Measurement Period. The plan's proportionate share of aggregate contributions is based on the plan's proportion of fiduciary net positions, as well as any additional side fund (or unfunded liability) contributions made by the employer during the measurement period.

* Measurement period 2013-14 (fiscal year 2015) was the first year of implementation.

Required Supplementary Information

June 30, 2016

Schedule of Plan Contributions

Last 10 Years*

	<u>Fiscal Year</u> <u>End 2016</u>	<u>Fiscal Year</u> <u>End 2015</u>
Actuarially Determined Contribution	\$ 1,924,128	\$ 1,488,966
Contributions in Relation to the Actuarially Determined Contribution	<u>(9,682,740)</u>	<u>(1,488,966)</u>
Contribution Deficiency (Excess)	<u><u>(7,758,612)</u></u>	<u><u>-</u></u>
Covered-Employee Payroll ¹	\$ 7,601,853	\$ 7,473,687
Contributions as a Percentage of Covered-Employee Payroll	127.37%	19.92%

¹Covered-Employee Payroll represented above is based on the total payroll of employees that are provided pensions through the pension plan in accordance with GASB 68.

* Measurement period 2013-14 (fiscal year 2015) was the first year of implementation.

This page intentionally blank



1391 Engineer Street

Vista, CA 92081

(760) 597-3100

www.vidwater.org



STAFF REPORT

Board Meeting Date: April 5, 2017
Prepared By: Brett Hodgkiss
Approved By: Eldon Boone

SUBJECT: COMMITTEE APPOINTMENT

RECOMMENDATION: Appoint a Director to fill the vacancy on the Water Sustainability Committee and designate one of the Water Sustainability Committee members as chair.

PRIOR BOARD ACTION: At its February 15, 2017 meeting, the Board elected Paul Dorey as the First Vice President and appointed him to the Fiscal Policy Committee filling the vacancies created with the passing of Randy Reznicek. The Board deferred filling the vacancy on the Water Sustainability Committee until a new Director was appointed for Division 4 of the Board of Directors.

FISCAL IMPACT: Undetermined amount of expenses and per diem.

SUMMARY: The passing of Director Randy Reznicek created a vacancy on the Board of Directors for Division 4; his passing also left the Board with vacancies at First Vice President and on the Fiscal Policy and Water Sustainability committees. At its February 15, 2017 meeting, the Board filled the vacancies at First Vice President and on the Fiscal Policy Committee. The Board deferred filling the vacancy on the Water Sustainability Committee until a new Director was appointed for Division 4 of the Board of Directors.

At its March 13, 2017 special meeting, the Board of Directors appointed Patrick Sanchez as Director for Division 4 of the Board of Directors. At its March 15, 2017 meeting, the Board requested that an item be placed on the April 5, 2017 agenda to appoint a Director to fill the vacancy on the Water Sustainability Committee. A vacancy also exists at Water Sustainability Committee chair; therefore, it is recommended that the President designate a one of the committee members as chair.

DETAILED REPORT: A current list of the District's officers as well as committee and outside organization assignments for 2017 has been provided for reference.

ATTACHMENT: District Officers, Committee and Outside Organization Appointments for 2017

2017 COMMITTEE APPOINTMENTS

2017 District Officers

President	Marty Miller
First Vice President	Paul Dorey
Vice Presidents	Richard Vásquez and Jo MacKenzie
Treasurer	Eldon Boone
Assistant Treasurers	Brett Hodgkiss and Marlene Kelleher
Board Secretary	Lisa Soto
Assistant Secretaries	Marian Schmidt and Eldon Boone

Standing Committees

Water Sustainability:	<i>Vacant</i> , Chair; and Vasquez
Fiscal Policy:	Miller, Chair; and Paul Dorey
Warner Ranch:	Dorey, Chair; and MacKenzie
Public Affairs:	Vásquez, Chair; and Dorey

Ad Hoc Committees

Indian Settlement:	Miller, Chair; and MacKenzie
Groundwater	Dorey, Chair, and MacKenzie

Outside Organizations

San Luis Rey Watershed Council:	Dorey; Jessica Sherwood (alternate)
ACWA-JPIA:	Dorey; Boone (alternate)
Southern California Water Committee:	Dorey; Vasquez (alternate)
Groundwater Resources Association:	Dorey; Vásquez (alternate)

Outside Organization Representatives

Dorey	ACWA Groundwater Committee
Dorey	ACWA/JPIA Liability Committee
Dorey	SCWC Colorado River Advisory Task Force
Dorey	San Luis Rey Watershed Council, Board member
MacKenzie	ACWA Local Government Committee
MacKenzie	CSDA Board of Directors, Past President
MacKenzie	CSDA Finance Corporation, President
MacKenzie	CSDA Legislative Committee
MacKenzie	CSDA Member Services Committee
MacKenzie	CSDA, San Diego Chapter, Board of Directors
MacKenzie	LAFCO Regular Special Districts Member, Vice Chair
MacKenzie	Special District Leadership Foundation Board of Directors, Treasurer
Miller	San Diego County Water Authority (CWA), Board of Directors
Miller	CWA Engineering and Operations Committee, Vice Chair
Miller	CWA Imported Water Committee
Miller	CWA Hydropower/Pumped Storage Task Force
Vásquez	ACWA Region 10 Board
Vásquez	ACWA Water Quality Committee
John Carter	ACWA Legal Affairs Committee (<i>through the auspices of VID</i>)
Joel Kuperberg	ACWA Legal Affairs Committee (<i>through the auspices of another agency</i>)
Joel Kuperberg	CSDA Expert Feedback Teams: Environmental Compliance, Public Contracting, and Legal (<i>through the auspices of VID</i>)



STAFF REPORT

Agenda Item: 11

Board Meeting Date: April 5, 2017
Prepared By: Brian Smith
Reviewed By: Brett Hodgkiss
Approved By: Eldon Boone

SUBJECT: NORTH SAN DIEGO WATER REUSE COALITION JOINT LOBBYING AGREEMENT

RECOMMENDATION: Discontinue District participation in the Joint Lobbying Agreement with the Furman Group on behalf of the North San Diego Water Reuse Coalition.

PRIOR BOARD ACTION:

- 04/17/13 Authorized the execution of the Local Project Participant Agreement with Olivenhain Municipal Water District for the North San Diego County Regional Recycled Water Project to receive Round 1 Proposition 84 grant funding.
- 01/21/15 Authorized the execution of the Local Project Participant Agreement with Olivenhain Municipal Water District for the North San Diego County Regional Recycled Water Project to receive Round 2 Proposition 84 grant funding.
- 03/18/15 Authorized renewal of the Joint Lobbying Agreement with The Furman Group on behalf of the North San Diego Water Reuse Coalition.
- 01/04/17 Authorized the execution of an agreement with the City of Oceanside to transfer State Proposition 84 grant funding totaling \$392,965.

FISCAL IMPACT: To date, the District has expended approximately \$88,000 for the Joint Lobbying Agreement. Renewing another year would cost the District an additional \$14,300.

SUMMARY: In March 2010, the District joined the North San Diego Water Reuse Coalition (Coalition), a group of ten water and wastewater agencies that formed to promote water reuse and take a regional approach to the development of recycled water infrastructure. In 2011, the Coalition developed the North San Diego County Regional Recycled Water Project (Regional Project), which reviewed the recycled water infrastructure and demands for each agency, and identified facilities necessary to increase the capacity, connectivity, and use of recycled water.

Additionally in 2011, eight of the Coalition members entered into a joint Lobbying Agreement with The Furman Group (Furman) to assist the Coalition in obtaining federal funding for the Regional Project. In 2015, the two remaining Coalition members joined the lobbying effort. This agreement is on a year-to-year basis and is up for renewal on March 31, 2017. At this time, the District must decide whether to continue participation in this joint agreement, particularly in light of the District lacking a viable recycled water project.

DETAILED REPORT: Olivenhain Municipal Water District administers the Furman agreement and their Board will be considering the 1-year extension at an upcoming meeting. Attached is Furman's proposal that provides a current status of their efforts, a proposed scope of work for ongoing efforts, and a requested annual retainer fee of \$156,000 plus expenses. The District's proportional share of the cost is about \$14,300. If the District elects to not participate in the lobbying efforts, the District would not be eligible for any Federal funding the Coalition may obtain as a result of the lobbying efforts.

The Coalition is working on a Phase 1 Feasibility Study for the Regional Project, which would be the basis for obtaining Bureau of Reclamation and Congressional approval and subsequent eligibility to apply for grant funding. The Phase 1 Study is focusing on projects that can be constructed in the next five years with

an estimated total construction cost of \$80 million, assuming \$20 million would be available from the grant and \$60 million would be paid for by the Coalition members.

With the Shadowridge Golf Course successfully drilling a groundwater well in 2014 and significantly reducing its potable water use, an extension of a recycled water system to the site is impractical and therefore not included in the Phase 1 Study. As such, the Board authorized the transfer of \$392,965 of State Proposition 84 grant funds to the City of Oceanside on January 4, 2017. With the District not benefiting from any potential grant funding awarded to the Coalition, it is recommended that the District discontinue its participation in the lobbying efforts of the group. The other Coalition members understand the District's reason for withdrawal and they will benefit from the allocation of the District's potential federal funding of \$2 million for their water reuse systems.


ATTACHMENT: The Furman Group letter dated March 3, 2017

March 3, 2017

Ms. Kimberly Thorner
General Manager
Olivenhain Municipal Water District
1966 Olivenhain Road
Encinitas, CA 92024

Re: *Extension of Professional Services Agreement*

Dear Mrs. Thorner:


On behalf of The Furman Group (“TFG”), thank you for providing us this opportunity to propose a renewal of our Professional Services Agreement with the North San Diego Water Reuse Coalition (“Coalition”). We are honored to have had the opportunity to work on behalf of the Coalition and are excited about the prospects ahead. The current Agreement between our firm and the Coalition expires on March 31, 2017 and we would like to continue our work on behalf of this important regional project. Below, I have outlined the activities undertaken over the past year and the work ahead.

CURRENT STATUS

On December 16, 2016, President Barack Obama signed the Water Resources Development Act (“WRDA”) which was renamed the Water Infrastructure Improvements for the Nation Act (“WIIN”). The WRDA bill included the reform and revitalization of the Title XVI program and converts it to a competitive grant program. The bill also provides important amendments to national water policies of years past; notably, the California drought section provides both short-term and long-term drought relief. The California drought language is the result of years of negotiations between Senator Dianne Feinstein (D-CA) and California House Republicans led by Majority Leader Kevin McCarthy (R-CA). The Furman Group worked very closely with the Senator, the House Leader, and the House Republicans on behalf of the Coalition to include the revitalized Title XVI language into the bill. With the passage of the Title XVI language, the Coalition will be able to apply for Federal funding for the North San Diego County Regional Recycled Water Project.

In addition to Title XVI, TFG is working with Members of Congress and relevant trade associations to find a legislative solution for the tax rebate exemption for water conservation measures. Since water utilities cannot process tax-free rebates, they provide 1099 forms at the end of the year to customers who have received \$600 or more in water subsidies or rebates. This tax liability and the administrative costs associated with processing the 1099 forms serve as

additional disincentives to water agencies to provide water efficiency retrofit programs, and other worthy efforts, that encourage sustainable water use. In January 2017, The Furman Group worked with Rep. Jared Huffman (D-CA) to introduce H.R. 448, the Water Conservation Rebate Tax Parity Act, which would remedy this issue as well as make it retroactive to 2016.

TFG facilitated meetings on behalf of the Coalition with key policy makers. Members of the Coalition along with TFG members met with the San Diego Congressional Delegation. These face-to-face meetings are imperative to the success of the Coalition's initiatives on Capitol Hill.

STRATEGY AND SCOPE OF WORK

Consistent with the revisions to the Title XVI program, on February 10, 2017, the Secretary of the Interior issued guidelines for the development and submittal to the Bureau of Reclamation ("Bureau") of feasibility studies for eligible projects that reclaim and reuse municipal, industrial, domestic, or agricultural wastewater as well as impaired ground or surface water. Feasibility studies may be submitted at any time and the Bureau of Reclamation is required to approve or disapprove the project within 180 days and notify Congress. The Senate Committee on Energy and Natural Resources and the House Committee on Natural Resources will review the report to ensure that all projects comply with Federal laws. Once Congress has approved the list of projects, qualified applicants may then apply for funding for their projects through a new Title XVI competitive grant program to be established by the Bureau.

In the coming year, The Furman Group will work with the Coalition as well as the San Diego Congressional Delegation to help obtain the approval of the feasibility study by the Bureau and Federal funds for the North San Diego County Regional Recycled Water Project. Specifically, TFG will coordinate Congressional support letters from Reps. Peters (D-CA), Issa (R-CA), Davis (D-CA), Vargas (D-CA), and Hunter (R-CA) on behalf of the project. In addition, TFG will organize project briefings between high-level Bureau of Reclamation officials and representatives from the North San Diego Water Reuse Coalition. TFG will also work with key Members of Congress and Congressional leadership to get additional funding for Title XVI in the Fiscal Year 2018 Energy and Water Appropriations Bill.

In addition to Title XVI, TFG will continue to fight on behalf of the Coalition to ensure that water efficiency rebates are made tax-exempt. Rep. Jared Huffman (D-CA) has introduced stand-alone legislation with four other bipartisan cosponsors that will address this issue. TFG continues to work with California Republicans such as Rep. Devin Nunes (R-CA) and Rep. Ken Calvert (R-CA) to get this issue fixed. Possible vehicles for this legislation include the anticipated tax reform bill.

TFG is also working on protecting the tax exemption status of municipal bonds. Given the appetite for a tax reform package this 115th Congress, TFG will continue to work with key Members of Congress to protect the exemption status.

TFG staff members have met and will continue to meet regularly with North San Diego officials in order to provide the most up-to-date information and to liaise between the Coalition and Capitol Hill. TFG will continue to ensure that key stakeholders in Congress and the

Administration are well aware of the importance of the Coalition's project. TFG will facilitate meetings between the Coalition and Members of Congress, such as Representative Scott Peters (D-CA), Representative Duncan Hunter (R-CA), Representative Darrell Issa (R-CA), Representative Susan Davis (D-CA), and Representative Juan Vargas (D-CA). In conclusion, TFG will continue to monitor new Federal funding opportunities, provide detailed updates and analysis of Congressional and Administration activities, and advocate for the Coalition in Washington, D.C.

Furthermore, TFG will continue to monitor Federal legislative and regulatory initiatives that may impact the Coalition and its activities, such as the Environmental Protection Agency and Army Corps of Engineers' suspended rule seeking to further define the "Waters of the U.S." under the Clean Water Act. In addition, The Furman Group maintains an evolving database of legislation that is regularly updated with details on the location of each bill in the legislative process such as: when it was introduced, the number of cosponsors, scheduled hearings, committee mark-ups, floor debates, and final votes. The database is regularly reviewed to determine the likelihood of a bill's passage and what impact the legislation would have on the Coalition if it were to pass and become law.

TERM, FEES AND EXPENSES

The Furman Group provides professional Federal government relations services to its clients based upon an annual retainer that may be paid semi-annually (in advance) plus out of pocket expenses directly related to our representation (such as local taxi travel to Capitol Hill or travel to brief the client at their written request). Our retainers are based, in part, upon the time that we estimate the representation will require on the part of our professionals, the difficulty of the projects in comparison to other projects, and such intangibles as the amount of political capital that will be necessary for the firm to expend to accomplish the client's goals.

We propose an annual retainer fee of \$156,000 with a term of one year. This extension, if approved, would expire on March 31, 2018.

CONCLUSION

Once again, thank you for providing us the opportunity to present you with this proposal to continue our work on behalf of the Coalition. Please don't hesitate to contact me with any questions.

Sincerely,



Harold W. Furman II
Chairman and Managing Director



STAFF REPORT

Board Meeting Date: April 5, 2017
Prepared By: Eldon Boone

SUBJECT: STATUS OF SAN LUIS REY INDIAN WATER RIGHTS SETTLEMENT IMPLEMENTATION

SUMMARY: Discuss issues relating to implementation of the San Luis Rey Indian Water Rights Settlement.

Outline of Settlement Issues

Complete:

- Settlement Agreement
- Implementing Agreement
- Office of Management and Budget Certification – Sec. 3605(b) of Water Infrastructure Improvements for the Nation Act
- Existing Indian and Federal Rights-of-Way for the Local Water System
- New Escondido-VID Agreement

Pending:

- Rights-of-Way for the San Pasqual Undergrounding Project
[Recordings not complete; modifications sent to Bureau of Indian Affairs on 2/13/17.]
- Final Disposition of US District Court Cases
[Filed procedural updates with court on 2/23/17; proposed judgement sent to Court on 3/1/17; waiting for Court to set hearing date.]
- FERC Conduit Exemption and License Surrender Order
[Conditional Order issued and can become a final order after US District Court issues judgment and approves settlement. Once the Final Order is issued, the Settlement and Implementing Agreements become effective.]
- Assignment of Forman Deeds
[Draft is being reviewed by Indian Bands. VID Board action required to assign right to enforce rights and interests granted under the Forman Deeds to the Indian Bands and/or the San Luis Rey Indian Water Authority.]



Agenda Item: 13

STAFF REPORT

Board Meeting Date: April 5, 2017
Prepared By: Eldon Boone

SUBJECT: MATTERS PERTAINING TO THE ACTIVITIES OF THE SAN DIEGO COUNTY WATER AUTHORITY

SUMMARY: Informational report by staff and directors concerning the San Diego County Water Authority. No action will be required.



San Diego County Water Authority

REVISED
SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING
MARCH 23, 2017

- 9- 1. Engineering and Operations Committee Work Plan for Calendar Years 2017 and 2018.
The Board adopted the Engineering and Operations Committee Work Plan for Calendar Years 2017 and 2018.
- 9- 2. Professional services contract with Infrastructure Engineering Corporation for design of the San Diego 12 Flow Control and Alvarado Hydroelectric Facilities Rehabilitation project.
The Board authorized the General Manager to award a professional services contract for a not-to-exceed amount of \$1,895,536 to Infrastructure Engineering Corporation to provide design services for the San Diego 12 Flow Control and Alvarado Hydroelectric Facilities Rehabilitation project for a duration of three years.
- 9- 3. Authorize WaterSMART Grant application to Bureau of Reclamation for a Water Conservation Project.
The Board adopted Resolution 2017-05 authorizing and directing the General Manager to apply to the Bureau of Reclamation for a small-scale water efficiency grant and to commit the Water Authority to the financial and legal obligations associated with the receipt of grant funds.
- 9- 4. Water Planning Committee Work Plan for Calendar Years 2017 and 2018.
The Board adopted the Water Planning Committee Work Plan for Calendar Years 2017 and 2018.
- 9- 5. Adopt positions on various state bills:
- A) The Board adopted a position of Support if Amended on AB 18 (Garcia), relating to parks and resources bonds.
 - B) The Board adopted a position of Support if Amended on AB 196 (Bigelow), relating to use of Greenhouse Gas Reduction Funds.
 - C) The Board adopted a position of Support on AB 554 (Cunningham), relating to statewide desalination goals.
 - D) The Board adopted a position of Support on AB 574 (Quirk), relating to potable reuse.
 - E) The Board adopted a position of Support on AB 869 (Rubio), relating to disposition of recycled water production within the long-term water use efficiency framework.



San Diego County Water Authority

- F) The Board adopted a position of Oppose Unless Amended on AB 1041 (Levine), relating to urban water shortage contingency analyses.
 - G) The Board adopted a position of Support if Amended on SB 5 (De Leon), relating to parks, resources, and water bonds.
 - H) The Board adopted a position of Support on SB 214 (Atkins), relating to San Diego River Conservancy.
-
- 9- 6. Legislation and Public Outreach Committee Work Plan for Calendar Years 2017 and 2018.
The Board adopted the Legislation and Public Outreach Committee Work Plan for Calendar Years 2017 and 2018.
 - 9- 7. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed monthly Treasurer's Report.
 - 9- 8. Administrative and Finance Committee Work Plan for Calendar Years 2017 and 2018.
The Board adopted the Administrative and Finance Committee Work Plan for Calendar Years 2017 and 2018.
 - 9- 9. Imported Water Committee Work Plan for Calendar Years 2017 and 2018.
The Board adopted the Imported Water Committee Work Plan for Calendar Years 2017 and 2018.
 - 9-10. Use of Water Authority's Recharge Capacity at Semitropic Water Bank during calendar year 2017.
The Board authorized the General Manager to enter into a recharge capacity use agreement with Homer LLC, a Delaware limited liability company (Homer) to allow Homer to use the Water Authority's recharge capacity in Semitropic Water Storage District's Stored Water Recovery Unit and Original Water Bank in calendar year 2017 via assignment of shares and/or subcontracting as applicable, subject to Water Bank consent; and found that the proposed recharge capacity use agreement is not a new project under CEQA that would cause a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.
 - 9-11. General Counsel Compensation.
The Board approved the General Counsel's contract be renewed for another year, with an annual salary increase to \$250,000.00 per year and all other terms to remain the same, effective March 15 of this year.
 - 9-12. General Manager Compensation.
The Board approved the General Manager receive salary increase effective July 1, 2017 in the amount of the annual Cost-of-Living increase that will be received by the represented employees in the 20th pay period 2017, being no less than 1.5% and no greater than 3.0%.



Agenda Item: 14.A

STAFF REPORT

Board Meeting Date: April 5, 2017
Prepared By: Lisa Soto
Approved By: Eldon Boone

SUBJECT: REPORTS ON MEETINGS AND EVENTS ATTENDED BY DIRECTORS

SUMMARY: Directors will present brief reports on meetings and events attended since the last Board meeting.



STAFF REPORT

Board Meeting Date: April 5, 2017
Prepared By: Marian Schmidt
Approved By: Eldon Boone

SUBJECT: SCHEDULE OF UPCOMING MEETINGS AND EVENTS

SUMMARY: The following is a listing of upcoming meetings and events. Requests to attend any of the following events should be made during this agenda item.

	SCHEDULE OF UPCOMING MEETINGS AND EVENTS	ATTENDEES
1	Sexual Harassment Prevention Webinar (ACWA/JPIA) <i>Apr. 6, 2017 – 10:00 a.m. – 12:00 p.m.</i> <i>Registration deadline: None</i>	Sanchez (R)
2	Leveraging Your State and Federal Relationships Webinar (CSDA) <i>April 6, 2017 – 10:00 a.m. – 12:00 p.m.</i> <i>Registration deadline: None</i>	
3	California Water Policy 26 <i>April 6-7, 2017 – Courtyard by Marriott at Liberty Station, San Diego</i> <i>Registration deadline: None</i>	Vásquez (R,H) MacKenzie (R)
4 *	Council of Water Utilities Meeting <i>April 18, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 4/13/17</i>	
5	Special District Leadership Academy Conference (CSDA) <i>April 23-26, 2017 – Embassy Suites, San Luis Obispo</i> <i>Registration deadline: 4/14/17</i>	
6	Headwaters Tour Field Trip (Water Education Foundation) <i>April 27-28, 2017 – Sacramento International Airport</i> <i>Reservation deadline: 4/13/17</i>	
7	Sexual Harassment Prevention Webinar (ACWA/JPIA) <i>May 2, 2017 – 1:00 p.m. – 3:00 p.m.</i> <i>Reservation deadline: None</i>	
8	ACWA Spring Conference <i>May 9-12, 2017 – Monterey Marriott and Portola Hotel, Monterey</i> <i>Registration deadline: 4/14/17</i>	MacKenzie (R,A,H) Miller (R,A,H) Dorey (R,A,H) Sanchez (A,H) Vásquez (H)
9 *	Council of Water Utilities Meeting <i>May 16, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 5/11/17</i>	
10	Special Districts Legislative Days <i>May 16-17, 2017 – The Grand Events Center, Sacramento</i> <i>Registration deadline: 5/5/17</i>	MacKenzie
11 *	CSDA Quarterly Dinner Meeting <i>May 18, 2017 – 6:00-9:00 p.m. – The Butcher Shop Steakhouse, Kearny Mesa</i> <i>Reservation deadline: 5/11/17</i>	MacKenzie Vásquez
12	Santa Ana River Watershed Conference (Water Education Foundation) <i>May 25, 2017 – Ontario Convention Center</i> <i>Registration deadline: TBD</i>	
13	Required Harassment Prevention for Staff/Board Webinar (CSDA) <i>June 6, 2017 – 10:00 a.m. – 12:00 p.m.</i> <i>Registration deadline: 5/26/17</i>	

14	Bay Delta Tour Field Trip (Water Education Foundation) <i>June 14-16, 2017 – Sacramento International Airport</i> <i>Reservation deadline: 5/31/17</i>	
15 *	Council of Water Utilities Meeting <i>June 20, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 6/15/17</i>	
16	Special District Leadership Academy Conference (CSDA) <i>July 9-12, 2017– Embassy Suites Napa Valley, Napa</i> <i>Registration deadline: 6/30/17</i>	
17 *	Council of Water Utilities Meeting <i>July 18, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 7/13/17</i>	
18	Water Reclamation and Reuse Conference (International Water Association) <i>July 23-27, 2017 – Long Beach</i> <i>Registration deadline: 7/10/17</i>	
19 *	Council of Water Utilities Meeting <i>Aug. 15, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 8/10/17</i>	
20	Urban Water Institute's Annual Water Conference <i>Aug. 16-18, 2017 – Hilton San Diego Resort</i> <i>Registration deadline: 8/2/17</i>	
21 *	CSDA Quarterly Dinner Meeting <i>Aug. 17, 2017 – 6:00-9:00 p.m. – The Butcher Shop Steakhouse, Kearny Mesa</i> <i>Reservation deadline: 8/10/17</i>	
22	Staying in Compliance: Understand Special District Laws (CSDA) <i>Aug. 24, 2017 – Oxnard Harbor District, Port Hueneme</i> <i>Registration deadline: 8/18/17</i>	
23	Legislative Round Up Webinar (CSDA) <i>Aug. 31, 2017 – 10:00 a.m. – 12:00 p.m.</i> <i>Registration deadline: 8/25/17</i>	MacKenzie (R)
24 *	Council of Water Utilities Meeting <i>Sept. 19, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 9/14/17</i>	
25	CSDA Annual Conference <i>Sept. 25-28, 2017 – Marriott and Monterey Conference Center, Monterey</i> <i>Registration deadline: 9/8/17</i>	
26	Northern California Tour Field Trip (Water Education Foundation) <i>Oct. 11-13, 2017 – Sacramento International Airport</i> <i>Reservation deadline: 9/27/17</i>	
27 *	Council of Water Utilities Meeting <i>Oct. 17, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 10/12/17</i>	
28	San Joaquin River Restoration Tour Field Trip (Water Education Foundation) <i>Nov. 1-2, 2017 – Fresno</i> <i>Reservation deadline: 10/18/17</i>	
29	Required Ethics AB1234 Compliance Training Webinar (CSDA) <i>Nov. 8, 2017 – 10:00 a.m. – 12:00 p.m.</i> <i>Registration deadline: 10/27/17</i>	
30 *	CSDA Quarterly Dinner Meeting <i>Nov. 16, 2017 – 6:00-9:00 p.m. – The Butcher Shop Steakhouse, Kearny Mesa</i> <i>Reservation deadline: 11/9/17</i>	
31 *	Council of Water Utilities Meeting <i>Nov. 21, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 11/16/17</i>	

32	ACWA Fall Conference <i>Nov. 28-Dec. 1, 2017 – Anaheim Marriott Hotel</i> <i>Registration deadline: TBD</i>	
33 *	Council of Water Utilities Meeting <i>Dec. 19, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 12/14/17</i>	

* Non-per diem meeting except when serving as an officer of the organization

The following abbreviations indicate arrangements that have been made by staff:

A=Airline; **R**=Registration; **C**=Car; **H**=Hotel; **T**=Tentative



Agenda Item: 15

STAFF REPORT

Board Meeting Date: April 5, 2017
Prepared By: Lisa Soto

SUBJECT: ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

SUMMARY: This item is placed on the agenda to enable the Board to identify and schedule future items for discussion at upcoming Board meetings and/or identify press release opportunities.

Staff-generated list of tentative items for future agendas:

- Grazing licenses on Warner Ranch
- Puerta La Cruz Conservation Camp lease
- Groundwater Assessment proposals
- Appraisal of property on Pipeline Drive



Agenda Item: 16

STAFF REPORT

Board Meeting Date: April 5, 2017
Prepared By: Lisa Soto

SUBJECT: COMMENTS BY DIRECTORS

SUMMARY: This item is placed on the agenda to enable individual Board members to convey information to the Board and the public not requiring discussion or action.



Agenda Item: 17

STAFF REPORT

Board Meeting Date: April 5, 2017
Prepared By: Eldon Boone

SUBJECT: COMMENTS BY GENERAL COUNSEL

SUMMARY: Informational report by the General Counsel on items not requiring discussion or action.



Agenda Item: 18

STAFF REPORT

Board Meeting Date: April 5, 2017
Prepared By: Eldon Boone

SUBJECT: COMMENTS BY GENERAL MANAGER

SUMMARY: Informational report by the General Manager on items not requiring discussion or action.

NOTICE OF ADJOURNED MEETING
OF THE BOARD OF DIRECTORS OF THE
VISTA IRRIGATION DISTRICT

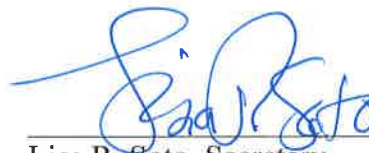
A REGULAR MEETING OF THE BOARD OF DIRECTORS OF VISTA IRRIGATION DISTRICT, HELD ON APRIL 5, 2017, WAS ADJOURNED UNTIL 8:30 AM, APRIL 19, 2017, AT THE OFFICE OF THE VISTA IRRIGATION DISTRICT, 1391 ENGINEER STREET, VISTA, CALIFORNIA.

* * * * *

AFFIDAVIT OF POSTING ORDER OF ADJOURNMENT OF MEETING

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO)

I, Lisa R. Soto, hereby certify that I am the duly appointed, qualified Secretary of the Board of Directors of Vista Irrigation District; that the foregoing is duly noted in the Minutes of said Regular Meeting of the Board of Directors of Vista Irrigation District; that said Regular Board Meeting was ordered adjourned to the time and place above specified; and that I posted a copy of this order of adjournment near the public entrance to the Board Room at the offices of the District.



Lisa R. Soto, Secretary
Board of Directors
Vista Irrigation District

POSTED: April 5, 2017