



**LAS VIRGENES MUNICIPAL WATER DISTRICT**  
4232 Las Virgenes Road, Calabasas, CA 91302

**AGENDA**  
**REGULAR MEETING**

Members of the public wishing to address the Board of Directors are advised that a statement of Public Comment Protocols is available from the Clerk of the Board. Prior to speaking, each speaker is asked to review these protocols and **MUST** complete a speakers' card and hand it to the Clerk of the Board. Speakers will be recognized in the order cards are received.

The **Public Comments** agenda item is presented to allow the public to address the Board on matters not on the agenda. The public may present comments on any agenda item at the time the item is called upon for discussion.

Materials prepared by the District in connection with subject matter on the agenda are available for public inspection at 4232 Las Virgenes Road, Calabasas, CA 91302. Materials prepared by the District and distributed to the Board during this meeting are available for public inspection at the meeting or as soon thereafter as possible. Materials presented to the Board by the public will be maintained as part of the records of these proceedings and are available upon written request to the Clerk of the Board.

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5:00 PM

June 13, 2017

**PLEDGE OF ALLEGIANCE**

- 1 **CALL TO ORDER AND ROLL CALL**
- 2 **APPROVAL OF AGENDA**
- 3 **PUBLIC COMMENTS**

Members of the public may now address the Board of Directors **ON MATTERS NOT APPEARING ON THE AGENDA**, but within the jurisdiction of the Board. No action shall be taken on any matter not appearing on the agenda unless authorized by Subdivision (b) of Government Code Section 54954.2

4 **CONSENT CALENDAR**

A **List of Demands: June 13, 2017 (Pg. 5)**

Ratify

B **Minutes: Regular Meeting of May 23, 2017 (Pg. 45)**

Approve

C **Directors' Per Diem: May 2017 (Pg. 54)**

Ratify

D **Monthly Cash and Investment Report: April 2017 (Pg. 60)**

Receive and file the Monthly Cash and Investment Report for April 2017.

E **Update to the District's Investment Policy (Pg. 71)**

Pass, approve and adopt proposed Resolution No. 2519, adopting a revised Investment Policy pursuant to Section 2-6.502 of the Las Virgenes Municipal Water District Code.

**RESOLUTION NO. 2519**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT ADOPTING A REVISED INVESTMENT POLICY**

(Reference is hereby made to Resolution No. 2519 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

5 **ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS**

A **Recap of 2017 Solar Cup Participation by Calabasas High School and Recognition of Calabasas High School Coach Michael Yeung and Past Camp David Gonzales Coach Ty Kastendiek**

B **Legislative and Regulatory Updates**

C **Water Supply Conditions Update (Pg. 109)**

6 **TREASURER**

7 **FACILITIES AND OPERATIONS**

A **Westlake Pump Station Upgrade Project: Final Acceptance (Pg. 111)**

Execute a Notice of Completion and have the same recorded; in the absence of claims from subcontractors and others, release the retention, in the amount of \$203,367.00, within 30 calendar days after filing the Notice of Completion; and authorize the General Manager to approve a change of scope for MSO Technologies, Inc., in the amount of \$13,600, for additional professional services for the Westlake Pump Station Upgrade Project.

B **Agoura Road 24-Inch Potable Water Transmission Main Repair: End of Emergency (Pg. 121)**

Ratify the General Manager's approval of a purchase order to Toro Enterprises, Inc., in the amount of \$40,535.09, for the emergency repair of the 24-inch potable water transmission main on Agoura Road.

**C Potable Water and Sewer Service Capacity Fees: Public Hearing (Pg. 123)**

Conduct a public hearing for the proposed update to the Potable Water and Sewer Service Capacity Fees.

**8 FINANCE AND ADMINISTRATION**

**A Proposed Operating and Capital Improvement Budget for Fiscal Year 2017-18 (Pg. 160)**

Adopt the proposed Fiscal Year 2017-18 Budget; authorize the General Manager to pre-pay the District's annual required contribution to CalPERS for unfunded accrued liability, in the amount of \$1,178,250; approve the proposed changes to the District's Financial Policies; and pass, approve and adopt Resolution No. 2520, establishing salaries for employees.

**RESOLUTION NO. 2520**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT ESTABLISHING SALARIES FOR EMPLOYEES**

(Reference is hereby made to Resolution No. 2520 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

**9 INFORMATION ITEMS**

**A GFOA Certificate of Achievement for Excellence in Financial Reporting and Award for Outstanding Achievement in Popular Annual Financial Reporting (Pg. 174)**

**10 NON-ACTION ITEMS**

**A Organization Reports**

(1) MWD Representative Report/Agenda(s) **(Pg. 178)!**

(2) Other

**B Director's Reports on Outside Meetings**

**C General Manager Reports**

(1) General Business

(2) Follow-Up Items

**D Director's Comments**

11 **FUTURE AGENDA ITEMS**

12 **PUBLIC COMMENTS**

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13 **CLOSED SESSION**

A **Public Employee Performance Evaluation (Government Code Section 54957):**

Title: General Manager

14 **OPEN SESSION AND ADJOURNMENT**

Pursuant to Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and applicable federal rules and regulations, requests for a disability-related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the Executive Assistant/Clerk of the Board in advance of the meeting to ensure availability of the requested service or accommodation. Notices, agendas, and public documents related to the Board meetings can be made available in appropriate alternative format upon request.

LAS VIRGENES MUNICIPAL WATER DISTRICT

To: LEE RENGER, TREASURER

Payments for Board Meeting of: June 13, 2017

Deputy Treasurer has verified that all checks and wire transfers were issued in conformance with LVMWD Administrative Code Section 2-6.203.

Wells Fargo Bank A/C No. 4806-994448

Checks Nos. 75993 through 76160 were issued in the total amount of \$ 946,144.47

Payments through wire transfers as follows:

5/31/2017	Metropolitan Water Dist.	Payment for water deliveries in the month of March 2017	\$	1,257,932.31
6/5/2017	First American Title Ins.Co.	Deposit of purchase of property 30800 Agoura Rd., Agoura Hills, CA	\$	100,100.00
		Total payments	\$	<u>2,304,176.78</u>

(Reference is hereby to these demands on file in the District's Check Register and by this reference the same is incorporated herein and made a part hereof.)

**CHECK LISTING FOR BOARD MEETING  
06/13/17**

Company Name	Company No.	Check No. 75993 thru 76074 05/23/17	Amount	Check No. 76075 thru 76118 05/30/17	Amount	Check No. 76119 thru 76160 06/06/17	Amount	Total
Potable Water Operations	101	29,322.14		6,800.91		63,040.01		99,163.06
Recycled Water Operations	102							0.00
Sanitation Operations	130	63,942.42		2,225.69		18,569.89		84,738.00
Potable Water Construction	201	750.00						750.00
Water Conservation Construction	203							0.00
Sani- Construction	230							0.00
Potable Water Replacement	301	49,368.53		183,832.76		600.00		233,801.29
Reclaimed Water Replace	302							0.00
Sanitation Replacement	330							0.00
Internal Service	701	125,993.34		55,242.09		35,892.31		217,127.74
JPA Operations	751	131,928.85		16,296.14		44,994.39		193,219.38
JPA Construction	752							0.00
JPA Replacement	754	59,967.15		23,610.86		37,176.45		120,754.46
<b>Total Printed</b>		<b>461,272.43</b>		<b>288,008.45</b>		<b>200,273.05</b>		<b>949,553.93</b>
<b>Voided Checks/ payment stopped:</b>								
Ck#75785	701	(92.10)						(92.10)
Ck#75893	751	(1,086.86)						(1,086.86)
Ck#75956	101,130,751	(2,230.50)						(2,230.50)
<b>Total Voids</b>		<b>(3,409.46)</b>		<b>0.00</b>		<b>0.00</b>		<b>(3,409.46)</b>
<b>Net Total</b>		<b>457,862.97</b>		<b>288,008.45</b>		<b>200,273.05</b>		<b>946,144.47</b>



**MWD**  
**METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**  
 700 North Alameda Street  
 Los Angeles, CA, 90012-2944

**INVOICE**

Billed To:

Las Virgenes Municipal Water District



Service Address

4232 Las Virgenes Road  
 Calabasas, CA 91302

March 2017	Page No. 1 of 1
Mailed: 04/10/2017	Due Date: 05/31/2017
Invoice Number: 8987	Revision: 0

**NOTICE**

The MWD Administrative Code Section 4507 and 4508 require that payment must be made in "Good Funds" by the due date or the payment will be considered delinquent and an additional charge shall be assessed.

**DELIVERIES**

	Volume (AF)
Total Water Treated Delivered	902.6
Total Water Untreated Delivered	

**SALES**

	Type	Volume (AF)	Rate (\$ /AF)	Total (\$)
Full Service	Tier 1 Supply Rate	1,137.1	\$201.00	\$228,557.10
	System Access Rate	1,137.1	\$289.00	\$328,621.90
	Water Stewardship Rate	1,137.1	\$52.00	\$59,129.20
	System Power Rate	1,137.1	\$124.00	\$141,000.40
	Treatment Surcharge	1,137.1	\$313.00	\$355,912.30
<b>SUBTOTAL</b>				<b>\$1,113,220.90</b>

**OTHER CHARGES AND CREDITS**

	Rate (\$ /AF)
Capacity Charge( Payment Schedule: M)	\$30,733.33
Readiness To Serve Charge( Payment Schedule: M)	\$113,978.08
<b>SUBTOTAL</b>	<b>\$144,711.41</b>

**ADDITIONAL INFORMATION**

	Volume (AF)	Tier1 %	Peak Day	Flow (CFS)
Capacity Charge			5/30/2014	46.1
Purchase Order Firm Delivery To Date (Jan 2015 to Dec 2024)	41,755.3			
Tier 1 Annual Limit (For Current Calendar Year)	24,359.0			
Tier 1 YTD Deliveries (For Current Calendar Year)	2,555.0	10.5		
Tier 1 Current Month Deliveries	1,137.1			
Purchase Order Commitment (Jan 2015 to Dec 2024)	162,390.0			

**INVOICE TOTAL**

Volume AF	Amount Now Due
<b>1,137.1</b>	<b>\$1,257,932.31</b>

Note: Amount Due is based on highlighted fields

Approved for Payment  
*David W. Pedersen* 04/17/17  
 David W. Pedersen, P.E.

Approved for Payment  
*David R. Lippman* 4/11/17  
 David R. Lippman

**PAID**  
 Wired 5/31/17

**LVMWD FUND TRANSFER REQUEST**

**DATE NEEDED: JUNE 5, 2017**

REQUESTED BY: Jennifer Chen DATE: 6/5/2017

FUNDS WIRING TO: First American Title Insurance Co.

BENEFICIARY BANK NAME: FIRST AMERICAN TRUST, FSB ABA NO. 122241255

BENEFICIARY BANK A/C NO. 3016030000

FUNDS WIRING FROM: WELLS FARGO BANK A/C NO. 4806994448

AMOUNT TO BE WIRED: \$ 100,100.00

REMARKS: Deposit of purchase property at 30800 Agoura Road, Agoura Hills CA.  
(re Escrow No. NCS-851017-SA1)

REVIEWED BY: Angela Saccaoccia

APPROVED BY: Paul W. Palumbo

\*\*\*\*\* ACCOUNTING DEPARTMENT USE ONLY \*\*\*\*\*

WIRE ENTERED BY: Jennifer Chen DATE: 6-5-17

WIRE VERIFIED/SENT BY: [Signature] DATE: 6/5/17

WIRE EFFECTIVE DATE: 6/5/17

**PAID**  
*wired 6/5/17*  
*JC*



Batch Number - 253699

Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key Item	Key Co	Amount	Invoice Number
75993	05/23/17	17361	ACCURATE FIRSTAID SERVICES	HQ FIRSTAID SUPPLIES	PV	152185	001	00701	151.22	9046
75994	05/23/17	2317	ACORN NEWSPAPER	OPS FIRSTAID SUPPLIES	PV	152186	001	00701	209.51	9047
				Payment Amount				360.73		
				APR'17	PV	152058	001	00751	3,960.90	870105/043017
				DISPLAY ADS	PV	152058	002	00751	351.12	870105/043017
				APR'17	PV	152058	001	00701	234.00	M-0651
				DISPLAY ADS	PV	152246	001	00701	234.00	
				LGLAD:TAPIA	PV	152246	001	00701	234.00	
				RFP AIR IMPCT	PV	152246	001	00701	234.00	
				Payment Amount				4,546.02		
				CIS	PV	152115	001	00701	31,062.50	XT00127229
				UPGRD-MILESTO NE#1	PV	152115	001	00701	31,062.50	
				Payment Amount				31,062.50		
				SCUSI CARB REPAIR	PV	152200	001	00701	835.86	OP/1352860
				Payment Amount				835.86		
				4/3-4/28/17	PV	152060	001	00701	16,711.06	101181
				MTR READS	PV	152060	001	00701	16,711.06	
				Payment Amount				16,711.06		
				SRV	PV	152198	001	00101	19.91	0051/050517
				5/5-6/4/17	PV	152198	002	00101	318.87	0051/050517
				SRV	PV	152198	002	00101	318.87	0051/050517
				5/5-6/4/17	PV	152198	003	00101	112.04	0051/050517
				SRV	PV	152198	003	00101	112.04	0051/050517
				5/5-6/4/17	PV	152198	004	00101	125.73	0051/050517
				SRV	PV	152198	004	00101	125.73	0051/050517
				5/5-6/4/17	PV	152198	005	00101	1,187.88	0051/050517
				SRV	PV	152198	005	00101	1,187.88	0051/050517
				5/5-6/4/17	PV	152198	006	00101	6,844.98	0051/050517
				SRV	PV	152198	006	00101	6,844.98	0051/050517
				5/5-6/4/17	PV	152198	007	00101	1,251.65	0051/050517
				SRV	PV	152198	007	00101	1,251.65	0051/050517
				5/5-6/4/17	PV	152198	008	00101	80.86	0051/050517
				SRV	PV	152198	008	00101	80.86	0051/050517
				5/5-6/4/17	PV	152198	008	00101	80.86	0051/050517
				SRV	PV	152198	008	00101	80.86	0051/050517

Batch Number - 253699

Bank Account - 00146807 Cash-General

Payment Number	Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key itm Co	Amount	Invoice Number
				SRV	PV	152198	009 00101	55.41	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	010 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	011 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	012 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	013 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	014 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	015 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	016 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	017 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	018 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	019 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	020 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	021 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	022 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	023 00101	110.99	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	024 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	025 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	026 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	027 00101	110.73	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	028 00101	55.37	0051/050517
				5/5-6/4/17					
				SRV	PV	152198	029 00101	55.36	0051/050517
				5/5-6/4/17					

Batch Number - 253699

Bank Account - 00146807 Cash-General

Payment Number	Date	Address Number	Name	Payment Stub Message	Document		Key itm Co	Amount	Invoice Number
					Ty	Number			
	5/5-6/4/17			SRV	PV	152198	030 00101	110.73	0051/050517
	5/5-6/4/17			Payment Amount					
				LONG DIST	PV	152184	001 00701	770.77	806368136/050 417
	4/1-5/1/17		AT&T LONG DISTANCE	LONG DIST	PV	152184	002 00701	1.12	806368136/050 417
	4/1-5/1/17			LONG DIST	PV	152184	003 00701	.57	806368136/050 417
	4/1-5/1/17			LONG DIST	PV	152184	004 00701	27.22	806368136/050 417
	4/1-5/1/17			LONG DIST	PV	152184	005 00701	.77	806368136/050 417
	4/1-5/1/17			LONG DIST	PV	152184	006 00701	22.48	806368136/050 417
	4/1-5/1/17			LONG DIST	PV	152184	007 00701	18.98	806368136/050 417
	4/1-5/1/17			Payment Amount					
				WIRELESS SRV	PV	152183	001 00701	121.63	9332/050317
	4/4-5/3/17		AT&T MOBILITY	WIRELESS SRV	PV	152183	002 00701	19.42	9332/050317
	4/4-5/3/17			WIRELESS SRV	PV	152183	003 00701	42.00	9332/050317
	4/4-5/3/17			WIRELESS SRV	PV	152183	004 00701	359.67	9332/050317
	4/4-5/3/17			WIRELESS SRV	PV	152183	005 00701	31.29	9332/050317
	4/4-5/3/17			WIRELESS SRV	PV	152183	006 00701	81.40	9332/050317
	4/4-5/3/17			WIRELESS SRV	PV	152183	007 00701	102.57	9332/050317
	4/4-5/3/17			WIRELESS SRV	PV	152183	008 00701	13.17	9332/050317
	4/4-5/3/17			WIRELESS SRV	PV	152183	009 00701	5.65	9332/050317
	4/4-5/3/17			WIRELESS SRV	PV	152183	010 00701	108.90	9332/050317
	4/4-5/3/17			WIRELESS SRV	PV	152183	011 00701	367.63	9332/050317

Batch Number - 253699

Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Sub Message	Document Ty	Document Num	Key Itr Co	Key Co	Amount	Invoice Number
				WIRELESS SRV	PV	152183	012	00701	31.29	9332/050317
				4/4-5/3/17						
				WIRELESS SRV	PV	152183	013	00701	42.00	9332/050317
				4/4-5/3/17						
				WIRELESS SRV	PV	152183	014	00701	534.10	9332/050317
				4/4-5/3/17						
				WIRELESS SRV	PV	152183	015	00701	37.82	9332/050317
				4/4-5/3/17						
				WIRELESS SRV	PV	152183	016	00701	18.82	9332/050317
				4/4-5/3/17						
				WIRELESS SRV	PV	152183	017	00701	142.79	9332/050317
				4/4-5/3/17						
				WIRELESS SRV	PV	152183	018	00701	18.82	9332/050317
				4/4-5/3/17						
				WIRELESS SRV	PV	152183	019	00701	146.93	9332/050317
				4/4-5/3/17						
				WIRELESS SRV	PV	152183	020	00701	92.22	9332/050317
				4/4-5/3/17						
				Payment Amount					2,318.12	
76001	05/23/17	18654	AT&T	CONF CALL	PV	152250	001	00751	28.55	705-014136
			TELECONFERENC	4/19/17						
			E SERVICES							
				Payment Amount					28.55	
76002	05/23/17	7770	AUTOMATIONDIR	FUSES & CABLE	PV	152189	001	00101	61.50	7828176
			ECT.COM	CNNCTRS						
				SOLAR	PV	152190	001	00701	699.25	7818480
				PRTS-SADDLE						
				PEAK TNK						
				(2) PSI PRSSR	PV	152191	001	00101	250.00	7813961
				TRNMTRRS						
				Payment Amount					1,010.75	
76003	05/23/17	7965	B&B PALLET	55 YDS WOOD	PV	152214	001	00701	583.00	116661
			CO.	CHIPS						
				55 YDS WOOD	PV	152215	001	00701	583.00	116671
				CHIPS						
				55 YDS WOOD	PV	152216	001	00701	583.00	116663
				CHIPS						
				55 YDS WOOD	PV	152217	001	00701	583.00	116664
				CHIPS						
				55 YDS WOOD	PV	152257	001	00701	583.00	116635
				CHIPS						

Batch Number - 253699  
Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key	Item	Co	Amount	Invoice Number
				55 YDS WOOD	PV	152258	001	00701		583.00	116670
				CHIPS							
				55 YDS WOOD	PV	152259	001	00701		583.00	116644
				CHIPS							
				55 YDS WOOD	PV	152260	001	00701		583.00	116665
				CHIPS							
				55 YDS WOOD	PV	152261	001	00701		583.00	116666
				CHIPS							
				55 YDS WOOD	PV	152262	001	00701		583.00	116667
				CHIPS							
				55 YDS WOOD	PV	152263	001	00701		583.00	116669
				CHIPS							
				55 YDS WOOD	PV	152264	001	00701		583.00	116646
				CHIPS							
				55 YDS WOOD	PV	152265	001	00701		583.00	116662
				CHIPS							
				55 YDS WOOD	PV	152266	001	00701		583.00	116668
				CHIPS							
				55 YDS WOOD	PV	152267	001	00701		583.00	116647
				CHIPS							
				55 YDS WOOD	PV	152268	001	00701		583.00	116649
				CHIPS							
				Payment Amount					9,328.00		
76004	05/23/17	20737	YESENIA BATALLA	RFND CR	PV	152153	001	00101		64.03	071445
				BAL-CLOSED							
				A/C							
				Payment Amount					64.03		
76005	05/23/17	18893	BILLTRUST	ONLN BILL & PMT-APR17	PV	152097	001	00701		8,029.11	163725
				Payment Amount					8,029.11		
76006	05/23/17	20738	MARK BOLLINGER	RFND CR	PV	152154	001	00101		116.91	072892
				BAL-CLOSED							
				A/C							
				Payment Amount					116.91		
76007	05/23/17	5224	C.E.R.T., INC.	SCBA TRNG 4/26/17	PV	152187	001	00701		895.00	20170017
				Payment Amount					895.00		
76008	05/23/17	18739	CALIFORNIA HAZARDOUS SERVICES, INC.	MAY'17 OP SITE VISIT	PV	152224	001	00701		105.00	60932
				Payment Amount					105.00		

Batch Number - 253699

Bank Account - 00146907 Cash-General

Payment Number	Date	Address Number	Name	Payment Stub Message	Document		Key	Amount	Invoice Number
					Ty	Number			
76009	05/23/17	20655	CANNON CORPORATION	P/E 4/30 J SMITH PPLN DS	PV	152199	001 00701	288.00	63371
				Payment Amount				105.00	
76010	05/23/17	20669	CHIPCE LAS VIRGENES, LLC	CO-GEN USG - MAR'17 CO-GEN USG - APR'17 CO-GEN USG - APR'17	PV	152231	001 00701	6,055.11	6
				Payment Amount				288.00	
76011	05/23/17	2536	CITY OF LOS ANGELES	ASSSC 16/17 O&M-PMT#6 ASSSC 16/17 O&M-PMT#6 ASSSC 16/17 CAP-PMT#6 ASSSC 16/17 CAP-PMT#6	PV	152095	001 00130	15,457.50	74WP160000171 /6
				Payment Amount				12,110.22	
76012	05/23/17	18906	COAST TO COAST COMPUTER PRODUCTS	PRINTER CARTRIDGES	PV	152236	001 00701	4,351.02	A1645335
				Payment Amount				60,343.00	
76013	05/23/17	19305	COMMERCIAL CLEANING SYSTEMS	MAY'17 CLNG SVC	PV	152117	001 00701	3,662.96	357056
				Payment Amount				4,351.02	
76014	05/23/17	20624	CONTRACTOR COMPLIANCE & MONITORING, INC.	MAY'17 CLNG SVC APR'17 LABOR COMPLNC SVC	PV	152117	003 00701	482.24	357056
				Payment Amount				5,849.75	
76015	05/23/17	19033	DENOVO VENTURES, LLC	MAY'17 DIST RCVRY	PV	152113	001 00701	4,592.00	41643
				Payment Amount				750.00	
				Payment Amount				4,592.00	

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key Item	Key Co	Amount	Invoice Number
76016	05/23/17	11330	DIAL SECURITY	5/17 HQ SECURITY SVC	PV	152202	001	00701	230.00	298967
				5/17 RLV-FRM SECURITY SVC	PV	152203	001	00701	35.00	298970
				5/17 TAPIA SECURITY SVC	PV	152204	001	00701	45.00	298968
				5/17 RLV SECURITY SVC	PV	152205	001	00701	80.00	298969
				5/17 WLK SECURITY SVC	PV	152206	001	00701	70.00	298971
				5/17 WLK P/S SECURITY SVC	PV	152207	001	00701	35.00	298972
				5/17 IT ROOM SECURITY SVC	PV	152208	001	00701	57.00	298973
				5/17 HQ LBYY SECURITY SVC	PV	152209	001	00701	50.00	298974
76017	05/23/17	17877	DOHENY-VIDOVI CH PARTNERS	Payment Amount RFND CR BAL-CLOSED A/C	PV	152150	001	00101	602.00 496.08	000998282
76018	05/23/17	20739	DOUBLE 3 LLC	Payment Amount RFND CR BAL-CLOSED A/C	PV	152155	001	00101	153.17	074125
76019	05/23/17	17362	JAN DOUGALL	Payment Amount EXP-COMM SMNR 5/2&3	PV	152248	001	00701	153.17 107.13	050317
76020	05/23/17	2658	FEDERAL EXPRESS CORP	Payment Amount PKG DELIVERED 5/5/17	PV	152194	001	00701	64.61	5-800-31123
76021	05/23/17	2655	FERGUSON ENTERPRISES	Payment Amount 100 MTR BOXES & CVRS	PV	152229	001	00701	64.61 11,274.77	0592915
				BSHGS,NPPLS,E LLS & CPLGS THRD SLNT & PIPE WRP TAPE	PV	152230	001	00701	3,549.46	0592458
					PV	152235	001	00701	883.06	0593107

Alt Payee 3207 FERGUSON ENTERPRISES, INC. #1083  
P. O. BOX 740827  
LOS ANGELES CA 90074-0827

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key Itm Co	Amount	Invoice Number
76022	05/23/17	19146	LOURDES FIGUEROA	EXP-IPMA-HR CONF 4/25--28	PV	152196	001 00701	82.98	042817
				Payment Amount				15,707.29	
76023	05/23/17	19397	FIRST CHOICE SERVICES	4/17 HQ COFFEE SUPPLIES	PV	152210	001 00701	102.97	262169
				Payment Amount				82.98	
				4/17 OPS COFFEE SUPPLIES	PV	152211	001 00701	53.18	262170
				4/17 RLV COFFEE SUPPLIES	PV	152212	001 00701	65.74	262171
				4/17 TAPIA COFFEE SUPPLIES	PV	152213	001 00701	80.71	262172
76024	05/23/17	4971	FUGRO USA LAND, INC.	3/24--4/20 LRNZO CT MNTRG	PV	152059	001 00701	1,207.50	04.62150074-1
				Payment Amount				302.60	
				Alt Payee 6803 FUGRO USA LAND, INC. P. O. BOX 301083 DALLAS TX 75303-1083					1
76025	05/23/17	20691	SHELLY GETTINGS	RFND CR BAL-CLOSED A/C	PV	152152	001 00101	71.30	753280-063435
				Payment Amount				1,207.50	
76026	05/23/17	16055	GOVERNMENTJOB S.COM, INC.	NEOGOV RNWL 6/17--6/18	PV	152251	001 00701	3,985.00	INV21029
				Payment Amount				71.30	
76027	05/23/17	19548	GRM INFORMATION MANAGEMENT SERVICES-CA	MAY'17 RECORDS STORAGE	PV	152244	001 00701	293.32	0333106
				Payment Amount				3,985.00	
				MAY'17 RECORDS STORAGE	PV	152245	001 00701	326.40	0333107
76028	05/23/17	16657	GROTH	Payment Amount AUTODRIP	PV	151898	001 00701	1,050.53	GP75964
				Payment Amount				619.72	



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Payment . . . . . Number Date	Address Number	Name	Payment Stub Message Ty	Document . . . . Number	Key Item Co	Amount	Invoice Number
		CORPORATION	TRP-ENGY RSV				
			BLDG				
			AUTODRIP	PV 151898	003 00701	36.33	GP75964
			TRP-ENGY RSV				
			BLDG				
			Payment Amount			1,086.86	
76029	05/23/17	HACH COMPANY	REFILL VIAL	PV 152165	001 00701	69.65	10437149
		Alt Payee					
		6442 HACH COMPANY					
		2207 COLLECTIONS CENTER DR					
		CHICAGO IL 60693					
			Payment Amount			69.65	
76030	05/23/17	HD SUPPLY	(3) HYDRANTS	PV 152271	001 00701	3,923.42	H049432
		WATERWORKS, LTD.					
		Alt Payee					
		15948 HD SUPPLY WATERWORKS, LTD					
		P. O. BOX 6039					
		CYPRESS CA 90630					
			Payment Amount			3,923.42	
76031	05/23/17	HDR	10/30/16-5/1/	PV 152110	001 00701	14,645.53	1200050143
		ENGINEERING, INC.	17 WLFUPGRD				
		Alt Payee					
		10102 INFOSEND INC.					
			Payment Amount			14,645.53	
76032	05/23/17		MLNG	PV 152272	001 00701	1,727.50	120958
			INSERT-BILLPA Y BACK				
			4/1-4/30 BILL	PV 152273	001 00701	11,609.61	120410
			PRNT/MLNG				
			Payment Amount			13,337.11	
76033	05/23/17	J. VEGA	RTN RLS-LV RD	PV 152099	001 00301	3,372.50	10632/RLS RTN
		ENGINEERING, INC.	PR STN				
		Alt Payee					
		3083 JCI JONES					
		CHEMICALS, INC					
			Payment Amount			3,372.50	
76034	05/23/17		4,229 GAL	PV 152238	001 00701	5,624.57	718890
			BISULFITE				
			4,145 GAL	PV 152240	001 00701	5,512.85	721028
			BISULFITE				

Alt Payee 13647 JCI JONES CHEMICALS, INC  
P.O. BOX 31542  
TAMPA FL 33631-3542

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key Item Co	Amount	Invoice Number
76035	05/23/17	20740	MARIO F. JIMENEZ	Payment Amount RFND CR BAL-CLOSED A/C	PV	152156	001 00101	96.57	069937
								11,137.42	
76036	05/23/17	6777	CAL-COAST MACHINERY	Payment Amount TRACTOR MAINTENANCE TRACTOR COOLANT	PV	152192	001 00751	1,240.74	397296
								96.57	
								36.17	396732
All Payee 7133 JOHN DEERE FINANCIAL PO BOX 4450 CAROL STREAM IL 60197-4450									
76037	05/23/17	20584	KAMBRIAN CORPORATION	Payment Amount (11) COMPUTERS W/MNTRS	PV	152118	001 00701	12,345.75	14547
								1,276.91	
76038	05/23/17	20741	KEVIN KATZ	Payment Amount RFND CR BAL-CLOSED A/C	PV	152157	001 00101	19.60	060893
								12,345.75	
76039	05/23/17	17447	KONECRANES INC.	Payment Amount CRANES-QTRLY SERVICE CRANES-QTRLY SERVICE CRANES-QTRLY SERVICE CRANES-QTRLY SERVICE	PV	152241	001 00751	558.38	NLA01183849
								19.60	
								558.38	NLA01183849
								558.37	NLA01183849
								558.37	NLA01183849
76040	05/23/17	2611	LA DWP	Payment Amount RECTIFIER 4/14-5/12/17 RECTIFIER 4/14-5/15/17	PV	152274	001 00101	41.54	017698/051517
								2,233.50	
								36.92	503850/051617
76041	05/23/17	3352	LAS VIRGENES MUNICIPAL WATER DISTRICT	Payment Amount SRV 4/5-5/3/17 J SMITH PS	PV	152195	001 00101	35.14	0254/051017
								78.46	
								35.14	1775/051717

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Payment Number	Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key itm	Co	Amount	Invoice Number
				4/12-5/10/17@						
			L/S #1							
			SRV.		PV	152277	001	00130	35.14	0570/051717
			4/12-5/10/17@							
			L/S #2							
			SRV		PV	152278	001	00751	108.86	2080/051717
			4/10-5/8/17@R							
			LV FARM							
			SRV		PV	152279	001	00701	283.60	2658/051717
			4/10-5/8/17@							
			BLDG 2-COMM							
			SRV		PV	152280	001	00701	559.11	2656/051717
			4/10-5/8/17@B							
			LDG 7-COMM							
			SRV		PV	152281	001	00701	7.50	2654/051717
			4/10-5/8/17@							
			FIRE PRTC #7							
			SRV		PV	152282	001	00701	7.50	2650/051717
			4/10-5/8/17@F							
			IRE PRTC#8							
			SRV		PV	152283	001	00701	246.71	2647/051717
			4/10-5/8/17@H							
			Q BLDG 8							
			SRV		PV	152284	001	00101	241.66	2620/051717
			4/10-5/8/17@H							
			Q BLDG 1							
			SRV		PV	152285	001	00751	286.65	1760/051717
			4/10-5/8/17@							
			TAPIA							
			SRV		PV	152286	001	00751	243.58	2090/051717
			4/10-5/8/17@							
			RLV							
			Payment Amount						2,090.59	
76042	05/23/17	20742	NICHOLAS LINDSEY	RFND CR	PV	152158	001	00101	28.14	069525
				BAL-CLOSED						
			A/C							
			Payment Amount						28.14	
76043	05/23/17	2590	LOS ANGELES DAILY NEWS	AD-EARTH DAY	PV	152163	001	00751	689.00	0000315845
				4/13-4/30						
			Payment Amount						689.00	
76044	05/23/17	9033	MAD SCIENCE	EVENT 5/22 @	PV	152100	001	00101	815.00	00030781

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key	Amount	Invoice Number
							Item Co		
			OF LOS ANGELES	BAY LAUREL					
76045	05/23/17	2814	MCMASTER-CARR SUPPLY CO	Payment Amount 35' TANK GAUGE	PV	152098	001 00101	176.64	26939608
			All Payee 3197 MC MASTER-CARR P. O. BOX 7690 CHICAGO IL 60680-7690						
76046	05/23/17	20743	MULHOLLAND LLC	Payment Amount RFND CR BAL-OPEN A/C	PV	152159	001 00101	359.17	072015
76047	05/23/17	20688	MYERS AND SONS CONSTRUCTION LP	Payment Amount RFND CR BAL-CLOSED A/C	PV	152151	001 00101	524.52	0009998687
76048	05/23/17	2846	NATIONAL PLANT SERVICES INC	Payment Amount STRM DRN CLNG 3/6/17	PV	152218	001 00701	1,750.00	13138
76049	05/23/17	20744	KAREN NUDELL	Payment Amount RFND CR BAL-CLOSED A/C	PV	152160	001 00101	54.06	034848
76050	05/23/17	16372	OLIN CORPORATION - CHLOR ALKALI	Payment Amount 4,904 GAL HYPOCHLORITE	PV	152237	001 00701	2,778.88	2329573
			All Payee 16373 OLIN CORPORATION - CHLOR ALKALI P.O. BOX 402766 ATLANTA GA 30384-2766						
76051	05/23/17	18946	PACIFIC ADVANCED CIVIL ENGINEERING, INC.	Payment Amount PIE 4/30 DIGESTER #1	PV	152114	001 00701	9,596.42	99181
				TWRF PRCS AIR	PV	152220	001 00701	976.12	99180

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document		Key	Amount	Invoice Number
					Ty	Number			
				UPG P/E 4/30					
				Payment Amount			10,572.54		
76052	05/23/17	20551	PEOPLEREADY INC	TEMP SRV 4/17-4/21/17	PV	152111	001 00701	882.40	22130034
				TEMP SRV 4/24-4/28/17	PV	152222	001 00701	882.40	22165419
				TEMP SRV 5/1-5/5/17	PV	152254	001 00701	860.34	22182513
				Payment Amount			2,625.14		
76053	05/23/17	12954	POLYDYNE INC.	44,520 LB POLYMER	PV	152253	001 00701	39,942.79	1134142
				Payment Amount			39,942.79		
76054	05/23/17	20334	PRUDENTIAL OVERALL SUPPLY	UNIFORMS/MATS /TOWELS	PV	152120	001 00701	51.60	170747675
				UNIFORMS/MATS /TOWELS	PV	152120	002 00701	54.31	170747675
				UNIFORMS/MATS /TOWELS	PV	152121	001 00701	51.60	170749173
				UNIFORMS/MATS /TOWELS	PV	152121	002 00701	54.31	170749173
				UNIFORMS/MATS /TOWELS	PV	152122	001 00701	51.60	170750663
				UNIFORMS/MATS /TOWELS	PV	152122	002 00701	54.31	170750663
				UNIFORMS/MATS /TOWELS	PV	152123	001 00701	52.30	170752160
				UNIFORMS/MATS /TOWELS	PV	152123	002 00701	54.31	170752160
				UNIFORMS/MATS /TOWELS	PV	152124	001 00701	9.80	170747670
				UNIFORMS/MATS /TOWELS	PV	152124	002 00701	21.44	170747670
				UNIFORMS/MATS /TOWELS	PV	152125	001 00701	9.80	170749169
				UNIFORMS/MATS /TOWELS	PV	152125	002 00701	21.44	170749169
				UNIFORMS/MATS /TOWELS	PV	152126	001 00701	9.80	170750658
				UNIFORMS/MATS /TOWELS	PV	152126	002 00701	21.44	170750658

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key Item	Key Co	Amount	Invoice Number
				UNIFORMS/MATS	PV	152127	001	00701	9.80	170752156
				TOWELS						
				UNIFORMS/MATS	PV	152127	002	00701	21.44	170752156
				TOWELS						
				UNIFORMS/MATS	PV	152128	001	00701	337.46	170747673
				TOWELS						
				UNIFORMS/MATS	PV	152130	001	00701	230.53	170749171
				TOWELS						
				UNIFORMS/MATS	PV	152131	001	00701	251.42	170750661
				TOWELS						
				UNIFORMS/MATS	PV	152132	001	00701	230.53	170752158
				TOWELS						
				UNIFORMS/MATS	PV	152133	001	00701	28.00	170747674
				TOWELS						
				UNIFORMS/MATS	PV	152133	002	00701	30.83	170747674
				TOWELS						
				UNIFORMS/MATS	PV	152134	001	00701	28.00	170749172
				TOWELS						
				UNIFORMS/MATS	PV	152134	002	00701	30.83	170749172
				TOWELS						
				UNIFORMS/MATS	PV	152135	001	00701	28.00	170750662
				TOWELS						
				UNIFORMS/MATS	PV	152135	002	00701	30.83	170750662
				TOWELS						
				UNIFORMS/MATS	PV	152136	001	00701	28.00	170752159
				TOWELS						
				UNIFORMS/MATS	PV	152136	002	00701	30.83	170752159
				TOWELS						
				CR-UNIFORMS/M	PD	152138	001	00701	20.89-	171014127
				ATS/TOWELS						
				CR-UNIFORMS/M	PD	152139	001	00701	106.93-	171014111
				ATS/TOWELS						
				Payment Amount				1,706.74		
76055	05/23/17	2585	PURETEC	MAY-JULY TNK	PV	152226	001	00701	234.00	1557589
				RNT TAPIA						
				Payment Amount				234.00		
76056	05/23/17	10643	JEFF REINHARDT	EXP-ACWA CONF	PV	152249	001	00701	1,111.86	051217
				5/8-5/12/17						
				Payment Amount				1,111.86		
76057	05/23/17	6940	SECTRAN SECURITY,	COURIER SRV	PV	152225	001	00701	304.95	17050701
				MAY'17						

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key	Item	Co	Amount	Invoice Number
76058	05/23/17	20412	SHRED-IT USA LLC	Payment Amount ON SITE PURGE 4/3/17	PV	152221	001	00701		304.95 297.00	8122303423
76059	05/23/17	19093	SOLARCITY - AU SOLAR 1 (GS1)	Payment Amount RW P/S 4/1-4/30/17 SOLAR	PV	152298	001	00701		23,598.79	9133440-00-03 9
76060	05/23/17	16271	SPOK, INC.	Payment Amount PAGER SRV 5/11-6/10/17 PAGER SRV 5/11-6/10/17 PAGER SRV 5/11-6/10/17	PV	152197	001	00701		23,598.79 270.53 70.44 41.98	A0143084Q A0143084Q A0143084Q
76061	05/23/17	20745	SUSHI NOZAWA, LLC	Payment Amount REND CR BAL-OPEN A/C	PV	152161	001	00101		382.95 13,769.17	068399
76062	05/23/17	19661	THE PUN GROUP, LLP	Payment Amount AUDIT-PMT#1 LV FY16-17	PV	152056	001	00701		13,769.17 13,500.00	1700102
76063	05/23/17	3006	UNDERGROUND SERVICE ALERT	Payment Amount 198 TICKETS APR'17	PV	152119	001	00701		297.00	420170401
76064	05/23/17	3429	UNITED PARCEL SERVICE	Payment Amount PKG DLVRY-4/11 & 5/9	PV	152252	001	00701		297.00 55.74	000025W020197 /2017
76065	05/23/17	2436	VINCE BARNES AUTOMOTIVE	Payment Amount BRKS/OIL/FLTR VEH#901 SNSR-SRV TRAN VEH#895 BRKS/OIL/FLTR VEH#874 SRV-TRN,OIL,T IRES #714	PV	152105	001	00701		55.74 582.55 474.32 582.75	022574 022584 022589
76066	05/23/17	3035	VWR SCIENTIFIC	Payment Amount TIPS,TUBES,AG AR PLATES	PV	152108	001	00701		299.71 1,939.33 1,537.97	022594 8048439532

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key Item	Key Co	Amount	Invoice Number
All Payee										
		3216	VWR INTERNATIONAL, INC P. O. BOX 640169 PITTSBURGH PA 15264-0169							
76067	05/23/17	19685	W. LITTEN INC.	Payment Amount SPRYFLD 4/24-4/28/17	PV	152055	001	00701	5,537.28	11153
				SPRYFLD 5/1-5/5/17	PV	152104	001	00701	5,223.60	11154
				SPRYFLD 5/8-5/12/17	PV	152255	001	00701	5,395.72	11155
76068	05/23/17	3037	WAITE BROS. PLUMBING	Payment Amount RMV DRKNG FTN-MOVE LINES	PV	152256	001	00701	280.00	39559
				Payment Amount DIAZINON 7D13081	PV	152101	001	00701	856.80	W7E0112-LV
76069	05/23/17	18914	WECK LABORATORIES, INC.	Payment Amount RNCHO CMPST INPUT 3/27	PV	152102	001	00701	153.00	W7E0418-LV
				RNCHO CMPST INPUT 4/4	PV	152103	001	00701	153.00	W7E0419-LV
76070	05/23/17	3048	WEST COAST AIR CONDITIONING	Payment Amount RPLC FLTRS L/S #1	PV	152112	001	00701	108.00	S82251
76071	05/23/17	18640	WEST COAST POWER SOLUTIONS	Payment Amount HOT WTR VLV-BLDG8 LBBY	PV	152247	001	00701	953.00	J1774
76072	05/23/17	20746	ROBERT H. WYNN	Payment Amount RFND CR BAL-CLOSED A/C	PV	152162	001	00101	201.25	000899
76073	05/23/17	20592	YORK RISK SERVICES GROUP, INC.	Payment Amount FEES/CLAIM P/E 4/30/17	PV	152094	001	00101	128.81	8029/043017
				Payment Amount FEES/CLAIM P/E 4/30/17	PV	152094	002	00101	5,348.00	8029/043017
				Payment Amount					5,476.81	



Payment Number	Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key	Co	Amount	Invoice Number
76074	05/23/17	19381	ZUSSER COMPANY, INC.	PMT#7 CNTRT TNK P/E 5/11	PV	152227	001	00701	71,900.00	10564/PMT#7
				PMT#7 CNTRT TNK P/E 5/11	PV	152227	002	00701	19,905.67	10564/PMT#7
				5% RTNTN-#7 CNTRT TNK	PD	152228	001	00754	2,599.72	10564/RTN#7
									<u>49,394.61</u>	
Payment Amount									461,272.43	
Total Amount of Payments Written										
Total Number of Payments Written									82	

Las Virgenes Municipal Water  
 A/P Auto Payment Register

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	TY	Document Number	Key Item	Key Co	Amount	Invoice Number
76075	05/30/17	3077	AIRGAS USA, LLC	MAY*17 CYLINDER RENT	PV	152364	001	00701	945.60	9944850478
All Payee AIRGAS USA, LLC 6658 AIRGAS USA, LLC P. O. BOX 7423 PASADENA CA 91109-7423										
76076	05/30/17	5625	ASSOC. OF WATER AGENCIES OF VENTURA CO	REG-WTRWS BRKFST 5/18	PV	152365	001	00701	25.00	06-9953
Payment Amount 945.60										
76077	05/30/17	2869	AT&T	REG-WTRWS BRKFST 5/18	PV	152365	002	00701	25.00	06-9953
Payment Amount 150.00										
76078	05/30/17	20424	AT&T	REG-WTRWS BRKFST 5/18	PV	152365	003	00701	25.00	06-9953
Payment Amount 221.46										
76079	05/30/17	8782	AW DIRECT INC.	REG-WTRWS BRKFST 5/18	PV	152365	004	00701	25.00	06-9953
Payment Amount 65.88										
76080	05/30/17	2425	BANK OF AMERICA	REG-WTRWS BRKFST 5/18	PV	152365	005	00701	25.00	06-9953
Payment Amount 1,721.90										
76077	05/30/17	2869	AT&T	SRV 5/14-6/13/17	PV	152323	001	00701	110.73	4639/051417
76078	05/30/17	20424	AT&T	SRV 5/14-6/13/17	PV	152324	001	00751	110.73	4860/051417
76079	05/30/17	8782	AW DIRECT INC.	RLV COGEN DSL 5/11-6/10/17	PV	152350	001	00751	65.88	5778/051017
76080	05/30/17	2425	BANK OF AMERICA	2 WARNING LIGHT BARS	PV	152387	001	00701	1,711.90	S103430086
Payment Amount 65.88										
76081	05/30/17	2425	BANK OF AMERICA	2 WARNING LIGHT BARS	PV	152387	002	00701	10.00	S103430086
Payment Amount 1,721.90										
76082	05/30/17	2425	BANK OF AMERICA	VISA CHG-FIN ADM-APR'17	PV	152326	001	00701	640.00	3071/050717
76083	05/30/17	2425	BANK OF AMERICA	VISA CHG-FIN ADM-APR'17	PV	152326	002	00701	66.17	3071/050717
76084	05/30/17	2425	BANK OF AMERICA	VISA CHG-ALMAGUER-	PV	152327	001	00701	87.00	7900/050717

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Payment Number	Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Item	Key Co	Amount	Invoice Number
				APR'17						
			VISA	PV	152328	001	00701		391.62	8102/050717
			CHG-BOCKELMAN							
			-APR'17							
			VISA	PV	152328	002	00701		1,205.86	8102/050717
			CHG-BOCKELMAN							
			-APR'17							
			VISA	PV	152329	001	00751		625.95	7651/050717
			CHG-CASPARYA							
			PR'17							
			VISA	PV	152330	001	00701		485.00	9850/050717
			CHG-FIGUEROA-							
			APR'17							
			VISA	PV	152330	002	00701		919.00	9850/050717
			CHG-FIGUEROA-							
			APR'17							
			VISA	PV	152330	003	00701		437.90	9850/050717
			CHG-FIGUEROA-							
			APR'17							
			VISA	PV	152330	004	00701		62.88	9850/050717
			CHG-FIGUEROA-							
			APR'17							
			VISA	PV	152331	001	00101		91.27	6403/050717
			CHG-GIROTTO-A							
			PR'17							
			VISA	PV	152331	002	00101		454.68	6403/050717
			CHG-GIROTTO-A							
			PR'17							
			VISA	PV	152331	003	00101		333.23	6403/050717
			CHG-GIROTTO-A							
			PR'17							
			VISA	PV	152331	004	00101		11.97	6403/050717
			CHG-GIROTTO-A							
			PR'17							
			VISA	PV	152331	005	00101		61.74	6403/050717
			CHG-GIROTTO-A							
			PR'17							
			VISA	PV	152332	001	00701		685.66	3954/050717
			CHG-GARMAN-AP							
			R'17							
			VISA	PV	152332	002	00701		1,263.31	3954/050717

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Item	Co	Key	Amount	Invoice Number
				CHG-GARMAN-AP							
			R'17		PV	152332	003	00701		234.00	3954/050717
			VISA								
			CHG-GARMAN-AP								
			R'17		PV	152332	004	00701		99.95	3954/050717
			VISA								
			CHG-GARMAN-AP								
			R'17		PV	152333	001	00701		393.27	9798/050717
			VISA								
			CHG-GIL-APR'1								
			7		PV	152333	002	00701		149.17	9798/050717
			VISA								
			CHG-GIL-APR'1								
			7		PV	152333	003	00701		10.86	9798/050717
			VISA								
			CHG-GIL-APR'1								
			7		PV	152333	004	00701		42.89	9798/050717
			VISA								
			CHG-GIL-APR'1								
			7		PV	152333	005	00701		27.86	9798/050717
			VISA								
			CHG-GIL-APR'1								
			7		PV	152333	006	00701		32.61	9798/050717
			VISA								
			CHG-GIL-APR'1								
			7		PV	152333	007	00701		214.93	9798/050717
			VISA								
			CHG-GIL-APR'1								
			7		PV	152334	001	00701		231.53	9411/050717
			VISA								
			CHG-GUZMAN-AP								
			R'17		PV	152334	002	00701		511.35	9411/050717
			VISA								
			CHG-GUZMAN-AP								
			R'17		PV	152334	003	00701		625.95	9411/050717
			VISA								
			CHG-GUZMAN-AP								
			R'17		PV	152335	001	00101		116.90	3713/050717
			VISA								
			CHG-JONES-APR								
			'17								

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key Item	Key Co	Amount	Invoice Number
				VISA	PV	152335	002	00101	443.97	3713/050717
			CHG-JONES-APR '17							
			VISA		PV	152335	003	00101	153.15	3713/050717
			CHG-JONES-APR '17							
			VISA		PV	152335	004	00101	116.90	3713/050717
			CHG-JONES-APR '17							
			VISA		PV	152335	005	00101	116.90	3713/050717
			CHG-JONES-APR '17							
			VISA		PV	152335	006	00101	617.49	3713/050717
			CHG-JONES-APR '17							
			VISA		PV	152336	001	00751	1,528.00	8089/050717
			CHG-KORKOSZ-APR '17							
			VISA		PV	152337	001	00701	198.07	4176/050717
			CHG-PANIAGUA-APR '17							
			VISA		PV	152337	002	00701	338.81	4176/050717
			CHG-PANIAGUA-APR '17							
			VISA		PV	152338	001	00701	100.00	0271/050717
			CHG-PATTERSON-APR '17							
			VISA		PV	152338	002	00701	36.00	0271/050717
			CHG-PATTERSON-APR '17							
			VISA		PV	152338	003	00701	52.18	0271/050717
			CHG-PATTERSON-APR '17							
			VISA		PV	152339	001	00701	22.48	1162/050717
			CHG-PEDERSEN-APR '17							
			VISA		PV	152340	001	00701	595.00	3252/050717
			CHG-PETERS-APR '17							
			VISA		PV	152340	002	00701	78.71	3252/050717
			CHG-PETERS-APR '17							

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Payment Number	Address Number	Name	Payment Stub Message	Document Ty Number	Key itm Co	Amount	Invoice Number
R'17							
VISA				PV 152340	003 00701	175.60	3252/050717
CHG-PETERS-AP							
R'17							
VISA				PV 152340	004 00701	300.00	3252/050717
CHG-PETERS-AP							
R'17							
VISA				PV 152341	001 00701	10.30	2630/050717
CHG-PETERSON-							
APR'17							
R'17							
VISA				PV 152341	002 00701	354.76	2630/050717
CHG-PETERSON-							
APR'17							
R'17							
VISA				PV 152341	003 00701	10.61	2630/050717
CHG-PETERSON-							
APR'17							
R'17							
VISA				PV 152341	004 00701	4.21	2630/050717
CHG-PETERSON-							
APR'17							
R'17							
VISA				PV 152342	001 00751	625.95	3044/050717
CHG-REYES-APR							
'17							
R'17							
VISA				PV 152343	001 00751	36.91	8913/050717
CHG-ROBINS-AP							
R'17							
VISA				PD 152344	001 00701	299.00-	1595/050717
CHG-SACCARECC							
IA-APR'17							
R'17							
VISA				PD 152344	002 00701	23.87	1595/050717
CHG-SACCARECC							
IA-APR'17							
R'17							
VISA				PV 152345	001 00701	121.00	1302/050717
CHG-TRIPLETT-							
APR'17							
R'17							
VISA				PV 152345	002 00701	160.58	1302/050717
CHG-TRIPLETT-							
APR'17							
R'17							
VISA				PV 152345	003 00701	188.35	1302/050717
CHG-TRIPLETT-							
APR'17							
R'17							
VISA				PV 152345	004 00701	299.73	1302/050717

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key Item	Key Co	Amount	Invoice Number
				CHG-TRIPLETT-						
				APR17						
				VISA	PV	152345	005	00701	187.23	1302/050717
				CHG-TRIPLETT-						
				APR17						
				VISA	PV	152346	001	00701	428.45	4320/050717
				CHG-VOLLMAR-A						
				PR17						
				VISA	PV	152346	002	00701	285.00	4320/050717
				CHG-VOLLMAR-A						
				PR17						
				VISA	PV	152346	003	00701	48.30	4320/050717
				CHG-VOLLMAR-A						
				PR17						
				VISA	PV	152347	001	00701	58.88	7926/050717
				CHG-WINK-APR						
				17						
				VISA	PV	152347	002	00701	124.65	7926/050717
				CHG-WINK-APR						
				17						
				VISA	PV	152348	001	00101	289.15	1597/050717
				CHG-WRIGHT-AP						
				R17						
				VISA	PV	152348	002	00101	315.00	1597/050717
				CHG-WRIGHT-AP						
				R17						
				VISA	PV	152348	003	00101	23.12	1597/050717
				CHG-WRIGHT-AP						
				R17						
				VISA	PV	152348	004	00101	46.90	1597/050717
				CHG-WRIGHT-AP						
				R17						
				VISA	PV	152348	005	00101	441.36	1597/050717
				CHG-WRIGHT-AP						
				R17						
				VISA	PV	152348	006	00101	18.66	1597/050717
				CHG-WRIGHT-AP						
				R17						
				VISA	PV	152349	001	00751	404.70	6218/050717
				CHG-ZHAO-APR						
				17						

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key Ifm Co	Amount	Invoice Number
76081	05/30/17	18071	BLUE DIAMOND MATERIALS	Payment Amount 2.05 TN PAVG MATL	PV	152317	001 00701	183.84	913214
				Payment Amount MAY*17 WATER TRMNT	PV	152316	001 00701	561.42	2407999
76083	05/30/17	2554	COASTLINE EQUIPMENT	Payment Amount VEH #864 JD310SG RPR/SVC VEH #707 JD450C RPR/SVC VEH #864 JD310SG RPR/SVC	PV	152389	001 00701	904.87	381517
				Payment Amount #14 WIRE	PV	152289	001 00701	140.32	9009-751275
76084	05/30/17	4586	CONSOLIDATED ELECTRICAL DISTRIBUTORS	6 LAMPS PROXIMITY SWITCH WRTHPRF RCPT BOXS&PLUGS #12 WIRE & ELECT PARTS TIME CLOCK BLDG WIRE JIC BOX & 50 LUGS	PV	152290	001 00701	92.16	9009-751571
				Payment Amount #14 WIRE	PV	152291	001 00701	190.45	9009-751890
				Payment Amount TAPIA	PV	152292	001 00701	151.24	9009-751785
				Payment Amount RAGS/GRIT HAULING	PV	152293	001 00701	350.88	9009-751759
				Payment Amount CARB & BRAKE CLNR	PV	152294	001 00701	210.87	9009-751833
				Payment Amount CLN TAPIA	PV	152295	001 00701	893.78	9009-751609
				Payment Amount TAPIA	PV	152296	001 00701	269.38	9009-751182
76085	05/30/17	2547	COUNTY SANITATION DISTRICTS OF LA COUNTY	Payment Amount TAPIA RAGS/GRIT HAULING	PV	152322	001 00751	687.09	48892/043017
76086	05/30/17	2505	DELTA PACIFIC INDUSTRIES	Payment Amount CARB & BRAKE CLNR	PV	152378	001 00701	483.72	5112
76087	05/30/17	17281	DOCTOR DIESEL	Payment Amount CLN TAPIA	PV	152304	001 00751	1,050.00	17-197



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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Doc Number	Key	Amount	Invoice Number
76088	05/30/17	2638	ENVIRONMENTAL RESOURCE ASSOC	EMERG GEN TNKS Payment Amount WASTE WATER MINERALS	152360	001 00701	1,050.00 139.40	829225
76089	05/30/17	2654	FAMCON PIPE	DISSOLVED OXYGEN Payment Amount 250 MTR BUSHGS	152363	001 00701	165.71 305.11 2,101.59	829329 191970
76090	05/30/17	2658	FEDERAL EXPRESS CORP	Payment Amount 2 PKGS DLVRD 5/11 & 5/17	152362	001 00701	2,101.59 51.36	5-808-26013
76091	05/30/17	2660	FISHER SCIENTIFIC	Payment Amount LAB SUPPLIES	152320	001 00701	51.36 453.04	1438323
76092	05/30/17	6770	G.I. INDUSTRIES	Payment Amount 4/28-5/15/17 RLV DISP 4/28-5/15/17 SHOP DISP	152375	001 00701	453.04 306.67 1,031.48	2818507-0283-4 2818506-0283-6
76093	05/30/17	2701	G.I. INDUSTRIES P. O. BOX 541065 LOS ANGELES CA 90054-1065	Payment Amount SAFETY RAILS	152319	001 00751	1,338.15 559.18	9428916895
76094	05/30/17	2705	GRAINGER, INC. HACH COMPANY	BELT SANDER Payment Amount (2) REFILL VIALS	152321	001 00701	774.74 1,333.92 103.72	9428238035 10440293

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key Item	Key Co	Amount	Invoice Number
2207 COLLECTIONS CENTER DR CHICAGO IL 60693										
76095	05/30/17	8992	HOUSE SANITARY SUPPLY	Payment Amount 10 CASES ENZYME CLEANER	PV	152392	001	00701	103.72 147.90	180078/182359
				7 CASES RAGS 3 CASES RAGS	PV	152393 152394	001	00701	500.90 214.67	180079
76096	05/30/17	2727	IDEXX LABORATORIES	Payment Amount COLILERT & COMPARATORS	PV	152302	001	00701	863.47 1,069.96	3016131483
			All Payee	IDEXX LABORATORIES P. O. BOX 101327 ATLANTA GA 30392-1327						
76097	05/30/17	8304	IFM EFECTOR INC.	Payment Amount RPLC PRSSR GUAGE-P/S	PV	152275	001	00701	1,069.96 1,702.17	21321635
76098	05/30/17	18535	KEMIRA WATER SOLUTIONS, INC.	Payment Amount 10.08 TN FERRIC CHLORITE	PV	152311	001	00701	1,702.17 4,658.85	9017543414
			All Payee	KEMIRA WATER SOLUTIONS MAIL CODE 5581, P. O. BOX 105046 ATLANTA GA 30348-5046						
76099	05/30/17	5230	KENNEDY/JENKS CONSULTANTS	Payment Amount P/E 4/30 MGT SRV CENTRATE	PV	152312	001	00701	4,658.85 23,610.86	111487
76100	05/30/17	20228	KIEWIT INFRASTRUCTUR E WEST CO.	Payment Amount R.L.S RTN-WL PLNT EXPNSN	PV	152303	001	00301	23,610.86 183,832.76	10557/RTN RLS
76101	05/30/17	17295	MAILFINANCE	Payment Amount MAIL MACHN PMT	PV	152310	001	00701	183,832.76 323.97	N6533815
				5/9--6/8/17						
76102	05/30/17	16754	NATURAL SURROUNDINGS	Payment Amount MAY'17 FLORAL MAINT	PV	152381	001	00701	323.97 235.00	6736
76103	05/30/17	20002	PETTY CASH -	Payment Amount PETTY CASH	PV	152388	001	00701	235.00 35.62	052517

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Payment Number	Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key Item	Co	Amount	Invoice Number
			SUSAN BROWN	EXP- 4/5--5/23/17	PV	152388	002	00701	28.25	052517
				PETTY CASH						
				EXP- 4/5--5/23/17	PV	152388	003	00701	20.00	052517
				PETTY CASH						
				EXP- 4/5--5/23/17	PV	152388	004	00701	19.14	052517
				PETTY CASH						
				EXP- 4/5--5/23/17	PV	152388	005	00701	26.38	052517
				PETTY CASH						
				EXP- 4/5--5/23/17	PV	152388	006	00701	18.84	052517
				PETTY CASH						
				EXP- 4/5--5/23/17	PV	152388	007	00701	5.98	052517
				PETTY CASH						
				EXP- 4/5--5/23/17	PV	152388	008	00701	20.00	052517
				PETTY CASH						
				EXP- 4/5--5/23/17	PV	152388	009	00701	12.50	052517
				PETTY CASH						
				EXP- 4/5--5/23/17	PV	152388	010	00701	14.12	052517
				PETTY CASH						
				EXP- 4/5--5/23/17	PV	152388	011	00701	17.91	052517
				PETTY CASH						
				EXP- 4/5--5/23/17	PV	152388	012	00701	20.00	052517
				PETTY CASH						
				EXP- 4/5--5/23/17	PV	152388	013	00701	42.16	052517
				PETTY CASH						
				EXP- 4/5--5/23/17	PV	152388	014	00701	36.89	052517
				PETTY CASH						
				EXP- 4/5--5/23/17						

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document Ty	Document Number	Key Itrm Co	Amount	Invoice Number
76104	05/30/17	19133	PINNACLE PETROLEUM, INC.	Payment Amount 8,746 GAL REG UNLD GAS	PV	152395	001 00701	21,732.03	146990
76105	05/30/17	2585	PURETEC	Payment Amount MAY-JULY'17 DI RNTL	PV	152382	001 00701	74.40	1557775
76106	05/30/17	2902	QUINN POWER SYSTEM	Payment Amount RPLC WTR PMP-LS2 GENERATOR	PV	152301	001 00130	2,193.08	WON10007813
76107	05/30/17	3586	CARLOS REYES	Payment Amount EXP-WTR RSLNC MTG 5/15/17	PV	152307	001 00701	51.38	051717
76108	05/30/17	20583	RT LAWRENCE CORPORATION	Payment Amount LCKBOX FEES APR'17	PV	152314	001 00701	1,270.11	42043
76109	05/30/17	19189	SJM INDUSTRIAL RADIO	Payment Amount VEH RADIO REMOVAL/RPR	PV	152299	001 00701	533.75	235913
76110	05/30/17	2956	SOUTH COAST AIR QUALITY MGMT DIST	Payment Amount HOT SPOTS#164911 LV2	PV	152309	001 00101	125.47	3104458
76111	05/30/17	8212	STANSBERRY'S WELDING	Payment Amount RPLC AGITR DOLLY TRACK	PV	152305	001 00751	2,430.00	2244
76112	05/30/17	3789	T & T TRUCK & CRANE SERVICE	Payment Amount RMV AGTR-RLV 5/2/17	PV	152288	001 00701	1,170.00	0131117-IN
76113	05/30/17	13676	TEK-COLLECT INCORPORATED	Payment Amount ANNL COMP MAINT FEE	PV	152306	001 00701	75.00	363853
76114	05/30/17	9505	TIRE MAN AGOURA	Payment Amount 4 TIRES/ALIGH VEH #816 4 TIRES/ALIGH VEH #905	PV	152384	001 00701	897.33	2061374
				Payment Amount 4 TIRES/ALIGH VEH #905	PV	152385	001 00701	871.23	2061583

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Payment Number	Payment Date	Address Number	Name	Payment Stub Message	TY	Document Number	Item	Key Co	Amount	Invoice Number
76115	05/30/17	17645	TORO ENTERPRISES INC.	Payment:Amount RPR 6" MAIN @LV RD 4/28	PV	152308	001	00101	2,850.00	10646
									1,768.56	
76116	05/30/17	3662	VENTURA COUNTY TAX COLLECTOR	Payment:Amount PRO TAX FY-16-17	PV	152361	001	00101	48.74	3363120
									2,850.00	
76117	05/30/17	18604	VENTURA PEST CONTROL	Payment:Amount MAY-17 PEST CONTROL	PV	152396	001	00701	110.00	570628
									48.74	
				Payment:Amount MAY-17 PEST CONTROL	PV	152396	003	00701	360.00	570628
				Payment:Amount MAY-17 PEST CONTROL	PV	152396	010	00701	195.00	570628
76118	05/30/17	3047	WESCO DISTRIBUTION, INC.	Payment:Amount HVY DUTY SFTY SWITCH	PV	152315	001	00701	233.81	671413
									685.00	
									233.81	
									288,008.45	
Total Amount of Payments Written										44
Total Number of Payments Written										44

Alt Payee 6443 WESCO DISTRIBUTION, INC  
PO BOX 31001-0465  
PASADENA CA 91110-0465

Batch Number - 254073

Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key	Amount	Invoice Number
						Number	Item Co		
76119	06/06/17	19289	ACC BUSINESS	INTERNET 4/11-5/10/17	PV	152420	001 00701	977.08	171330471
				Payment Amount				977.08	
76120	06/06/17	19289	ACC BUSINESS	SCADA MPLS 4/11-5/10/17	PV	152427	001 00101	1,507.14	171343417
				SCADA MPLS 4/11-5/10/17	PV	152427	002 00101	831.89	171343417
				SCADA MPLS 4/11-5/10/17	PV	152427	003 00101	3,994.86	171343417
				SCADA MPLS 4/11-5/10/17	PV	152427	004 00101	104.28	171343417
				SCADA MPLS 4/11-5/10/17	PV	152427	005 00101	52.14	171343417
76121	06/06/17	20389	AIRGAS SPECIALTY PRODUCTS	Payment Amount 31,120 LB AMMONIUM HYD	PV	152416	001 00701	3,529.83	131489801
				Payment Amount				6,490.31	
				All Payee AIRGAS SPECIALTY PRODUCTS P. O. BOX 934434 ATLANTA GA 31193-4434					
76122	06/06/17	2397	AQUATIC BIOASSAY & CONSULTING	Payment Amount 04/17 CHRONIC NPDES BIOS	PV	152413	001 00701	9,230.00	LVS0517.0499
				Payment Amount				3,529.83	
76123	06/06/17	2869	AT&T	Payment Amount SRV 5/20-6/19/17 SRV 5/22-6/21/17 SRV 5/23-6/22/17	PV	152432	001 00101	110.73	2150/052017
				SRV 5/23-6/22/17	PV	152433	001 00701	564.09	0119/052217
				SRV 5/23-6/22/17	PV	152434	001 00701	119.99	1984/052317
				SRV 5/23-6/22/17	PV	152436	001 00101	114.73	2430/052317
				SRV 5/23-6/22/17	PV	152437	001 00101	110.73	5388/052317
				SRV 5/23-6/22/17	PV	152438	001 00101	110.73	7426/052317
				SRV 5/23-6/22/17	PV	152457	001 00101	189.73	0210/052317
				SRV 5/23-6/22/17	PV	152494	001 00101	108.87	0192/052517

Batch Number - 254073

Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	TY	Document Number	Key Item	Key Co	Amount	Invoice Number
76124	06/06/17	7965	B&B PALLET CO.	5/25-6/24/17 Payment Amount 55 YDS WOOD CHIPS	PV	152397	001	00701	1,429.60 583.00	116648
				55 YDS WOOD CHIPS	PV	152398	001	00701	583.00	116894
				55 YDS WOOD CHIPS	PV	152400	001	00701	583.00	116895
				55 YDS WOOD CHIPS	PV	152401	001	00701	583.00	116905
				55 YDS WOOD CHIPS	PV	152402	001	00701	583.00	116906
				55 YDS WOOD CHIPS	PV	152403	001	00701	583.00	116896
76125	06/06/17	16769	BIG SHOTS	Payment Amount PRINTS RES-PURE WTR PRJCT	PV	152451	001	00751	3,495.00 102.44	16524
				PRINTS RES-PURE WTR PRJCT	PV	152452	001	00751	102.44	16493
76126	06/06/17	2513	CAPCO ANALYTICAL SERVICES	Payment Amount 5/9/17 MONTHLY SAMPLING	PV	152412	001	00701	204.88 345.00	170959
76127	06/06/17	5434	CDM SMITH INC.	Payment Amount DEMO DSGN-PURE WTR PRJ	PV	152456	001	00701	13,139.63	90016587
76128	06/06/17	2556	CITY OF LOS ANGELES	Payment Amount RECON-15/16 WSTWTR CHG RECON-15/16 WSTWTR CHG	PV	152422	001	00130	13,139.63 9,926.00	74WFP170000075
76130	06/06/17	2555	CONEJO AWARDS	Payment Amount PLATES-PSTR CONST (12)	PV	152424	001	00101	17,738.00 115.03	74WFP170000076
				Payment Amount EQ TNK CNTL RPR	PV	152354	001	00701	1,690.02	9009-751807

Batch Number - 254073

Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Sub Message	Document Ty	Document Number	Key Item	Key Co	Amount	Invoice Number
76131	06/06/17	6866	CS-AMSCO	EQ TNK CNTL RPR Payment Amount (2) 6" PLUG VALVES (2) 6" PLUG VALVES	PV	152355	001	00701	1,865.33	9009-751809
				Payment Amount				3,555.35		
							001	00701	5,400.53	12454
76132	06/06/17	7257	DIRECTV, INC.	Payment Amount OPS 6/2/17-6/1/18 INF	PV	152488	001	00701	779.88	31473692555
				Payment Amount				5,464.25		
							001	00701	1,646.76	91439274
76133	06/06/17	8612	DURHAM SCHOOL SERVICES	Payment Amount APR'17 4TH GRD TAPIA TOURS 4/19/17 TAKE DTR/SON EVENT	PV	152490	001	00701	411.69	91439274
				Payment Amount				779.88		
							001	00701	1,646.76	91439274
76134	06/06/17	18441	EMPLOYEE RELATIONS NETWORK	Payment Amount BKGRND CK-JAIME LEPE	PV	151677	001	00701	92.10	78205
				Payment Amount				2,058.45		
							001	00701	92.10	78205
76135	06/06/17	2701	GRAINGER, INC.	Payment Amount PAINT SPPLIES/TRSH BAGS 100 CUTOFF WHEELS 20 WIRE WHEEL BRUSHES SFTY RAILS & BATTERIES	PV	152357	001	00701	654.73	9430200916
				Payment Amount				92.10		
							001	00701	654.73	9430200916
							001	00701	219.68	9430089558
							001	00701	412.60	9430089566
							001	00751	296.89	9435584959
				Payment Amount				1,583.90		
							001	00701	1,514.89	14165
76136	06/06/17	20862	INPLANT SALES, LLC	Payment Amount GLASS SPOOLS & PARTS GLASS SPOOLS & PARTS	PV	152407	001	00701	23.02	14165
				Payment Amount				1,537.91		

All Payee 5453 GRAINGER, INC.  
DEPT 805178142  
PALATINE IL 60038-0001



Batch Number - 254073

Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Sub Message	Ty	Document Number	Key Item	Key Co	Amount	Invoice Number
76137	06/06/17	2611	LA DWP	RECTIFIER 4/25-5/24/17	PV	152429	001	00101	36.92	851260/052517
				RECTIFIER 4/24-5/23/17	PV	152430	001	00101	41.54	557160/052417
				TWIN LKS P/S 12/13/16-5/12	PV	152495	001	00101	36,143.57	8756698/052617
				/17						
				Payment Amount				36,222.03		
76138	06/06/17	3038	LARRY WALKER & ASSOC	NPDES PRMT SRV P/E 4/30	PV	152455	001	00701	405.00	00532.01-14
				Payment Amount				405.00		
76139	06/06/17	19396	JAY LEWITT	EXP-ACWA CONF 5/9-12	PV	152428	001	00701	1,159.86	051217
				Payment Amount				1,159.86		
76140	06/06/17	3514	LOS ANGELES COUNTY REGISTRAR-REC ORDER	NOE DIGESTER 1 REHAB	PV	152421	001	00754	75.00	10565REHAB/NO E
				Payment Amount				75.00		
76141	06/06/17	2814	MCMMASTER-CARR SUPPLY CO	DRILL & TAPS	PV	152368	001	00701	74.60	29137399
				Payment Amount				74.60		
			Alt Payee	MC MASTER-CARR P. O. BOX 7690 CHICAGO IL 60680-7690						
76142	06/06/17	13586	ORACLE AMERICA, INC.	2/23-5/22/17 JDE MAINT	PV	152431	001	00701	17,420.39	43593543
				Payment Amount				17,420.39		
76143	06/06/17	18946	PACIFIC ADVANCED CIVIL ENGINEERING, INC.	APR-17LABOR CNTRT TNK	PV	152425	001	00701	1,476.00	99252
				Payment Amount				1,476.00		
76144	06/06/17	18821	LEONARD POLAN	EXP-WTR POLICY CONF 4/6&7	PV	152454	001	00701	836.31	040717
				Payment Amount				836.31		
76145	06/06/17	13645	PSOMAS	APR-17 STANDBY CHG	PV	152426	001	00701	600.00	130038
				Payment Amount				600.00		

Batch Number - 254073

Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Ty	Document Number	Key Itm Co	Amount	Invoice Number
76146	06/06/17	3566	CARLOS REYES	Payment Amount FQDD-FUTURE FNDTN MTG 4/20	PV	152477	001 00701	112.78	042017
76147	06/06/17	18973	SOUTHERN COUNTIES OIL	EXP-CS WK CONF 5/21-27 Payment Amount (4) 5 GAL VELOCITE	PV	152479	001 00701	1,609.59	052717
76148	06/06/17	16120	SOIL CONTROL LAB	Payment Amount COMPOST TESTING	PV	152417	001 00751	349.00	7050194
76149	06/06/17	17853	SWRCB-POLLUTI ON CLEANUP&ABATE MENT	Payment Amount STLMNT-R4-201 6-0370	PV	152418	001 00751	6,000.00	AL-0001152CAA
76150	06/06/17	12149	THATCHER CO. OF CALIFORNIA	Payment Amount 10.7274 D-TON ALUM	PV	152473	001 00701	3,325.49	244364
76151	06/06/17	7454	THE GRADALL RENTAL CO.	Payment Amount 3/28-4/13/17 BIO-6,FLF 1-4	PV	152489	001 00701	9,720.00	5171
76152	06/06/17	20672	TRUSSELL TECHNOLOGIES, INC.	Payment Amount 4/1-4/30/17 MDLG LV RES	PV	152419	001 00701	22,485.82	4494
76153	06/06/17	2780	VALLEY NEWS GROUP	Payment Amount AD-5/12 DRGHTS COME & GO AD-5/18 DRGHTS COME & GO	PV	152449	001 00101	420.00	5-12-17
76154	06/06/17	18604	VENTURA PEST CONTROL	Payment Amount BIRD INSP 5/15 @ HQ & WLK BIRD INSP 5/15 @ HQ & WLK	PV	152410	001 00701	50.00	570629
				Payment Amount 600.00					
				Payment Amount 880.00					
				Payment Amount 1,722.37					
				Payment Amount 458.27					
				Payment Amount 349.00					
				Payment Amount 6,000.00					
				Payment Amount 3,325.49					
				Payment Amount 9,720.00					
				Payment Amount 22,485.82					
				Payment Amount 460.00					
				Payment Amount 50.00					
				Payment Amount 100.00					

Batch Number - 254073

Bank Account - 00146807 Cash-General

Payment Number	Payment Date	Address Number	Name	Payment Stub Message	Document		Key	Amount	Invoice Number
					Ty	Number			
				RNDT TRPNG BLDG 8	PV	152453	001 00701	500.00	577896
				Payment Amount				650.00	
76155	06/06/17	3035	VWR SCIENTIFIC	GLASS FILTERS	PV	152474	001 00701	528.05	8048520037
				MICROFBR/GLAS S FILTERS	PV	152475	001 00701	1,938.25	8048526311
				CR-RTRN PLATE CNT AGAR	PD	152476	001 00701	339.94	8048556776
			Alt Payee						
			3216 VWR INTERNATIONAL, INC P. O. BOX 640169 PITTSBURGH PA 15264-0169						
				Payment Amount				2,126.36	
76156	06/06/17	3025	WATER & SANITATION SRV/VENTURA COUNTY	PURCH WTR 4/18--5/16/17	PV	152439	001 00101	18,627.93	1447962
				Payment Amount				18,627.93	
76157	06/06/17	18914	WECK LABORATORIES, INC.	TAPIA PRCSS CNTRL 7E09077	PV	152351	001 00701	99.45	W7E0679-LV
				Payment Amount				99.45	
76158	06/06/17	3048	WEST COAST AIR CONDITIONING	MAINT @ HQ & OPS	PV	152352	001 00701	395.00	S83099
				Payment Amount				395.00	
				RPLCD FLTRS RANCHO 5/3	PV	152353	001 00701	374.00	S82833
				Payment Amount				769.00	
76159	06/06/17	18640	WEST COAST POWER SOLUTIONS	RPLC HOT WTR VLV BLDG 8	PV	152367	001 00701	347.50	S6218
				Payment Amount				347.50	
76160	06/06/17	3067	XEROX CORPORATION	4/17 LEASE-HQ 7 TAPIA 4/17 LEASE-HQ 7 TAPIA 4/17 LEASE-HQ 7 TAPIA 4/17 LEASE-HQ 7 TAPIA	PV	152440	001 00701	376.10	702086182
				Payment Amount				347.50	
				4/17 LEASE-HQ 7 TAPIA	PV	152440	002 00701	110.14	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	003 00701	42.55	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	004 00701	135.61	702086182

Batch Number - 254073

Bank Account - 00146807 Cash-General

Payment . . . Number	Date	Address Number	Name	Payment Stub Message	Ty	Document . . . Number	Key Item Co	Amount	Invoice Number
				4/17 LEASE-HQ 7 TAPIA	PV	152440	005 00701	475.88	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	006 00701	139.36	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	007 00701	53.83	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	008 00701	6.85	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	009 00701	113.84	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	010 00701	79.97	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	011 00701	16.96	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	012 00701	11.20	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	013 00701	503.10	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	014 00701	147.33	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	015 00701	56.91	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	016 00701	253.75	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	017 00701	106.75	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	018 00701	31.26	702086182
				4/17 LEASE-HQ 7 TAPIA	PV	152440	019 00701	12.08	702086182
				Payment Amount				2,673.47	
				Total Amount of Payments Written				200,273.05	
				Total Number of Payments Written				42	



**LAS VIRGENES MUNICIPAL WATER DISTRICT**  
4232 Las Virgenes Road, Calabasas CA 91302

**MINUTES**  
**REGULAR MEETING**

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5:00 PM

May 23, 2017

**PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance to the Flag was led by Addison Abrar.

**1. CALL TO ORDER AND ROLL CALL**

The meeting was called to order at **5:00 p.m.** by Board President Peterson in the Board Room at Las Virgenes Municipal Water District headquarters at 4232 Las Virgenes Road, Calabasas CA 91302. Josie Guzman, Clerk of the Board, conducted the roll call.

Present: Directors Charles Caspary, Jay Lewitt, Leonard Polan, Glen Peterson, and Lee Renger.

Absent: None

Staff Present: David Pedersen, General Manager  
Darrell Johnson, Customer Service Manager  
Angela Saccareccia, Finance Manager  
John Zhao, Principal Engineer  
Josie Guzman, Clerk of the Board  
Manuel Serpa, District Counsel

**2. APPROVAL OF AGENDA**

Director Caspary moved to approve the agenda. Motion seconded by Director Renger. Motion carried unanimously.

### **3. PUBLIC COMMENTS**

None.

### **4. CONSENT CALENDAR**

**A List of Demands: May 23, 2017: Ratify**

**B Minutes: Special Meeting of April 13, 2017, Regular Meeting of April 25, 2017, and Regular Meeting of May 4, 2017: Approve**

**C Directors' Per Diem April 2017: Ratify**

**D Board Members' Insurance Benefits: Update**

Pass, approve and adopt proposed Resolution No. 2514, amending Section 2-2.106 of the Las Virgenes Municipal Water District Code to reflect a reduction in the District's contribution toward the medical premiums for Board Members, effective January 1, 2019, and to codify existing vision, dental and life insurance benefits, which remain unchanged.

#### **RESOLUTION NO. 2514**

#### **A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT AMENDING RESOLUTION NO. 2468 (ADMINISTRATIVE CODE) AS IT RELATES TO DIRECTORS' COMPENSATION**

(Reference is hereby made to Resolution No. 2514 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

Director Caspary moved to approve the Consent Calendar. Motion seconded by Director Lewitt. Motion carried unanimously.

### **5. ILLUSTRATIVE AND/OR VERBAL PRESENTATION AGENDA ITEMS**

#### **A Poster Contest Awards Ceremony**

Board President Peterson provided introductory remarks, and Board Members presented the awards to the top 12 finalists for this year's Water Awareness Poster Contest.

The Ann Dorgelo Water Awareness Perpetual Trophy was awarded to Willow Elementary School.

#### **B Legislative and Regulatory Updates**

General Manager David Pedersen reported that discussions continue at the State

legislative level regarding the implementation of the Governor's plan for *Making Water Conservation a California Way of Life*. He noted three competing proposals were being considered to implement the Governor's framework: Budget Trailer Bill 810; AB 1668 (Friedman) Urban Water Management Planning and AB 1669 (Friedman) Urban Water Use Efficiency Standards and Use Reporting; and AB 968 (Rubio) Urban Water Use Efficiency and AB 1645 (Rubio) Urban Water Management Planning. He noted that water purveyors have taken support positions on Assemblymember Rubio's bills. He stated that the trailer bill language to implement the Governor's proposal includes language that District staff believes is problematic with regard to enforcement. He also stated that language was included regarding adoption of standards through emergency regulations, which staff believes is not warranted, and should instead be done through a legislative process. He noted that staff is also concerned with Assemblymember Friedman's proposed bills because these bills would establish administrative civil liabilities applied to urban water purveyors for noncompliance. He reported that District lobbyist Syrus Devers, representatives from Metropolitan Water District of Southern California, and representatives from other water agencies met with the Governor's staff earlier in the day to discuss concerns with the trailer bill language. He stated that it was not likely that Assemblymember Rubio's bills would advance further because of concerns from the Governor's office. He also provided an update regarding the NPDES Permit renewal and Time Schedule Order for compliance with the Los Angeles Regional Water Quality Control Board's (Regional Board) chloride limit for discharges to the Los Angeles River. He noted that staff submitted 11 detailed comments, and the Regional Board staff incorporated eight of the 11 comments. He stated that permit reopeners would be included to allow the Regional Board to reconsider the requirements included in the permit. He noted that he and Director Caspary would attend the Regional Board's hearing on June 1st to speak in support of the NPDES Permit and Time Schedule Order.

### **C Water Supply Conditions Update**

General Manager David Pedersen noted that as of May 11th, the snowpack for the Upper Basin of the Colorado River was at 102 percent of normal. Additionally, due to a large storm that came through between May 11th and May 19th, the Upper Basin snowpack increased to 157 percent of normal.

### **6. TREASURER**

Director Renger stated that the Treasurer's report was in order.

### **7. FACILITIES AND OPERATIONS**

#### **A Agoura Road 24-inch Potable Water Transmission Main Emergency Repair**

**Declare the damage to the Agoura Road 24-inch potable water transmission main an emergency requiring immediate action without delay and ratify the General Manager's approval of a purchase order to Toro Enterprises, Inc., in an amount**

**not to exceed \$40,000, for the emergency repair of the pipeline without notice for bids.**

Larry Miller, Water System/Facilities Manager presented the report. He responded to questions related to the pending investigation to determine the responsible parties.

Director Polan moved to approve Item 7A. Motion seconded by Director Renger. Motion carried unanimously.

**B Potable Water Air-Vacuum Release Valves Relocation Project: Construction Award**

**Waive a minor bid irregularity and award a construction contract to Toro Enterprises, Inc., in the amount of \$291,824, for the Potable Water Air-Vacuum Release Valves Relocation Project.**

Coleman Olinger, Associate Engineer, presented the report.

Director Caspary moved to approve Item 7B. Motion seconded by Director Renger.

Coleman Olinger, Associate Engineer, responded to a question regarding the need to relocate the valves by stating that the work is needed to avoid potential contamination of the public water system should a vacuum occur along the pipeline when a vault was flooded.

Motion carried unanimously.

**C Reclassification of Positions in Water Systems Operations**

**Reclassify an existing Water Production and Treatment Supervisor position to a Water Systems Supervisor position with a change from Salary Grade M88 to M83; and reclassify an existing Senior Water Treatment Plant Operator position to a Chief Water Treatment Plant Operator position with a change from Salary Grade 70 to 74, retroactive to the retirement date of the Water Production and Treatment Supervisor.**

General Manager David Pedersen presented the report.

Director Caspary moved to approve Item 7C. Motion seconded by Director Polan. Motion carried unanimously.

**8. FINANCE AND ADMINISTRATION**

**A Banking and Purchasing Card Services**

**Accept the proposal from Wells Fargo and authorize the General Manager to execute an initial three-year contract, with two one-year renewals, at a cost of**



**\$26,000 annually for general banking services; reject all proposals for custodial services and authorize the General Manager to negotiate with Union Bank; and reject all bids for purchasing card services and authorize the General Manager to negotiate participation in the State of California Purchase Card (Cal-Card) Program.**

Angela Saccareccia, Finance Manager, presented the report.

Director Lewitt moved to approve Item 8A. Motion seconded by Director Renger.

Angela Saccareccia, Finance Manager, responded to a question related to employees' spending limits for small purchases. She also responded to a question regarding whether Board Members would be issued new Cal-Cards by stating that Board Members would be included. She noted that staff would review the process for use of Cal-Cards with Board Members and staff.

Motion carried unanimously.

**B Annexation 29-4, 29-5, 29-6, and 29-7: Approval**

**Pass, approve and adopt the proposed Resolution Nos. 2515, 2516, 2517 and 2518, approving detachments from the District's service area and annexation to Los Angeles County Waterworks District No. 29, Malibu**

**RESOLUTION NO. 2515**

**JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER DISTRICT, AND THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER IMPROVEMENT DISTRICT NO. 12 APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM THE ANNEXATION OF PROPERTY DESIGNATED AS ANNEXATION 29-4, AS PART OF LOCAL AGENCY FORMATION COMMISSION REORGANIZATION 2016-05 (AREA 4), TO LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU**

**RESOLUTION NO. 2516**

**JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER DISTRICT, APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM THE ANNEXATION OF PROPERTY DESIGNATED AS ANNEXATION 29-5, AS PART OF LOCAL AGENCY FORMATION COMMISSION REORGANIZATION 2016-10, (AREA 1) TO LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU**

**RESOLUTION NO. 2517**

**JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER DISTRICT, AND THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER IMPROVEMENT DISTRICT NO. 12, APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM THE ANNEXATION OF PROPERTY DESIGNATED AS ANNEXATION 29-6, LOCAL AGENCY FORMATION COMMISSION REORGANIZATION 2016-04 (AREA 3), TO LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU**

**RESOLUTION NO. 2518**

**JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES, THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT, AND THE BOARD OF DIRECTORS OF THE LAS VIRGENES MUNICIPAL WATER IMPROVEMENT DISTRICT NO. 12, APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUES RESULTING FROM THE ANNEXATION OF PROPERTY DESIGNATED AS ANNEXATION 29-7, AS PART OF LOCAL AGENCY FORMATION COMMISSION REORGANIZATION 2016-05 (AREA 5), TO LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU**

(Reference is hereby made to Resolution Nos. 2515, 2516, 2517 and 2518 on file in the District's Resolution Book and by this reference the same are incorporated herein.)

General Manager David Pedersen presented the report.

Director Polan moved to approve Item 8B. Motion seconded by Director Caspary. Motion carried unanimously.

**C Claim from Nicholas Pappas**

**Deny the claim from Nicholas Pappas.**

General Manager David Pedersen presented the report.

Director Lewitt moved to deny the claim. Motion seconded by Director Caspary. Motion carried unanimously.

**9. NON-ACTION ITEMS**

**A Organization Reports**

- (1) MWD Representative Report/Agenda(s)

Board President Peterson reported that former MWD Director Joe Parker had passed away. He noted that the Special Committee on the Bay-Delta would be discussing three

white papers for the project (physical infrastructure, operations and finance/cost allocation), and the Environmental Impact Report would be certified in June.

(2) Other

**B Director's Reports on Outside Meetings**

Director Renger reported that he attended the Association of California Water Agencies (ACWA) Spring Conference in Monterey where he attended several sessions including the Water Quality Committee meeting, Energy Committee Program, Emergency Communications Session, and the Hans Doe Past Presidents' Breakfast. He also reported that he attended the Association of Water Agencies of Ventura County (AWAVC) WaterWise Breakfast meeting on May 18, which included a discussion regarding seawater desalination facilities.

Director Lewitt reported that he also attended the ACWA Spring Conference where he attended the Federal Affairs Committee meeting for an update regarding the EPA budget and funding for water infrastructure, wind power generation and H.R. 23 Gaining Responsibility on Water Act of 2017. He also reported that he attended sessions regarding California farmers and an update on the Oroville Dam and pump station repair work. He also reported that he attended the AWAVC WaterWise Breakfast.

Director Caspary reported that he also attended the AWAVC WaterWise Breakfast.

Director Polan reported that he also attended the ACWA Spring Conference where he attended a presentation regarding California farmers.

Board President Peterson reported that he also attended the ACWA Spring Conference where he toured the Pure Water Monterey facilities. He stated that he would forward photographs of the demonstration project to General Manager David Pedersen. He noted that the use of the word "brine" should be avoided because this term normally refers to seawater desalination.

**C General Manager Reports**

(1) General Business

General Manager David Pedersen provided an update regarding the option agreement for the property acquisition on Agoura Road for the Pure Water Project Las Virgenes-Triunfo. He noted that the draft agreement was pending the seller's review and escrow would open once the agreement had been executed. He also noted that the appraisal was being prepared, the preliminary title report had been completed and the process had begun to prepare an Initial Study and Negative Declaration. He also reported that the Upper Oaks Tank experienced two overflow incidents. He noted that the SCADA program spontaneously changed the scale for the tank level, making it appear that the tank was not full when it was indeed full. He reported that staff was working on correcting this issue. He also reviewed the upcoming events reflected on the calendar.

(2) Follow-Up Items

**D Directors' Comments**

Director Polan noted that he would be attending Dr. Randal Orton's presentation at UCLA.

Director Lewitt inquired whether water from the District was used to combat the brush fire near the Three Springs area. General Manager David Pedersen responded that water from Lake Sherwood was primarily used.

Director Renger inquired regarding the surface area of Las Virgenes Reservoir. General Manager David Pedersen responded that staff would follow-up and provide the information.

Director Caspary stated that he would provide a copy of an article in *The Wall Street Journal* regarding energy storage and methodologies to General Manager David Pedersen.

**10. FUTURE AGENDA ITEMS**

Director Lewitt requested an update from John Freshman regarding lobbying activities. General Manager David Pedersen responded that updates would be provided periodically to the Board.

**11. PUBLIC COMMENTS**

None.

**12. CLOSED SESSION**

None.

**13. OPEN SESSION AND ADJOURNMENT**

Seeing no further business to come before the Board, the meeting was duly adjourned at **6:48 p.m.**

---

GLEN PETERSON, President  
Board of Directors  
Las Virgenes Municipal Water District

ATTEST:

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JAY LEWITT, Secretary  
Board of Directors  
Las Virgenes Municipal Water District

(SEAL)

June 5, 2017

To: Payroll

From: David W. Pedersen  
General Manager

**RE: Per Diem Request – May 2017**

Attached are the Director statements of attendance for meetings, conferences and miscellaneous functions, which are summarized in the table below. If you have any questions, please contact me. Thank you.

On April 25, 2017, the Board adopted Resolution No. 2513, amending the per diem rate to \$220.

<u>Director</u>	<u>No. of Meetings</u>	<u>Rate</u>	<u>Total</u>
Charles Caspary	4	\$220.00	\$880.00
Jay Lewitt	8	\$220.00	\$1,760.00
Glen Peterson LVMWD* – 10 MWD** – 9	19	\$220.00	\$4,180.00
Leonard Polan	9	\$220.00	\$1,980.00
Lee Renger	9	\$220.00	\$1,980.00

\*LVMWD Code Section 2-2.106(a): “not exceeding a total of ten (10) days in any calendar month”

\*\*LVMWD Code Section 2-2.106(b): MWD director “not exceeding a total of ten (10) additional days in any calendar month.”





# LAS VIRGENES MUNICIPAL WATER DISTRICT - PER DIEM REPORT



To: Josie Guzman Director's Name: Jay Lewitt

Month of: May Division: 5

The following are Las Virgenes Municipal Water District Board of Directors Meetings, Committee Meetings/Conferences I have attended:

Date(s)	# of Days Claimed		Reimbursible Expenses <sup>2</sup> (Y/N)	Check One		Event Title
	Event	Travel <sup>1</sup>		Total	MWD	
5.1.17	1				x	JPA board meeting
5.4.17	1				x	LVMWD board strategic planning meeting
5.9.17	1		mileage		x	ACWA federal affairs meeting Monterey
5.10.17	1				x	ACWA conference Monterey
5.11.17	1				x	ACWA conference Monterey
5.12.17	1		mileage		x	ACWA conference Monterey
5.18.17	1				x	AWA breakfast meeting
5.23.17	1				x	LVMWD board meeting
			TOTAL	8		

50 Date Submitted: 5.26.17 Director Signature: JL

**NOTES: 1.** Travel the day before and/or after an authorized meeting or seminar outside of LA, Ventura and Orange Counties may be paid in accordance with Board Policy. **2.** Attach completed Statement of Account and Claim for Personally Incurred Expenses form.



**LAS VIRGENES MUNICIPAL WATER DISTRICT - PER DIEM REPORT**

To: Clerk of the Board

Director's Name: Glen Peterson

Month of: May-17

Division: 2



The following are Las Virgenes Municipal Water District Board of Directors Meetings, Committee Meetings/Conferences I have attended:

Date(s)	# of Days Claimed			Reimbursible Expenses <sup>2</sup> (Y/N)	Check One		Event Title
	Event	Travel <sup>1</sup>	Total		MWD	LVMWD	
5/1/17	1		1		<input checked="" type="checkbox"/>		JPA
5/2/17	1		1		<input checked="" type="checkbox"/>		CAP at Gene Camp
5/3/17	1		1		<input checked="" type="checkbox"/>		E and O pre meeting
5/4/17	1		1		<input checked="" type="checkbox"/>		LV MWD Workshop at Agoura Hills
5/5/17	1		1		<input checked="" type="checkbox"/>		Northern Caucus
5/6/17	1		1		<input checked="" type="checkbox"/>		Tour of Water Facilities
5/7-8/17	2		2		<input checked="" type="checkbox"/>		ACWA JPA travel and MWD Committee (MWD)
5-9-12/17	4		4		<input checked="" type="checkbox"/>		ACWA
5/17/17	1		1		<input checked="" type="checkbox"/>		Bay Delta Committee prep
5/18/19	2		2		<input checked="" type="checkbox"/>		CRUA meeting in Las Vegas
5/20-21/17	2		2		<input checked="" type="checkbox"/>		Solar Cup Lake Skinner
5/23/17	1		1		<input checked="" type="checkbox"/>		Committee and Board Meeting
5/25/17	1		1		<input checked="" type="checkbox"/>		Santa Anna Watershed Symposium
					9	10	

19

Director Signature: Glen Peterson

# LAS VIRGENES MUNICIPAL WATER DISTRICT - PER DIEM REPORT

To: Josie Guzman, Clerk of the Board Director's Name: Leonard Polan  
 Month of: May-17 Division: #4



The following are Las Virgenes Municipal Water District Board of Directors Meetings, Committee Meetings/Conferences I have attended:

Date(s)	# of Days Claimed			Reimbursible Expenses <sup>2</sup> (Y/N)	Check One		Event Title
	Event	Travel <sup>1</sup>	Total		MWD	LVMWD	
5/1/17	1	---	1	---	---	Y	JPA BOARD MTG
5/3/17	1	---	1	Y	---	Y	SPECIAL LVMWD BOARD MTG
5/8-12/17	4	1	5	---	---	Y	ACWA Conference -Monterey
5/18/17	1	---	1	---	---	Y	VCAWA
5/23/17	1	---	1	---	---	Y	LVMWD BOARD MTG
5/24/17	---	---	---	---	---	Y	UCLA - Twentieth Annl Bigy Research Symposium Dr Randal Orton Presnetg
			TOTAL				
			9				

Date Submitted: 5/25/17  
 Director Signature: Leonard E. Polan

NOTES: **1.** Travel the day before and/or after an authorized meeting or seminar outside of LA, Ventura and Orange Counties may be paid in accordance with Board Policy. **2.** Attach completed Statement of Account and Claim for Personally Incurred Expenses form.





June 13, 2017 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

**Subject : Monthly Cash and Investment Report: April 2017**

**SUMMARY:**

During the month of April, the value of the District's investment portfolio increased from \$64,991,744, held on March 31, 2017, to \$65,476,558. There were no investments that matured or were called; one investment was purchased, increasing the book value of the investment portfolio to \$37,284,652.

**RECOMMENDATION(S):**

Receive and file the Monthly Cash and Investment Report for April 2017.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**FINANCIAL IMPACT:**

As of April 30, 2017, the District held \$65,476,558, up 1.27% year-over-year. The portfolio was up 0.75% from the previous month's total of \$64,991,744. The majority of the funds were held in the District's investment account, which had an April 30, 2017 value of \$37,284,652. LAIF held the majority of the remaining funds in the amount of \$25,430,737. A significant portion of remaining funds, \$2,756,000, were held in a trustee account as required reserves for the bond refunding. The annualized yield for the District's investment portfolio was 1.42% in April 2017, flat as compared to the prior month's return. The annualized yield on the District's LAIF funds was 0.88% in April, up as compared to March's 0.82%. The total yield on the District's accounts was 1.20%, up from 0.90% year-over-year.

No investments matured or were called during April 2017.

The following investment was purchased in April 2017:

- 04/19/17 – Cotati-Rohnert Park Unified School District General Obligation Bond in the amount of \$545,000; matures 08/01/18; YTM 1.81%; rated AA by Standard & Poors (insured), underlying rating is A1 by Moody's with a stable outlook.

The following transactions occurred in the District's LAIF account:

- 04/28/17 – Withdraw in the amount of \$100,000.

As of April 30, 2017, the District's investments were in compliance with the adopted Investment Policy, and the District had sufficient funds to meet expenditures during the next six months from funds held in LAIF.

#### Cash Analysis:

Another important aspect of the Monthly Cash and Investment Report is to monitor the District's performance as compared to its adopted Financial Policies. Attachment B shows the District's total cash and investments as of April 30, 2017 and compares the balances to the adopted Financial Policies.

As shown in the analysis, as of April 30, 2017, the Potable Water Enterprise was \$22.5 million below the levels set forth in the District's Financial Policies. The Sanitation Enterprise had cash and investments that exceeded the District's Financial Policies by \$11.4 million, and the Recycled Water Enterprise had cash and investments that exceeded the District's Financial Policy levels by \$7.2 million. These Enterprises are expected to incur significant expenses during the next five-year period for the Pure Water Project Las Virgenes-Triunfo.

The five-year rate plan that was implemented beginning in January 2016 considered these cash levels and known future projects.

#### **GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Donald Patterson, Director of Finance and Administration

#### **ATTACHMENTS:**

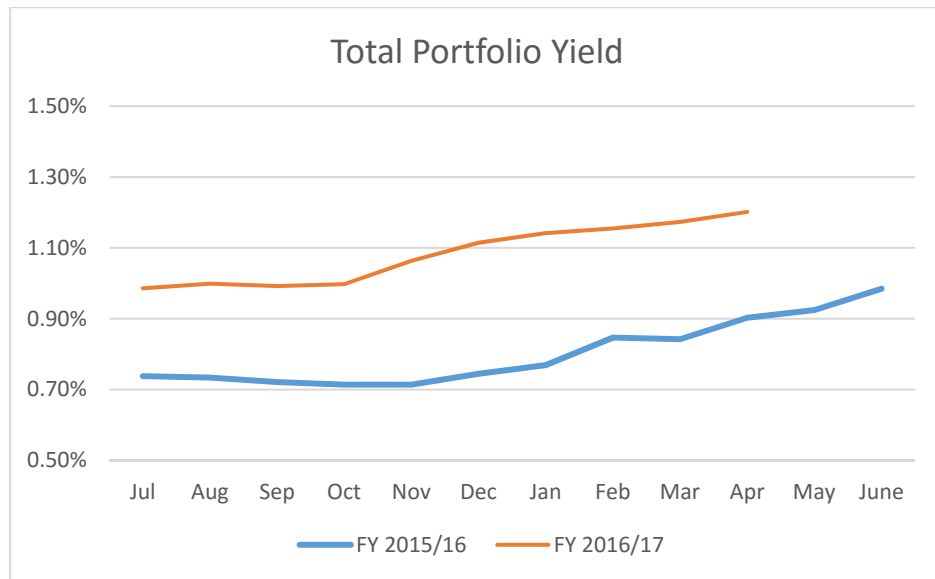
Charts

Investment Report

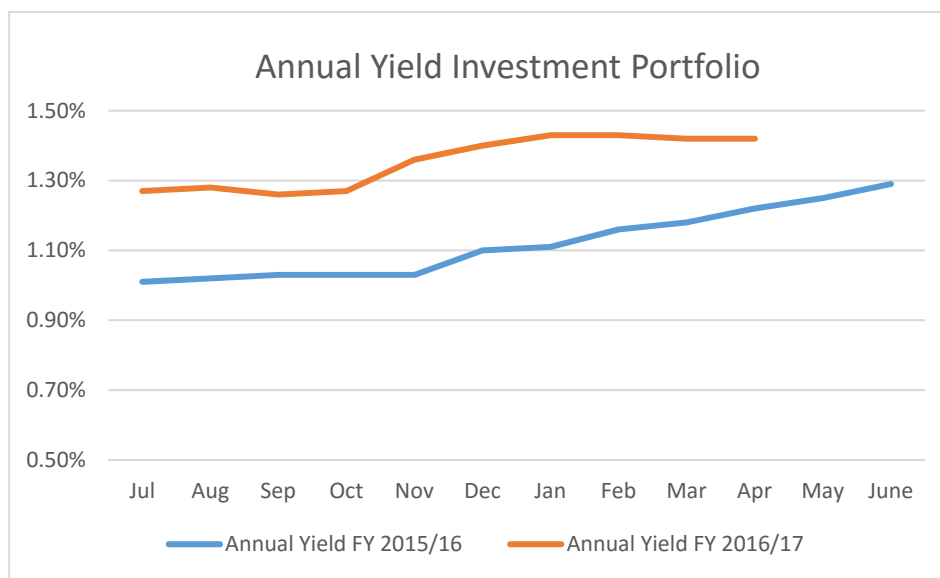
Definitions

April Cash Report

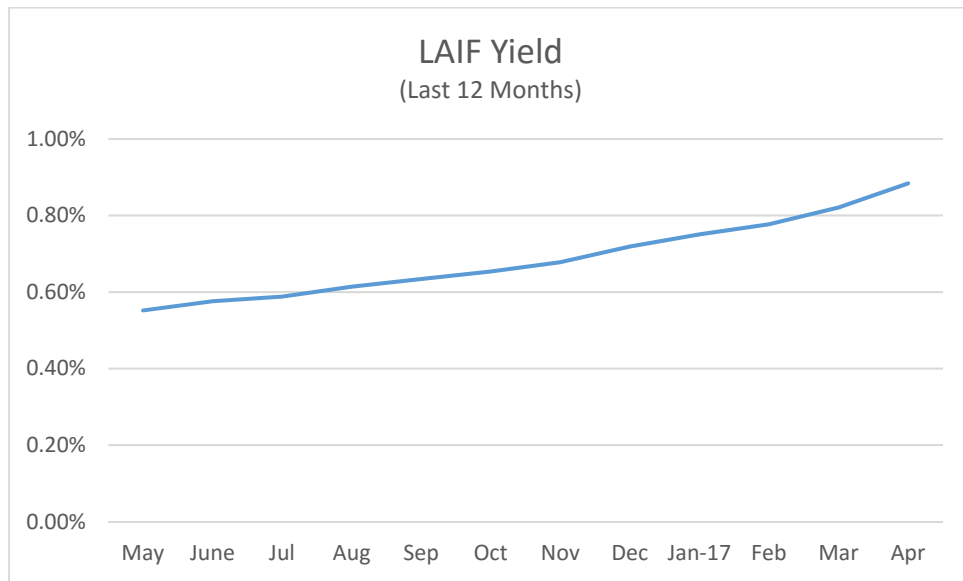
The District's total yield varies depending on the percentage of the portfolio in LAIF versus the Investment Portfolio. If a higher percentage of the District's funds are in LAIF, the lower the total yield since LAIF is more liquid, more conservative, and has significantly lower yields than bonds held in the Investment Portfolio. As of April 30, 2017, LAIF held 38.84% of the District's portfolio, the investment portfolio held 56.94%, and the refunding revenue bonds held 4.21%. As can be seen in the chart below, the total yield in April 2017 was 1.20%, three basis point higher than March 2017 and up from 0.90% one year ago.



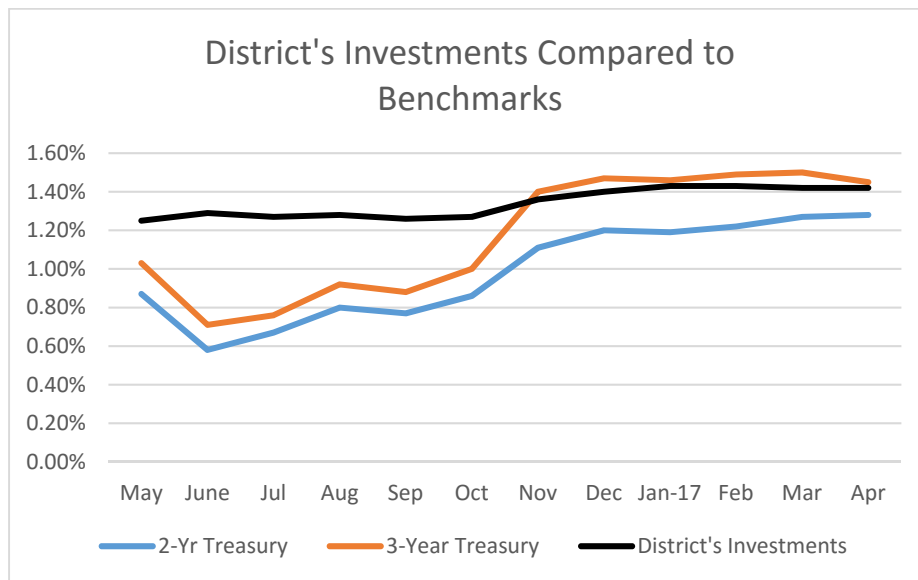
In April, the annualized yield for the District's Investment Portfolio was 1.42%, flat as compared to March and up 20 basis points from a year ago. The chart below shows annualized monthly yield of the current fiscal year compared with the same monthly yield over the previous year.



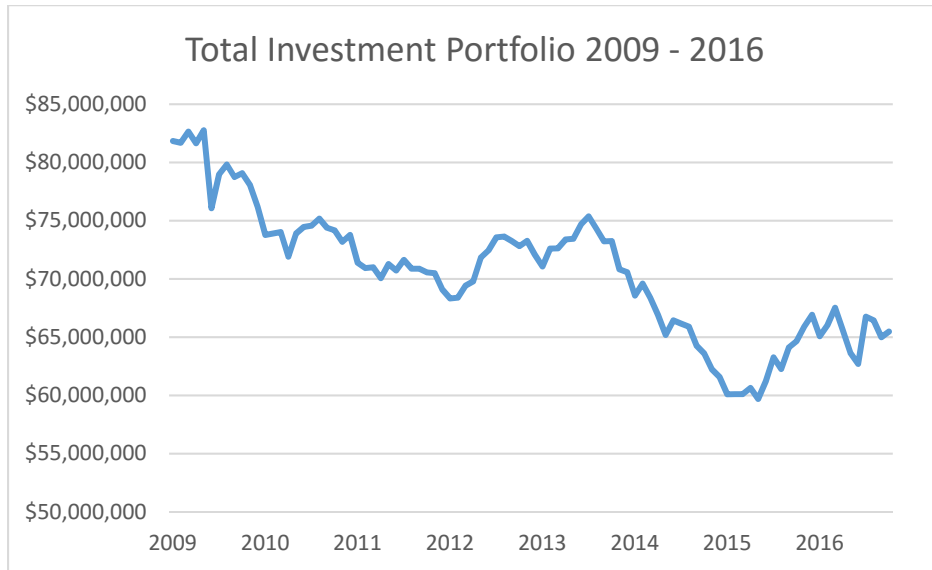
The following chart shows the average annualized LAIF yields over the past twelve months. In April, the LAIF yield increased to 0.88%, up from 0.82% in March and up from 0.53% a year ago.



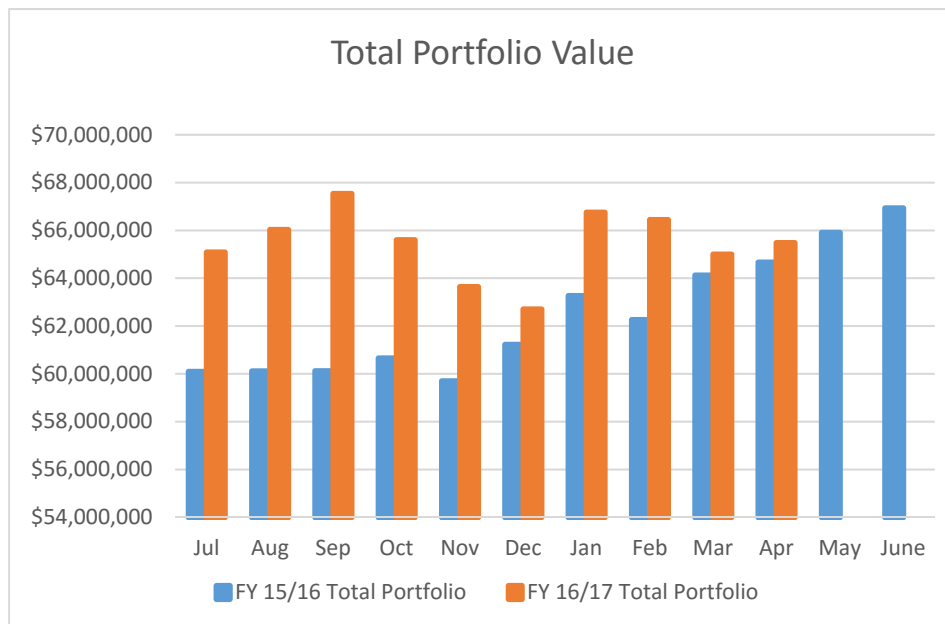
In order to benchmark how the District's portfolio is performing, it is useful to compare its investment portfolio with a comparable index. The District has historically compared its investment portfolio returns to the 2-Year and 3-Year Treasury notes. Because the District buys and holds its investments, the average portfolio yield should generally be flatter and trail the 2 and 3-year Treasuries.



Equally important to monitoring performance is to monitor total portfolio value which includes the District's Investment Portfolio and LAIF accounts. The chart below shows the Total Portfolio Value between 2009 and 2017. The significant reduction in 2014 is primarily because of the Torchwood Tank and other backbone improvement program projects. The recent decrease over the portfolio's September peak is the result of capital expenditures for the Westlake filter plant and pump station projects. In April, the District's portfolio increased 0.75% from March to \$65,476,558.

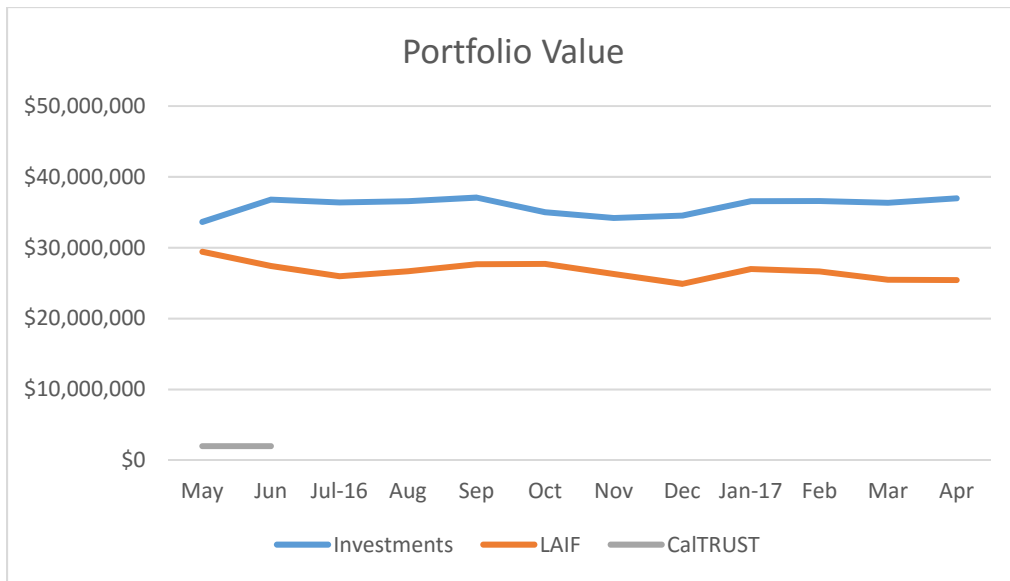


The chart below compares Total Portfolio Value in the current Fiscal Year, compared to the same period in the previous fiscal year.





The chart below shows the value of the District’s Investment, LAIF, and CalTRUST portfolios over the past twelve month period. In June 2016, the District liquidated its CalTRUST portfolio. The District’s Investment Policy requires an amount equal to 6 months of operating budget to be kept in LAIF, which is \$23.3 million. The amount varies due to settlement dates of investments and the timing of significant payments, such as the prepayment of CalPERS in July of each year.



Date: May 16, 2017  
 To: David W. Pedersen, General Manager  
 From: Finance and Administration Department  
 Subject: Investment Report for the Month of April 2017

**Summary of Investments**

**Investments Maturing Within Six Months:**

Disc./Opn Rate	Yield To Maturity	Yield To Call	Investment Type	Date Invested	Next Call Date	Date Matures	Book Value	Par Value	Market Value	Market Value Source
-- None --										
<b>Investments Maturing After Six Months:</b>										
1.585%	1.100%		LVNSCD-Muni Bond	02/20/13		11/01/17	1,022,130	1,000,000	1,000,430	Custodian
0.750%	0.750%		FHLMC-Bullet	05/28/13		11/28/17	1,000,000	1,000,000	999,150	Custodian
1.000%	1.000%		FHLMC-Bullet	03/26/13		03/26/18	1,000,000	1,000,000	996,780	Custodian
0.950%	0.950%		FHLMC-Bullet	05/22/13		05/22/18	1,000,000	1,000,000	995,930	Custodian
1.250%	1.250%		FHLB-Bullet	06/26/13		06/26/18	1,000,000	1,000,000	1,000,910	Custodian
1.300%	1.300%	1.300%	FHLB-Bullet	03/30/15		10/30/18	1,000,000	1,000,000	1,000,210	Custodian
1.600%	1.600%	1.600%	FNMA-Callable Coupon	05/19/15	05/19/17	05/19/20	1,000,000	1,000,000	999,390	Custodian
1.150%	1.150%	1.150%	FFCB-Callable Coupon	02/23/16	Cont. 5/23/16	11/23/18	1,000,000	1,000,000	996,810	Custodian
1.500%	0.983%		FHLB-Bullet	02/09/16		03/08/19	1,015,650	1,000,000	1,003,020	Custodian
1.350%	1.350%	1.350%	FNMA-Callable Coupon	02/26/16	05/26/17	08/26/19	1,000,000	1,000,000	987,690	Custodian
1.300%	1.300%		FNMA-Bullet	02/24/16		02/24/20	1,000,000	1,000,000	989,480	Custodian
2.250%	1.732%		CONNECTICUT ST-MuniBoi	02/17/16		09/01/20	1,119,649	1,095,000	1,107,461	Custodian
2.427%	1.779%		NEWSCD-MuniBond	03/17/16		08/01/20	934,688	910,000	922,149	Custodian
1.25% & Up <sup>1</sup>	2.120%	1.250%	FHLMC-Callable Coupon	04/04/16	06/30/17	03/30/21	1,000,000	1,000,000	994,170	Custodian
1.400%	1.400%	1.400%	FFCB-Callable Coupon	04/13/16	Cont. 4/13/17	04/13/20	1,000,000	1,000,000	992,420	Custodian
1.500%	1.500%		CAL ST-MuniBond	04/28/16		04/01/21	1,000,000	1,000,000	977,320	Custodian
1.5% & Up <sup>2</sup>	1.866%	1.500%	FHLMC-Callable Coupon	06/16/16	06/16/17	06/16/21	1,000,000	1,000,000	993,030	Custodian
2.387%	1.392%		SCVWTR-MuniBond	06/21/16		06/01/21	1,047,370	1,000,000	1,016,840	Custodian
1.400%	1.400%	1.400%	FHLMC-Callable Coupon	06/27/16	06/27/17	12/27/19	1,000,000	1,000,000	996,330	Custodian
1.0% & Up <sup>3</sup>	2.014%	1.000%	FHLB-Callable Coupon	06/30/16	06/30/17	06/30/21	1,000,000	1,000,000	986,070	Custodian
1.960%	1.960%	1.960%	MOUSCD-MuniBond	07/14/16		08/01/21	600,000	600,000	591,126	Custodian
1.180%	1.114%	1.039%	FFCB-Callable Coupon	07/22/16	06/13/17	06/13/19	1,001,250	1,000,000	988,620	Custodian
1.550%	1.550%		CAPITAL ONE BANK - CD	08/10/16		08/10/21	245,000	245,000	238,831	Custodian
1.580%	1.501%	0.700%	FNMA-Callable Coupon	08/15/16	06/15/17	06/15/20	1,002,920	1,000,000	990,170	Custodian
1.400%	1.400%	1.400%	FNMA-Callable Coupon	08/24/16	05/24/17	08/24/20	1,000,000	1,000,000	988,580	Custodian
1.350%	1.350%		ALLY BANK-CD	09/08/16		09/09/19	245,000	245,000	241,910	Custodian
1.450%	1.450%		JP Morgan Chase BK-CD	09/16/16	09/16/17	09/16/20	245,000	245,000	240,284	Custodian
1.713%	1.713%		CASPWR-Muni Bond	09/28/16		05/01/21	1,000,000	1,000,000	999,290	Custodian
1.480%	1.480%	1.483%	FNMA-Callable Coupon	09/29/16	06/29/17	12/29/20	1,000,000	1,000,000	977,660	Custodian

LVMWD Investment Report for the Month Ending April 30, 2017

Disc./Cpn Rate	Yield To Maturity	Yield To Call	Investment Type	Date Invested	Next Call Date	Date Matures	Book Value	Par Value	Market Value	Market Value Source
<b>Investments Maturing After Six Months (continued):</b>										
2.000%	0.911%		AMAWTR-Muni Bond	11/17/16		06/01/18	508,305	500,000	505,365	Custodian
1.25%-Up	2.115%	1.250%	FHLB-Callable Coupon	11/17/16	05/17/17	11/17/21	1,000,000	1,000,000	988,260	Custodian
1.3%-Up	2.116%	1.300%	FHLMC-Callable Coupon	11/22/16	05/22/17	11/22/21	1,000,000	1,000,000	989,020	Custodian
1%-Up	1.911%	1.000%	FHLB-Callable Coupon	11/29/16	11/29/17	11/29/21	1,000,000	1,000,000	998,430	Custodian
0.875%	0.891%		FNMA-Bullet	12/08/16		12/20/17	999,840	1,000,000	998,800	Custodian
1.6%-Up	1.875%	1.600%	FHLB-Callable Coupon	12/09/16	06/09/17	12/09/21	1,000,000	1,000,000	987,780	Custodian
2.000%	2.000%	2.000%	FHLMC-Callable Coupon	01/30/17	07/28/17	01/28/21	1,000,000	1,000,000	1,000,190	Custodian
2.000%	2.046%	2.018%	FHLMC-Callable Coupon	01/30/17	01/26/18	01/26/22	997,850	1,000,000	1,000,170	Custodian
0.950%	0.950%		CASHGR-Muni Bond	03/09/17		11/01/17	150,000	150,000	149,760	Custodian
1.250%	1.250%		CASHGR-Muni Bond	03/09/17		11/01/18	360,000	360,000	359,417	Custodian
1.600%	1.600%		Lake City Bank - CD	03/22/17		03/22/19	245,000	245,000	245,524	Custodian
1.800%	1.800%		MDS-Muni Bond	03/22/17		03/15/20	1,000,000	1,000,000	1,002,690	Custodian
1.610%	1.610%	1.610%	FHLMC-Callable Coupon	03/27/17	03/27/18	12/27/19	1,000,000	1,000,000	1,001,210	Custodian
1.810%	1.810%		COTSCD-Muni Bond	04/19/17		08/01/18	545,000	545,000	544,548	Custodian
			Sub-Total				37,284,652	37,140,000	36,983,225	
			Total Investments				\$37,284,652	\$37,140,000	\$36,983,225	

Note: Gov. Agency Coupon Notes will distribute interest every six months.

1-CPNRT=1.25% to 3/18; 1.75% to 9/19; 2.25% to 3/20; 3.5% to 9/20; thereafter 5.5%.

3-CPNRT=1% to 12/17; 1.25% to 12/18; 1.5% to 12/19; 2% to 6/20; 4% to 12/20; thereafter 6%.

5-CPNRT=1.3% to 5/19; 1.5% to 5/20; 2% to 11/20; 4% to 5/21; thereafter 6%.

2-CPNRT=1.5% to 6/17; 1.625% to 6/18; 1.75% to 6/19; 2.0% to 6/20; thereafter 2.5%.

4-CPNRT=1.25% to 11/18; 1.5% to 5/20; 2% to 11/20; 4% to 5/21; thereafter 6%.

6-CPNRT=1% to 11/17; thereafter 2.15%.

7-CPNRT=1.6% to 12/19; 1.75% to 6/20; 2% to 12/20; 2.5% to 6/21; thereafter 3%.

**Interest earnings for the month were as followed:**

	Amount Eamed/Accrued	Current Yield
Refunding Revenue Bonds - Reserve Fund (Bank of New York Mellon)	\$1,910	0.884%
Investments	45,211	1.420%
Local Agency Investment Fund (LAIF)	18,734	0.884%
Blackrock Liquidity Fund - US Treasury Money Market Fund (Union Bank)	5	0.350%
Sweep Accounts (Wells Fargo Bank/Bank of New York Mellon)	601	0.596%
	\$66,461	
<b>Total Earnings</b>		

**Schedule of Investment Balance Limitations (Per District investment policy)**

The source of the market valuation is as followed:

Investments (Note 1)	Total Amount Invested	% of Total	Max. Limit Allowed
Refunding Revenue Bonds - Reserve Fund (Bank of New York Mellon/LAIF)	\$37,284,652	56.94%	no limit
Blackrock Liquidity Fund - US Treasury Money Market Fund (Union Bank)	2,756,000	4.21%	1 yr debt pmt.
Local Agency Investment Fund (LAIF)	5,169	0.01%	no limit
	25,430,737	38.84%	65,000,000
	\$65,476,558	100.00%	
(Note 2)			
<b>Total</b>			

Note 1: The average weighted duration for investments, excluding LAIF, is 1,045 days, which is under the assumption that callable coupons will not be called and will be held until maturity.

Note 2: In April 2017, Joint Powers Authority's participation in investment is \$5,972,304.78, of which \$3,735,975.66 (or 62.55%) belongs to LV.

LVMWD Investment Report for the Month Ending April 30, 2017

Bank Account Balances as of April 30, 2017:

Bank Name	Account Type	Amount
Wells Fargo Bank	Checking	\$98,225 (Note 3)
Wells Fargo Bank	Sweep	358,747
Bank of New York Mellon	Money Market	345,600 (Fund is available for Debt Service Payment due on May 1, 2017)
	<b>Total</b>	<b>\$802,572</b>

Note 3: This is bank balance without adjusting for outstanding checks. The total amount of outstanding checks is unavailable at the time of reporting.

"All District investments are included in this report and all investments, except those relating to debt issues and deferred compensation programs funds, conform to District investment policy. All investment transactions within the period covered by this report, except for the exceptions noted above, conform to District investment policy. Deferred compensation program funds are not included in this report; their investment is directed by individual employees participating in the deferred compensation program and not by the District. Debt issue funds are included in this report; their investment is controlled by specific provisions of the issuance documents and not by the District."

"The deposits and investments of the District safeguard the principal and maintain the liquidity needs of the District, providing the District with the ability to meet expenditure requirements for the next six months. The maturity dates are compatible with foreseeable cash flow requirements. The deposits and investments can be easily and rapidly converted into cash without substantial loss of value."

Approved for June 13, 2017 Agenda:

  
 David W. Pedersen, General Manager

I HEREBY CERTIFY THAT THE FOREGOING IS TRUE AND CORRECT

TO THE BEST OF MY KNOWLEDGE

\_\_\_\_\_  
 Lee Renger, Treasurer

Definitions

- Disc./Cpn Rate – The yield paid by a fixed income security.
- Yield to Call (YTC) – The rate of return of a security held to call when interest payments, market value and par value are considered.
- Yield to Maturity (YTM) – The rate of return of a security held to maturity when interest payments, market value and par value are considered.
- Bullet – A fixed income security that cannot be redeemed by the issuer until the maturity date.
- Callable – A fixed income security that can be redeemed by the issuer before the maturity date.
- Book Value – The price paid for the security.
- Par Value – The face value of a security.
- Market Value – The current price of a security.
- Custodian – The financial institution that holds securities for an investor.

Investment Abbreviations

- FHLB – Federal Home Loan Bank
- FHLMC – Federal Home Loan Mortgage Corporation (Freddie Mac)
- FNMA – Federal National Mortgage Association (Fannie Mae)
- FFCB – Federal Farm Credit Bank
- Bonds
  - AMAWTR – Amador Water Agency
  - CAL ST – State of California
  - CASHGR – California State University
  - CASPWR – State of California Department of Water Resources
  - CON ST – State of Connecticut
  - COTSCD - Cotati-Rohnert Park Unified School District
  - LVNSCD – Las Virgenes Unified School District
  - MDS – State of Maryland
  - MOUSCD – Mountain View Unified School District
  - NEWSCD – Newark, CA Unified School District
  - SCVWTR – Santa Clara Valley Water District

## LVMWD CASH ANALYSIS - April 30, 2017

	Restricted Cash	Cash Held by Policy	Policy Requirement	Over (Short) Policy By Enterprise
101 - Potable Water Operations		1,787,223	8,044,565	
201 - Potable Water Construction	47,001	(3,072,679)	12,962,347	
301 - Potable Water Replacement		<u>7,750,000</u>	<u>8,000,000</u>	
603 - Rate Stabilization Fund	<b>47,001</b>	<b>6,464,543</b>	<b>29,006,912</b>	<b>(22,542,368.54)</b>
<b>Total Potable Water</b>				
102 - Recycled Water Operations		8,312,816	741,333	
203 - Recycled Water Construction	(811,906)			
302 - Recycled Water Replacement		<u>2,034,089</u>	<u>2,425,172</u>	
<b>Total Recycled Water</b>	<b>(811,906)</b>	<b>10,346,904</b>	<b>3,166,505</b>	<b>7,180,399.18</b>
130 - Sanitation Operations		25,694,469	2,880,419	
230 - Sanitation Construction	(609,727)			
330 - Sanitation Replacement		<u>220,795</u>	<u>11,589,583</u>	
<b>Total Sanitation</b>	<b>(609,727)</b>	<b>25,915,264</b>	<b>14,470,002</b>	<b>11,445,261.48</b>
606 & 607 - Refunding Revenue Bonds - Reserve Fund	3,101,600			
701 - Vested Sick Leave Reserve	1,430,878			
720 - Insurance Reserve		6,955,717	6,923,142	
JPA	7,164,775			
Prepaid Connection Fees & Undistributed Interest	6,051,786			
<i>Subtotal</i>	<u>16,374,409</u>	<u>49,682,428</u>		
<b>TOTAL</b>		<b>66,056,837</b>		

**Financial Policy** - Cash required to comply with District's adopted Financial Policy.

**Restricted Cash** - Revenue restricted to a particular purpose.

**Bond Covenants** - Money relating to bond financing that is restricted in use and required by promises made in bond documents. Funds are reconciled at year-end.



June 13, 2017 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

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**Subject : Update to the District's Investment Policy**

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**SUMMARY:**

On May 4, 2017, the Board completed its annual review of the District's Investment Policy as part of a Strategic Planning Workshop. Staff proposes adoption of an update to the Investment Policy to incorporate several minor changes discussed with the Board.

**RECOMMENDATION(S):**

Pass, approve and adopt proposed Resolution No. 2519, adopting a revised Investment Policy pursuant to Section 2-6.502 of the Las Virgenes Municipal Water District Code.

**RESOLUTION NO. 2519**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT ADOPTING A REVISED INVESTMENT POLICY**

(Reference is hereby made to Resolution No. 2519 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**DISCUSSION:**

At a May 4, 2017 Strategic Planning Workshop, the Board discussed the following minor updates to the District's Investment Policy.

- Section 18: Increase of the time to present to the Board with the Monthly Cash and Investment Report, from 30 to 45 days, to allow sufficient time for the end-of-month financial closing prior to preparation of the report.
- Appendix A:
  - o Correction of an inconsistency in the allowable bond ratings for local agency bonds by increasing the minimum Moody's rating from A1 to Aa3.
  - o Elimination of the specificity of CalTRUST as a local government investment pool and allow any local agency pooled investment fund that invests pursuant to the California Government Code, *as specifically authorized by the Board*.

**GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Donald Patterson, Director of Finance and Administration

**ATTACHMENTS:**

Proposed Resolution No. 2519

Updated Investment Policy - Redlined Version



RESOLUTION NO. 2519

A RESOLUTION OF THE BOARD OF DIRECTORS OF  
LAS VIRGENES MUNICIPAL WATER DISTRICT  
ADOPTING A REVISED INVESTMENT POLICY

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF LAS VIRGENES  
MUNICIPAL WATER DISTRICT as follows:

1. Purpose.

This **Resolution** amends Resolution **No. 2497**.

2. Amendment.

Section 2-6.502 of the Las Virgenes Municipal **Water District Code (Code)** requires that the Board shall adopt an investment policy for the District. This provision also provides the minimum items for the policy to address. This **Resolution** adopts a policy pursuant to **Section 2-6.502 of the Code**.

2. Adoption of Investment Policy.

Pursuant to **Section 2-6.502 of the Code**, the District adopts the Investment Policy attached hereto as Exhibit A.

3. Other.

Pursuant to **Section 2-6.503 of the Code**, this Investment Policy shall be publically available upon request to the Clerk of the Board and shall be posted on the **District's website**.

PASSED, APPROVED AND ADOPTED on June 13, 2017.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

(SEAL)

Approved as to Form:

\_\_\_\_\_  
District Counsel



# Investment Policy

Approved July 26, 2016

Proposed May 4, 2017

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Las Virgenes Municipal Water District  
Investment Policy  
~~Adopted July 26, 2016~~ Proposed May 4, 2017

**1.0      AUTHORITY**

This Investment Policy was adopted by the Board of Directors of the Las Virgenes Municipal Water District at its regular meeting on ~~July 26, 2016~~ \_\_\_\_\_. Any modifications to this policy must be approved by the Board of Directors at a duly noticed public meeting.

**2.0      POLICY STATEMENT**

It is the policy of Las Virgenes Municipal Water District (“District”) to invest public funds in a manner that provides the maximum security and best investment return, while meeting the daily cash flow demands of the District and conforming to laws governing the investment of public funds.

**3.0      SCOPE**

This Investment Policy applies to all investment activities and financial assets of the District. Funds held by trustees or fiscal agents are excluded from this policy; however, such funds are subject to regulations established by the State of California. Funds subject to this policy are accounted for in the District’s audited Comprehensive Annual Financial Report (CAFR).

**3.1      Funds Covered by this Policy:**

- A. Potable Water
- B. Recycled Water
- C. Sanitation
- D. Rate Stabilization
- E. Internal Services
- F. Insurance Reserve
- G. Joint Powers Authority
- H. Any new fund created by the District unless specifically exempted.

**3.2 Funds Excluded From This Policy:**

- A. Pension Funds
- B. Other Post-Employment Benefit Funds
- C. Funds related to debt issues controlled by specific provisions of the issuance documents
- D. Deferred compensation program funds

The District commingles its funds to maximize investment earnings and increase efficiencies for investment pricing, safekeeping, and administration. Investment income is allocated to the various funds proportionally and in accordance with Generally Accepted Accounting Principles (GAAP).

#### **4.0 OBJECTIVES**

The primary objectives, in priority order, of the District's investment activities shall be:

4.1 **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the District shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain this objective, the District will diversify its investments in a manner that reduces credit and duration risks. Also, the District will invest funds among a variety of securities offering independent returns and financial institutions.

4.2 **Liquidity:** The District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements that may be reasonably anticipated.

4.3 **Return on Investment:** The District's Investment Policy shall be designed with the objective of attaining a benchmark rate of return throughout budgetary and economic cycles, commensurate with the District's investment risk constraints and the cash flow characteristics of the portfolio in a manner that reduces interest rate risk.

#### **5.0 DELEGATION OF AUTHORITY**

The Treasurer is a member of the Board of Directors and responsible for the investments. Daily management responsibility for the investment program is delegated to a Deputy Treasurer, normally the Director of Finance and Administration. The Deputy Treasurer shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Procedures should include reference to safekeeping, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions.

No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Deputy Treasurer. The Deputy Treasurer shall establish a system of controls to regulate the activities of subordinate designees.

Unless otherwise specifically designated by the District’s Board of Directors, the only officials authorized to undertake investment transactions on behalf of the District are the:

Treasurer (Board Member)  
Deputy Treasurer  
Deputy Treasurer Designee(s)

Further, no person may engage in an investment transaction except as provided under the terms of the District’s Investment Policy.

## **6.0 STANDARD OF CARE**

In compliance with California Government Code Section 53600.3, the standard of care to be used by investment officials shall be the “prudent investor” standard and applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and the Investment Policy and exercising due diligence shall be relieved of personal liability for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

The “prudent investor” standard states that:

*“When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”<sup>1</sup>*

## **7.0 ETHICS AND CONFLICTS OF INTEREST**

The Treasurer, Deputy Treasurer and other employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions.

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<sup>1</sup> California Government Code Section 53600.3

The Treasurer, Deputy Treasurer and other employees involved in the investment process shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio and shall not undertake personal investment transactions through the same institution with whom business is conducted on behalf of the District.

The Treasurer, Deputy Treasurer and all District staff with delegated authority for any aspect of the investment process are required to file annual disclosure statements as required by the California Fair Political Practices Commission ("FPPC"), including Forms A-1 and A-2. During the course of the year, if an event subject to disclosure could impair the ability of the Treasurer, Deputy Treasurer or others to make impartial decisions, the Board of Directors will be notified in writing by the General Manager within 10 days of the event.

### **8.1 AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS**

The District shall transact business only with banks, savings and loans, and registered investment securities dealers. The purchase of any investment, other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State as a **broker/dealer**, as defined in Section 25004 of the Corporations Code, who is a member of the National Association of Securities Dealers, a member of a Federally regulated securities exchange, a National or State-Chartered Bank, a Federal or State Association (as defined by Section 5102 of the Financial Code), or a brokerage firm designated as a **primary dealer** by the **Federal Reserve Bank**. In addition, a list shall also be maintained by the Deputy Treasurer of approved security broker/dealers who are authorized to provide investment services in California. The District may only conduct business with entities considered "primary" or "regional" dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule).

The Deputy Treasurer and his/her assigned staff shall investigate all institutions that wish to do business with the District, in order to determine if they are adequately capitalized, make markets in securities appropriate to the District's needs, and agree to abide by the conditions set forth in this Investment Policy. All financial institutions and broker/dealers that desire to become qualified bidders for investment transactions must provide the District with the following:

- Current audited financial statements;
- Proof of FINRA certification;
- Proof of National Association of Security Dealers (NASD) certification;
- Proof of California registration;
- Completed District questionnaire - Appendix "D" or Appendix "E";
- Evidence of adequate insurance coverage; and



- Certification of having read, understood, and agreed to comply with the District's Investment Policy.

The Deputy Treasurer shall conduct an annual review of the financial condition of all approved financial institutions and broker/dealers in order to determine whether they continue to meet the District's guidelines for qualifications as defined in this section. In addition, the District shall give all approved broker/dealers a copy of the District's Investment Policy on an annual basis. The Deputy Treasurer shall keep current audited annual financial statements on file for each approved financial institution and broker/dealer with which the District does business with for a minimum period of three years.

## **9.0 AUTHORIZED AND SUITABLE INVESTMENTS**

The District shall only invest in instruments authorized pursuant to Sections 16429.1, 53600 et seq., and 53638 of the Government Code and explicitly authorized by the Board subject to the prohibitions set forth in Section 9.1 of this Investment Policy. Appendix A includes a listing of all authorized types of investment securities.

### **9.1 Prohibited Investments and Transactions**

Any investment not specifically authorized in Appendix A is ineligible. The use of derivatives, options, futures or buying on margin is also specifically prohibited. Security transactions shall be conducted on a delivery-versus-payment basis. Securities purchased or acquired by the District shall be held in safekeeping by a third party only pursuant to a custodial agreement as required by Government Code Section 53601.

Also, Government Code Section 53601.6 prohibits local agencies from investing in certain instruments, including inverse floaters, range notes, and mortgage-derived interest only strips. Additionally, the District shall not invest funds in securities that could result in zero interest if held to maturity.

## **10.1 INVESTMENT POOLS / MUTUAL FUNDS**

The Treasurer shall thoroughly investigate any pooled investment funds, including mutual funds. To accomplish this, a questionnaire (Appendix F) is to be used to evaluate the suitability of the pooled fund. The questionnaire will address the following:

- A description of eligible investment securities, and a written statement of investment policy and objectives;
- A description of interest calculations and how it is distributed, and how gains and losses are treated;

- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program is audited;
- A description of who may invest in the program, how often, what size of deposits and withdrawals are allowed;
- A schedule for receiving statements and portfolio listings;
- A description of how reserves and retained earnings are utilized by the pool/fund;
- A fee schedule, and when and how fees are assessed; and
- Whether the pool/fund is eligible for bond proceeds and/or if it will accept such proceeds?

The State of California Local Agency Investment Fund (LAIF) established by Government Code 16429.1 et seq. is explicitly authorized and, therefore, not subject to the provisions of this section.

#### **11.0 COLLATERALIZATION**

Pursuant to Government Code Sections 53652 through 53667, the District requires depositories to post certain types and levels of collateral for public funds above the Federal Deposit Insurance Corporation ("FDIC") insurance amounts. The collateral requirements apply to bank deposits, both active (checking and savings accounts) and inactive (non-negotiable time certificates of deposit).

The Treasurer shall require collateralization on two other types of investments: repurchase and reverse agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value of principal and accrued interest and the value shall be adjusted no less than quarterly. The District requires the collateral to be in the form of U.S. Treasuries or a similar highly liquid instrument.

Collateral will always be held by an independent third party with whom the entity has a current written custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the District and retained throughout District retention of the investment. The right of collateral substitution is granted.

#### **12.0 SAFEKEEPING AND CUSTODY**

To protect against fraud, embezzlement, or losses caused by collapse of individual securities dealers, all securities owned by the District shall be held in safekeeping by the District's custodial bank acting as agent for the District under the terms of a custody agreement. Such custodial bank must be a federal or state association (as defined by Section 5102 of the Financial Code),

a trust company or a state or national bank located within this state or with the Federal Reserve Bank of San Francisco or any branch thereof within this state, or with any Federal Reserve bank or with any state or national bank located in any city designated as a reserve city by the Board of Governors of the Federal Reserve System. Collateral for repurchase agreements will be held by a third party custodian under the terms of a Public Securities Association ("PSA") master repurchase agreement.

All security transactions entered into by the District shall be conducted on a delivery-versus-payment (DVP) basis. This procedure ensures that securities are deposited with the third party custodian prior to the release of funds. Securities will be held by a third party custodian designated by the Treasurer or Deputy Treasurer and as evidenced by safekeeping receipts with a written custodial agreement. Pooled Investments, such as LAIF and ~~CalTrust~~other local agency pooled investments or money market mutual funds as described in Appendix A are undeliverable and, therefore, not subject to delivery or third party safekeeping. The Deputy Treasurer shall not be responsible for securities delivered to and receipted for by a financial institution until they are withdrawn from the financial institution by the Deputy Treasurer or the Deputy Treasurer's designee.

Investment trades, shall be verified against the bank transactions and broker confirmation tickets to ensure accuracy. On a monthly basis, the custodial asset statement shall be reconciled with the month-end portfolio holdings. On an annual basis, the external auditor shall confirm investment holdings.

### **13.1 DIVERSIFICATION**

The District will diversify its investments by security type, institution, and maturity. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the District's total investment portfolio will be invested in a single security issuer or with a single financial institution. The Treasurer shall to the greatest extent possible:

- Limit investments to avoid over-concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
- Limit investments in securities that have higher credit risks,
- Invest in securities with varying maturities, and
- Continuously invest a minimum amount equal to six months operating budget in readily available funds such as local government investment pools (LAIF), money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet the District's on-going financial obligations.

## **13.2 Portfolio Rebalancing**

In the event that portfolio percentage constraints are violated due to a temporary imbalance in the portfolio, the District shall hold the affected securities to maturity in order to avoid capital losses. However, if no capital losses would be realized upon sale, the Treasurer, Deputy Treasurer or his/her designee shall consider rebalancing the portfolio after evaluating the expected length of time the portfolio would remain unbalanced. Since portfolio percentage limits are in place to ensure diversification of the District Investment portfolio, a small, temporary imbalance will not significantly impair the strategy.

## **14.0 MAXIMUM MATURITIES**

To minimize the impact of market risk, it is intended that all investments be held to maturity.

The Deputy Treasurer shall match the District's investments with anticipated cash flow requirements known at the time of purchase. The District will not directly invest in securities maturing more than five (5) years from the settlement date. Any investment that is further limited is noted in Appendix A, Authorized Investments. Also, Appendix B provides a listing of maximum maturities by investment vehicle. The weighted average maturity of the investment portfolio will be limited to three years or less, exclusive of the funds held in investment pools and mutual funds. Investments may be sold prior to maturity for cash flow, appreciation purposes or in order to limit losses; however, no investment shall be made based solely on earnings anticipated from capital gains.

## **15.0 INTERNAL CONTROL**

The Deputy Treasurer shall ensure that all investment transactions comply with the District's Investment Policy and establish internal controls that are designed to prevent losses due to fraud, negligence or third-party misrepresentation. These controls shall be designed to avoid collusion; ensure separation of duties and administrative controls; maintain separation of transaction authority from accounting and record keeping; provide custodial safekeeping; delegate authority clearly; ensure management approval and review of investment transactions; provide specific limitations regarding securities loss and remedial action; document investment transactions and strategies; and monitor investment performance results.

The Deputy Treasurer shall establish an annual process of independent review by an external audit firm. The external auditor shall review the management of the District's investment program in terms of compliance with the internal controls previously established.

The external auditor, serving as an independent reviewer, will review and verify the District's investment activity, holdings and compliance with this Investment Policy on an annual basis and submit a report to the District's Board of Directors relating thereto.

## **16.0 PERFORMANCE STANDARDS**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary, economic, or weather cycles, commensurate with the investment risk constraints and cash flow needs. The District's investment portfolio, exclusive of investment pools and mutual funds, shall utilize the three-year Treasury note as its benchmark. It is understood that due to the District's policy to hold investments to maturity, short-term yields will lag the direction of the three-year Treasury note in changing interest rate environments.

## **17.0 CREDIT DOWNGRADE**

If a security is downgraded below the minimum credit risk criteria specified in the Investment Policy, the Deputy Treasurer shall evaluate the downgrade and bring their evaluation back to the Treasurer and General Manager to evaluate and decide what action to take: continue to monitor and hold through maturity or sell the security on the secondary market.

## **18.0 REPORTING**

The District's Investment Policy shall be reviewed on an annual basis by the Treasurer, Deputy Treasurer, and General Manager with recommendations for changes, if any, made to the Board of Directors.

The District shall maintain a complete and accurate record of all investment transactions.

**18.1 Monthly Reports:** The Deputy Treasurer shall prepare and submit a monthly investment report of funds directly controlled and managed by the District, including a detailed listing of all investment transactions opened and closed during a reporting period or, if none, a statement to that effect. The report shall be submitted monthly to the Board of Directors.

Each investment report shall be submitted within ~~thirty~~45 days following the end of the period covered by the report and must also include certification by the General Manager that investment actions executed since the last report are in compliance with the Investment Policy or state areas of non-compliance; and the District will meet its expenditure obligations for the next six months or state why sufficient money shall, or may, not be available as required by law.

Schedules in the monthly report should include the following:

- The type of investment, name of the issuer, date of maturity, the par value, book value, yield to maturity or yield to call, and cost of all funds invested and subject to this policy;
- Coupon, discount or earnings rate;
- Percentage of the portfolio represented by each investment category; and
- The market value with the source of the market valuation for all securities held by the District, and under management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund.

18.2 **Quarterly Report:** Within 30 days of the end of each quarter, the Deputy Treasurer shall prepare and submit a quarterly investment report to the Board that includes the information required in the monthly investment report, plus the following additional information:

- A description of any investments, including loans and security lending programs, that are under the management of contracted parties;
- A description of the compliance with the statement of Investment Policy, or manner in which the portfolio is not in compliance;
- A statement denoting the District's ability to meet its expenditure requirements for the next six months, or an explanation as to why sufficient money shall, or may, not be available;
- A benchmark comparison;
- A statement of cash and investments held and compliance with adopted reserve policies; and
- A narrative analysis with supporting graphs and/or charts that provide information on performance of the portfolio, as well as general economic and operational trends affecting the portfolios size and/or performance.

The investment portfolio will be managed in accordance with the parameters specified within this policy and monitored and evaluated by the Deputy Treasurer and his/he designated employees involved in the investment process.

## 19.0 **INVESTMENT POLICY ADOPTION**

The District's Investment Policy shall be adopted by the Board of Directors. The policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity, and return on investment, and its relevance to current law, financial and economic trends, and to meet the needs of the District. Any modifications made hereto must be approved by the Board of Directors.

## Appendix A - AUTHORIZED INVESTMENTS

### 1. **UNITED STATES TREASURIES:**

United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.

There is no limit as to the amount of the investment portfolio that may be invested in United States Treasury notes. Maximum maturity is five years from the settlement date.

### 2. **FEDERAL AGENCIES:**

Obligations issued by the United States Government Agencies, such as the Federal Farm Credit Bank System (FFCB), the Federal Home Loan Bank Board (FHLB), the Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), the Tennessee Valley Authority (TVA), or obligations, participation, or other instruments of, or issued by a federal agency or a United States government-sponsored enterprise.

There is no limit as to the amount of the investment portfolio that may be invested in federal agencies. Maximum maturity is five years from the settlement date.

### 3. **STATE BONDS:**

Registered state warrants, treasury notes or bonds of this state and any of the 50 states and the District of Columbia, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state. The long-term ratings of such bonds should have at least AA- by Standard and Poor's (S&P), AA- by Fitch or Aa1 by Moody's, or the short-term ratings should have at least A-1 by S&P, and P-1 by Moody's.

There is no limit as to the amount of the investment portfolio that may be invested in state bonds. Maximum maturity is five years.

### 4. **LOCAL AGENCY BONDS:**

Bonds and notes issued by local agencies (cities, counties, special districts, or schools) of the United States, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency, such as Las Virgenes Municipal Water District. The maturity of such bonds or notes should not exceed five years from the date of purchase. The long-term ratings of such bonds should be

investment grade (at least AA- by Standard and Poor's (S&P), KBRA or Fitch or A1-Aa3 by Moody's, or the short-term ratings should have at least A-1 by S&P, and P-1 by Moody's).

There is no limit as to the amount of the District's portfolio may be invested in local agency bonds. Maximum maturity is five years.

5. **LOCAL GOVERNMENT INVESTMENT POOLS:**

Local government investment pools, that adhere to the California Government Code parameters for eligible investments.

A. LAIF:

State managed Local Agency Investment Fund ("LAIF") pursuant to Government Code Section 16429.1 and Resolution No. 01-04-2291 of the Las Virgenes Municipal Water District.

The maximum amount an agency may invest in LAIF is \$65,000,000 pursuant to the LAIF policy.

B. ~~Local Agency Pooled Investment Funds: CalTRUST: invests in fixed income securities eligible for local agency investment pursuant to California Government Code Sections 53601 and 53635. A Board of Trustees supervises and administers the investment programs.~~ Other local agency pooled investment funds that invest pursuant to California Government Code Section 53601 or 53635, as authorized by the Board.

No more than ~~50-25~~ percent of the District's total portfolio value may be invested in ~~CalTrust~~ other local agency pooled investment funds.

~~C. Voluntary Investment Fund~~

~~D. County Pooled Investment Fund~~

6. **REPURCHASE/REVERSE REPURCHASE AGREEMENTS:**

a.) Investments in repurchase agreements or reverse repurchase agreements of any securities authorized by this section, so long as the agreements are subject to this subdivision, including, the delivery requirements specified in this section. All transactions in repurchase agreements or reverse repurchase agreements shall require a master repurchase agreement executed by the contra-party.

b.) Investments in repurchase agreements may be made, on any investment authorized in this section, when the term of the agreement does not exceed 30 days. The market value of securities that underlies a repurchase agreement must be valued at 102 percent or greater of the funds borrowed against those securities and the value shall be adjusted no less than quarterly.



- c.) Investments in reverse repurchase agreements or similar investments in which the District sells securities prior to purchase, may only be made upon prior approval of the Board of Directors and with a maximum maturity of 30 days.
- d.) (1) "Repurchase agreement" means a purchase of securities by the District pursuant to an agreement by which the counter-party seller will repurchase the securities on or before a specified date and for a specified amount and the counter-party will deliver the underlying securities to the District by book entry, physical delivery, or by third party custodial agreement. The transfer of underlying securities to the counter-party bank's customer book-entry account may be used for book-entry delivery.
- (2) "Securities," for purpose of repurchase under this subdivision, 4 means securities of the same issuer, description, issue date, and maturity.
- (3) "Reverse repurchase agreement" means a sale of securities by the District pursuant to an agreement by which the District will repurchase the securities on or before a specified date and includes other comparable agreements.
- (4) For purposes of this section, the base value of the District's pool portfolio shall be that dollar amount obtained by totaling all cash balances placed in the pool by all pool participants, excluding any amounts obtained through selling securities by way of reverse repurchase agreements or other similar borrowing methods.
- (5) For purposes of this section, the spread is the difference between the cost of funds obtained using the reverse repurchase agreement and the earnings obtained on the reinvestment of the funds.
- (6) Repurchase agreements and reverse repurchase agreements shall only be made with primary dealers of the Federal Reserve Bank of New York.

Repurchase agreements may not exceed 25 percent of the District's investment portfolio value. Reverse repurchase agreements may not exceed 10 percent of the District's investment portfolio value.

7. **MONEY MARKET MUTUAL FUNDS:**

Shares of beneficial interest issued by diversified management companies (otherwise known as "mutual funds"), as defined in Section 23701 of the Revenue and Taxation

Code, investing in the securities and obligations as authorized by subdivisions (1) to (12), inclusive, of this section and that comply with the investment restrictions of Article 1 (commencing with Section 53600) and Article 2 (commencing with Section 53630). To be eligible for investment pursuant to this subdivision, these companies shall either:

a) Attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services.

b) Commission with not less than five years' experience investing in the securities and obligations as authorized by this Investment Policy, inclusive, and with assets under management in excess of five hundred million dollars (\$500,000,000).

The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that these companies may charge.

The purchase of money market mutual funds shall not exceed 20 percent of the District's total portfolio value; however, no more than 10 percent of the District's investment portfolio value may be invested in shares of beneficial interest of any one money market mutual fund.

8. **CERTIFICATES OF DEPOSIT:**

A. Negotiable, non-negotiable, and placement service certificates of deposits issued by a nationally or state-chartered bank or a state or federal association (as defined by Section 5102 of the Financial Code) or by a state-licensed branch of a foreign bank. The issuing firm should have been in existence for at least five years.

1. Federally insured negotiable Certificates of Deposits up to \$250,000.
2. Certificates of Deposit that are fully collateralized. To collateralize such deposits, an institution shall maintain in the collateral pool securities having a market value of at least 10% in excess of the total amount deposited. Real estate mortgages may not be accepted as collateral. The maximum term for deposits shall be five years. In general, the issuer must have a minimum tier one risk-based capital ratio of 6% as determined by the FDIC and their operation must have been profitable during their last reporting period.

The term of a Certificate of Deposit shall not exceed 5 years from the settlement date. Purchases of all types of certificates of deposit may not exceed 25 percent of the District's portfolio value which may be invested pursuant to this section.

9. **PLACEMENT SERVICE DEPOSITS** - Service that allows a local agency to purchase in excess of \$250,000 in deposits, placing monies with other institutions while maintaining FDIC insurance. Placement service deposits may not exceed 25 percent of the District's investment portfolio value.

**Appendix B - SUMMARY OF AUTHORIZED INVESTMENTS:**

Authorized Investments	District Policy Legal Limit (% or \$)	Maximum Maturity Constraints	Limits
United States Treasuries	Unlimited	5 years	None
U.S. Agencies	Unlimited	5 years	None
State Bonds	Unlimited	5 years	Rated AA-
Local Agency Bonds	Unlimited	5 years	Rated AA-
LAIF	\$65,000,000	N/A	Limited to 15 transactions per month, per State policy
<del>CalTrust</del> Local Agency Pooled Investments	<del>50</del> 25%	N/A	<del>Prior Board of Directors approval required</del> None
Voluntary Investment Fund	Unlimited	N/A	None
County Pooled Investment Fund	Unlimited	N/A	None
Repurchase Agreements	25%	30 days	Requires a Master Repurchase agreement, market value of underlying securities must be greater than 102%
Reverse Repurchase Agreements	10%	30 days	Prior Board of Directors approval required
Money Market Mutual Funds	20%	N/A	No more than 10% will be invested in any one mutual fund
Non-Negotiable Certificates of Deposit	25%	5 years	None
Negotiable Certificates of Deposit	25%	5 years	All CDs over \$250,000 must be collateralized at 110%.
Placement Service CD	25%	5 years	None
Placement Service Deposits	10%	5 years	None

## Appendix C - GLOSSARY OF TERMS

**ACCRUED INTEREST:** The interest owed to the seller of a coupon bearing issue from the last coupon date up to the sale date.

**AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.

**ASKED:** The price at which securities are offered.

**BANKERS' ACCEPTANCE (BA):** A draft of bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer-evidencing a loan created by the accepting bank.

**BASIS POINT:** 1/100 of one percent (decimally, .0001)

**BENCHMARK:** A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

**BID:** The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See OFFER.

**BROKER:** A broker brings buyers and sellers together for a commission.

**CALLABLE BOND:** A bond that can be bought back from a holder by the issuer at a specific price after a specific date prior to the maturity date.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

**CMO (COLLATERALIZED MORTGAGE OBLIGATION):** Mortgage-backed bond that separates mortgage pools into short-, medium-, and long-term portions.

**COLLATERAL:** Securities, evidence of deposit, or other property that a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**COMMERCIAL PAPER (CP):** An unsecured promissory note issued by a corporation. Maturity may not exceed 270 days. Usually sold in discount form.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)** The official annual report for Las Virgenes Municipal Water District. It includes the presentation of required financial

statements in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

**COUPON:** a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. b) A certificate attached to a bond evidencing interest due on a payment date.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions buying and selling for his own account.

**DEBENTURE:** A bond secured only by the general credit of the issuer.

**DEFAULT:** The failure of a debtor to make timely payments of interest and principal as they come due or to meet some other provision of a bond indenture.

**DELIVERY VERSUS PAYMENT (DVP):** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**DERIVATIVE:** (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from a underlying index or security (interest rates, foreign exchange rates, equities or commodities).

**DISCOUNT:** The difference between the cost price of a security and its maturity when quoted at a lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**DISCOUNTED SECURITIES:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value, e.g. U.S. Treasury Bills.

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

**DURATION:** A measure of the sensitivity of the price of a fixed income security to interest rate changes.

**FEDERAL CREDIT AGENCIES:** Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small-business firms, students, farmers, farm cooperatives, and exporters.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$250,000 per deposit.

**FEDERAL FUNDS RATE:** The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

**FEDERAL HOME LOAN BANKS (FHLB):** Government sponsored wholesale banks (currently 12 regional banks) that lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions, and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA):** FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**FEDERAL OPEN MARKET COMMITTEE (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by Congress and consisting of seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae):** Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings, and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government, Ginnie Mae securities are backed by the FHA, VA or FmHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

**INVERSE FLOATER;** A structured note in which the coupon increases as rates decline and decrease as rates rise.

**IO (INTEREST ONLY):** A class of mortgage derivative in which the cash flow consists solely of the interest payments from a CMO.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**LOCAL GOVERNMENT INVESTMENT POOL (LGIP):** The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**MARKET PRICE:** In general business, the price agreed upon by buyers and sellers of a product or service, as determined by supply and demand.

**MARKET VALUE:** The price at which a security is trading and could presumably be purchased or sold.

**MASTER REPURCHASE AGREEMENT:** A written contract covering all future transactions between the parties to repurchase – reverse repurchase agreements that establishes each party’s rights in the transactions. A master agreement will often specify, among other things the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, banker’s acceptances, etc.) are issued and traded.

**NEGOTIABLE CERTIFICATES OF DEPOSIT:** Large denomination interest bearing deposits with a fixed maturity date that may be sold in the money market.

**OFFER:** The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See ASKED and BID.

**OPEN MARKET OPERATIONS:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve’s most important monetary policy tool.

**PAR:** 1) 100% of the face amount of an issue. 2) The principal amount a holder will receive at the maturity of an issue.



**PORTFOLIO:** Collection of securities held by an investor.

**PREMIUM:** 1) The amount by which the market price of an issue exceeds par. 2) The amount in excess of par that an issuer must pay to call in its bonds. 3) In the money market, the rate higher than the norm that one bank must pay to attract CD depositors.

**PRIMARY DEALER:** A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRIME RATE:** The loan rate for the best customers of a bank.

**PRINCIPAL:** 1) The dollar cost of an issue excluding accrued interest. 2) The one who takes ownership in a transaction, as opposed to brokering or acting as agent.

**PRUDENT PERSON RULE:** An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state-the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

**QUALIFIED PUBLIC DEPOSITORIES:** A financial institution which does not claim exemption from the payment of any sales or compensating use of ad valorem taxes under the laws of this state, which as segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

**REPURCHASE AGREEMENT (RP OR REPO):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The Security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lend money that is, increasing bank reserves.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES & EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**SEC RULE 15C3-1:** See Uniform Net Capital Rule.

**SPREAD:** 1) The yield or price difference between the bid and offer on an issue. 2) The yield or price difference between different issues.

**STRUCTURED NOTES:** Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations that have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

**SWAP:** The sale of one issue and the simultaneous purchase of another for some perceived advantage.

**TRADE DATE:** The date on which the buyer and seller agree to a transaction. The trade date may or may not be the day on which the securities and money changes hands.

**TREASURY BILLS:** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**TREASURY BONDS:** Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

**TREASURY NOTES:** Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among member so underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

**YIELD:** The rate of annual income return on an investment, expressed as a percentage.

**INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD or YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

*LAS VIRGENES MUNICIPAL WATER DISTRICT  
DEPARTMENT OF FINANCE & ADMINISTRATION*

**BANK/SAVINGS AND LOAN QUESTIONNAIRE AND CERTIFICATION**

1. Name of Firm: \_\_\_\_\_
2. Address: \_\_\_\_\_
3. Telephone No: \_\_\_\_\_  
Direct Nat. Headquarters
4. Primary Representative: \_\_\_\_\_ Manager: \_\_\_\_\_  
Name: \_\_\_\_\_ Name: \_\_\_\_\_  
Title: \_\_\_\_\_ Title: \_\_\_\_\_  
Telephone No: \_\_\_\_\_ Telephone No: \_\_\_\_\_
5. What is your Community Reinvestment Act ("CRA") Rating? \_\_\_\_\_
6. What are the Total Assets of the Bank/Savings and Loan? \_\_\_\_\_
7. What is the current Net Worth Ratio of your institution? \_\_\_\_\_
8. What was the Net Worth Ratio for the Previous Year? \_\_\_\_\_
9. What are your required Capital Ratios?  
A. Tangible Capital Ratio \_\_\_\_\_  
B. Core Capital Ratio \_\_\_\_\_  
C. Risk-Based Capital Ratio \_\_\_\_\_
10. What are your Ratings (i.e., S&P, Moody's, Fitch)? \_\_\_\_\_
11. What is the date of your Fiscal Year-End? \_\_\_\_\_  
Has there been a year during the past three years in which the Bank/Savings and Loan did not make a profit? Yes  No
12. Have you read the California Government Code Section 53630 through 53684 pertaining to the State's requirements governing the deposit of monies by Local Agencies? Yes  No
13. Amounts above the FDIC insurance coverage must be collateralized as specified in the Government Code. Where is the collateral for Deposits held?  
\_\_\_\_\_  
Has there ever been a failure to fully collateralize? If Yes, please attach explanation.  
Yes  No
14. What is the education level of the Primary Contact(s)? \_\_\_\_\_
15. How many years of related experience does the Primary Contact(s) have? \_\_\_\_\_
16. What other banking services would you be interested in providing the District?  
\_\_\_\_\_

- 17. What transaction documents and reports would we receive? \_\_\_\_\_  
\_\_\_\_\_
- 18. What information would you provide to our Treasurer and/or Deputy Treasurer?  
\_\_\_\_\_
- 19. Describe the precautions taken by your Bank/Savings and Loan to protect the interest of the public when dealing with government agencies as depositors or investors. \_\_\_\_\_  
\_\_\_\_\_
- 20. Please provide your Contract of Deposit of Moneys pre-signed and sealed by your institution, as well as, any signature cards that you may require.
- 21. Please provide your Wiring Instructions: \_\_\_\_\_  
\_\_\_\_\_
- 22. Please provide your Bank/Savings and Loan most recent certified financial statement. In addition, an audited financial statement must be provided within 120 days of your fiscal year-end.

- CERTIFICATION -

I hereby certify that I have personally read Las Virgenes Municipal Water **District's** (the "**District**") Investment Policy and the California Government Codes pertaining to the investments and deposits of the District, and have implemented reasonable procedures and a system of controls designed to preclude imprudent investment activities arising out of transactions conducted between our firm and the District. I understand however, that our firm is not obligated to monitor the percentage limits on the investments as described in the policy. All sales personnel will be routinely informed of District investment objectives, horizon, outlook, strategies and risk constraints whenever we are so advised. We pledge to exercise due diligence in informing District Investment Officers of all foreseeable risks associated with financial transactions conducted with our firm. I attest to the accuracy of our responses to your questionnaire.

NOTE: Completion of Questionnaire is only part of **District's** Certification process and DOES NOT guarantee that the applicant will be approved to do business with the District.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Countersigned: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

*LAS VIRGENES MUNICIPAL WATER DISTRICT  
DEPARTMENT OF FINANCE & ADMINISTRATION*

**BROKER/DEALER QUESTIONNAIRE AND CERTIFICATION**

1. Name of Firm: \_\_\_\_\_
2. Address: \_\_\_\_\_
3. Telephone No: \_\_\_\_\_  

Direct
Nat. Headquarters
4. Primary Representative: \_\_\_\_\_ Manager/Partner-in-Charge: \_\_\_\_\_  
 Name: \_\_\_\_\_ Name: \_\_\_\_\_  
 Title: \_\_\_\_\_ Title: \_\_\_\_\_  
 Telephone No: \_\_\_\_\_ Telephone No: \_\_\_\_\_  
 Sales: \_\_\_\_\_ Sales: \_\_\_\_\_  
 No. of Years with Firm: \_\_\_\_\_ No. of Years with Firm: \_\_\_\_\_
5. Are you a Primary Dealer in U.S. Government Securities? Yes  No
6. Are you a Regional Dealer in U.S. Government Securities? Yes  No
7. Are you a Broker instead of a Dealer? (i.e. You DO NOT own positions of securities)  
 Yes  No
8. Are you FINRA certified and licensed to sell in California Municipalities?  
 Yes  No
9. What is the net capitalization of your firm? \_\_\_\_\_
10. What is the date of your Fiscal Year-End? \_\_\_\_\_
11. Is your firm owned by a Holding Company? Yes  No   
 If so, what is its name and net capitalization? \_\_\_\_\_
12. Please provide your Wiring and Delivery Instructions: \_\_\_\_\_
13. Which of the following instruments are offered regularly by your local desk?  

<input type="checkbox"/> T-Bills <input type="checkbox"/> <b>NCD's</b> <input type="checkbox"/> <b>BA's</b> (Domestic) <input type="checkbox"/> Mid-Term Notes <input type="checkbox"/> Repurchase Agreements	<input type="checkbox"/> Treasury Notes/Bonds <input type="checkbox"/> Agencies (specify) _____ <input type="checkbox"/> <b>BA's</b> (Foreign) <input type="checkbox"/> Commercial Paper <input type="checkbox"/> Reverse Agreements
---	--
14. Which of the above does your firms specialize in Marketing? \_\_\_\_\_
15. Please identify your most directly comparable Local Agency clients in our geographical area:  
 Contact Person: \_\_\_\_\_



Telephone No: \_\_\_\_\_ Client Since: \_\_\_\_\_

16. What reports, transactions, confirmations and paper trail would we receive?

\_\_\_\_\_

17. Please include samples of research reports or market information that your firm regularly provides to local agency clients.

18. What precautions are taken by your firm to protect the interest of the public when dealing with government agencies as investors? \_\_\_\_\_

19. Have you or your firm been censured or punished by a Regulatory State or Federal Agency for improper or fraudulent activities, related to the sale of securities? Yes  No

20. If yes, please explain: \_\_\_\_\_

21. Attach certified documentation of your capital adequacy and financial solvency. In addition, an audited financial statement must be provided within 120 days of your fiscal year-end.

- CERTIFICATION -

I hereby certify that I have personally read Las Virgenes Municipal Water **District's** (the "**District**") Investment Policy and the California Government Codes pertaining to the investments and deposits of the District, and have implemented reasonable procedures and a system of controls designed to preclude imprudent investment activities arising out of transactions conducted between our firm and the District. I understand however, that our firm is not obligated to monitor the percentage limits on the investments as described in the policy. All sales personnel will be routinely informed of District investment objectives, horizon, outlook, strategies and risk constraints whenever we are so advised. We pledge to exercise due diligence in informing District Investment Officers of all foreseeable risks associated with financial transactions conducted with our firm. I attest to the accuracy of our responses to your questionnaire.

NOTE: Completion of Questionnaire is only part of **District's** Certification process and DOES NOT guarantee that the applicant will be approved to do business with the District.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Countersigned: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_



*LAS VIRGENES MUNICIPAL WATER DISTRICT  
DEPARTMENT OF FINANCE & ADMINISTRATION*

INVESTMENT POOL QUESTIONNAIRE

SECURITIES

1. Does the pool provide a written statement of investment policy and objectives?  
Yes  No
2. Does the statement contain the following (check all that apply):
  - A description of eligible investment instruments
  - The credit standards of investments
  - The allowable maturity range of investments
  - The maximum allowable dollar weighted average portfolio maturity
  - The limits of portfolio concentration permitted for each type of security
  - The policy of reverse repos
3. Are the changes in the policies communicated to the pool participants?  
Yes  No

INTEREST

4. Does the pool disclose the following about yield calculations (check all that apply):
  - Methodology is used to calculate interest (simple maturity, yield to maturity, etc.)
  - Frequency of interest payments
  - How interest is paid
  - How gains/losses are reported (factored monthly or only when realized)
5. How often is the yield reported to participants of the pool? \_\_\_\_\_
6. Are expenses of the pool deducted before quoting the yield? Yes  No   
If no, please explain: \_\_\_\_\_
7. Is the yield generally in line with the market yields for securities in which you usually invest? Yes  No

SECURITY

8. Does the pool disclose safekeeping practices? Yes  No   
If yes, what are they? \_\_\_\_\_  
\_\_\_\_\_
9. Is the pool subject to audit by an independent auditor? Yes  No
10. Is a copy of the audit available to participants? Yes  No
11. Who makes the portfolio decisions? \_\_\_\_\_  
\_\_\_\_\_
12. How does the manager monitor the credit risk of the securities in the pool?  
\_\_\_\_\_  
\_\_\_\_\_

13. Is the pool monitored by someone on the board or a separate, neutral party external to the investment function to ensure compliance with written policies?  
\_\_\_\_\_

14. Does the pool have specific policies with regard to repurchase agreements?  
Yes  No   
If yes, what are those policies? \_\_\_\_\_

15. Does the pool report the portfolios market value? Yes  No

16. Does the pool disclose the following about portfolio valuations (check all that apply):  
 Frequency with which the portfolio securities are valued  
 Method used to value the portfolio (cost, current value, or other method)

17. Are statements for each account sent to participants? Yes  No   
Do statements show balances, transactions and yield? Yes  No

18. How does the pool distribute detailed reports of its holdings?  
 Regularly  Upon Request Only

FEES

19. Is there a written schedule of administrative costs? Yes  No   
What \_\_\_\_\_ are \_\_\_\_\_ the \_\_\_\_\_ fees? \_\_\_\_\_  
How often \_\_\_\_\_ are \_\_\_\_\_ they \_\_\_\_\_ assessed? \_\_\_\_\_  
How are \_\_\_\_\_ they \_\_\_\_\_ paid? \_\_\_\_\_  
Are there additional fees for wiring funds? \_\_\_\_\_

20. Are expenses deducted before quoting the yield? Yes  No

OPERATIONS

21. Does the pool limit eligible participants? Yes  No   
What entities are permitted to invest in the pool? \_\_\_\_\_

22. Does the pool allow multiple accounts and subaccounts? Yes  No

23. Is there a minimum or maximum account size? Yes  No   
If yes, what is minimum/maximum? \_\_\_\_\_

24. How many transactions are permitted each month? \_\_\_\_\_

25. Is there a limit on transaction amounts permitted each month? Yes  No   
What is the minimum and maximum withdrawal amount permitted? \_\_\_\_\_

What is the minimum and maximum deposit amount permitted? \_\_\_\_\_

26. Does the pool require one or more day/s notice for deposits and/or withdrawals?  
Yes  No

27. Is there a cutoff time for deposits and withdrawals? Yes  No

If yes, what is it? \_\_\_\_\_

28. Are the funds 100% withdrawable at any time? Yes  No

29. Are there procedures for making deposits and withdrawals? Yes  No

What paperwork required, if any? \_\_\_\_\_

What are the wiring procedures? \_\_\_\_\_

30. Can an account remain open with zero balance? Yes  No

31. Are confirmations sent following transactions? Yes  No

## **Appendix G - LIST OF PRIMARY GOVERNMENT SECURITIES DEALERS**

List of the Primary Government Securities Dealers Reporting to the Government Securities Dealers Statistics Unit of the Federal Reserve Bank of New York:

Bank of Nova Scotia, New York Agency  
BMO Capital Markets Corp.  
BNP Paribas Securities Corp.  
Barclays Capital Inc.  
Cantor Fitzgerald & Co.  
Citigroup Global Markets Inc.  
Credit Suisse Securities (USA) LLC  
Daiwa Capital Markets America Inc.  
Deutsche Bank Securities Inc.  
Goldman, Sachs & Co.  
HSBC Securities (USA) Inc.  
Jefferies LLC  
J.P. Morgan Securities LLC  
Merrill Lynch, Pierce, Fenner & Smith Incorporated  
Mizuho Securities USA Inc.  
Morgan Stanley & Co. LLC  
Nomura Securities International, Inc.  
RBC Capital Markets, LLC  
RBS Securities Inc.  
SG Americas Securities, LLC  
TD Securities (USA) LLC  
UBS Securities LLC.  
Wells Fargo Securities LLC.

NOTE: This list has been compiled and made available for statistical purposes only and has no significance with respect to other relationships between dealers and the Federal Reserve Bank of New York. Designation of an entity as a primary dealer by the New York Fed in no way constitutes a public endorsement of that entity by the New York Fed, nor should such designation be viewed as a replacement for prudent counterparty risk management and due diligence.

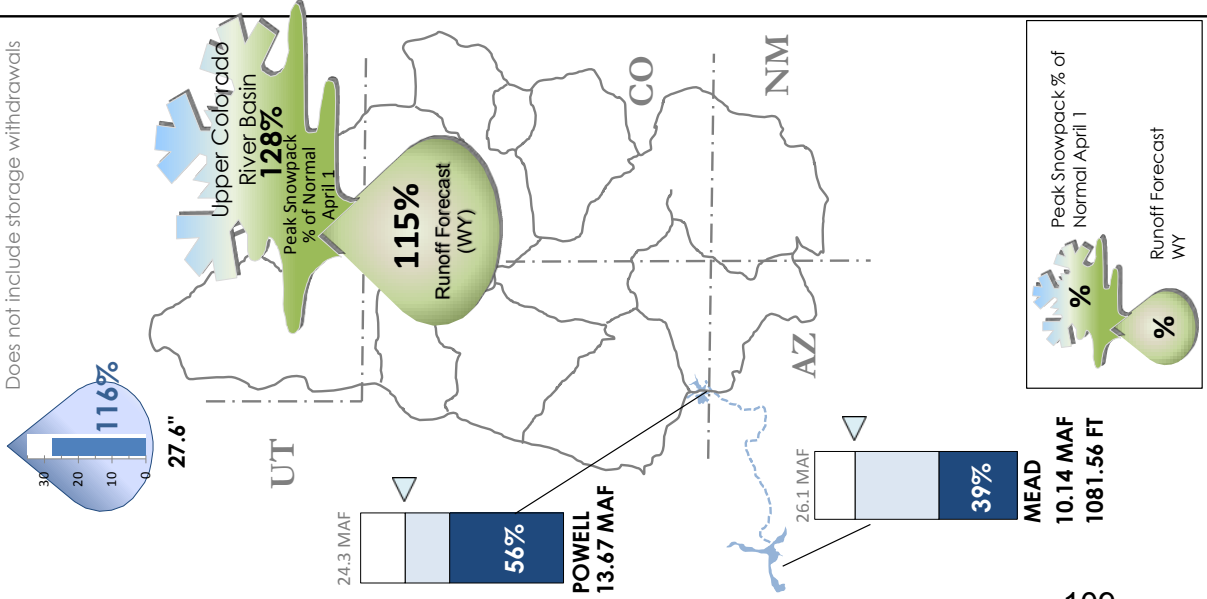
Government Securities Dealers Statistics Unit  
Federal Reserve Bank of New York  
April 18, 2016

# Water Supply Conditions Report

As of: 05/31/2017

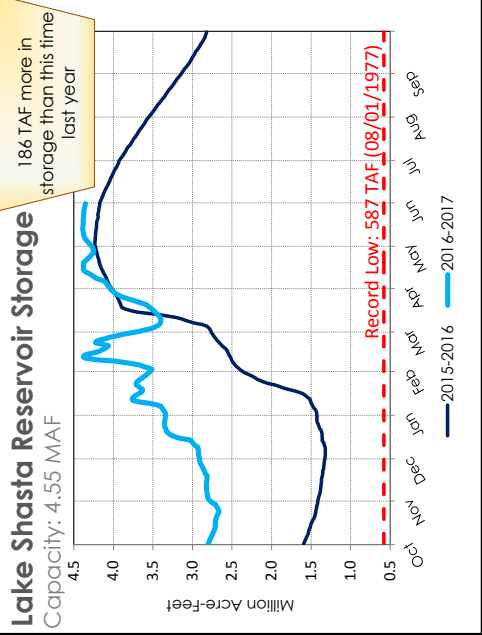
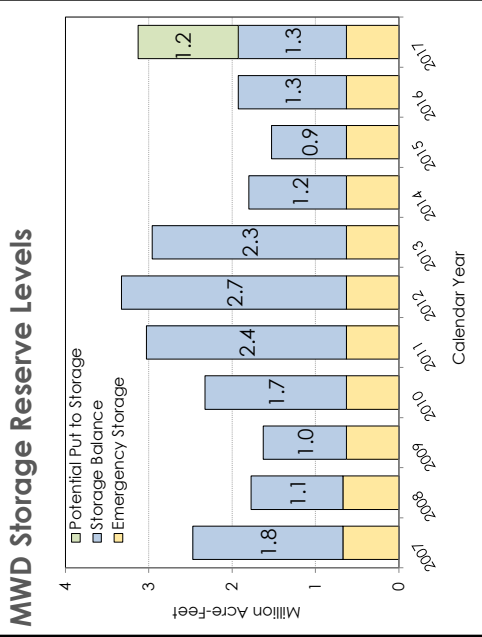
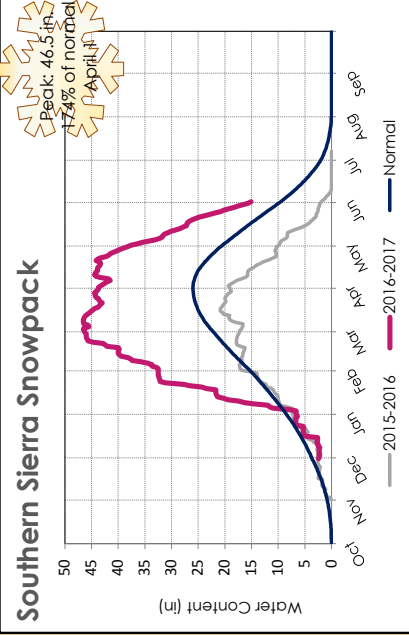
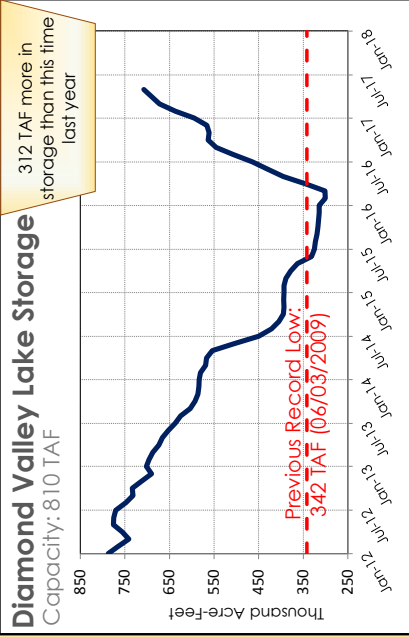
## 2017 Colorado River

959,000 AF  
77% of full CRA  
Does not include storage withdrawals



## Highlights

- Current Runoff Forecasts: Northern Sierra (224%), Owens River Basin (215%), and Upper Colorado River Basin (115%).
- Chance of shortage for the Lower Colorado River Basin in 2018 is negligible.



This report is produced by the Water Resource Management and contains information from various federal, state, and local agencies. The Metropolitan Water District of Southern California cannot guarantee the accuracy or completeness of this information. Readers should refer to the relevant state, federal, and local agencies for additional or for the most up to date water supply information. Reservoirs, lakes, aqueducts, maps, watersheds, and all other visual representations on this report are not drawn to scale.

<http://www.mwdh2o.com/WSCR>

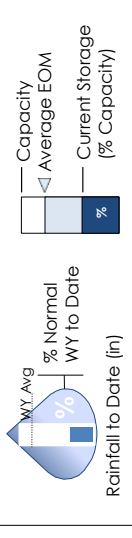
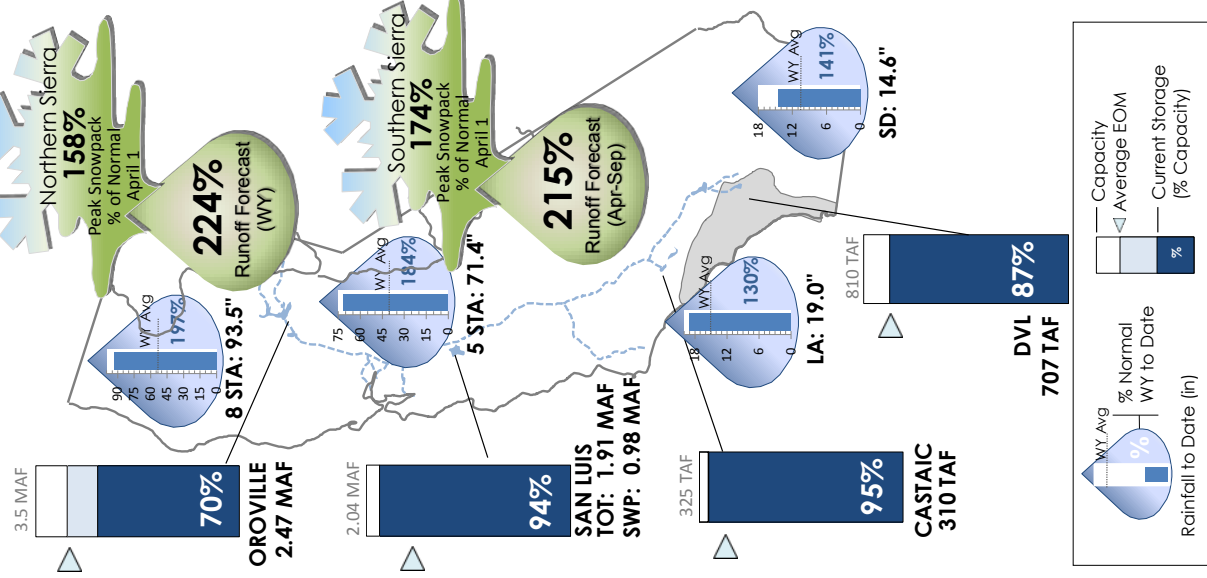
This report is best printed double sided on legal size paper (8.5" x 14") and folded in quarters

# Water Supply Conditions Report

As of: 05/31/2017

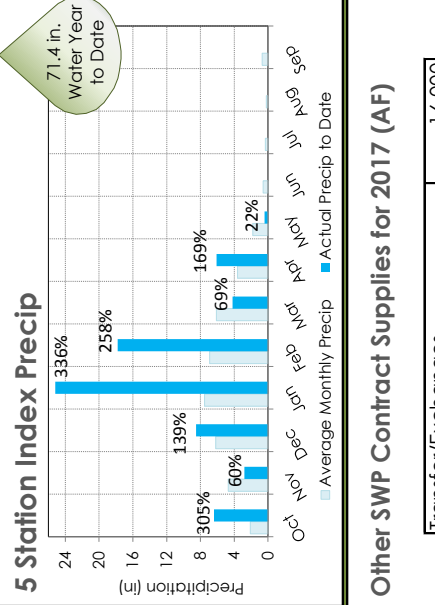
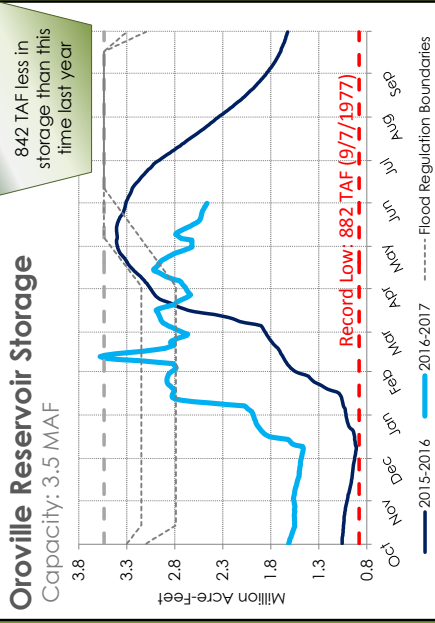
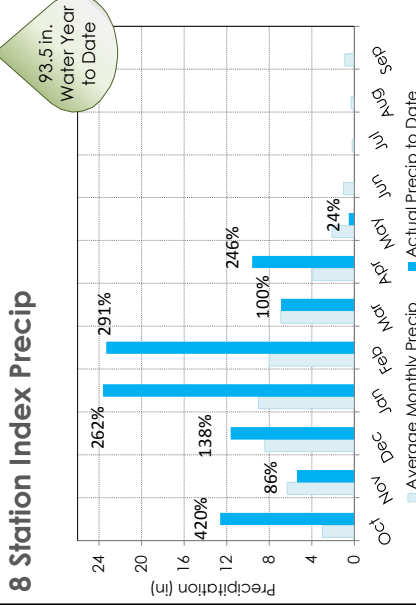
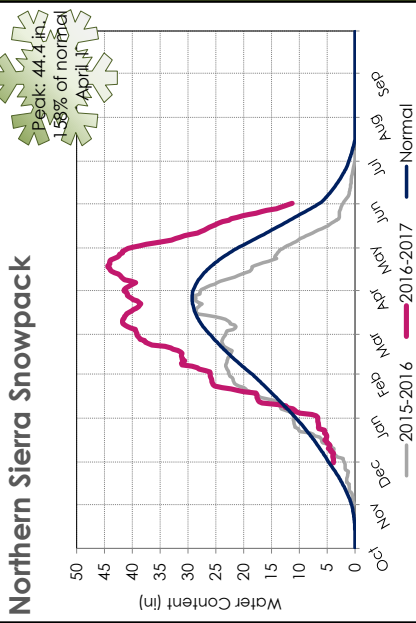
## 2017 SWP Allocation

1,624,775 AF  
85% of Table A



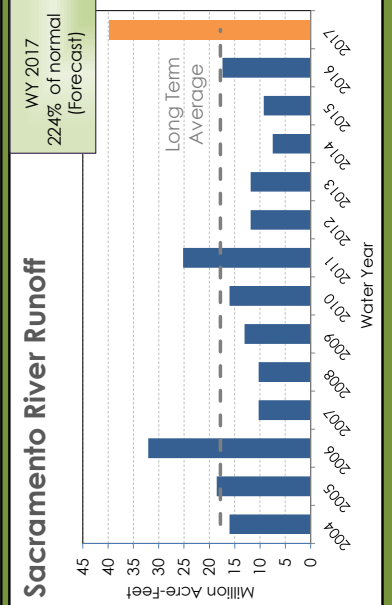
# State Water Project Resources

As of: 05/31/2017



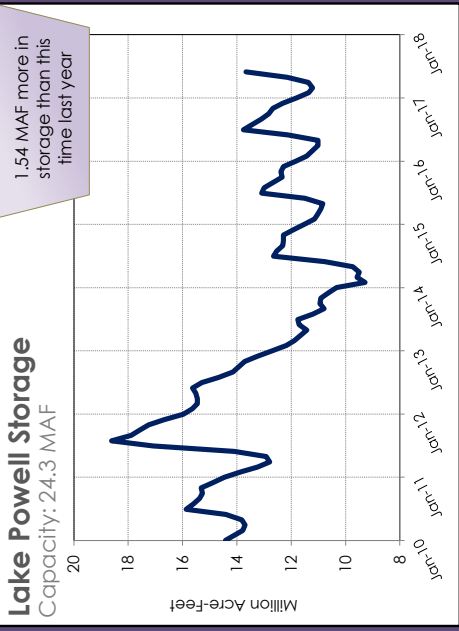
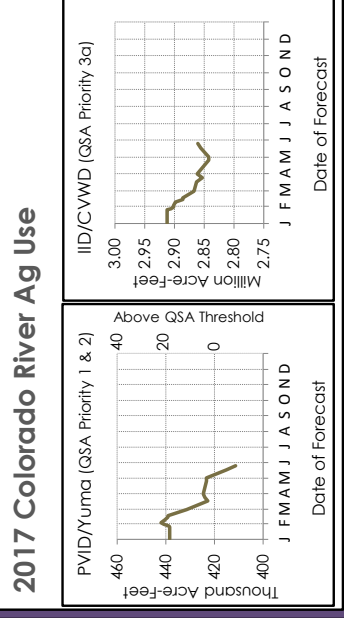
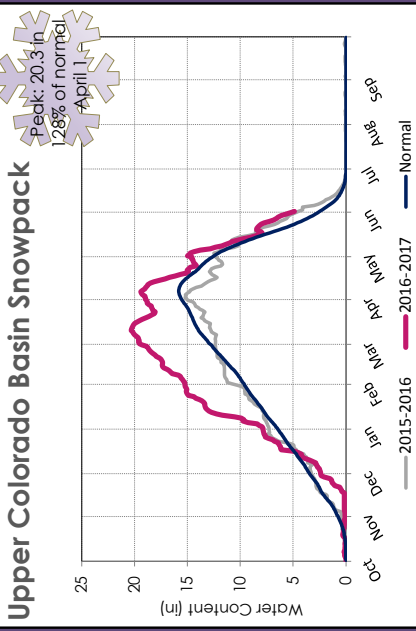
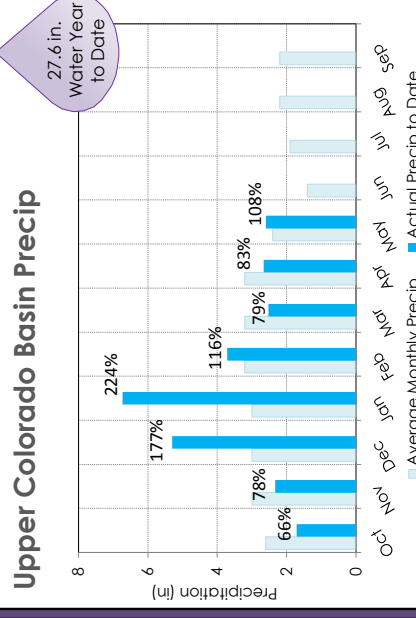
## Other SWP Contract Supplies for 2017 (AF)

Transfer/Exchanges	16,000
Article 21	124,000
Pool A/B (Purchased)	0
Carryover Supplies	210,000



# Colorado River Resources

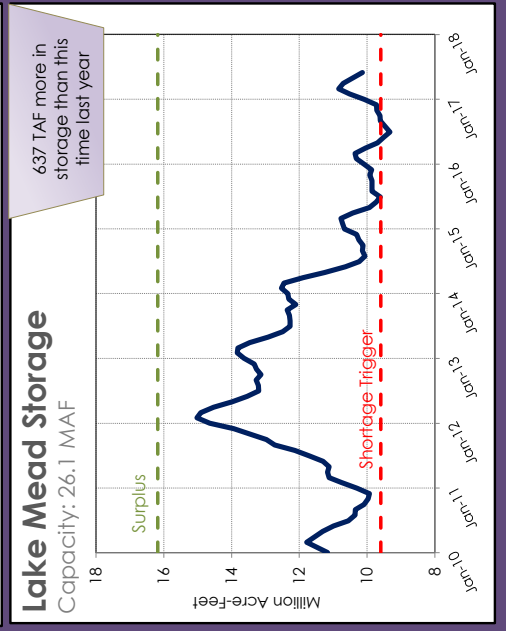
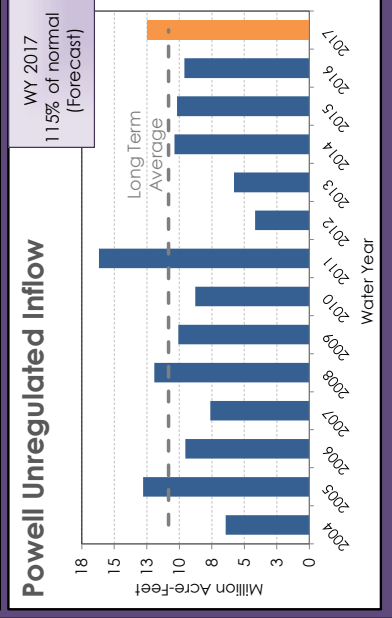
As of: 05/31/2017



## Lake Mead Shortage/Surplus Outlook

	2018	2019	2020	2021	2022
Shortage	N	31%	32%	34%	39%
Surplus	0%	5%	13%	18%	21%

Likelihood based on results from the April 2017 USBR MTOM/CRSS model run. Chance of shortage for 2018 is "N" - Negligible.





June 13, 2017 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Facilities & Operations

**Subject : Westlake Pump Station Upgrade Project: Final Acceptance**

**SUMMARY:**

On December 8, 2015, the Board awarded a construction contract to Pacific Hydrotech Corporation, in the amount of \$3,904,400, for the Westlake Pump Station Upgrade Project. The project included the replacement of five natural gas engines with electrical motors, ranging from 200 HP for raw water pumps to 600 HP for filtered water pumps, including variable frequency drives; replacement of Filtered Water Pump No. 2; replacement of an existing liquid propane gas tank with a 1,500 kW emergency diesel generator and associated electrical and control system upgrades.

The work has been completed, and there are no outstanding issues to prevent acceptance of the project. As a result, staff recommends filing a Notice of Completion, authorizing the General Manager to approve a change of scope for MSO Technologies, Inc., in the amount of \$13,600, for additional professional services during construction and releasing the retention as stipulated in the contract documents.

**RECOMMENDATION(S):**

Execute a Notice of Completion and have the same recorded; in the absence of claims from subcontractors and others, release the retention, in the amount of \$203,367.00, within 30 calendar days after filing the Notice of Completion; and authorize the General Manager to approve a change of scope for MSO Technologies, Inc., in the amount of \$13,600, for additional professional services for the Westlake Pump Station Upgrade Project.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

Yes

## **FINANCIAL IMPACT:**

The total cost of the project was \$4,620,960.09. Sufficient funding for the project is available in the adopted Fiscal Year 2016-17 Budget. The total appropriation for the project was \$5,149,234. No additional appropriation is required, and the remaining appropriation can be released.

Following is a summary of the total project cost:

<b>Description</b>	<b>Cost</b>
Design and Construction Support (HDR)	\$206,590.00
Professional Services (MSO)	\$48,880.00
Construction Award	\$3,904,400.00
Change Order No. 1	\$129,073.83
Change Order No. 2	\$33,867.53
Construction Management (Kennedy Jenks)	\$114,922.00
District Labor	\$93,395.11
G&A	\$89,831.62
<b>Total Project Cost</b>	<b>\$4,620,960.09</b>

## **DISCUSSION:**

### Background:

The Westlake Pump Station Upgrade was an integral part of the 1235-ft Backbone Improvements Program to modernize the pump station, making it more reliable and easier to maintain. The only remaining project for the Backbone Improvements Program is the Las Virgenes-Calleguas Interconnection Project, which is currently in the design phase of work.

### Change Orders:

There were a total of two change orders during construction. Change Order No. 1, in the amount of \$129,073.83, included an extension of 37 calendar days and was administratively approved by the General Manager. The change order was reported to the Board on September 13, 2016. The work included the rehabilitation of existing pumps and substitution of specified equipment to address future maintenance needs.

Change Order No. 2 (copy attached), in the amount of \$33,867.53, was also administratively approved by the General Manager. The work consisted of adding an anti-cavitation trim to a 16-inch pressure sustaining valve, replacing a corroded shaft for Filtered Water Pump No. 3 and several other smaller items that were requested by staff due to differences in field conditions as compared to the plans and specifications.

The total aggregate amount for the two change orders was \$162,941.36, which is approximately 4.2% of the original contract amount.



Scope Change:

MSO Technologies, Inc., was awarded a professional services agreement, in the amount of \$35,280, for design of the SCADA control system and to provide construction support and PLC programming for the project. MSO requesting an additional \$13,600 to cover the following costs: attending additional meetings requested by District staff; designing and programming an entirely new pump station control panel instead of modifying the existing panel; providing emergency generator test monitoring as requested by District staff; and extending the duration of commissioning efforts for automated valves, pumps, variable frequency drives and instruments due to challenges with the contractor's installation of the facilities. Given the circumstances, staff recommends approval of this scope change at a cost of \$13,600.

A contract for construction management services, in the amount of \$287,305, was awarded to Kennedy/Jenks Consultants for the Westlake Filtration Plant Expansion and Pump Station Upgrade Projects. Of the total amount, \$114,922 (40%) was allocated for construction management of the Westlake Pump Station Upgrade Project. Kennedy/Jenks Consultants completed the work within the approved budget.

Rebates from SCE:

Energy efficiency rebates, in the amount of approximately \$5,000, were received from Southern California Edison due to the installation of variable frequency drives and the new Filtered Water Pump No. 2.

**GOALS:**

Construct, Manage and Maintain All Facilities and Provide Services to Assure System Reliability and Environmental Compatibility

Prepared by: John Zhao, P.E., Principal Engineer

**ATTACHMENTS:**

Notice of Completion  
Change Order No. 2

RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO

Name  
Street  
Address  
City &  
State  
Zip

SPACE ABOVE THIS LINE FOR RECORDER'S USE

T 420 LEGAL (9-94)

### Notice of Completion

**NOTICE IS HEREBY GIVEN THAT:**

1. The undersigned is the owner of the interest or estate stated below in the property hereinafter described.
2. The full name of the undersigned is \_\_\_\_\_ (NAME).
3. The full address of the undersigned is \_\_\_\_\_  
\_\_\_\_\_  
(NUMBER AND STREET, CITY, STATE, ZIP).
4. The nature of the title of the undersigned is \_\_\_\_\_ owner in fee  
(E.G., owner in fee OR vendee under contract of purchase OR lessee OR OTHER APPROPRIATE DESIGNATION).
5. The full names and full addresses of all persons, if any, who hold title with the undersigned as joint tenants or as tenants in common are:  

Names	Addresses
_____	_____
_____	_____
6. The names of the predecessors in interest of the undersigned, if the property was transferred subsequent to the commencement of the work of improvement herein referred to are (OR IF NO TRANSFER WAS MADE, INSERT THE WORD "none"):  

Names	Addresses
_____	_____
_____	_____
7. A work of improvement on the property hereinafter described was completed on \_\_\_\_\_ (DATE).
8. The name of the original contractor, if any, for the work of improvement was \_\_\_\_\_  
(NAME OF CONTRACTOR, OR IF NO CONTRACTOR FOR THE WORK OF IMPROVEMENT AS A WHOLE, INSERT THE WORD "none"). [IF NOTICE COVERS COMPLETION OF CONTRACT FOR ONLY PART OF THE WORK OF IMPROVEMENT, ADD: The kind of work done or material furnished was \_\_\_\_\_  
(GIVE GENERAL STATEMENT, E.G., furnishing of concrete for sidewalks].
9. The property on which the work of improvement was completed is in the City of \_\_\_\_\_, County of \_\_\_\_\_, State of California, and is described as follows: \_\_\_\_\_  
\_\_\_\_\_  
(set forth description of jobsite sufficient for identification, using legal description if possible).
10. The street address of the said property is \_\_\_\_\_  
(NUMBER AND STREET, OR, IF THERE IS NO OFFICIAL STREET ADDRESS, INSERT THE WORD "none".)

Dated: \_\_\_\_\_, \_\_\_\_\_ Las Virgenes Municipal Water District

\_\_\_\_\_  
(SIGNATURE)

\_\_\_\_\_  
(TYPED NAME)

#### VERIFICATION

I, the undersigned, say:  
 I am the person who signed the foregoing notice. I have read the above notice and know its contents, and the facts stated therein are true of my own knowledge.  
 I declare under penalty of perjury that the foregoing is true and correct.

Executed at \_\_\_\_\_, California, this \_\_\_\_\_ day of \_\_\_\_\_,  
 \_\_\_\_\_ (SIGNATURE)

**DO NOT RECORD**

**Recommended Procedure in the Preparation of a Notice of Completion**

A notice of completion must be filed for record *within 10 days* after completion of the work of improvement (to be computed exclusive of the day of completion), as provided in section 3093, Civil Code.

The "owner" who must file for record a notice of completion of a building or other work of improvement means the owner (or his successor in interest at the date of notice is filed) on whose behalf the work was done, though his ownership is less than the fee title. For example, if A is the owner in fee, and B, lessee under a lease, causes a building to be constructed, then B, or whoever has succeeded to his interest at the date the notice is filed, must file the notice.

If the ownership is in *two or more persons as joint tenants or tenants in common*, the notice may be signed by any one of the co-owners (in fact, the foregoing form is designed for giving of the notice by only one co-tenant), but the names and addresses of the other co-owners must be stated in paragraph 5 of the form.

In paragraphs 3 and 5, the full address called for should include street number, city, county and state.

As to paragraph 6, insert the date of completion of the work of improvement as a *whole* if applicable. However, if the notice is to be given only of completion of a particular contract, where work of improvement is made pursuant to two or more original contracts, strike the words "a work of improvement" and insert a general statement of the kind of work done or materials furnished pursuant to such contract (e.g. "The foundations for the improvements").

If the notice is to be given as a notice of completion of the work of improvement as a *whole*, insert the name of the prime contractor, if any, in paragraph 7. No contractor's name need be given if there is no general contractor, e.g., on so-called "owner-builder jobs". However, if the notice is to be given only of completion of a particular contract, where work of improvement is made pursuant to two or more original contracts, insert the name of the contractor who performed that particular contract.

Paragraph 8 should be completed only where the notice is signed by a successor in interest of the owner who caused the improvement to be constructed.

In paragraph 9, insert the *full legal* description, not merely a street address or tax description. Refer to deed or policy of title insurance. If the space provided for description is not sufficient, a rider may be attached.

In paragraph 10, show the street address, if any, assigned to the property by any competent public or governmental authority.

**NOTICE  
OF COMPLETION**

CHICAGO TITLE COMPANY



WESTERN DIVISION HEADQUARTERS  
245 S. LOS ROBLES AVENUE, SUITE 105  
PASADENA, CALIFORNIA 91101-2820  
(818) 432-7600

CHICAGO TITLE COMPANY





4232 Las Virgenes Road  
 Calabasas, California 91302-1994

**CONTRACT CHANGE ORDER**  
 No. 2

Project Westlake Pump Station Upgrade

Project No. 10558

Contractor Pacific Hydrotech Corporation

Date: 3/21/17

CONTRACTOR CHANGE ORDER NO. 2 The Contractor is hereby authorized and directed to make the herein described changes from the Plans and Specifications or do the following work not included in the Plans and Specifications for the construction of this project.

This change requested by: Pacific Hydrotech Corporation

DESCRIPTION OF CHANGE:

	Description	Amount	Working Days
1	<p><u>Contractor Change CCR 011</u></p> <p>District staff requested revisions to the CLA VAL pressure sustaining valve and pressure reducing valve that were included in change order number one. The changes requested included revising the 16" PSV with opening and closing speed controls with anti-cavitation trim to a 16" Globe Style PSV with solenoid to open and close the valve with anti-cavitation trim. The PRV was changed to EPDM. The above revisions were requested after change order one was executed (See item 1 of change order one).</p>	\$6,117.86	0

	Description	Amount	Working Days
2	<p><b><u>Time and Material Work (COR012)</u></b></p> <p>A variety of time and material out of scope items were performed by Pacific Hydrotech and its Electrical and HVAC Sub Contractors. These change orders were preceded by field directives requesting the work to be performed.</p> <p>The following items were performed on a time and material basis.</p> <ol style="list-style-type: none"> <li>1) <b>August 11<sup>th</sup> 2016</b> - Pacific Hydrotech (PH) relocated an existing 4 inch drain pipe by raising it in a manhole 6 inches vertically in addition to repairing and patching the existing 4 inch pipe penetration. The purpose of the relocations was due to a conflict with the proposed SCE Duct Bank from the generator to the generator control box adjacent to the WLSP.</li> <li>2) <b>September 19<sup>th</sup>, 2016</b> – Pacific Hydrotech installed three additional bollards at the generator terminal box. These bollards were above the Contract amount of bollards that were included in the bid set of plans.</li> <li>3) <b>September 30<sup>th</sup>, 2016</b> - Pacific Hydrotech was required to Chip out concrete on the face of existing vertical cast in place concrete wall in the basement of pump station to allow bypass pipe flanges to fit adjacent to the existing cast in place wall. The approved design did not provide adequate room to fit the flanges in this area of the pump station.</li> <li>4) <b>November 4<sup>th</sup>, 2016</b> - PH installed 2 additional removable bollards adjacent to the SCE Transformer. This required welding time to weld handles on the removable bollards in addition to the time required to install the additional bollards.</li> <li>5) <b>November 18<sup>th</sup> and December 15<sup>th</sup>, 2016</b> Pacific Hydrotech was required to install an Air Conditioning drain line for the new HVAC unit. The approved plans did not include provisions for the AC drain. A new drain line was installed from the HVAC unit, through an existing below grade wall and then it tied into an existing drain line inside of the WLPS basement.</li> <li>6) <b>November 21<sup>st</sup>, 2016</b> – Pacific Hydrotech was required to relocate a pressure transmitter for the surge tank. The original design included the pressure transmitter in a location that was too high to function. After installing</li> </ol>	\$20,319.97	0

	Description	Amount	Working Days
	<p>the pressure transmitter in the correct location, it was determined it needed to be lowered to a different location. The Contractor was then directed to relocate the transmitter after it had been installed.</p> <p>7) <b>December 12<sup>th</sup>, 2016</b> - Pacific Hydrotech was required to provide a larger hole through the floor of the pump station in order to fit the larger pipe penetration for Filter Water Pump No. 2. A new hole was chipped out and then grouted back in.</p> <p>8) <b>January 19<sup>th</sup> and 20<sup>th</sup>, 2016</b> - Pacific Hydrotech removed and replaced seven pipe supports in the basement of the existing pump station. The existing pipe supports were rusted, in need of repair. The pipe was supported, existing supports were removed and then new pipe supports were installed.</p> <p>9) <b>January 24<sup>th</sup>, 2017</b> - Pacific Hydrotech's subcontractor installed a receptacle at the HVAC unit. The receptacle allows to have a power switch at the HVAC unit for times when the HVAC unit is taken down for servicing. The sub contractor also installed a thermostat on the inside west face of electrical control room. The design did not include a thermostat to monitor the temperature inside of the electrical control room.</p> <p>10) <b>December 21<sup>st</sup> and January 13<sup>th</sup></b> Pacific Hydrotech's subcontractor installed pump lock stop switches for the six pumps in the pump station. This work was not included in the original design.</p>		
3	<p><u>Contractor Change CCR 015</u></p> <p>During an inspection of Filter Water Pump No. 3, it was determined that the shaft was heavily corroded under the sleeve and impeller surface and needed to be replaced. A new 410 SST shaft was provided and installed for this pump by Charles P. Crowley Company who performed the work for Pacific Hydrotech. This repair could not have been evident until the pump was disassembled, at that time the corrosion was observed.</p>	\$9,794.55	0

	Description	Amount	Working Days
4	<p><u>Contractor Change CCR 013 (Ref. COR7A)</u></p> <p>After District Staff visited ITT's Prop Shop (the facility where pump rehab was taking place), a revised scope of work was agreed upon for FW #3 and RW Pumps 1 and 2. The revised scope of work included relining and replacing the packing on FW3 and RW1 and relining RW2.</p> <p>Item 2 of Contract Change Order No. 1 (reference COR 7A) included lining and replacing the packing of pumps FW-1, FW-3, RW-1 and RW-2 in addition to relining RW-2. This work was credited once the revised scope of work for the above was agreed upon by District Staff.</p>	(\$6,751.00)	0
5	<p><u>Contractor Change CCR 14 Ref. RFI No. 20</u></p> <p>The approved single line diagrams for the HVAC Unit calls out for a 3 pole motor circuit protector and a size 1 starter to feed a 5 HP electrical room air handler. The air handler unit specified requires a 37 amp circuit. In order to provide power for the HVAC unit, a 50 amp circuit breaker and larger wires (switched from #12 to 8) was required. This costs provides for labor, equipment and materials for the 50 amp circuit breaker, in addition to the conduit and wiring.</p>	\$4,386.15	0
	TOTAL	<b>\$33,867.53</b>	

TOTAL INCREASE AT AGREED PRICES OR FORCE ACCOUNT **\$33,867.53**

Contract Change Order No. 2 Project No. 10558

Date 3/21/17

(2) Estimate of increases and/or decreases in contract items at contract unit prices:

<b>INCREASES</b>				
Item	Description	Quantity	Unit Price	Total
TOTAL INCREASES				<u>\$N/A</u>

<b>DECREASES</b>				
Item	Description	Quantity	Unit Price	Total
			\$	\$
TOTAL DECREASES				<u>\$</u>

TOTAL NET \_\_\_\_\_ IN CONTRACT ITEMS AT CONTRACT UNIT PRICES \$ \_\_\_\_\_

**TOTAL COST OF THIS CHANGE ORDER \$33,867.53 INCREASE**

It is agreed 0 consecutive working days extension of time will be allowed by reason of this change.

Recommended by

John Zhao 3/24/17  
 John Zhao, P.E.  
 Principal Engineer

Departmental Approval

David R. Lippman  
 David R. Lippman  
 Director of Facilities and Operations

ACCEPTED:

Pacific Hydrotech Corporation  
 By: Heath Chehey  
 Heath Chehey, Project Coordinator  
 Date: 3/24/17

APPROVED:

Las Virgenes Municipal Water District  
 By: David W. Pedersen  
 David W. Pedersen, General Manager  
 Date: 03/27/17

Note: Attention is called to the sections of the Special Provisions and Standard Provisions on EXTRA, ADDITIONAL OR OMITTED WORK.

- THIS CHANGE ORDER IS NOT EFFECTIVE UNTIL APPROVED BY OWNER
- IF ACCEPTABLE TO THE CONTRACTOR, THIS CHANGE ORDER IS EFFECTIVE IMMEDIATELY



## INFORMATION ONLY



June 13, 2017 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Facilities & Operations

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**Subject : Agoura Road 24-Inch Potable Water Transmission Main Repair: End of  
Emergency**

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**SUMMARY:**

On May 8, 2017, the District's 24-inch potable water transmission main in Agoura Road, approximately 300 feet west of the Agoura Animal Shelter, was hit and damaged by a contractor performing directional drilling for installation of a fiber optic conduit. District crews responded quickly to the incident, completing a temporary repair and restoring water service by 5:00 a.m. the following morning.

The Board declared the damage to the Agoura Road 24-inch potable water transmission main an emergency requiring immediate action, without delay, and ratified the General Manager's approval of a purchase order to Toro Enterprises, Inc., in an amount not to exceed \$40,000, for the emergency repair of the pipeline without notice for bids on May 23, 2017. As of June 1, 2017, the repairs have been completed, and there is no longer a need for the declaration of emergency.

The total cost of the work was \$40,535,09, which is slightly higher than the amount previously-ratified by the Board. As a result, staff recommends that the Board ratify the higher amount required for completion of the repair.

**RECOMMENDATION(S):**

Ratify the General Manager's approval of a purchase order to Toro Enterprises, Inc., in the amount of \$40,535.09, for the emergency repair of the 24-inch potable water transmission main on Agoura Road.

**FISCAL IMPACT:**

Yes

**ITEM BUDGETED:**

No

**FINANCIAL IMPACT:**

The total cost of the work was \$40,535.09.

**GOALS:**

Construct, Manage and Maintain All Facilities and Provide Services to Assure System Reliability and Environmental Compatibility

Prepared by: Larry J. Miller, Water System and Facilities Manager



June 13, 2017 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Facilities & Operations

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**Subject : Potable Water and Sewer Service Capacity Fees: Public Hearing**

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**SUMMARY:**

On November 22, 2016, staff presented the Board with a phased approach for updating its water and sewer service capacity fees to reflect current costs. The updated costs were identified in a 2016 Capacity Fee Study prepared by Raftelis Financial Consultants. Because the study recommended significant increases to both the potable water and sewer service capacity fees, the Board expressed a preference for a three-year implementation plan to update the fees. Staff recommends that the first year of the three-year implementation plan begin on July 1, 2017.

In late 2016, staff initiated a public outreach campaign to notify customers of the proposed capacity fee increase. The campaign included information published on the District's website and directly mailed to potentially affected customers, developers and engineering firms, the Building Industry Association of Southern California and local city and County departments.

**RECOMMENDATION(S):**

Conduct a public hearing for the proposed update to the Potable Water and Sewer Service Capacity Fees.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**FINANCIAL IMPACT:**

There is no financial impact associated with conducting a public hearing. Adoption of the

proposed update to the capacity fees will be recommended for the Board's consideration on June 27, 2017.

## **DISCUSSION:**

The District's current potable water and sewer service capacity fees were last modified in 2004. For reference, Attachment 1 provides the currently-adopted capacity fee schedule. The District contracted with Raftelis Financial Consultants (RFC) in February 2016 to evaluate and update the District's capacity fees. The goal of the Capacity Fee Study was to identify the financial resources required for the District to construct facilities to meet future needs from new customers and accommodate planned growth within the service area. The following foundational information used for the study: (1) Potable Water, Recycled Water and Sanitation Master Plan Updates 2014; (2) Infrastructure Investment Plan; and (3) 2015 Potable Water, Recycled Water and Sanitation Rate Study Report.

On July 12, 2016, staff and RFC provided the Board with an overview of the proposed capacity fee review process, discussed updates to the District's Capacity Fee Policy Principles and determined the appropriate methodologies for capturing the District's existing and future system costs related to growth.

On November 22, 2016, RFC presented the Board with the preliminary results of the 2016 Capacity Fee Study (RFC Study) and revisited the approach used for calculating the potable water and sewer capacity fees. In addition, staff presented an analysis of the District's administration, meter, and installation components of cost ("Administrative Costs") that are required in addition to those identified in the RFC Study. The proposed capacity fees are the combined result of those reflected in the RFC Study and the updated Administrative Costs identified by staff.

Due to the substantial proposed increases, staff recommended to the Board a three-year implementation plan for the recommended capacity fees. The Board concurred with the approach and directed staff to initiate adjustment of the District's capacity fees and a robust public outreach program to notify potentially affected customers. Attachment 2 details the proposed fee schedule, which would become effective on July 1, 2017.

In addition to three-year implementation plan, the Board approved – in concept – a one-year "grace period" for customers who have made connection fee deposits prior to July 1, 2017. The proposed grace period would give customers with connection fees on deposit with the District until June 30, 2018 to receive water service through an active connection based on the capacity fee schedule adopted in 2004.

As proposed, service connections with fee deposits that are activated after June 30, 2018 would be subject to the updated fees, and the deposit would be applied toward the updated fees. Attachment 3 consists of an Frequently Asked Questions (FAQs) document, providing information on a number of the issues related to the District's proposed capacity fees update.

To communicate the proposed capacity fee update to District customers, staff carried out an outreach effort that included the following:

- Publishing the proposed capacity fees, FAQs and RFC Study on the District's website at <http://www.lvmwd.com/for-customers/rates-and-fees/proposed-capacity-fee-changes-2017>;
- Sending a direct notification letter with FAQs to developers, cities, Los Angeles County,

- engineering firms, contractors and the Building Industry Association of Southern California;
- Sending a notification letter (Attachment 4) to customers with capacity fee deposits; and
- Providing hard-copies of the FAQs at the Engineering and Customer Service Counters.

Attachment 5 provides a redlined version of the proposed changes to the Las Virgenes Municipal Water District Code to implement the first year of the capacity fee update. Staff proposes to bring back a recommendation for adoption of the updated capacity fees and amendment of the Las Virgenes Municipal Water District Code for the Board's consideration on June 27, 2017.

**GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Douglas Anders, Administrative Services Coordinator

**ATTACHMENTS:**

Attachment 1 - Current Capacity Fees

Attachment 2 - Proposed Capacity Fees

Attachment 3 - Capacity Fees FAQs

Attachment 4 - Notification Letter

Attachment 5 - Proposed Changes to LVMWD Code, Redlined Version

**Fee Schedule: Current**

**LAS VIRGENES MUNICIPAL WATER DISTRICT**

POTABLE WATER CAPACITY FEES - SUBDIVISION RATES								
Size	GPM	Const	Cons	Admin	Meter	Install	W/O Reg	W/Reg
3/4"	30	\$ 4,350	\$ 3,050	\$ 260	\$ 60	\$ 50	\$ 7,770	\$ 7,820
1"	50	\$ 7,250	\$ 5,083	\$ 260	\$ 70	\$ 50	\$ 12,713	\$ 12,793
1 1/2"	100	\$ 14,500	\$ 10,167	\$ 260	\$ 160	\$ 150	\$ 25,237	\$ 26,237
2"	160	\$ 23,200	\$ 16,267	\$ 260	\$ 390	\$ 200	\$ 40,317	\$ 41,317
2" Fire Mtr	130	\$ -	\$ -	\$ 260	2" DC thru 10" Meter: Developer to purchase & install meter		\$ 260	
3"	320	\$ 46,400	\$ 32,533	\$ 260		\$ 79,193		
4"	500	\$ 72,500	\$ 50,833	\$ 260		\$ 123,593		
6"	1000	\$ 145,000	\$ 101,667	\$ 260		\$ 246,927		
8"	1600	\$ 232,000	\$ 162,667	\$ 260		\$ 394,927		
10"	2500	\$ 362,500	\$ 254,167	\$ 260		\$ 616,927		

POTABLE WATER CAPACITY FEES - REGULAR RATES								
Size	GPM	Const	Cons	Admin	Meter	Install	W/O Reg	W/Reg
3/4"	30	\$ 4,350	\$ 3,050	\$ 260	\$ 60	\$ 1,100	\$ 8,820	\$ 8,895
1"	50	\$ 7,250	\$ 5,083	\$ 260	\$ 70	\$ 1,100	\$ 13,763	\$ 13,863
1 1/2"	100	\$ 14,500	\$ 10,167	\$ 260	\$ 325	\$ 1,240	\$ 26,492	\$ 27,592
2"	160	\$ 23,200	\$ 16,267	\$ 260	\$ 390	\$ 1,540	\$ 41,657	\$ 42,757
2" Fire Mtr	130	\$ -	\$ -	\$ 260	\$ 890	\$ 3,793	\$ 4,943	
3"	320	\$ 46,400	\$ 32,533	\$ 260	2" DC thru 10" Meter: Developer to purchase & install meter		\$ 79,193	
4"	500	\$ 72,500	\$ 50,833	\$ 260		\$ 123,593		
6"	1000	\$ 145,000	\$ 101,667	\$ 260		\$ 246,927		
8"	1600	\$ 232,000	\$ 162,667	\$ 260		\$ 394,927		
10"	2500	\$ 362,500	\$ 254,167	\$ 260		\$ 616,927		

**General Notes:**

- 1 The installation charge for 3/4" & 1" meters allows for the \$1,050 credit as specified per Section 3-2.215 of the Water Ordinance.
- 2 An applicant shall pay Capacity Fees existent when service commences regardless of when the Capacity Fees are deposited/paid.
- 3 Cost for regulated services greater than 2" to be determined before installation.
- 4 Installation costs for meters greater than 1" are only deposits toward actual cost to be paid.

SEWER CAPACITY FEES		
Sewer District		Fee per ERU or Residence
U-1		\$ 7,000
U-2		\$ 7,000
U-3		\$ 3,900
B		\$ 3,900
D		\$ 7,000

Sewer Capacity Fees for commercial properties are based on 25 fixture units (from Los Angeles County Uniform Plumbing Code) per 1 ERU (Equivalent Residential Unit).

Capacity Fees are effective January 1, 2004

**Fee Schedule: July 2017 (Proposed)**

**LAS VIRGENES MUNICIPAL WATER DISTRICT**

POTABLE WATER CAPACITY FEES - SUBDIVISION RATES								
Size	GPM	Const	Cons	Admin	Meter	Install (4)	W/O Reg	W/Reg
3/4"	30	\$ 6,227	\$ 4,366	\$ 260	\$ 92	\$ 345	\$ 11,291	\$ 11,425
1"	50	\$ 10,379	\$ 7,277	\$ 260	\$ 145	\$ 326	\$ 18,387	\$ 18,633
1 1/2"	100	\$ 20,758	\$ 14,555	\$ 260	\$ 286	\$ 150	\$ 36,009	\$ 37,009
2"	160	\$ 33,213	\$ 23,287	\$ 260	\$ 390	\$ 200	\$ 57,350	\$ 58,350
3"	320	\$ 66,425	\$ 46,573	\$ 260	2" DC thru 10" Meter: Developer to purchase & install meter		\$ 113,259	
4"	500	\$ 103,789	\$ 72,771	\$ 260		\$ 176,821		
6"	1000	\$ 207,579	\$ 145,544	\$ 260		\$ 353,383		
8"	1600	\$ 332,126	\$ 232,870	\$ 260		\$ 565,256		
10"	2500	\$ 518,946	\$ 363,859	\$ 260		\$ 883,066		

POTABLE WATER CAPACITY FEES - REGULAR RATES								
Size	GPM	Const	Cons	Admin	Meter	Install (4)	W/O Reg	W/Reg
3/4"	30	\$ 6,227	\$ 4,366	\$ 260	\$ 92	\$ 2,620	\$ 13,566	\$ 13,700
1"	50	\$ 10,379	\$ 7,277	\$ 260	\$ 145	\$ 2,620	\$ 20,681	\$ 20,927
1 1/2"	100	\$ 20,758	\$ 14,555	\$ 260	\$ 286	\$ 2,620	\$ 38,479	\$ 39,579
2"	160	\$ 33,213	\$ 23,287	\$ 260	\$ 390	\$ 2,620	\$ 59,770	\$ 60,870
3"	320	\$ 66,425	\$ 46,573	\$ 260	2" DC thru 10" Meter: Developer to purchase & install meter		\$ 113,259	
4"	500	\$ 103,789	\$ 72,771	\$ 260		\$ 176,821		
6"	1000	\$ 207,579	\$ 145,544	\$ 260		\$ 353,383		
8"	1600	\$ 332,126	\$ 232,870	\$ 260		\$ 565,256		
10"	2500	\$ 518,946	\$ 363,859	\$ 260		\$ 883,066		

**General Notes:**

- 1 The installation charge for 3/4" & 1" meters (subdivision rate) allows for the \$2,275 credit (3/4" connection) or \$2,294 credit (1" connection) as specified per Section 3-2.215 of the Water Ordinance.
- 2 An applicant shall pay Capacity Fees existent when service commences regardless of when the Capacity Fees are deposited/paid.
- 3 Cost for regulated services greater than 2" to be determined before installation.
- 4 Installation costs for meters greater than 1" are only deposits toward actual cost to be paid.

SEWER CAPACITY FEES	
Sewer District	Fee per ERU or Residence
U-1	\$ 10,021
U-2	\$ 10,021
U-3	\$ 3,900
B	\$ 3,900
D	\$ 10,021

Sewer Capacity Fees for commercial properties are based on 25 fixture units (from Los Angeles County Uniform Plumbing Code) per 1 ERU (Equivalent Residential Unit).

Capacity Fees are effective July 1, 2017

Las Virgenes Municipal Water District Capacity Fees  
Frequently Asked Questions (FAQ)

1) **What are Capacity Fees?**

*Capacity fees are one-time capital charges to new developments as a means for new water and/or sanitation customers to pay a proportional share of the costs for the capital facilities needed to provide the service(s). Capacity fees are also commonly known as connection fees, development charges, or impact fees.*

2) **Who pays capacity fees?**

*All new-construction sanitation and water system customers must pay the capacity fee(s) before connecting to either the water or sanitation system.*

3) **Why are existing customers exempt from the new fee structure?**

*Existing customers already paid capacity fees before they received water and sanitation services from the District.*

4) **Are capacity fees a new thing? If not, what's changing?**

*Capacity fees are not new. However, from time to time it is necessary to update them in order to recover equitable water and sanitation system capital costs from new customers.*

5) **When were the fees last updated?**

*Las Virgenes Municipal Water District last updated its capacity fees in 2003 - 2004. In July of 2016, the District contracted with Raftelis Financial Consultants to review and propose updates to the capacity fee structure that more accurately reflects the costs of providing services for new connections.*

6) **What is the current and proposed capacity fee for a typical new-construction single-family residential customer to connect to the water system?**

*The current connection fee for a single ¾" water meter connection (typical for a new single family home) is \$8,820. The findings of the recently-completed capacity fee study indicate that the same connection should be priced at \$17,017. The following table shows current and proposed capacity fees. Capacity fees increase as the meter size increases because larger meters place greater demand on the system.*

7) **What is the current and proposed capacity fee for typical new-construction single-family residential customer to connect to the sewer system?**

*The current capacity fee for a single equivalent residential unit (ERU) for a sanitation customer is \$7,000. The recently-completed capacity fee study indicates that the fee should be increased to \$11,850. The following table shows current and proposed capacity fees. The capacity fee for the U-3 and B sewer areas (Woolsey Canyon and Chatsworth) will not change. Those costs are based on fees the District pays to the City of Los Angeles for providing sanitation (sewer) service at those locations.*



8) **Does the District intend to increase the rates all at once, or gradually over a period of time?**

*The Las Virgenes Municipal Water District Board of Directors indicated a preference for a phased-in approach to implementing the updated capacity fees. A phased-in approach would escalate the fees annually over a three-year period starting with the current fees (adjusted for inflation) with increases each year until the recommended fee level is reached. Table 1 shows proposed capacity fees for a typical single-family unit with phased increases.*

*Table 1 – Capacity Fees - Phased Increases*

	Potable Water	Sanitation
Current	\$ 8,820	\$ 7,000
July 2017	\$ 13,566	\$ 10,021
July 2018	\$ 15,786	\$ 11,669
July 2019	\$ 18,244	\$ 12,645

*Table applies to a typical single-family residence with ¾" meter*

9) **Why are the proposed increases so large?**

*As stated above, the last time capacity fees were adjusted was in 2003. The proposed fees recognize the total current value of the water and sanitation systems and capital costs associated with building the infrastructure of those systems - including the costs to accommodate growth (new connections).*

10) **When were the current fees adopted?**

*The current capacity fee structure went into effect on January 1, 2004.*

11) **What if I've already made a "pre-paid deposit" for connection fees for a project?**

*On November 22, 2016 the Las Virgenes Municipal Water District Board discussed and approved - in concept - a one year "grace period" for customers who have pre-paid connection fee deposits. The proposed grace period will give customers with pre-paid deposits (deposits made prior to July 1, 2017) until June 30, 2018 to finalize their service connection under the rate structure adopted in 2004. Service connections made after June 30, 2018 will be subject to the updated fees, with the pre-paid deposit amount being applied towards the total bill.*

12) **What is an ERU and what significance does that have in regards to capacity fees?**

*An ERU stands for "Equivalent Residential Unit". Equivalent residential units – or ERU's – relate types of commercial and public facilities to the average usage of a single-family residence. When you apply for a sewer service connection with LVMWD, we calculate how many "ERU's" your project is equivalent to (each 25 fixture unites equals one ERU) to determine your fee. Under our current fee structure, a project that is determined to be equal to 2.5 ERU's would pay connection fees for 3 ERU's (3 X Current Capacity Fee - No proration of connection fee). Beginning in July 2017, we are modifying our connection fee schedule to allow for the proration of the connection fee, so projects that are determined to have fractional ERU's will be able to pay a prorated fee (for the example above, the fee would be determined by multiplying 2.5 X Current Capacity Fee - Proration of connection fee). A minimum of one ERU will be charged with a minimum proration of 1/5 of an ERU for any additional ERUs. Residential units are charged one ERU only with no proration.*

13) **When will the new capacity fees take effect?**

The proposed fee structures for water and sanitation capacity fees are anticipated to take effect on July 1, 2017. The Board will hold a hearing at least thirty (30) days before any fee adjustments take effect.

14) **Will there be an opportunity to comment on the proposed fees before they are adopted?**

The Las Virgenes Municipal Water District Board is expected to take action on the proposed connection fees in early 2017. Notifications of Board meetings and agenda items can be found at [www.LVMWD.com/Board-Meetings](http://www.LVMWD.com/Board-Meetings).

15) **Where can I get more information regarding the proposed capacity fees?**

The 2016 study is available online at [www.LVMWD.com/Final-Report](http://www.LVMWD.com/Final-Report). Additionally, the Board will hold a hearing on the proposed fees in the first half of 2017. Notifications of Board meetings and agenda items are also available at the District's website. You may also contact Facilities and Operations Department at [danders@lvmwd.com](mailto:danders@lvmwd.com).

Table 2 - Potable Water Capacity Fee Roadmap

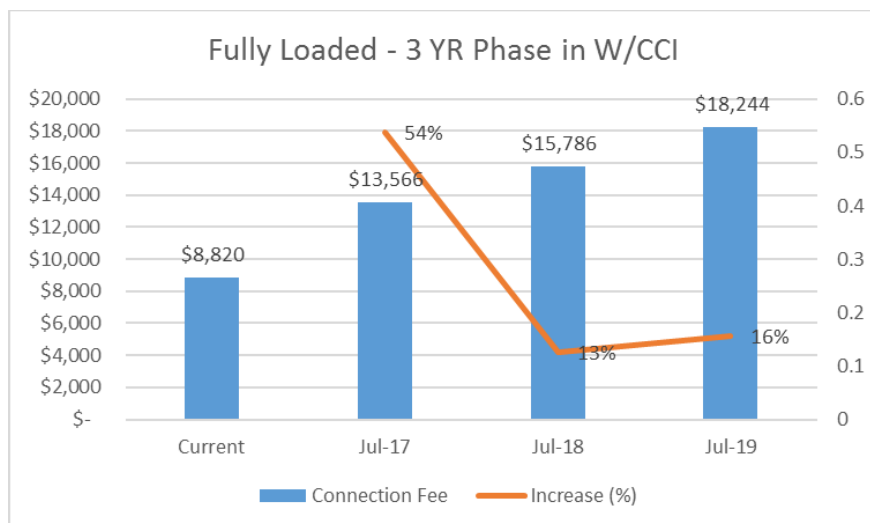
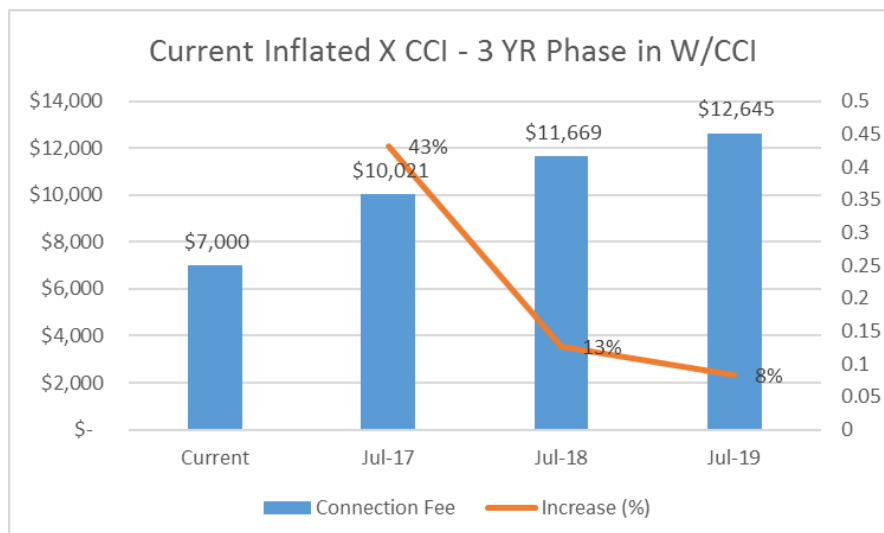


Table 3 - Sanitation Capacity Fee Roadmap



Date

Name

Address

City, State Zip

**RE: Proposed Revisions to Water and Sewer Connection (Capacity) Fees**

Dear (Name):

The purpose of this letter is to inform you of proposed changes to the water and sewer fees for new connections to services provided by Las Virgenes Municipal Water District (LVMWD). The current connection (or capacity) fees have been in place for nearly twenty years. An update is necessary to achieve a more accurate assessment of the cost of new facilities needed to serve new customers.

The proposed changes are scheduled for review by the LVMWD Board of Directors in mid-2017 and if adopted, will be phased in over a three-year period.

Because you have prepaid connection fees, a one-year grace period under the existing fee structure will apply to your application from the time the new fee structure is approved. After the grace period, if there has not been a connection to LVMWD services, the new connection fees will apply to new service connections.

Please consider this information as part of your construction timetable.

If you have questions pertaining to this letter, please call Joanne Bodenhamer at 818-251-2240.

Sincerely,

Las Virgenes Municipal Water District

## **CHAPTER 2 - COMMENCEMENT OF SERVICE**

### **Article 1 - Application For Service**

#### **3-2.101 COMMENCEMENT OF SERVICE: GENERAL**

- (a) An applicant for water service or for to change an existing water service shall: execute appropriate application process, pay the required service initiation fees, make the deposits, and meet the conditions set forth herein.
- (b) Each single-family dwelling shall be served through at least one water meter of at least 3/4" size and such additional meters as the property owner may request. Cross-connection control shall be required if more than one meter is installed or non-potable water or unregulated water is available to the property.
- (c) Each unit of multi-family dwelling shall be served through at least one water meter of at least 5/8" in size and such additional meters as the property owner may request.

#### **3-2.102 COMMENCEMENT OF SERVICE: APPLICATIONS**

- (a) The application shall include an agreement to abide by regulations and such information as the General Manager may reasonably request. Such application shall be for service to a particular and identified property.
- (b) If the application is for service to property not previously served by the District, the applicant shall also present evidence of compliance with local ordinances implementing the Water Conservation in Landscaping Act. If the District is administering such an ordinance on behalf of a city within the District, the application for service shall be treated as an application for concurrent review of a landscape plan.
- (c) If the application is for an account in the name of a corporation or partnership, the applicant shall provide a personal guarantee from an owner or principal of the entity, regardless of the form of organization, as follows:

"I hereby certify I am a principal/officer of the organization listed on the attached application. I accept full responsibility for all fees and charges related to water and sewer service for the organization.

\_\_\_\_\_  
Name and Title"

**3-2.103      APPLICANT'S RESPONSIBILITY**

- (a) The applicant shall pay for a minimum of one month of service if the applicant is approved.
- (b) The applicant shall pay expenses incurred by the District as a result of incorrect information on the application.
- (c) Multiple applicants for a commonly owned property shall be jointly and severally liable for water service. A single bill shall be sent to their designee.
- (d) Responsibility for service may be claimed by a customer as follows:
  - (1) An account can be changed from two spouses to one spouse with information on the individual assuming billing responsibility.
  - (2) An account can be changed to a family member if a new application is submitted and the \$20.00 initiation fee paid.
  - (3) A customer can direct billing information to a third party and bills will be sent "in care of" the party who will make the payment.

**3-2.104      METER REQUIRED**

All water furnished by the District, except as provided in this Code, must pass through a meter. No by-pass or connection around a meter between the customer's plumbing and the District's main shall be made or maintained.

**3-2.105 OWNERSHIP AND ACCESSIBILITY OF SERVICE CONNECTIONS**

Service connections and water meters installed or accepted for use by the District are the property of the District. Service connections shall be kept safely and readily accessible for District personnel. The expense of maintenance, repairs, and renewal of such service connections and meters, due to normal wear and tear, shall be borne by the District. Water pipes and appurtenances downstream of the meter are the property of the customer who is responsible for operation and maintenance.

## Article 2 - Fees and Deposits

### 3-2.201 FEES AND DEPOSITS: GENERAL

Service will be commenced after submittal of an application and payment of the applicable fees and deposits as set forth in this Article.

### 3-2.202 SERVICE FROM EXISTING SERVICE CONNECTION

The applicant is not required to pay connection fees if the applicant's property can be served from an inactive service connection. Outstanding connection fees and service fees shall be paid if the applicant requests that a sealed service be activated.

### 3-2.203 SERVICE FROM NEW SERVICE CONNECTION

If the applicant's property cannot be served from an existing connection but can be served from an existing water main, the applicant shall may deposit and pay connection fees and a pro rata share of the cost of the main in accordance with any existing main extension refund agreements, if any.

### 3-2.204 SERVICE FROM NEW MAIN

(a) If the applicant's property cannot be served from an existing main, the applicant shall make deposits; pay connection fees; and the cost of improvements to serve the property provided:

(1) If the water system improvements are identified in an improvement plan for a bond issue and bond proceeds are available, bond funds shall be used to pay for the cost of design and construction under the uniform policies of the District.

(2) If the water system improvements are identified in the current water system capital improvement plan, the improvements shall be constructed

by the District using construction fees accrued on or after July 1, 1990, to pay for the cost of design and construction of the improvements. Water system improvements are identified in the current water system capital improvement plan, if the improvements are described in the plan or if the Board approves other improvements as a substitute for the improvements described in the plan.

(b) If the applicant pays for a pipeline extension to serve the applicant's property, the applicant may enter into a main extension refund agreement.

**3-2.205 FEES: INSTALLATION CHARGES**

(a) A person may obtain a connection to an existing District main by paying the following installation charges based upon the size of meter which is required for the service:

Size of Meter	Installation Charge
3/4"	<del>\$1,420.00</del> 2,972
1"	<del>\$1,430.00</del> 3,025
1-1/2" (or larger)	Actual Cost to District

If a pressure regulator or other special appurtenance is required, an additional charge will be paid for the regulator or special appurtenance.

(b) The above fees shall be deposited in a separate capital facilities account entitled "installation fee account", to avoid commingling of the fees with other revenues and funds of the District, except for temporary investments, and shall be expended solely for the purposes of connecting property to the District's water system and installing a water meter, as follows:

(1) For each connection, regardless of meter size, the sum of \$260.00 shall be paid to the general fund for the administrative cost of processing an application for service and establishing a new account.

(2) For each connection using a 3/4" or 1" meter, the sum of ~~\$1,100~~ 2,620 shall be paid to the general fund for the excavation of materials and installation of pipe lateral, meter box and fittings. For each larger connection,



the amount

paid to the general fund shall be based upon the time and materials expended to complete such work.

(3) For each 3/4" meter, the sum of ~~\$60.00~~ 92.00 shall be paid to the general fund. For each 1" meter, the sum of ~~\$70.00~~ 145.00 shall be paid to the general fund. For each larger meter, the actual cost of the meter shall be paid to the general fund.

(c) The above fees shall be transferred from the installation fee account to the general fund when the above-described work is performed, when a certificate of occupancy is issued, or on the date of final inspection, whichever occurs first.

**3-2.206 CAPACITY FEES**

(a) In addition to the other fees, an applicant for water service shall pay the following capacity fee, based upon the size of the applicant's water meter:

Size of Meter	Capacity Fee
<del>5/8" x 3/4"</del>	<del>\$ 2,900</del>
3/4"	<u>4,350 6,227</u>
1"	<u>7,250 10,379</u>
1 1/2"	<u>14,500 20,758</u>
2"	<u>23,200 33,213</u>
3"	<u>46,400 66,425</u>
4"	<u>72,500 103,789</u>
6"	<u>145,000 207,579</u>
8"	<u>232,000 332,126</u>
10"	<u>362,500 518,946</u>
<del>12"</del>	<del>522,000</del>

(b) Capital facilities fees imposed on a school District shall not exceed the construction cost of the portion of District facilities serving school District facilities prior to January 1, 1987, increased by the percentage increase in the Implicit Price Deflation for state and local government purchases determined by the California Department of Finance. Capital facilities fees initially imposed after

July 21, 1986 or in excess of the amount set forth above, shall be imposed only after agreement with the school District.

(c) Upon written request, the potable water capacity fees to be paid by a public agency for service to tax exempt property shall be reduced by the amount of the fee attributable to the cost of capital facilities.

### **3-2.207 DEPOSITS: CAPACITY FEES**

(a) The District shall invest, account for and expend capacity fees as follows:

(1) Capacity fees shall be deposited in a separate capital facilities account, entitled "capacity fees," to avoid commingling with other revenue. The fees shall be expended solely for the purpose of planning, designing and constructing, including debt service, the water facilities described in the water system capital improvement plan to the applicant's property.

(2) The fees shall be expended solely for the purpose for which the fee is collected. Capacity fees shall be transferred from the capacity fees account to the general fund when the above-described work is performed, when a certificate of occupancy is issued, or on the date of final inspection, whichever occurs first. If prior to final inspection or issuance of the certificate of occupancy, the Board finds the fees are for improvements for which the District has made expenditures or has adopted a construction schedule or plan, the fees shall be paid to the general fund. As used herein, "appropriated" means authorization by the Board to make expenditures and incur obligations for specific purposes.

The fees deposited on a lump sum basis for each dwelling in a residential property subdivision which contains more than one dwelling shall be paid to the general fund when the first dwelling in the development receives its final inspection or certificate of occupancy, whichever occurs first.

The applicant shall execute a deposit agreement before the issuance of a statement of service required for a building permit, if the fee is not fully

deposited when the application is made or may not be fully deposited when service commences.

(3) Interest earned by monies in this account shall also be deposited in the account and shall be expended only for the purpose for which the fee was originally collected.

(4) On or before September 1 of each year, the District shall make available to the public the beginning and ending balance for the prior fiscal year, and the fees, interest and other income, the amount of expenditures and the amount of refunds. The Board shall review this information at the next regularly scheduled public meeting, not less than 15 days after the information is made available.

(b) The Board shall make findings at least once each five years with respect to the portion of the fee remaining unexpended or uncommitted in the separate capital facilities account(s) five or more years after deposit of the fee to identify the purpose to which the fee is to be put and to demonstrate a reasonable relationship between the fee and the purpose for which it was charged. The findings required by this subsection shall only be made for monies in the possession of the District and need not be made with respect to instruments of credit taken to secure payment of the fee at a future date.

(c) The District shall refund to the then current record owner or owners of lots or units of the development project or projects on a prorated basis, the unexpended or uncommitted portion of the fee, and interest accrued thereon, for which a need cannot be demonstrated pursuant to subsection (b) of this section, provided, if the administrative costs of refunding exceed the amount to be refunded, the District may determine the revenues shall be allocated for other purpose which serves the project(s) on which the fee was originally imposed. If the fees are not refunded to the record owner, the Board shall conduct a duly noticed public hearing before expending the fees for another purpose which serves the project(s).

**3-2.208 WATER CONSERVATION FEES**

(a) In addition to the other charges set forth in the Code, an applicant for water service shall pay to the District the following water conservation fee based upon the size of the applicant's water meter:

Size of Meter	Conservation Fee
<del>5/8" x 3/4"</del>	<del>\$ 2,033</del>
3/4"	<u>3,050 4,366</u>
1"	<u>5,083 7,277</u>
1 1/2"	<u>10,167 14,555</u>
2"	<u>16,167 23,287</u>
3"	<u>32,533 46,573</u>
4"	<u>50,833 72,771</u>
6"	<u>101,667 145,544</u>
8"	<u>162,667 232,870</u>
10"	<u>254,167 363,859</u>
<del>12"</del>	<del>366,000</del>

(b) Conservation fees shall be deposited in a separate capital facilities account, entitled "water conservation fees" account to avoid commingling of the fees with other revenues and funds of the District, except for temporary investments and shall be expended solely for the purpose of planning, designing, constructing, including debt service, recycled water facilities and implementing water conservation programs.

The development of recycled water facilities allows the District to distribute available recycled water supplies, thereby avoiding the cost of constructing additional water system improvements to obtain a like amount of additional potable water from The Metropolitan Water District of Southern California. The water system capital improvement plan takes this into consideration by reducing the amount which would otherwise be charged to the water construction fee account.

(c) Water conservation fees shall be transferred from the deferred capacity fee account to the water conservation fund when the above-described work is performed, when a certificate of occupancy is issued, or on the date of final inspection, whichever occurs first.

(d) When an applicant for water service to a subdivision installs a recycled water distribution pipeline to serve the subdivision, which is separate and apart from the potable water distribution pipeline, the applicant shall be eligible for reimbursement of a portion of the costs of the recycled water distribution pipeline in an amount to be determined by the Board, upon recommendation of the General Manager, provided such reimbursement shall not exceed 50% of the conservation fees paid by the applicant to the District for the subdivision.

(e) Applicants for water service are not required to pay the water conservation fees if sewer capacity fees were paid for the proposed improvement between March 27, 1978, and November 11, 1982.

(f) Upon written request, the water conservation fees to be paid by a public agency for service to tax exempt property shall be reduced by the amount of the fee attributable to the cost of capital facilities.

g) Capital facilities fees imposed on a school District shall not exceed the construction cost of the portion of District facilities serving school District facilities prior to January 1, 1987, increased by the percentage increase in the Implicit Price Deflation for state and local government purchases determined by the California Department of Finance. Capital facilities fees initially imposed after July 21, 1986 or in excess of the amount set forth above, shall be imposed only after agreement with the school District.

### **3-2.209 FEES: CHANGES IN AMOUNT**

Fees may be changed at any time in accordance with state law. An applicant shall pay the fees existent when service commences regardless of when the fees are deposited. As used herein, "service commences" when a request for service has been made and water can be delivered to the applicant's property through District facilities and monthly water service charges can be assessed. Service



does not "commence" when construction water is provided through a temporary meter or prior to the acceptance by the District of the water system serving the applicant's property. Notwithstanding the "service commencement" provisions of this section, customers who made a pre-paid deposit for service prior to July 1, 2017 will have until June 30, 2018 to commence service and pay the connection fee in effect as of June 30, 2017.

### **3-2.210      ASSURANCES OF SERVICE**

When an applicant desires assurances service will be provided at a future date, such assurances will be given only if the applicant agrees to be bound by District regulations, including regulations for the payment of connection fees, existent when service commences and the applicant makes financial arrangements to pay connection fees in the future by depositing cash with the District and entering into a deposit agreement.

### **3-2.211      FEES: SPECIAL SERVICES**

(a) In addition to the other fees and charges set forth herein, applicants for private fire protection service shall pay the total actual cost of installation of such service from the distribution main to the applicant's property line.

(b) With the approval of the fire department, temporary service may be provided through an existing, metered fire hydrant. When a fire hydrant is not available for temporary service, a connection may be made to an existing District main at a location acceptable to the General Manager.

### **3-2.212      FEES: WATER SYSTEM IMPROVEMENTS**

(a) ) An applicant for water service required to construct water system improvements shall pay costs incurred by the District for:

(1) The preliminary design of the improvements: Before work on the preliminary design commences, the applicant shall deposit an amount equal to the General Manager's estimate of the preliminary design costs, including, if

necessary, the cost of a water system design report and environmental documents.



(2) Review of the plans: Before review of the plans and specifications, the applicant shall deposit an amount equal to the General Manager's estimate of the costs which will be incurred by the District for plan review.

(3) Construct Improvements: Prior to construction, the applicant shall deposit an amount equal to the General Manager's estimate of the costs to be incurred by the District for inspection.

(b) As used herein, the term "costs incurred by the District" include: the costs of consulting services, if any, necessary to perform the tasks described above; 15% of the costs of consulting services, if any, necessary to perform such tasks to reflect administrative and overhead expenses; and amounts paid by the District to its employees working on an hourly rate. The hourly rate for District employees shall be established from time-to-time by the General Manager and shall include reasonable supervision costs, transportation costs, and so forth.

### **3-2.213 MISCELLANEOUS FEES**

(a) If the District takes steps to discontinue service for failure to comply with this Code, the customer shall pay the following additional charges before service is reinstated:

(1) \$10.00 for each trip to the property to deliver notice of disconnection of service.

(2) \$50.00 for each trip to the property during regular business hours at the request of the customer to reactivate water service previously disconnected for nonpayment.

(3) \$75.00 for each trip made to the property after regular business hours at the request of the customer.

(b) The turning on or off of water service, other than in (a) above, for the convenience of the customer will be made during regular working hours of field personnel at no charge.

(c) Service connections are inspected prior to acceptance to assure they meet District specifications. A person connecting to the system must do so in a

business-like manner so that proper alignment of the facilities will not be changed. The District will not adjust customer plumbing connected improperly. Meters will not be set by the District if, upon removal of the temporary spacer, the customer valve moves appreciably out of alignment, or if any part of the service connection, including the meter box, has been moved or altered. In either of these cases, the District will leave the facilities where found, and will not again return to set the meter until the applicant has made corrections and paid a fee in the amount of \$40.00 per extra trip.

(d) Any person who receives water without prior authorization shall pay two hundred dollars (\$200.00) for the first offense within one year, three hundred (\$300.00) dollars for the second offense within one year, and five hundred dollars (\$500.00) for each subsequent offense within one year.

(e) The District will shop-test a water meter in the presence of the customer at the request of the customer if the prescribed fee to cover the cost of testing is tendered. The General Manager adjusts bills if tested meter is found to be in error more than 2% at medium to high test flows as prescribed by American Water Works Association ("AWWA") specifications. The adjustments are limited to a period of six months, or to the time the customer can establish to the General Manager's satisfaction that the meter was inaccurate, whichever is less. If a meter is found to be registering outside prescribed AWWA specifications, the meter will be replaced.

Meter Size	Test Fee
3/4"	\$ 50.00
1"	\$ 50.00
1-1/2"	\$100.00
2"	\$125.00
2-1/2"	\$125.00
3"	\$125.00
4"	\$125.00
6"	\$125.00
8"	\$150.00
10"	\$150.00
12"	\$150.00

(f) ) Property receiving both domestic water service and recycled water service shall have a reduced pressure principle backflow device or other appropriate backflow protection installed at the customer's expense, but an annual inspection fee is not charged.

(g) If a backflow prevention device is required to protect against contamination by other than recycled water served by the District, the customer shall pay an annual inspection fee of \$50.00.

(h) If the review of a landscape plan under the Water Conservation in Landscaping Act is not reimbursed by the jurisdiction which adopted the regulations, the applicant shall pay a landscape plan check fee in the amount of \$500 for projects with proposed landscaping of under one half acre; \$750 for projects between one half acre and one acre of proposed landscaping; and \$1,000 for projects of an acre or more of proposed landscaping.

### **3-2.214 DEPOSITS: SERVICE FROM EXISTING SERVICE CONNECTION**

(a) If the residential applicant has not promptly paid previous water bills or has a credit history indicating the applicant is a credit risk, the applicant shall make a cash deposit of twice the amount of the normal maximum bill for such property.

(b) If the commercial or industrial applicant owns the property where service is requested and has a credit history indicating the applicant is a credit risk, the applicant shall make a cash deposit of twice the amount of the normal maximum bill for such property.

(c) If the commercial or industrial applicant is not the owner of the property where service is requested, the applicant shall make a cash deposit of twice the amount of the normal maximum bill for such property.

(d) A deposit shall be made by customers who have received a final notice five or more times within a two-year period, and from every customer whose service is disconnected for nonpayment of water charges. The deposit for the first disconnection for non-payment of water charges is \$50.00.

(d) Deposits may be refunded to a customer after one year of service without more than one final notice. Refunds shall be made by a draft upon the District unless the customer expressly requests that the refund be made by crediting the amount of the deposit to the account. In the absence of a deposit refund application, the refund of deposits will be made upon discontinuance of service and settlement of the closing bill.

(e) Public agencies and public utilities are not required to make the deposits required by this section.

**3-2.215 CREDITS: NO CHANGE IN EXISTING SERVICE**

An applicant for service to property which can be serviced by an existing  $\frac{3}{4}$ " or 1" connection not installed at District expense shall pay ~~an installation charge of \$1,050 less than the regular installation charge~~ the subdivision rate for the connection installation charge.

**3-2.216 CREDITS: CHANGE OF EXISTING SERVICE**

An existing meter may be reduced in size at no charge. Connection fees shall not be refunded.

**3-2.217 CAPACITY FEES: DEPOSIT AGREEMENT**

An applicant who does not desire or is not required to make a cash deposit for capacity fees, shall enter into a deposit agreement. The General Manager shall present a form of the deposit agreement to the Board for approval. The deposit agreement shall be recorded and constitutes a lien against the property for which service is sought.

**3-2.218 DEPOSITS**

(a) Whenever a deposit is required, the General Manager shall establish the amount of deposit by estimating the District's cost of providing the materials,

equipment or services for which the deposit is made. The deposit shall be tendered before work is undertaken.

The amount of deposit may be increased by the General Manager, if the original estimate is inadequate. If the applicant fails to increase the amount of deposit when requested in writing to do so, work on the project shall cease.

At the conclusion of the project, the General Manager shall refund any amounts deposited in excess of costs incurred.

(b) If the applicant abandons the construction of the improvements, or the recording of a subdivision for which installation and connection charges were paid, the installation and connection charges shall be refunded, with interest, to the applicant upon the applicant's written request, provided if the facilities necessary to serve the applicant's property have been installed or direct expenses incurred by the District toward such service installation, the refund shall be reduced by the amount of such expenditure.

(c) Installation or connection fees paid prior to June 22, 1978, will be considered as a deposit toward the fee or charge which exists at the time service commences. Connection fees paid on or after June 22, 1979, but before March 26, 1990, shall be considered full payment of the fee existent at the time service commences.

### **3-2.219 SANITATION**

(a) The District may collect delinquent water or sanitation fees pursuant to this section if a water customer owns and occupies the property for which the water or sanitation connection fees are delinquent.

(b) A water customer shall be provided at least 15 days prior written notice of the District's intention to collect delinquent sanitation fees as a part of the customer's water bill. The notice shall invite the customer's comments, including

opportunity to protest the existence or amount of the debt, the manner of payment and whether installment payments will be permitted.

(c) The General Manager shall consider the recommendations of staff, the comments of the customer, if any, and determine whether the sanitation fees should be collected as part of the customer's water bill. The decision of the General Manager shall be presented to the customer in writing at least 15 days prior to including delinquent sanitation fees as part of the water bill.

Delinquent sanitation fees included on the water bill shall be treated the same as other water charges.

## **Article 2 - Fees and Deposits**

### **5-2.201 FEES: GENERAL**

Applicants for sanitation service shall pay the fees set forth in this Article as a condition for obtaining sanitation service.

### **5-2.202 EXISTING LATERAL CONNECTION**

An applicant for service to property or where sewage units are added to an existing lateral sewer which is already connected to the trunk sewer directly or through a collector sewer or otherwise, shall pay: (1) a sewage connection fee, (2) the miscellaneous fees, if any, and (3) make the deposits set forth below.

### **5-2.203 EXISTING COLLECTOR OR TRUNK SEWER**

An applicant for service to property which fronts upon an existing collector or trunk sewer but which is not connected to the collector or trunk sewer shall pay: (1) annexation fees, if the property is not within an improvement district; (2) a pro rate share of the cost of the trunk sewer, if a main extension refund agreement exists with respect to such trunk sewer; (3) a sewage connection fee; (4) miscellaneous fees, if any; (5) make the deposits, all as set forth below, and (6) construct the necessary lateral sewer.

### **5-2.204 SERVICE FROM NEW SEWER**

(a) An applicant shall pay connection fees and the cost of sanitation system improvements necessary to serve the applicant's property, provided: if the sanitation system improvements are identified in the sewage system capital improvement plan, the improvements shall be constructed by the District using connection fees to pay for the cost of design and construction, including debt service. Sanitation system improvements are identified in the current sanitation

system capital improvement plan, within the meaning of this section if the improvements are described in the plan or if the improvements are approved by the Board as a substitute for the improvements described in the plan.

(b) If the applicant pays for the cost of a trunk sewer extension to serve the applicant's property, the applicant may enter into a sewer extension refund agreement.

#### **5-2.205 ANNEXATION FEES TO IMPROVEMENT DISTRICTS**

Annexation fees to improvement districts, and terms and conditions of such annexation, are set annually by the Board.

#### **5-2.206 SEWAGE CONNECTION FEES: SEWAGE UNITS**

Each property to be connected to the sewer system shall pay a sewer connection fee based upon the anticipated sewage flow to be contributed by the property as follows:

- (a) Single family residential dwelling shall be deemed to contribute one sewage unit.
- (b) Each dwelling unit of an apartment, condominium, town house, trailer park, mobile home park, or similar installation for permanent or semi-permanent residential service shall be deemed to contribute one sewage unit.
- (c) Commercial, industrial, institutional, governmental, and other non-residential developments are deemed to have one sewage unit for each 25 plumbing fixture units, as defined in the Uniform Plumbing Code, which discharge into the sewer system. Fractional amounts will be rounded to the next whole number.



**5-2.207 SEWER CAPACITY FEE: U-1 AND D**

- (a) The owner of lands within Sanitation Improvement District No. U-1 and D shall pay a capacity fee of ~~\$7,000~~ 10,021 per sewerage unit.
- (b) U-1 and D sewer capacity fees shall be deposited in a separate capital facilities account, entitled "U-1 and D deferred capacity fee account" to avoid commingling of the fees with other revenue and funds of the District, except for temporary investments and shall be expended solely for the purpose of planning, designing and constructing the sanitation facilities described in the sanitation system capital improvement plan for the Las Virgenes Municipal Water District - Triunfo Sanitation District Joint Venture designated to serve Sanitation Improvement District No. U-1 and D.
- (c) U-1 and D sewer capacity fees shall be transferred from the U-1 and D deferred capacity fee account to the District sanitation construction fund when the above-described funds are appropriated to perform the work, the work is performed, when a certificate of occupancy is issued, or on the date of final inspection, whichever occurs first.
- (d) Upon written request, the sewer capacity fee to be paid by a public agency for service to tax exempt property shall be reduced by the amount of the fee attributable to the cost of capital facilities.

**5-2.208 SEWER CAPACITY FEE: U-2**

- (a) The owner of lands within Sanitation Improvement District U-2 shall pay a sewer capacity fee of ~~\$7,000~~ 10,021 per sewerage unit.
- (b) U-2 sewer capacity fees shall be deposited in a separate capital facilities account, entitled "U-2 deferred capacity fees account" to avoid commingling of the fees with other revenue and funds of the District, except for temporary investments and shall be expended solely for the purpose of planning, designing and constructing the sanitation facilities described in the sanitation system capital improvement plan for the Las Virgenes Municipal Water District - Triunfo Sanitation District Joint Venture designated to serve Sanitation Improvement

District U-2; and for the purpose of acquiring capacity in the sewage system operated by the City of Los Angeles, and conducting sewage to the point of discharge to the City.

(c) U-2 sewer capacity fee shall be transferred from the U-2 deferred capacity fees account to the District sanitation construction fund when the above-described funds are appropriated to perform the work, the work is performed, when a certificate of occupancy is issued, or on the date of final inspection, whichever occurs first.

(d) Upon written request, the sewer capacity fee to be paid by a public agency for service to tax exempt property shall be reduced by the amount of the fee attributable to the cost of capital facilities.

**5-2.209 SEWAGE CONNECTION FEES: U-3 AND ID-B**

(a) The owner of lands within Sanitation Improvement District No. U-3 shall pay a connection fee of \$3,900 per sewerage unit.

(b) The owner of lands within Sanitation Improvement District No. B shall pay a connection fee of \$3,900 per sewerage unit.

(c) U-3 connection fees shall be deposited in a separate capital facilities account, entitled "U-3 connection fee account", to avoid commingling of the fees with other revenue and funds of the District, except for temporary investments and shall be expended solely for the purpose of planning, designing and constructing the sanitation facilities described in the sanitation system capital improvement plan for Sanitation Improvement District No. U-3.

(d) ID-B connection fees shall be deposited in a separate capital facilities account, entitled "ID-B connection fee account", to avoid commingling of the fees with other revenue and funds of the District, except for temporary investments and shall be expended solely for the purpose of planning, designing and constructing the sanitation facilities described in the sanitation system capital improvement plan and for Sanitation Improvement District No. B.

(e) U-3 and ID-B connection fees shall be transferred from the U-3 and ID-B connection fee account to the construction fund when the above-described work

funds are appropriated to perform the work, the work is performed, when a certificate of occupancy is issued or on the date of final inspection, whichever occurs first.

(f) Sewer service to owners of land within Sanitation Improvement District Nos. U-3 and B is provided through the City of Los Angeles. The applicant for such service shall obtain the consent of the City of Los Angeles for a District outlet to the City of Los Angeles sanitation system and pay a connection fee deposit as shown herein for each sewerage unit depending upon the sanitation improvement District within which the property is located.

(g) Upon written request, the sewer connection fees to be paid by a public agency for service to tax exempt property shall be reduced by the amount of the fee attributable to the cost of capital facilities.

**5-2.210 SEWAGE CONNECTION FEES: ADDED FEES**

(a) When the number of sewage units connected to a particular lateral permanently increases, the property owner shall pay an additional sewage connection fee based upon the number of ERU's added to the system.

(b) Upon discovery of an unauthorized sewer connection by the District, the property owner shall pay a sewage connection fee at the rate existing as of the date of the connection. Unless the property owner presents clear and convincing evidence as to the date of the unauthorized connection, it shall be presumed that the connection was made as of the date of discovery.

(c) From time to time, interim agreements are entered into between the City of Los Angeles and the District to provide for sewage disposal from certain areas within Sanitation Improvement Districts U-3 and B. The District cannot approve sewer plans for property within Sanitation Improvements Districts U-3 or B until an outlet is assured. The applicant shall obtain the consent of the City of Los Angeles for a District outlet and when such assurances have been obtained, the applicant shall pay the connection charge to the District for each sewerage unit sought to be connected.

### **5-2.211 CONNECTION FEES: CHANGES IN AMOUNT**

Sewer connection fees may be changed at any time in accordance with this Code and state law. An applicant shall pay the connection fees existent when service commences regardless of when the connection fees are deposited or paid, except those connection fees paid after June 22, 1978 and before March 26, 1990. As used herein, "service commences" for a new or additional ERU when the applicant's property can be connected to the trunk or collector sewer and monthly sewage service charges are paid. Notwithstanding the "service commencement" provisions of this section, customers who made a pre-paid deposit for service prior to July 1, 2017 will have until June 30, 2018 to commence service and pay the connection fee in effect as of June 30, 2017.

### **5-2.212 ASSURANCES OF SERVICE**

When an applicant desires assurances that sanitation service will be provided by the District at a future date, such assurances will be given only if the applicant agrees to be bound by District regulations, including regulations for the payment of connection fees, existent when service commences and the applicant makes financial arrangements to pay connection fees in the future by depositing cash with the District and entering into a deposit agreement.

### **5-2.213 TRANSFER OF RIGHT TO RECEIVE SERVICE**

If the number of sewage units applicable to the temporary facilities is more than the number of sewage units applicable to the permanent facilities, then no additional sewage connection fees shall be assessed and connection charges applicable to such excess sewage fees shall be refunded to the property owner at the rate existent as of the date of connection to the temporary facilities.

When the right to service is transferred from temporary to permanent facilities and the number of sewage units applicable to the temporary facilities is less than the number of sewage units to be provided to the permanent facility, then the

property owner shall, in addition to the other fees and charges set forth herein, pay an additional sewage connection fee(s) based upon the number of additional

sewage units, or portions thereof, at the rate existent as of the date of the transfer.

**5-2.214      TRANSFER OF RIGHT: CONDITIONS**

A property owner who has the right to receive sanitation service for temporary facilities on a particular parcel of land may transfer that right to permanent facilities located on another parcel of land, if the following are met:

- (a) The property owner has paid fees and charges for service to the temporary facilities.
- (b) The property owner has paid expenses incurred by the District in providing service to the new site including but not limited to expenses incurred in providing additional materials, inspection or coring, if required.
- (c) The property owner demonstrates service to the temporary facilities has been discontinued, sealed and capped and later service to the temporary site will not occur unless a subsequent application for service is made and applicable rates, fees and charges are paid.

**5-2.215      MISCELLANEOUS**

An applicant shall also pay the following miscellaneous fees:

- (a) If a collector sewer is constructed pursuant to a "private contract" or pursuant to the ordinances and regulations of the Maintenance District, the project proponent shall pay to the District the cost of reviewing the plans and specifications for the sewer improvements.
- (b) Sewer connection installation and inspection charges shall be paid whenever a connection to a collector or trunk sewer is required.
- (c) The District's testing costs, if any, of industrial waste which must be tested prior to discharge,



(d) The anticipated amount of the miscellaneous fees described above shall be deposited prior to commencement of work by the District. Refund of any excess deposit shall be made upon completion of the work.

**5-2.216 CONNECTION FEES: DEPOSIT AGREEMENT**

An applicant who does not desire or is not required to make a cash deposit for capacity fees, shall enter into a deposit agreement. The General Manager shall present a form of the deposit agreement to the Board for approval. The deposit agreement shall be recorded and constitutes a lien against the property for which service is sought unless the applicant provided an irrevocable letter of credit of bond in an amount equal to the fees paid.

**5-2.217 DEPOSITS: MISCELLANEOUS**

(a) The General Manager shall establish the amount of deposit by estimating the District's cost of providing the materials, equipment or services for which the deposit is made. The deposit shall be tendered to the District before work is undertaken by the District. The amount of deposit may be increased by the General Manager if it appears the deposit is inadequate. If the applicant fails to increase the amount of deposit when requested by the General Manager in writing to do so, work shall cease. At the conclusion of the project, the General Manager shall refund any amounts deposited in excess of costs incurred.

(b) If the applicant abandons the construction of the improvements, or the recording of a subdivision for which installation and connection charges were paid, the installation and connection charges shall be refunded, with interest, to the applicant upon the applicant's written request. If the facilities necessary to serve the applicant's property have been installed or direct expenses incurred by the District toward such service installation, the refund permitted under this Section shall be reduced by the amount of such expenditure.



June 13, 2017 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

**Subject : Proposed Operating and Capital Improvement Budget for Fiscal Year 2017-18**

**SUMMARY:**

The proposed Fiscal Year (FY) 2017-18 Budget is \$65.3 million, which is 8.0% below the approved budget plan and 22.7% lower than the FY 2016-17 Budget of \$84.4 million, primarily due to a decrease in planned expenditures for capital improvement projects. Two major capital improvement projects included in the proposed FY 2017-18 Budget are the Tapia Process Air Improvements Project and the Pure Water Project Las Virgenes-Triunfo.

Operating expenses for FY 2017-18 are budgeted at \$49.2 million, which is a 3.7% increase from the previous fiscal year's budget of \$47.4 million. The increase in operating budget reflects a gradual rebound in water demands, recognizing the improved supply situation conditions.

As compared to the approved budget plan, the proposed budget includes an increase of \$65,628 from the Potable Water Enterprise; an increase of \$21,226 from the Recycled Water Enterprise, an increase of \$5,490 from the Sanitation Enterprise and an increase of \$106,496 from the Internal Services Fund. In addition, the proposed budget includes a proposed an increase of approximately \$1.4 million for the District's share of a potential land acquisition included in the JPA Budget adopted on June 5, 2017.

Staff recommends that the Board adopt the FY 2017-18 Budget, authorize the General Manager to pre-pay the District's annual required contribution to CalPERS, approve changes to the District's Financial Policies and adopt a resolution updating salaries for employees.

**RECOMMENDATION(S):**

Adopt the proposed Fiscal Year 2017-18 Budget; authorize the General Manager to pre-pay the District's annual required contribution to CalPERS for unfunded accrued liability, in the amount of \$1,178,250; approve the proposed changes to the District's Financial Policies; and pass, approve and adopt Resolution No. 2520, establishing salaries for employees.



## **RESOLUTION NO. 2520**

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT ESTABLISHING SALARIES FOR EMPLOYEES**

(Reference is hereby made to Resolution No. 2520 on file in the District's Resolution Book and by this reference the same is incorporated herein.)

#### **FISCAL IMPACT:**

Yes

#### **ITEM BUDGETED:**

Yes

#### **FINANCIAL IMPACT:**

This action consists of adopting a proposed FY 2017-18 Budget of \$65.3 million.

#### **DISCUSSION:**

##### Budget Process:

In June 2016, the Board adopted the FY 2016-17 Budget and approved the FY 2017-18 Budget Plan. The budget process for FY 2017-18 began in January 2017. Staff reviewed the budget plan, proposed any significant changes to the approved budget plan and updated budgets where necessary.

In early April 2017, the General Manager met with representatives from each Department to discuss and review the budget in detail and discuss any significant changes. The changes proposed by the General Manager were incorporated into the proposed budget for the Board's consideration.

On May 4, 2017, the Board reviewed the significant changes to the proposed FY 2017-18 Budget for operating revenues and expenses, project capacity fees and capital projects.

##### Proposed Budget:

The proposed FY 2017-18 Budget reflects total expenses of \$65.3 million. This amount is comprised of \$49.2 million in operating expenses, \$11.2 million in capital projects, \$2.8 million in debt service, \$0.2 million in other non-operating expenses, and a \$1.9 million contribution to working capital. The budget also reflects revenues of \$42.4 million from water sales; \$17.9 million in sanitation revenues; \$0.9 million from capacity fees; \$0.5 million from standby charges; and \$3.6 million from interest, grants and other non-operating income.

##### Salary Resolution:

Resolution No. 2520 (copy attached) reflects the changes to employee salaries, effective July 1, 2017, pursuant to existing Memorandums of Understanding that were previously approved

by the Board. In addition, the resolution proposes a 2% salary increase for the District's four unrepresented positions, which is consistent with the 2% increase provided to employees represented by the Management Unit.

Financial Policies:

The attached version of the District's Financial Policies includes an update to Policy 11, reflecting reference to the development of the JPA's indirect potable reuse project, known as the Pure Water Project Las Virgenes-Triunfo.

Prepayment of Annual Required Contribution to CalPERS:

In the past, CalPERS provided member agencies with a discount for prepayment of both annual normal contributions and unfunded accrued liability amounts, also known as "employer contributions." In an attempt to better match contributions with current payroll cost, CalPERS now limits prepayment to only the unfunded accrued liability amount.

The District has prepaid its member contribution since 2004. For Fiscal Year 2017-18, the discount amounts to approximately 3.55% of the District's annual unfunded liability contribution of \$1,221,636, resulting in a cost-savings of \$43,386. The prepayment, in the amount of \$1,178,250, must be made no later than July 31, 2017. The normal contribution of \$927,377 will be paid as part of the payroll reporting process. The estimated total employer CalPERS contribution for FY 2017-18 is \$2,105,587, which is \$2,148,973 less the \$43,386 prepayment savings.

Attached for reference is a copy of the statement from CalPERS for the annual required contribution. Staff recommends that the District prepay its annual unfunded liability amount to achieve the associated cost-savings; the proposed budget reflects this recommendation.

**GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Angela Saccareccia, Finance Manager

**ATTACHMENTS:**

Proposed Fiscal Year 2017-18 Budget  
Resolution No. 2520 - Updated Salary Schedule  
Proposed Financial Policies  
CalPERS Prepayment Statement

The proposed budget document is available for public review at District Headquarters, 4232 Las Virgenes Road, Calabasas, or online at the <http://www.lvmwd.com/about-us/adopted-budget-and-annual-financial-reports> .

## RESOLUTION NO. 2520

### A RESOLUTION OF THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT ESTABLISHING SALARIES FOR EMPLOYEES

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF LAS VIRGENES MUNICIPAL WATER DISTRICT** as follows:

#### **Section 1. Purpose and Scope**

This resolution establishes salary levels for employees.

#### **Section 2. General and Office Unit Classifications: Effective July 1, 2017**

(a) Effective July 1, 2017, classifications in the General Unit and Office Unit shall be paid between the following starting and ending hourly salaries.

<b>Classification</b>	<b>Starting Salary</b>	<b>Ending Salary</b>
Account Clerk I	\$19.414	\$26.766
Account Clerk II	\$21.659	\$29.863
Accounting Technician	\$24.652	\$33.987
Buyer	\$27.776	\$38.297
Chief Water Treatment Plant Operator	\$34.570	\$47.668
Collections Systems Technician	\$26.166	\$36.080
Compliance Inspector	\$27.776	\$38.297
Computer Support Specialist	\$27.776	\$38.297
Cross Connection Inspector	\$28.899	\$39.846
Customer Service Representative	\$22.968	\$31.666
Electrical/Instrumentation Technician I	\$27.228	\$37.543
Electrical/Instrumentation Technician II	\$31.926	\$44.023
Facilities Inspector	\$30.376	\$41.884
Facilities Maintenance Worker	\$20.815	\$28.669
Field Customer Service Representative I	\$20.610	\$28.415
Field Customer Service Representative II	\$22.764	\$31.386
Fleet Technician	\$27.228	\$37.543
GIS Coordinator	\$31.926	\$44.023
Laboratory Assistant	\$21.234	\$29.277
Laboratory Technician I	\$25.146	\$34.670
Laboratory Technician II	\$29.485	\$40.654
Maintenance Mechanic I	\$25.146	\$34.670
Maintenance Mechanic II	\$29.485	\$40.654
Network/Security Coordinator	\$31.926	\$44.023
Planning & New Development Technician	\$29.775	\$41.052
Receptionist/Office Assistant	\$20.586	\$28.385
Secretary	\$24.357	\$33.582
Senior Account Clerk	\$22.992	\$31.701

Senior Accounting Technician	\$29.960	\$37.172
Senior Electrical/Instrumentation Technician	\$34.570	\$47.688
Senior Field Customer Service Representative	\$28.335	\$39.066
Senior Maintenance Mechanic	\$31.926	\$44.023
Senior Water Distribution Operator	\$33.222	\$45.808
Senior Water Reclamation Plant Operator	\$33.222	\$45.808
Senior Water Worker	\$28.335	\$39.066
Storekeeper	\$26.162	\$36.073
Technical Services Support Specialist	\$26.693	\$36.439
Water Reclamation Plant Operator I	\$24.652	\$33.987
Water Reclamation Plant Operator II	\$30.681	\$42.303
Water Reclamation Plant Operator in Training	\$22.764	\$31.386
Water Treatment Plant Operator II	\$26.166	\$36.080
Water Treatment Plant Operator III	\$30.075	\$41.470
Water Worker I	\$20.610	\$28.415
Water Worker II	\$22.764	\$31.386
Water Worker III	\$26.166	\$36.080

(b) Whenever possible, personnel will be hired at the above listed starting salary. With the approval of the General Manager, advanced step placement is possible to recruit an exceptionally well qualified candidate or to complete a difficult recruitment. Employees will be subject to annual merit review for possible increases.

**Section 3. Supervisor, Professional & Confidential Unit Classifications: Effective July 1, 2017**

(a) Effective July 1, 2017, classifications in the Supervisor, Professional & Confidential Unit shall be paid between the following starting and ending hourly salaries.

<b>Classification</b>	<b>Starting Salary</b>	<b>Ending Salary</b>
Administrative Services Coordinator	\$41.759	\$54.287
Assistant Engineer	\$40.128	\$52.167
Associate Engineer	\$45.672	\$59.373
Chief Water Reclamation Plant Operator	\$43.888	\$57.055
Civil Engineering Assistant	\$37.805	\$49.146
Civil Engineering Associate	\$45.672	\$59.373
Compost Operations Supervisor	\$41.759	\$54.287
Construction Supervisor	\$41.759	\$54.287
Customer Service Operations Supervisor	\$41.759	\$54.287
Customer Service Program Supervisor	\$41.759	\$54.287
Electrical/Instrumentation Supervisor	\$41.759	\$54.287
Environmental Analyst I	\$32.889	\$42.756
Environmental Analyst II	\$38.181	\$49.635
Facilities Maintenance Supervisor	\$41.759	\$54.287

Financial Analyst	\$41.759	\$54.287
Human Resources Coordinator	\$30.071	\$39.092
Junior Engineer	\$35.260	\$45.838
Laboratory Supervisor	\$43.888	\$57.055
Management Analyst I	\$32.889	\$42.756
Management Analyst II	\$38.181	\$49.635
Public Affairs Associate	\$40.531	\$52.690
Purchasing Supervisor	\$32.889	\$42.756
SCADA Analyst	\$40.128	\$52.167
Senior Accountant	\$38.181	\$49.635
Senior Engineer	\$49.325	\$64.122
Systems Analyst	\$41.345	\$53.748
Technical Systems Support Supervisor	\$41.759	\$54.287
Water Conservation Coordinator	\$41.759	\$54.287
Water Systems Supervisor	\$41.759	\$54.287

(b) Starting and ending figures establish pay limits with no fixed intermediate steps. Movement of an employee between the figures shall be based on performance and in accordance with the Unit's collective bargaining agreement.

**Section 4. Management Unit Classifications: Effective July 1, 2017**

(a) Effective July 1, 2017, classifications in the Management Unit shall be paid between the following starting and ending hourly salaries.

<b>Classification</b>	<b>Starting Salary</b>	<b>Ending Salary</b>
Executive Assistant/Clerk of the Board	\$43.022	\$60.231
Customer Services Manager	\$50.951	\$71.331
Finance Manager	\$53.549	\$74.969
Information Services Manager	\$53.549	\$74.969
Principal Engineer	\$55.172	\$77.241
Public Affairs & Communications Manager	\$50.951	\$71.331
Resource Conservation Manager	\$50.951	\$71.331
Water Reclamation Manager/Engineer	\$55.172	\$77.241
Water Systems & Facilities Manager	\$55.172	\$77.241

(b) Starting and ending figures establish pay limits with no fixed intermediate steps. Movement of an employee between the figures shall be based on performance and in accordance with the Unit's collective bargaining agreement.

**Section 5. Unrepresented Classifications: Effective July 1, 2017**

(a) Effective July 1, 2017, classifications that are unrepresented shall be paid between the following starting and ending hourly salaries.

<b>Classification</b>	<b>Starting Salary</b>	<b>Ending Salary</b>
Director of Facilities & Operations	\$67.075	\$102.355
Director of Finance & Administration	\$67.075	\$102.355
Director of Resource Conservation & Public Outreach	\$67.075	\$102.355
Human Resources Manager	\$53.549	\$75.719

- (b) Starting and ending figures establish pay limits with no fixed intermediate steps. Movement of an employee between the figures shall be based on performance and with the approval of the General Manager.

### **Section 6. Employment Contract Positions**

- (a) The General Manager position will be paid in accordance with a signed and approved employment contract to be amended by the Board as deemed necessary.

<b>Classification</b>	<b>Hourly Rate</b>	<b>Annual Salary</b>
General Manager	\$122.115	\$254,000

### **Section 7. Temporary Positions**

- (a) Temporary positions are not eligible for benefits other than salary; and temporary part-time positions shall be paid in accordance with the type of work performed.
- (b) Student Workers shall be paid in accordance with the current California Minimum Wage.
- (c) Interns:
- (1) Upper division candidates for Bachelor degree programs shall be paid \$14.00 to \$18.00 per hour.
  - (2) Candidates for Master degree programs shall be paid \$16.00 to \$20.00 per hour.
  - (3) Candidates for Doctoral degree programs shall be paid \$16.00 to \$22.00 per hour.

**PASSED, APPROVED AND ADOPTED** this 13th day of June 2017.

\_\_\_\_\_  
Glen Peterson, President

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Jay Lewitt, Secretary

\_\_\_\_\_  
Wayne K. Lemieux, Legal Counsel

(SEAL)



# **ADOPTED-PROPOSED FINANCIAL POLICIES**

## **POLICY 1: Restricted Cash**

***The District will maintain cash, to be used solely for its intended purpose, in an amount equal to funds restricted by legal requirements, contractual agreements and trustee requirements.***

The District is limited in the means in which it may use certain cash (“restricted cash”) due to legal and contractual requirements.

Other reserves/funds are unrestricted; they are established by Board direction to address potential needs as defined in the policies that follow. Unrestricted reserves may be adjusted in amount and directed for needs other than those initially contemplated, but funds described in Policy 7 for replacement/major maintenance must be used only for needs of the enterprise from which the funds were generated.

AB 1600 requires that development impact fees (“capacity fees”) and interest generated from such can only be used for capital projects related to expansion, not replacement or enhancement. These funds are maintained separately in the appropriate enterprise **Construction Fund**.

**Vested sick leave** results from contractual obligations with employees. Cash is maintained in an amount equal to the vested sick leave obligation. Upon voluntary termination, retirement or death of an employee, the vested sick leave accrual is paid to the employee or their beneficiary.

**Trust funds** hold cash that has been deposited with the District for future obligations that may or may not occur. These obligations include developer/customer deposits and pre-funding by Triunfo Sanitation District for their portion of JPA capital projects and 3 months operating expense.

A **Bond covenant** is cash held as a surety that the annual bond payment and interest will be made. The official documents of the bond transactions require that funds be deposited and maintained with the trustee until the final bond payment is made or the bond issue is defeased. If the District had to draw on this reserve to pay any portion of the debt service payment before the issue had fully matured, the District would be in technical default and the trustee could require the District to pay off the bondholders at once. The District’s refunding bond reserve has been deposited through the bond trustee, Bank of New York, in the state of California’s Local Agency Investment Fund (“LAIF”). The current bond coverage required for the district is that net operating income must be at least 110% of the maximum annual debt service.

## **POLICY 2: Balanced Budget/Annual Board Review**

***The District will maintain a balanced operating budget for each enterprise fund with annual revenues equal to or greater than annual expenditures. However, the Board may determine that reserves be used to augment operating revenues under certain circumstances. The Board will review annually the working capital, cash, projected income and bond coverage levels to determine the adequacy of each.***

If in any given fiscal year operating expenditures will exceed the operating revenue projected in the same year, causing a budget imbalance, cost cutting measures or revenue enhancements may be addressed before spending reserves to support on-going operations. Cost cutting measures may include reductions in capital improvement projects, reductions in staff or reductions in expenditures for materials, services, or supplies. Such expenditure or staff reductions may result in reduced service levels. Alternatively, the Board may determine that circumstances warrant taking money from reserves to offset expenses larger than operating income.

At year-end, net revenue after expenses (“income”) will be transferred to funds as directed by the Board, subject to any legal limitations on the Board’s discretion. Funds balances are addressed annually as part of the budgeting process.

Available cash in the various funds reflects the District’s ability to pay current bills and commitments, as well as underwriting the risk level the District is willing to accept.

### **POLICY 3: Rate Stabilization Fund**

***The District will maintain a Rate Stabilization Fund in an amount of \$8 million to maintain rate stability for customers in times when short or mid-term cash needs are volatile.***

The District's potable water operating revenue *can vary greatly* based on climatic conditions. During periods of heavy rain, potable water revenue drops significantly from the three year average at which revenues are budgeted. During significantly hot, dry periods, a reverse trend is seen wherein significant revenue is generated by higher sales than the three year average. During periods of extended water shortage, when customers are asked to reduce consumption, the impact on potable water revenue is similar to the effect of heavy rain. Rather than raising water rates on a temporary basis to cover expenses during these times, the Rate Stabilization Fund (RSF) allows the Board to balance operating revenue to operating expenses by a transfer.

### **POLICY 4: Financing Alternatives**

***As part of the annual Infrastructure Investment Plan (IIP) budgeting process, the District will examine options available to pay for the proposed projects, including the option of financing.***

Each year the Board reviews needs for capital improvements and major maintenance over the next five years (the capital improvement plan "CIP"). Expenditures are projected on an annual basis, but the available fund balance for replacement or major maintenance is not always adequate to cover the need when it arises. The Board favors a pay-as-you-go program for the IIP program, but the District may not have funds available to pay for projects in any given year, or projects anticipated in future years may be of a type that would be difficult to finance. Such considerations may dictate financing as the preferred alternative. If a project requires substantial expenditures over several years and interest rates are low, the District may consider issuing financing now and reserving the available funds for need at times when interest rates are higher.

The Board has determined that debt service should not exceed 15% percent of reliable revenue sources.

### **POLICY 5: Fiscal Impact Analysis**

***Staff shall prepare a fiscal impact analysis for each budget appropriation request not included as part of the Annual Budget. Available fund balances are intended to be appropriated only for "one-time" nonrecurring expenditures not covered by the current annual budget.***

When non-budgeted items are brought before the Board for consideration, the resulting fiscal impact will be analyzed. The Board requires all requests for new or supplemental budget appropriations to be accompanied by a fiscal impact statement including:

- Amount of funds requested
- Source of funds requested
  - New revenue
  - Reallocation of existing appropriations
  - Grants
- Impact of Request
  - New rates or fees
  - Decrease in one activity to support another activity
  - Effect on fund balance

### **POLICY 6: Operating Funds Cash Requirement**

**The District will maintain cash (net of restricted cash) in the Operations Fund of each enterprise equivalent to 25% of the operating budget (and eliminate the requirement for one-year's debt service obligation. This change in policy will increase the potable water reserve balance but should be tempered with a requirement to maintain a working capital reserve for operations and one year's debt service in the sanitation operating fund each year, which would be approximately \$5.2 million.)**

An available cash reserve to cover operating shortfalls is a prudent management practice to be used for both short term cash flow and contingency planning for unforeseen situations. Examples Include:

- Unexpected increases in costs or declines in revenues
- Legislative or judicial mandate to provide a new or expanded service or program
- Natural disaster emergencies which exceed the Emergency/Insurance Fund
- One-time Board approved non-capital expenditures or capital need if the IIP fund is inadequate
- Interruptions in billing process to customers

If such unforeseen circumstances occur, staff will present the Board with options for curing the deficiency, including use of this fund.

**POLICY 7: Replacement and Major Maintenance Fund by Enterprise (potable water, sanitation, recycled water)**

***Each of the District's three enterprises will maintain a Replacement Fund for major maintenance, replacement and improvement of facilities and infrastructure not related to growth. The source of funds will be current user fees. Each Replacement Fund will maintain cash levels equal to the most current three-years of actual depreciation expense. If a replacement fund's cash target is exceeded, the Board will consider using the excess for prepayment of outstanding debt, if appropriate.***

Prudent stewardship of assets requires that maintenance be performed to postpone or decelerate the aging process. As a general rule, maintenance costs for an item become more expensive as the asset ages. Also, changes in technology could result in replacing an asset with one which provides lower operating expenses or greater revenues or replacement of assets may be required due to changes in regulatory standards.

Major maintenance and replacement are on-going operating costs that should be paid for by user fees. Appropriate cash levels within a Replacement Fund enables the District to pay for planned or unplanned projects in any given year.

The water stand-by charge is levied against developed and undeveloped land and is dedicated to maintenance and replacement of potable water infrastructure and facilities. Recognizing that undeveloped land has added value because of the availability of potable water service, these owners have a vested interest in seeing the system maintained.

**POLICY 8: New Construction Fund by Enterprise**

***The District will pay for expansion or new facilities necessitated by growth from capacity fees collected from new development and maintained in the appropriate enterprise's Construction Fund.***

Current ratepayers should not be burdened with costs associated with growth due to new development. The fair share of cost of expansion will be borne by the developers through capacity fees.

The District has a master plan that identifies projected infrastructure and facility needs through build-out and is used as the basis for determining capacity fees. Capacity fees may be pledged for debt service payments, if the need for the expansion occurs before adequate capacity fees can be collected.

Prepaid capacity fees not used are subject to refund with interest, provided the developer has not started his project and the District has not begun construction on the system.

**POLICY 9: Internal Service Replacement Fund for Buildings, Vehicles and Equipment**

***The Internal Service Fund will have revenues (i.e. user charges, interest income and all other income) sufficient to meet operating expenses, maintenance costs, depreciation expense, an inflation factor for other needs not exclusive to one of the three enterprises.***

The District uses the internal service fund as an internal accounting and budget mechanism to equitably distribute general operating costs such as for buildings, vehicle and equipment replacement and maintenance costs among District user programs and to assure that adequate funding is on hand to replace or maintain these assets.

## **POLICY 10: Emergency/Insurance Fund**

***The District will maintain an Emergency/Insurance Fund to cover claims not covered by insurance, fines and penalties imposed by regulatory agencies and disaster repairs and expenses. The target for this Fund is two percent (2%) of the total value of capital assets, including LVMWD's share of the Joint Power's Authority capital assets. The Board must approve any expenditure from this Fund. Self-insurance retentions will be paid out of operating budgets.***

To protect the investment in assets and to ensure continuation of District operations, the District purchases insurance for general liability, property and worker's compensation. The District has the responsibility to pay for deductibles or self-insurance retentions. Also, the District has some risks that may not be economically or actually insured, such as certain types of pollution (odor), flood, and mold. Also, the insurance on District's sewer lines or water lines is limited to the cost of emergency clean-up and does not include the cost of repairing the failure. Because of this potential exposure, the District has established the Emergency/Insurance Fund at two-percent of the value of capital assets less the value of land, which amount will be determined annually after the audit. The Fund can only be used when approved by the Board.

This policy is in line with our experience in having to pay damages that are not covered by insurance and cover expenses that are not reimbursed on a timely basis by FEMA. Like the Rate Stabilization Fund, not having the Emergency/Insurance Fund available in the event of a disaster could significantly impact our cash flow and possibly impact future utility rates during troublesome times.

## **POLICY 11: Recycled Water Operations Reserves**

***When the operating reserves for recycled water exceed the amount required in Policy 6 (Operating Funds Cash Requirement) plus Policy 7 (Replacement and Major Maintenance Fund by Enterprise), the District may use the net reserves to pay for research, studies and construction of projects to increase the beneficial use of recycled water and/or set aside funds to ultimately pay for (pay-go) or service the debt associated with ~~a seasonal storage reservoir for recycled water,~~ the development of an indirect potable reuse (Pure Water) project, if the expenditure is approved by the Board.***

The Tapia Water Reclamation Facility treats wastewater to such a level that the result can be sold as recycled water. Although the recycled water is considered a valuable asset to the District because recycled water can replace some irrigation uses, thus lowering the demand for potable water, there are times of the year that the District accumulates more recycled water than customers can use and the District has to pay to dispose of the excess recycled water.

The District's goal is to make recycled water available to as many customers as is practical as a way of conserving potable water. To that end, funds in the Recycled Water Operations reserve that are available after the fund has met its requirements for having a cash balance equivalent to 25% of the operating budget for recycled water and for having funds available for replacement and major maintenance as specified in the annual Infrastructure Investment Plan (reserves equivalent to three years of capital improvement projects) can, at the Board's discretion and upon approval, be used to pay for research, studies and construction of projects to increase the beneficial use of recycled water and/or to set funds aside to ultimately pay for (pay-go) or service the debt associated with the development of an indirect potable reuse (Pure Water) project. ~~a seasonal storage reservoir for recycled water.~~

## Required Contributions

	<b>Fiscal Year</b>
<b>Required Employer Contribution</b>	<b>2017-18</b>
<b>Employer Normal Cost Rate</b>	<b>8.845%</b>
<i>Plus Either</i>	
<b>1) Monthly Employer Dollar UAL Payment</b>	<b>\$ 101,803</b>
<i>Or</i>	
<b>2) Annual UAL Prepayment Option</b>	<b>\$ 1,178,250</b>
<b>Required PEPRAs Member Contribution Rate</b>	<b>6.50%</b>
<p><i>The total minimum required employer contribution is the <b>sum</b> of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) <b>plus</b> the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars). Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change. §20572 of the Public Employees' Retirement Law assesses interest at an annual rate of 10 percent if a contracting agency fails to remit the required contributions when due. For additional detail regarding the determination of the required contribution for PEPRAs members, see Appendix D. Required member contributions for Classic members can be found in Appendix B.</i></p>	

	<b>Fiscal Year</b>	<b>Fiscal Year</b>
	<b>2016-17</b>	<b>2017-18</b>
<b>Normal Cost Contribution as a Percentage of Payroll</b>		
Total Normal Cost	15.931%	15.803%
Employee Contribution <sup>1</sup>	6.970%	6.958%
Employer Normal Cost	8.961%	8.845%
Projected Annual Payroll for Contribution Year	\$ 10,962,574	\$ 10,484,304
<b>Estimated Employer Contributions Based On Projected Payroll</b>		
Total Normal Cost	\$ 1,746,447	\$ 1,656,835
Employee Contribution <sup>1</sup>	764,091	729,498
Employer Normal Cost	982,356	927,337
Unfunded Liability Contribution	1,083,764	1,221,636
Estimated Total Employer Contribution <sup>2</sup>	<u>\$ 2,066,120</u>	<u>\$ 2,148,973</u>

<sup>1</sup> For classic members, this is the percentage specified in the Public Employees Retirement Law, net of any reduction from the use of a modified formula or other factors. For PEPRAs members, the member contribution rate is based on 50 percent of the normal cost. A development of PEPRAs member contribution rates can be found in Appendix D. Employee cost sharing is not shown in this report.

<sup>2</sup> As a percentage of projected payroll the UAL contribution for Fiscal Year 2017-18 is 11.652 percent for an estimated total employer contribution rate of 20.497 percent. As determined in the June 30, 2014 valuation, the Fiscal Year 2016-17 UAL contribution is 9.886 percent for a total employer contribution rate of 18.847 percent.



June 13, 2017 LVMWD Regular Board Meeting

TO: Board of Directors

FROM: Finance & Administration

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**Subject : GFOA Certificate of Achievement for Excellence in Financial Reporting and Award for Outstanding Achievement in Popular Annual Financial Reporting**

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**SUMMARY:**

The Government Finance Officers Association of the United States and Canada (GFOA) presented the District with a Certificate of Achievement for Excellence in Financial Reporting and an Award for Outstanding Achievement in Popular Annual Financial Reporting for its fiscal year ended June 30, 2016. The certificates are provided to agencies that fulfill the requirements of the programs and demonstrate a commitment to the highest standards of government finance.

**FISCAL IMPACT:**

No

**ITEM BUDGETED:**

No

**DISCUSSION:**

The District's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016 was awarded the Certificate of Achievement for Excellence in Financial Reporting by the GFOA. This represents the 18th straight year the District has received the award. Additionally, the District's Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2016 received GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting. This is the third straight year the District has received this award.

The Certificate of Achievement for Excellence in Financial Reporting is the highest form of

recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government agency must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local popular reports. In order to achieve the award, a government agency must produce a report with contents conforming to standards of creativity, presentation, understandability and reader appeal.

The GFOA established the Certificate of Achievement for Excellence in Financial Reporting (CAFR Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of Generally Accepted Accounting Principles and to prepare CAFRs that evidence the spirit of transparency and full disclosure.

The GFOA established the Popular Annual Financial Reporting Awards Program (PAFR Program) in 1991 to encourage and assist state and local governments to extract information from their comprehensive annual financial reports to produce high-quality popular annual financial reports. The report is specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance. The PAFR Program is intended to recognize individual governmental agencies that are successful in achieving the program's goals.

**GOALS:**

Ensure Effective Utilization of the Public's Assets and Money

Prepared by: Donald Patterson, Director of Finance and Administration

**ATTACHMENTS:**

CAFR Award

PAFR Award



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Las Virgenes Municipal Water District  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO





Government Finance Officers Association

**Award for  
Outstanding  
Achievement in  
Popular Annual  
Financial Reporting**

Presented to

**Las Virgenes Municipal Water District  
California**

For its Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO



THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

# MWD MEETING AGENDA

## Regular Board Meeting

June 13, 2017

12:00 p.m. – Board Room

Tuesday, June 13, 2017 Revised Meeting Schedule		
9:00 a.m.	Rm. 2-145	L&C
9:30 a.m.	Rm. 2-456	RP&AM
10:30 a.m.	Rm. 2-145	OP&T
12:00 p.m.	Board Room	Board Meeting

MWD Headquarters Building

• 700 N. Alameda Street

• Los Angeles, CA 90012

### 1. Call to Order

- (a) Invocation: Brett Schickling, Assistant Engineer,  
Engineering Services Group
- (b) Pledge of Allegiance: Desert Compadres 4-H Members

### 2. Roll Call

### 3. Determination of a Quorum

- 4. Opportunity for members of the public to address the Board on matters within the Board's jurisdiction. (As required by Gov. Code § 54954.3(a))

### 5. OTHER MATTERS

- A. Approval of the Minutes of the Meeting for May 9, 2017. (A copy has been mailed to each Director)  
Any additions, corrections, or omissions
- B. Report on Directors' events attended at Metropolitan expense for month of May
- C. Approve committee assignments
- D. Chairman's Monthly Activity Report

## 6. DEPARTMENT HEADS' REPORTS

- A. General Manager's summary of Metropolitan's activities for the month of May
- B. General Counsel's summary of Legal Department activities for the month of May
- C. General Auditor's summary of activities for the month of May
- D. Ethics Officer's summary of activities for the month of May

## 7. CONSENT CALENDAR ITEMS — ACTION

- 7-1 Adopt CEQA determination and approve up to \$1.173 million to purchase insurance coverage for Metropolitan's Property and Casualty Insurance Program. (F&I)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed action is not defined as a project, and is not subject to CEQA, and**

**Approve up to \$1.173 million to renew all the expiring excess liability and specialty insurance policies, and maintain the same retentions and coverage limits, and add liability coverage for the use of UAVs.**

- 7-2 Adopt CEQA determination and appropriate \$670,000; and authorize design to replace concrete panels at Iron Mountain Reservoir and along the Colorado River Aqueduct (Appropriation No. 15483). (E&O)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines, and**

**a. Appropriate \$670,000; and**

**b. Authorize design to replace concrete lining panels along the CRA and at Iron Mountain Reservoir.**

- 7-3** Adopt CEQA determination and appropriate \$1.85 million; authorize the General Manager to make offers of compensation and acquire permanent and temporary property rights on nine parcels within the Orange County Operating Region; and authorize field investigations to address erosion-related issues across the distribution system (Appropriation No. 15474). (E&O)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the first proposed action has been previously addressed in the certified 2016 Final Program EIR, Findings, and MMRP, and that the second proposed action is categorically exempt, and**

- a. Appropriate \$1.85 million;**
- b. Authorize the General Manager to make offers and acquire permanent and temporary property rights in nine parcels for planned construction within the Orange County Operating Region, and to approve and obtain all acquisition-related documentation; and**
- c. Authorize field investigations to address erosion-related issues throughout the distribution system.**

- 7-4** Adopt CEQA determination and authorize revisions to Metropolitan Water District's Conflict of Interest Code for approval by the Fair Political Practices Commission. (L&C)  
**[To be mailed separately]**

- 7-5** Adopt CEQA determination and authorize a long-term lease to city of San Bernardino. (RP&AM)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed project is categorically exempt, and**

- Authorize a 20-year greenbelt landscaping lease with City of San Bernardino.**

(END OF CONSENT CALENDAR)

## 8. OTHER BOARD ITEMS — ACTION

- 8-1** Adopt CEQA determination and adopt Ordinance No. 150 determining that the interests of Metropolitan require the use of revenue bonds in the aggregate principal amount of \$400 million to finance a portion of capital expenditures. (F&I) **(Two-thirds vote required)**

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and, by a two-thirds vote,**

**Adopt Ordinance No. 150, determining that the interests of Metropolitan require the use of revenue bonds in the aggregate principal amount of \$400 million to finance a portion of Metropolitan's capital expenditures.**

- 8-2** Adopt CEQA determination and adopt Third Supplemental Subordinate Resolution to the Master Subordinate Resolution authorizing the issuance of up to \$80 million of Subordinate Water Revenue Bonds, 2017 Series C; and approve expenditures to fund the costs of issuance of the Bonds. (F&I) **[To be mailed separately]**

- 8-3** Adopt CEQA determination and approve Metropolitan's Statement of Investment Policy for fiscal year 2017/18, and delegate authority to the Treasurer to invest Metropolitan's funds for fiscal year 2017/18. (F&I)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and**

- a. Approve the Statement of Investment Policy for fiscal year 2017/18, as set forth in Attachment 1 of the board letter; and**
- b. Delegate authority to the Treasurer to invest Metropolitan's funds for fiscal year 2017/18.**

- 8-4** Adopt CEQA determination and appropriate \$4.45 million; and authorize: (1) conceptual design for a system-wide upgrade of Metropolitan's control system; and (2) agreement with CH2M in an amount not to exceed \$2,485,000 to provide specialized technical support (Appropriation No. 15467). (E&O)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed action was previously determined to be categorically exempt, and**

- a. Appropriate \$4.45 million;**
- b. Authorize conceptual design for a system-wide upgrade of Metropolitan's control system; and**
- c. Authorize agreement with CH2M in an amount not to exceed \$2,485,000 to provide specialized technical support.**

- 8-5** Adopt CEQA determination and authorize approval of an operating agreement with the California Independent System Operator for the Colorado River Aqueduct power system and adopt a resolution establishing Metropolitan's Colorado River Aqueduct resource adequacy requirements. (E&O)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and**

- a. Authorize the General Manager to execute the Operating Agreement with the California Independent System Operator; and**
- b. Adopt the resolution on Metropolitan's resource adequacy requirements in the Board's capacity as Metropolitan's Local Regulatory Authority.**

- 8-6** Adopt CEQA determination and approve Metropolitan Water District of Southern California's Salary Schedule pursuant to CalPERS regulations. (OP&T) **[To be mailed separately]**

- 8-7** Adopt CEQA determination and express support for the Association of California Water Agencies Policy Statement on Bay-Delta Flow Requirements. (WP&S)

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed action is not defined as a project, and**

**Express support for the Association of California Water Agencies Policy Statement on Bay-Delta Flow Requirements.**

- 8-8** Adopt CEQA determination and authorize payment of up to \$688,000 for support of the Colorado River Board and Colorado River Authority for fiscal year 2017/18. (WP&S) **(Two-thirds vote required)**

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed action is not defined as a project under CEQA and, by a two-thirds vote,**

**Authorize the General Manager to make payment of up to \$688,000 for the Colorado River Board/Six Agency Committee and Authority for FY 2017/18.**

- 8-9** Adopt CEQA determination and authorize payments of up to \$3.79 million for participation in the State Water Contractors, Inc. and the State Water Project Contractors Authority for fiscal year 2017/18. (WP&S) **(Two-thirds vote required)**

**Recommendation:**

**Option #1:**

**Adopt the CEQA determination that the proposed actions are not defined as a project under CEQA and, by a two-thirds vote, and**

- a. Authorize the General Manager to make payment of \$2.73 million to the State Water Contractors; and**
- b. Authorize the General Manager to make payment up to \$1.05 million to the State Water Project Contractors Authority.**

- 8-10** Adopt CEQA determination and express support for the Brown Administration's budget trailer bill regarding supervision of dam safety and express support, if amended, for AB 1270 (Gallagher, R-Yuba City) regarding inspection of dams and reservoirs. (C&L) **[To be mailed separately]**

## 9. BOARD INFORMATION ITEMS

- 9-1** Overview of proposed International Boundary and Water Commission Minute and related agreements. (WP&S)

## 10. FUTURE AGENDA ITEMS

## 11. ADJOURNMENT

**NOTE:** At the discretion of the Board, all items appearing on this agenda and all committee agendas, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

Each agenda item with a committee designation will be considered and a recommendation may be made by one or more committees prior to consideration and final action by the full Board of Directors. The committee designation appears in parentheses at the end of the description of the agenda item e.g., (E&O, F&I). Committee agendas may be obtained from the Board Executive Secretary.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site <http://www.mwdh2o.com>.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.