

**AGENDA FOR THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE
TEMESCAL VALLEY WATER DISTRICT
OCTOBER 22, 2019, 8:30 A.M. AT
THE DISTRICT'S ADMINISTRATIVE OFFICE
22646 TEMESCAL CANYON ROAD,
TEMESCAL VALLEY, CALIFORNIA 92883**

The following is a summary of the rules of order governing meetings of the Temescal Valley Water District Board of Directors:

AGENDA ITEMS

In case of an emergency, items may be added to the Agenda by a majority vote of the Board of Directors. An emergency is defined as a work stoppage; a crippling disaster; or other activity, which severely imperils public health, safety or both. Also, items, which arise after the posting of Agenda, may be added by a two-thirds vote of the Board of Directors.

PUBLIC COMMENT

Persons wishing to address a matter not on the Agenda may be heard at this time; however, no action will be taken until placed on a future agenda in accordance with Board policy.

NOTICE TO PUBLIC

All matters listed under the Consent Calendar will be voted upon by one motion. There will be no separate discussion of these items, unless a Board Member or member of the public requests that a particular item(s) be removed from the Consent Calendar, in which case, they will be considered separately under New Business.

**IF ANYONE WISHES TO SPEAK WITH THE BOARD
ABOUT ANY CONSENT CALENDAR MATTER(S),
PLEASE STATE YOUR NAME, ADDRESS,
AND APPROPRIATE ITEM NUMBER(S).**

AFFIDAVIT OF POSTING

I, Allison Harnden, Office Manager of the Temescal Valley Water District, hereby certify that I caused the posting of the Agenda at the District office at 22646 Temescal Canyon Road, Temescal Valley, California 92883 before October 19, 2019.

Allison Harnden, Office Manager

**AGENDA FOR REGULAR MEETING
October 22, 2019**

Page No.

- 1. Roll Call and Call to Order.**
- 2. Presentations and Acknowledgments.**
 - a. Administer Oath of Office for Directors whose term commences December 6, 2019.
- 3. Public Comment.**

BOARD ITEMS:

- 4. Minutes of the September 24, 2019 Regular Meeting.** **6-9**
RECOMMENDATION: Approve Minutes as written.
- 5. Payment Authorization Report.** **10-13**
RECOMMENDATION: Approve Report and authorize payment of the September 24-October 22, 2019 invoices.
- 6. Revenue & Expenditure Reports. (Unaudited).**
 - a. Revenue & Expenditure Reports. **14-31**
RECOMMENDATION: Note and file.
 - b. Lien update. **32**
RECOMMENDATION: Note and file.
- 7. Trilogy Development.**
 - a. Homeowners Association update. **(-)**
 - b. Golf Course update. **(-)**
- 8. Sycamore Creek Development.**
 - a. Project Update. **(-)**
 - b. 1738 homes to be built. 1674 houses occupied to date. 96% complete.

	<u>Page No.</u>
9. Retreat Development.	(-)
a. Project Update.	
10. Terramor Development (Forestar Toscana).	
a. Project Update.	(-)
b. 1443 homes to be built. 321 houses released to date.	
11. Harmony Grove (Griffin Homes).	(-)
a. Project Update.	
b. 50 homes to be built. 15 houses released to date.	
12. Water Utilization Reports.	33-45
RECOMMENDATION: Note and file.	
13. Sustainable Groundwater Management Act.	(-)
a. Project Update.	
14. Committee Reports.	
a. Finance/Legislation (Director Rodriguez).	(-)
b. Engineering/Operations (Director Myers).	(-)
c. Public Relations (Allison Harnden).	(-)
1. Change the December meeting from 24 th to the 17 th .	
15. General Manager's Report.	
a. General Manager's Report.	46
b. CNUSD CFD No. 19-1 JCFA.	47-72
RECOMMENDATION: Approve Agreement and authorize the General Manager to execute the Agreement on behalf of TVWD.	
c. Employee Handbook.	73-132
RECOMMENDATION: Authorize the changes as presented.	

	<u>Page No.</u>
d. Glen Ivy Spa Sewer Capacity Purchase. RECOMMENDATION: Approve Agreement and authorize the President of the Board to execute the Agreement on behalf of TVWD.	133-138
16. Operations Report. a. Water and Sewer Operations.	139-141
17. District Engineer's Report. a. Status of Projects.	142-143
18. District Counsel's Report.	(-)
19. Seminars/Workshops.	(-)
20. Consideration of Correspondence. An informational package containing copies of all pertinent correspondence for the Month of September will be distributed to each Director along with the Agenda.	144
21. Adjournment.	(-)

**MINUTES OF THE
REGULAR MEETING OF THE
TEMESCAL VALLEY WATER DISTRICT**

September 24, 2019

PRESENT

P. Rodriguez
J. Butler
F. Myers

ABSENT

C. Colladay
D. Harich

GUESTS

J. Sincich
J. Watson
J. Watson
T. Davis
D. Slater

STAFF

J. Pape
A. Harnden
M. McCullough
P. Bishop
J. Scheidel
D. Saunders

1. Roll Call and Call to Order.

The regular meeting of the Temescal Valley Water District was called to order by Vice President Rodriguez at 8:30 a.m.

2. Presentations and Acknowledgments.

a. Update on August 27, 2019 Consolidated UDEL Election – The Board discussed that since an election was held for the two full term seats the County of Riverside anticipates the cost to be near \$25,000.

3. Public Comment – Jannlee Watson asked about the election process, short vs. long term lengths, and District voter type. Tracy Davis asked if she can use the District as a drop off location for acorns. Don Slater asked for the Board to review his Reimbursement Agreement.

BOARD ITEMS:

4. Minutes of the August 27, 2019 Regular Meeting.

ACTION: Director Myers moved to approve the minutes as presented. Director Butler seconded. Motion carried unanimously.

5. Payment Authorization Report.

ACTION: Director Rodriguez moved to approve the August 27-September 24, 2019 invoices. Director Butler seconded. Motion carried unanimously.

6. Revenue & Expenditure Reports. (Unaudited).

a. Revenue & Expenditure Reports.

ACTION: Note and file.

- b. Lien update.
ACTION: Note and file.
- 7. Trilogy Development.**
- a. Homeowners Association update.
 - b. Golf Course update.
- 8. Sycamore Creek Development.**
- a. Project Update.
 - b. 1738 homes to be built. 1674 houses occupied to date. 96% complete.
- 9. Retreat Development.**
- a. Project Update.
- 10. Terramor Development (Forestar Toscana).**
- a. Project Update.
 - b. 1443 homes to be built. 321 houses released to date.
- 11. Harmony Grove (Griffin Homes).**
- a. Project Update.
 - b. 50 estimated homes to be built. 15 houses released to date.
- 12. Water Utilization Reports.**
ACTION: Note and file.
- The Board asked staff to add non-potable to graph on page 47.
- 13. Sustainable Groundwater Management Act.**
- a. Project Update.
- 14. Committee Reports.**
- a. Finance/Legislative (Director Rodriguez) – Director Rodriguez reported on the meeting with Chandler on September 19th.

- b. Engineering/Operations (Director Myers) – Director Myers reported that they are meeting this afternoon.
 - c. Public Relations (Allison Harnden) – Allison reported on the Employee Handbook meeting on September 17th. She also She also reported that the ribbon cutting/fundraiser for the new Riverside Medical Clinic is on October 10th from 4-6 pm. Allison also reported that she is still working with Cal Trans on the Adopt-A-Highway program.
- 15. General Manager’s Report.**
- a. General Manager’s Report – The General Manager reported on current projects.
 - b. Employee Handbook.
ACTION: This item was tabled.
- 16. Operations Report.**
- a. Water and sewer operations.
- 17. District Engineer’s Report.**
- a. Status of Projects.
- 18. District Counsel’s Report.**
- 19. Seminars/Workshops.**
- 20. Consideration of Correspondence.**
An informational package containing copies of all pertinent correspondence for the Month of August will be distributed to each Director along with the Agenda.
- 21. Adjournment.**
There being no further business, the September 24, 2019 Regular Meeting of the Temescal Valley Water District Board of Directors was adjourned at 10:58 a.m. by Vice President Rodriguez.

ATTEST:

APPROVED:

Paul Rodriguez, Secretary

Charles Colladay, President

Date: _____

Date: _____

TEMESCAL VALLEY WATER DISTRICT
 PAYMENT AUTHORIZATION REPORT
 OCTOBER 22,2019

Check #	Date	Payee ID	Payee	Amount
23131	9/22/19	EL	EDUARDO LOPEZ-TRK MAINT	\$ 120.00
23132	9/23/19	FM	FRED H. MYERS	243.87
23133	9/23/19	JB	JOHN B. BUTLER	246.37
23134	9/23/19	RO	PAUL RODRIGUEZ	246.37
23135	9/24/19	FM	FRED H. MYERS-ENG MTG	243.87
23136	9/24/19	JB	JOHN B. BUTLER-ENG MTG	246.37
23137	10/4/19	AD	PAYROLL	-
23138	10/4/19	BE	PAYROLL	-
23139	10/4/19	CG	PAYROLL	-
23140	10/4/19	CL	PAYROLL	-
23141	10/4/19	DB	PAYROLL	-
23142	10/4/19	JH	PAYROLL	-
23143	10/4/19	KN	PAYROLL	-
23144	10/4/19	LK	PAYROLL	-
23145	10/4/19	MM	PAYROLL	-
23146	10/4/19	PB	PAYROLL	-
23147	10/4/19	AD	PAYROLL	-
23148	10/4/19	BE	PAYROLL	-
23149	10/4/19	CG	PAYROLL	-
23150	10/4/19	CL	PAYROLL	-
23151	10/4/19	DB	PAYROLL	-
23152	10/4/19	JH	PAYROLL	-
23153	10/4/19	KN	PAYROLL	-
23154	10/4/19	LK	PAYROLL	-
23155	10/4/19	MM	PAYROLL	-
23156	10/4/19	PB	PAYROLL	-
23157	10/4/19	SWRCB	STATE WATER RESOURCES CONTROL BOARD	110.00
23158	10/4/19	ACSI	ALEXANDER'S CONTRACT SERVICES, INC.	5,391.25
23159	10/4/19	ARC	ARC	3,885.86
23160	10/4/19	BA01	BABCOCK LABORATORIES, INC	1,185.00
23161	10/4/19	CM01	CORE & MAIN	3,363.74
23162	10/4/19	MH01	MCFADDEN-DALE HARDWARE CO.	231.34
23163	10/4/19	PCE	PACIFIC COAST ENVELOPE INC	2,876.24
23164	10/4/19	PPE	PRIVATE PEST EXTERMINATORS	286.00

TEMESCAL VALLEY WATER DISTRICT
 PAYMENT AUTHORIZATION REPORT
 OCTOBER 22,2019

Check #	Date	Payee ID	Payee	Amount
23165	10/4/19	SAQMDHB	SOUTH COAST AIR QUALITY MGT DIST	1,114.84
23166	10/4/19	SEMA	SEMA INC.	872.23
23167	10/4/19	SO03	SOUTHERN CALIF EDISON CO.	74,209.17
23168	10/4/19	TR01	TRAN CONTROLS SCADA SOLUTIONS, LLC.	1,548.37
23169	10/4/19	TWC	SPECTRUM BUSINESS	1,018.52
23170	10/4/19	UBB	USA BLUEBOOK	1,774.33
23171	10/4/19	IW	ICONIX WATERWORKS INC	1,969.25
23172	10/4/19	MU01	WILLDAN FINANCIAL SERVICES	8,842.64
23173	10/4/19	USB01	US BANK GOVERNMENT SERVICES	1,587.29
23174	10/4/19	DB	PAYROLL	-
23175	10/4/19	JH	PAYROLL	-
23176	10/4/19	EL	EDUARDO LOPEZ-TRK MAINT	100.00
23177	10/4/19	FI01	FIDELITY INVESTMENTS	700.00
23178	10/4/19	FI01	FIDELITY INVESTMENTS	960.80
23179	10/2/19	FI01	FIDELITY INVESTMENTS	747.00
23180	10/2/19	FI01	FIDELITY INVESTMENTS	700.00
23181	10/2/19	FI01	FIDELITY INVESTMENTS	236.23
23182	10/4/19	SWRCB	STATE WATER RESOURCES CONTROL BOARD	110.00
23183	10/18/19	AD	PAYROLL	-
23184	10/18/19	BE	PAYROLL	-
23185	10/18/19	CG	PAYROLL	-
23186	10/18/19	CL	PAYROLL	-
23187	10/18/19	CO	CHARLES W. COLLADAY	301.07
23188	10/18/19	DB	PAYROLL	-
23189	10/18/19	DH	DAVID HARICH	243.87
23190	10/18/19	FM	FRED H. MYERS	243.87
23191	10/18/19	JB	JOHN B. BUTLER	246.37
23192	10/18/19	JH	PAYROLL	-
23193	10/18/19	KN	PAYROLL	-
23194	10/18/19	LK	PAYROLL	-
23195	10/18/19	MM	PAYROLL	-
23196	10/18/19	PB	PAYROLL	-
23197	10/18/19	RO	PAUL RODRIGUEZ	246.37
23198	10/15/19	RO	PAUL RODRIGUEZ- FIN MTG	246.37

TEMESCAL VALLEY WATER DISTRICT
 PAYMENT AUTHORIZATION REPORT
 OCTOBER 22,2019

Check #	Date	Payee ID	Payee	Amount	
23199	10/18/19	LK	PAYROLL	-	
23200	10/18/19	AIT	ADVANCED INFRASTRUCTURE TECHNOLOGIES LL	135.24	
23201	10/18/19	ARC	ARC	837.59	
23202	10/18/19	ATT01	AT&T	289.77	
23203	10/18/19	ATTM	AT & T MOBILITY	652.54	
23204	10/18/19	CA16	CALIFORNIA CHOICE BENEFIT ADMINISTRATOR	4,991.90	
23205	10/18/19	CAM	CHANDLER INVESTMENT MANAGEMENT	1,000.00	
23206	10/18/19	CM01	CORE & MAIN	736.57	
23207	10/18/19	CO05	COMMERCIAL DOOR COMPANY	801.72	
23208	10/18/19	DSC	DATABASE SYSTEMS CORP.	410.43	
23209	10/18/19	DU01	DUDEK & ASSOCIATES-CONT MGT	22,110.20	
23210	10/18/19	DU02	DUDEK & ASSOCIATES-SPECIAL PROJECTS(2 MON)	67,245.93	CAP-GSI/SMP/DAWSON RES
23211	10/18/19	DU03	DUDEK & ASSOCIATES-PASS THRU	2,035.00	
23212	10/18/19	DWEI	DEXTER WILSON ENGINEERING INC	6,684.95	
23213	10/18/19	EASI	ENGINEERED AIR SERVICES, INC.	492.88	
23214	10/18/19	GMDM	GUTIRREZ MAINTENANCE/ DANIEL GUTIERREZ	350.00	
23215	10/18/19	HO01	HOME DEPOT CREDIT SERVICES	611.07	
23216	10/18/19	IW	ICONIX WATERWORKS INC	2,432.66	
23217	10/18/19	LG	LOU'S GLOVES	86.00	
23218	10/18/19	MCCO	MUROW CM	16,545.00	CAP- PLT EXPAN MGT
23219	10/18/19	MITI	MORR-IS TESTED IN	4,380.00	
23220	10/18/19	NC	NORTHSTAR CHEMICAL	3,234.19	
23221	10/18/19	NE	NEOPOST USA INC.	32.61	
23222	10/18/19	PCE	PACIFIC COAST ENVELOPE INC	232.00	
23223	10/18/19	PLM01	PARRA LANDSCAPE MAINTENANCE	1,462.50	
23224	10/18/19	RTI	RICHARDSON TECHNOLOGIES INC.	821.00	
23225	10/18/19	ST02	STATE COMPENSATION INSUR.FUND	2,281.25	
23226	10/18/19	UBB	USA BLUEBOOK	1,240.03	
23227	10/18/19	UN01	UNDERGROUND SERVICE ALERT	144.06	
23228	10/18/19	WA01	WASTE MANAGEMENT - INLAND EMPIRE	674.89	
23229	10/18/19	WE01	WESTERN MUNICIPAL WATER DISTR.	12,801.17	
23230	10/18/19	XI	XALOGY INC	3,435.25	
23231	10/18/19	WMWD	WESTERN MUNICIPAL WATER DISTR.	388,444.57	
Total				<u>\$ 664,327.84</u>	

TEMESCAL VALLEY WATER DISTRICT
PAYMENT AUTHORIZATION REPORT
OCTOBER 22,2019

Check #	Date	Payee ID	Payee	Amount
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THESE INVOICES ARE SUBMITTED TO THE
TEMESCAL VALLEY BOARD OF DIRECTORS FOR
APPROVAL AND AUTHORIZATION FOR PAYMENT

Mel McCullough - Finance Manager

Mel McCullough - Finance Manager

10/22/19

Date

TEMESCAL VALLEY WATER DISTRICT
INTERNAL BALANCE SHEET
30-Sep-19

ASSETS

Fixed Assets (net of accumulated depreciation)			
Land		\$	902,118
Treatment Plants			13,449,798
Capacity Rights			13,503,639
Water System, Reservoir & Wells			8,640,470
Water & Sewer Mains			31,563,382
General Equipment Sewer/Water/ Furniture			674,434
Buildings & Entrance Improvements			350,896
			\$ 69,084,737
Current Assets			
Cash - Wastewater	12,010,786		
Cash - Water	13,335,545		
Cash - ID #1	566,048		
Cash - ID #2	348,533		
Cash - Nonpotable	2,532,060		
Cash - Deposits	863,733		29,656,706
Accounts Receivable-Services/Developers			1,462,605
Assessment Receivable			127,965
Interest Receivable			93,000
Prepaid Expenses			38,309
Inventory			56,059
			31,434,643
Other Assets			
Work-in-Process			653,661
Deferred Outflows - Pension		\$	197,154
TOTAL ASSETS			\$ 101,370,195

LIABILITIES

Current Liabilities			
Accounts Payable		\$	927,077
Security Deposits			279,698
Payroll & Payroll Taxes Payable			16,526
Capacity & Meter Deposits			135,030
Fiduciary Payments Payable			132,477
Developer Deposits			303,451
Other Deposits			13,077
			1,807,336
Long-term Liabilities			
TVRP Note			1,230,981
Deferred Inflows - Pension			83,543
TOTAL LIABILITIES			\$ 3,121,860

FUND EQUITY

Fund Balances			
Waste Water Fund Balance			35,545,811
Water Fund Balance			47,904,972
ID #1 Fund Balance			624,662
ID #2 Fund Balance			569,952
Recycled Water Fund Balance			13,602,937
TOTAL FUND EQUITY			\$ 98,248,334
TOTAL LIABILITIES & FUND EQUITY			\$ 101,370,195

**TEMESCAL VALLEY WATER DISTRICT
REVENUE AND EXPENDITURES/BUDGET
For Three Months ending September 30, 2019**

	SEPTEMBER			YEAR TO DATE			BUDGET 2019-2020	BUDGET REMAINING
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE		
<u>WASTEWATER DEPARTMENT</u>								
OPERATING REVENUE:								
MONTHLY SEWER SERVICE CHARGE	201,548	206,250	(4,702)	602,729	618,750	(16,021)	\$ 2,475,000	(1,872,271)
MONTHLY SERVICE CHARGE-ID #1	10,766	10,766	-	32,299	32,299	-	137,000	(104,701)
MONTHLY SERVICE CHARGE-ID #2	12,178	12,178	-	36,535	36,535	-	155,000	(118,465)
MONTHLY SEWER SERVICE CHG-R COM	9,883	9,583	300	27,549	28,500	(951)	115,000	(87,451)
MISC UTILITY CHARGES/ REVENUE	303	420	(117)	886	1,260	(374)	5,000	(4,114)
STANDBY CHARGES	-	-	-	-	-	-	110,000	(110,000)
CFD REIMBURSEMENTS	-	-	-	-	-	-	20,000	(20,000)
INSPECTION CHARGES	5,933	4,000	1,933	12,874	8,000	4,874	50,000	(37,126)
TOTAL WASTEWATER REVENUE	240,611	243,197	(2,586)	712,872	725,344	(12,472)	3,067,000	(2,354,128)
OPERATING EXPENSES:								
PLANT WAGES EXPENSE	9,513	10,000	(487)	28,539	30,000	(1,461)	150,700	(122,161)
INSPECTION WAGES EXPENSE	2,480	2,600	(120)	7,442	7,800	(358)	34,000	(26,558)
PAYROLL TAXES EXP	202	230	(28)	593	690	(97)	3,000	(2,407)
EMPLOYEE BENEFITS-INS	526	1,500	(974)	3,139	4,500	(1,361)	18,250	(15,111)
EMPLOYEE BENEFITS-RETIREMENT	1,252	1,680	(428)	3,477	5,000	(1,523)	20,200	(16,723)
OVERTIME EXP	2,274	850	1,424	6,300	2,550	3,750	10,000	(3,700)
MILEAGE EXP	81	100	(19)	422	300	122	1,200	(778)
VACATION EXP	624	700	(76)	1,873	2,100	(227)	8,900	(7,027)
ELECTRICIAN LABOR COSTS	-	500	(500)	-	1,500	(1,500)	5,000	(5,000)
SCADA SYSTEM ADMIN/MAINT	600	850	(250)	1,839	2,550	(711)	10,000	(8,161)
LABORATORY TESTING COSTS	801	1,800	(999)	4,184	5,400	(1,216)	22,000	(17,816)
SLUDGE DISPOSAL/PUMPING COSTS	390	4,200	(3,810)	8,145	12,600	(4,455)	50,000	(41,855)
SLUDGE DISPOSAL BAG EXP	-	-	-	-	-	-	25,000	(25,000)
SLUDGE CHEMICAL EXP	-	2,900	(2,900)	-	8,700	(8,700)	35,000	(35,000)
EQUIPMENT RENTAL COSTS	-	200	(200)	-	600	(600)	2,000	(2,000)
EQUIPMENT REPAIRS & MAINT.	5,325	17,000	(11,675)	44,104	51,000	(6,896)	200,000	(155,896)
SEWER LINE REPAIRS	-	800	(800)	-	2,400	(2,400)	10,000	(10,000)
SEWER CLEANING AND VIDEO EXP	-	800	(800)	-	2,400	(2,400)	10,000	(10,000)
SECURITY AND ALARM EXP	-	250	(250)	-	750	(750)	3,000	(3,000)
PROPERTY MAINTENANCE	1,422	3,500	(2,078)	10,709	10,500	209	40,000	(29,291)
ENGINEERING/ADMIN. STUDIES	-	1,600	(1,600)	-	4,800	(4,800)	20,000	(20,000)
ENERGY COSTS	27,174	25,000	2,174	78,587	75,000	3,587	210,000	(131,413)
CONSUMABLE SUPPLIES & CLEANING	244	800	(556)	783	2,400	(1,617)	10,000	(9,217)
CHEMICALS, LUBRICANTS & FUELS	11,508	8,000	3,508	39,152	24,000	15,152	100,000	(60,848)
SMALL EQUIPMENT & TOOLS COST	4,842	1,250	3,592	7,710	3,750	3,960	15,000	(7,290)
PERMITS, FEES & TAXES (WTR BRD FEE)	446	2,000	(1,554)	4,591	6,000	(1,409)	25,000	(20,409)
SAWPA BASIN MONITORING EXP	-	-	-	14,165	15,000	(835)	25,000	(10,835)
MAP UPDATING/GIS EXP	-	200	(200)	-	600	(600)	2,000	(2,000)
MISC. OPERATING EXP	-	80	(80)	-	240	(240)	1,000	(1,000)
BAD DEBT EXPENSES	-	-	-	-	-	-	1,500	(1,500)
CONTINGENCIES	-	3,400	(3,400)	-	10,200	(10,200)	41,075	(41,075)
TOTAL OPERATING EXPENSES	69,704	92,790	(23,086)	265,754	293,330	(27,576)	1,108,825	(843,071)

**TEMESCAL VALLEY WATER DISTRICT
REVENUE AND EXPENDITURES/BUDGET
For Three Months ending September 30, 2019**

	SEPTEMBER			YEAR TO DATE			BUDGET 2019-2020	BUDGET REMAINING
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE		
ADMINISTRATIVE EXPENSES:								
CONTRACT MANAGEMENT	8,844	8,500	344	23,405	25,500	(2,095)	102,000	(78,595)
GENERAL ENGINEERING EXP	-	1,250	(1,250)	-	3,750	(3,750)	15,000	(15,000)
EMPLOYEE BENEFITS-INS	723	1,000	(277)	2,180	3,000	(820)	19,700	(17,520)
EMPLOYEE BENEFITS-RETIREMENT	2,635	2,100	535	7,256	6,300	956	24,500	(17,244)
ANNUAL ASSESSMENT EXP	-	-	-	2,836	3,000	(164)	5,000	(2,164)
PLAN CHECK & INSPECTION EXP	-	800	(800)	-	2,400	(2,400)	10,000	(10,000)
WAGES EXPENSE	11,555	12,000	(445)	34,475	36,000	(1,525)	175,000	(140,525)
VACATION EXP	797	800	(3)	2,392	2,400	(8)	12,320	(9,928)
PAYROLL TAX EXPENSES	227	200	27	617	600	17	2,800	(2,183)
OVERTIME EXP	-	100	(100)	-	300	(300)	1,000	(1,000)
MILEAGE EXP ADMIN	-	40	(40)	-	120	(120)	500	(500)
CONTRACT STAFFING EXP	-	-	-	-	-	-	2,000	(2,000)
LEGAL EXPENSES	-	800	(800)	850	2,500	(1,650)	10,000	(9,150)
AUDIT EXPENSES	-	-	-	-	-	-	5,700	(5,700)
BOARD COMMITTEE MEETING EXP.	1,716	1,000	716	2,861	3,000	(139)	12,000	(9,139)
ELECTION & PUBLIC HEARING EXP	-	-	-	-	-	-	4,000	(4,000)
COMPUTER SYSTEM ADMIN	1,374	1,500	(126)	4,425	4,500	(75)	18,000	(13,575)
BANK CHARGES EXP	2,292	2,100	192	7,330	6,300	1,030	25,000	(17,670)
MISCELLANEOUS & EDUCATION EXP	-	250	(250)	1,139	750	389	3,000	(1,861)
TELEPHONE, FAX & CELL EXP	521	1,000	(479)	5,066	3,000	2,066	12,000	(6,934)
OFFICE SUPPLIES EXP	1,090	1,250	(160)	3,316	3,750	(434)	15,000	(11,684)
PRINTING EXPENSES	3,108	3,000	108	3,729	3,500	229	5,000	(1,271)
POSTAGE & DELIVERY EXPENSE	1,000	1,200	(200)	3,083	3,600	(517)	14,000	(10,917)
PUBLICATIONS, NOTICES & DUES	144	60	84	513	180	333	750	(237)
EQUIPMENT LEASE EXPENSES	-	600	(600)	1,913	1,800	113	7,000	(5,087)
INSURANCE EXPENSES	1,779	2,000	(221)	5,336	6,000	(664)	28,000	(22,664)
COMMUNITY OUTREACH EXP	-	-	-	3,160	8,000	(4,840)	8,000	(4,840)
INVESTMENT EXP	400	400	-	1,233	1,200	33	4,800	(3,567)
TOTAL ADMINISTRATIVE EXPENSES	38,205	41,950	(3,745)	117,115	131,450	(14,335)	542,070	(424,955)
TOTAL WASTEWATER EXPENSES	107,909	134,740	(26,831)	382,869	424,780	(41,911)	1,650,895	(1,268,026)
NET OPERATING REVENUE/EXPENSE	132,702	108,457	24,245	330,003	300,564	29,439	1,416,105	(1,086,102)
NON-OPERATING SOURCE OF FUNDS:								
OTHER REVENUE REIMB-MANDATE COSTS	-	-	-	-	-	-	-	-
INTEREST INCOME/UNREALIZED GAIN ON INV	11,780	6,700	5,080	44,276	13,400	30,876	80,000	(35,724)
PROPERTY TAX INCOME	-	-	-	-	-	-	70,000	(70,000)
TOTAL NON-OPER SOURCE OF FUNDS	11,780	6,700	5,080	44,276	13,400	30,876	150,000	(105,724)
TOTAL SEWER REVENUE/EXPENSE	144,482	115,157	29,325	374,279	313,964	60,315	1,566,105	(1,191,826)
TRANSFER TO CAPITAL FUND-REPLACEMENT				133,820				
TRANSFER TO CAPITAL FUND-IMPROVEMENT				240,459				
CONNECTION FEES				-				
				-				

**TEMESCAL VALLEY WATER DISTRICT
REVENUE AND EXPENDITURES/BUDGET
For Three Months ending September 30, 2019**

WASTE WATER CAPITAL FUND:

ENDING FUNDS AVAILABLE 2018-2019	12,413,541
TRANSFER FOR CAPITAL FUND REPLACEMENT	133,820
TRANSFER FOR CAPITAL IMPROVEMENTS	240,459
CAPITAL IMPROVEMENT (SEE ATTACHED DETAIL)	<u>(78,185)</u>
TOTAL FUNDS AVAILABLE	<u>12,709,635</u>

**TEMESCAL VALLEY WATER DISTRICT
REVENUE AND EXPENDITURES/BUDGET
For Three Months ending September 30, 2019**

	SEPTEMBER			YEAR TO DATE			BUDGET 2019-2020	BUDGET REMAINING
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE		
<u>WATER DEPARTMENT</u>								
OPERATING REVENUE:								
WATER SERVICE CHARGE	133,883	138,000	(4,117)	400,010	414,000	(13,990)	1,660,000	(1,259,990)
WATER USAGE CHARGES	412,534	430,000	(17,466)	1,270,075	1,185,000	85,075	4,340,000	(3,069,925)
WATER PUMPING CHARGE	16,091	13,750	2,341	49,568	41,250	8,318	165,000	(115,432)
FIRE PROTECTION CHARGES	3,105	3,000	105	9,460	9,000	460	35,000	(25,540)
MISC. UTILITY CHARGES	3,102	3,000	102	9,194	9,000	194	35,000	(25,806)
SERVICE METER INCOME	2,100	8,300	(6,200)	16,700	24,900	(8,200)	100,000	(83,300)
CELLULAR SITE LEASE	-	3,000	(3,000)	6,022	9,000	(2,978)	54,000	(47,978)
MWD READINESS TO SERVE CHARGE	9,962	10,000	(38)	29,781	30,000	(219)	150,000	(120,219)
STANDBY CHARGES	-	-	-	-	-	-	41,000	(41,000)
CFD REIMBURSEMENTS	-	-	-	-	-	-	20,000	(20,000)
INSPECTION CHARGES	5,191	3,750	1,441	11,264	7,500	3,764	45,000	(33,736)
TOTAL WATER REVENUE	585,968	612,800	(26,832)	1,802,074	1,729,650	72,424	6,645,000	(4,842,926)
OPERATING EXPENSES:								
WAGES EXPENSE	8,324	8,500	(176)	24,972	25,500	(528)	132,000	(107,028)
INSPECTION WAGES EXPENSE	2,171	2,300	(129)	6,513	6,900	(387)	29,800	(23,287)
PAYROLL TAXES EXP	177	200	(23)	520	600	(80)	2,600	(2,080)
EMPLOYEE BENEFITS-INS	464	1,330	(866)	2,709	3,990	(1,281)	16,000	(13,291)
EMPLOYEE BENEFITS-RETIREMENT	1,360	1,475	(115)	3,835	4,425	(590)	17,700	(13,865)
OPERATION-MILEAGE EXP	81	65	16	422	130	292	750	(328)
OVERTIME EXPENSE/ ON CALL	1,990	850	1,140	5,500	2,550	2,950	10,000	(4,500)
VACATION EXP	780	650	130	2,340	1,950	390	7,800	(5,460)
CONTRACT STAFFING-METER READS	5,391	5,500	(109)	16,183	16,500	(317)	65,000	(48,817)
SCADA SYSTEM ADMIN/MAINT	-	800	(800)	1,084	2,400	(1,316)	10,000	(8,916)
LABORATORY TESTING COSTS	384	1,300	(916)	1,607	3,900	(2,293)	16,000	(14,393)
COMPLIANCE TESTING (ISDE/CROSS)	-	250	(250)	-	750	(750)	3,000	(3,000)
LEAK DETECTION EXPENSE	-	650	(650)	-	1,950	(1,950)	8,000	(8,000)
EPA WATER TESTING EXP	-	-	-	-	-	-	8,500	(8,500)
EQUIPMENT RENTAL COSTS	-	160	(160)	-	480	(480)	2,000	(2,000)
EQUIPMENT REPAIRS & MAINT.	553	6,700	(6,147)	9,711	20,100	(10,389)	80,000	(70,289)
WATER LINE REPAIRS	-	3,400	(3,400)	-	10,200	(10,200)	40,000	(40,000)
ALARM MONITORING COSTS	-	250	(250)	-	750	(750)	3,000	(3,000)
PROPERTY MAINTENANCE	-	400	(400)	-	1,200	(1,200)	5,000	(5,000)
ENGINEERING/ADMIN. STUDIES	-	650	(650)	-	1,950	(1,950)	8,000	(8,000)
ENERGY COSTS	13,001	14,000	(999)	43,216	42,000	1,216	170,000	(126,784)
CONSUMABLE SUPPLIES & CLEANING	268	170	98	525	510	15	2,000	(1,475)
CHEMICALS, LUBRICANTS & FUELS	170	425	(255)	1,395	1,275	120	5,000	(3,605)
SMALL EQUIPMENT & TOOLS COST	43	80	(37)	3,417	240	3,177	1,000	2,417
PERMITS, FEES & TAXES	390	500	(110)	1,346	1,500	(154)	34,000	(32,654)
MAP UPDATING/GIS EXP	-	400	(400)	-	1,200	(1,200)	5,000	(5,000)
SERVICE METERS & PARTS COSTS	3,736	8,300	(4,564)	14,502	24,900	(10,398)	100,000	(85,498)
WHOLESALE WATER PURCHASES	388,445	390,000	(1,555)	1,220,011	1,220,000	11	3,459,600	(2,239,589)
WATER-MWD CAPACITY CHARGE	3,870	4,200	(330)	11,610	12,600	(990)	50,000	(38,390)
WATER-READINESS TO SERVE/REFUSAL CHARGE	8,931	9,600	(669)	26,793	28,800	(2,007)	115,000	(88,207)
WMWD-MGLMR EXP	-	-	-	-	-	-	117,000	(117,000)
BAD DEBT EXPENSES	-	-	-	-	-	-	1,500	(1,500)
CONSERVATION REBATE EXP	1,090	400	690	1,090	1,200	(110)	5,000	(3,910)
CONTINGENCIES	-	3,800	(3,800)	-	11,400	(11,400)	45,500	(45,500)
TOTAL OPERATING EXPENSES	441,619	467,305	(25,686)	1,399,301	1,451,850	(52,549)	4,575,750	(3,176,449)

**TEMESCAL VALLEY WATER DISTRICT
REVENUE AND EXPENDITURES/BUDGET
For Three Months ending September 30, 2019**

	SEPTEMBER			YEAR TO DATE			BUDGET	BUDGET
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	2019-2020	REMAINING
ADMINISTRATIVE EXPENSES:								
CONTRACT MANAGEMENT	7,738	7,500	238	20,480	22,500	(2,020)	89,250	(68,770)
GENERAL ENGINEERING EXP	-	1,600	(1,600)	-	4,800	(4,800)	20,000	(20,000)
PLAN CHECK & INSPECTION EXP	-	800	(800)	-	2,400	(2,400)	10,000	(10,000)
EMPLOYEE BENEFITS-INS	971	1,000	(29)	2,913	3,000	(87)	17,300	(14,387)
EMPLOYEE BENEFITS-RETIREMENT	2,397	2,400	(3)	7,121	7,200	(79)	21,500	(14,379)
ANNUAL ASSESSMENT EXP	-	-	-	2,836	3,000	(164)	4,000	(1,164)
WAGES EXPENSE	10,111	11,000	(889)	30,453	33,000	(2,547)	153,000	(122,547)
VACATION EXP	997	900	97	2,989	2,700	289	10,800	(7,811)
MILEAGE EXP ADMIN	-	40	(40)	-	120	(120)	500	(500)
OVERTIME EXPENSE	-	80	(80)	-	240	(240)	1,000	(1,000)
PAYROLL TAX EXPENSES	198	200	(2)	540	600	(60)	2,500	(1,960)
CONTRACT STAFFING OFFICE	-	-	-	-	-	-	2,000	(2,000)
LEGAL EXPENSES	-	625	(625)	744	1,875	(1,131)	7,500	(6,756)
AUDIT EXPENSES	-	-	-	-	-	-	5,500	(5,500)
BOARD COMMITTEE/ MEETING EXP.	982	875	107	1,983	2,625	(642)	10,500	(8,517)
COMPUTER SYSTEM EXP	1,202	1,000	202	3,872	3,000	872	12,000	(8,128)
BANK CHARGES EXP	2,005	1,700	305	6,414	5,100	1,314	20,000	(13,586)
MISCELLANEOUS & EDUCATION EXP	-	200	(200)	333	600	(267)	2,000	(1,667)
TELEPHONE EXP	456	800	(344)	4,433	2,400	2,033	10,000	(5,567)
OFFICE SUPPLIES EXP	873	830	43	3,269	2,490	779	10,000	(6,731)
PRINTING EXPENSES	-	-	-	-	-	-	5,000	(5,000)
POSTAGE & DELIVERY EXPENSE	846	1,000	(154)	2,598	3,000	(402)	12,000	(9,402)
PUBLICATIONS, NOTICES & DUES	-	200	(200)	-	600	(600)	2,500	(2,500)
EQUIPMENT LEASE EXPENSES	-	500	(500)	1,674	1,500	174	6,000	(4,326)
INSURANCE EXPENSES	1,542	2,000	(458)	4,626	6,000	(1,374)	24,500	(19,874)
INVESTMENT EXPENSE	350	350	-	1,079	1,050	29	4,200	(3,121)
ELECTION & PUBLIC HEARING EXP	-	-	-	-	-	-	3,500	(3,500)
COMMUNITY OUT REACH EXP	-	600	(600)	2,765	1,800	965	7,000	(4,235)
TOTAL ADMINISTRATIVE EXPENSES	30,668	36,200	(5,532)	101,122	111,600	(10,478)	474,050	(372,928)
TOTAL WATER EXPENSES	472,287	503,505	(31,218)	1,500,423	1,563,450	(63,027)	5,049,800	(3,549,377)
NET OPERATING REVENUE/EXPENSE	113,681	109,295	4,386	301,651	166,200	135,451	1,595,200	(1,293,549)
NON-OPERATING SOURCE OF FUNDS:								
OTHER REVENUE REIMB-MANDATE COSTS			-			-		-
INTEREST INCOME/UNREALIZED GAIN ON INV	14,880	8,500	6,380	55,929	25,500	30,429	100,000	(44,071)
PROPERTY TAX INCOME	-	-	-	-	-	-	40,000	(40,000)
TOTAL NON-OP SOURCE OF FUNDS	14,880	8,500	6,380	55,929	25,500	30,429	140,000	(84,071)
TOTAL REVENUE/EXPENSE	128,561	117,795	10,766	357,580	191,700	165,880	1,735,200	(1,377,620)
TRANSFER TO CAPITAL FUND-REPLACEMENT				142,348				
TRANSFER TO CAPITAL FUND-IMPROVEMENT				215,232				
CONNECTION FEES				-				
CAPACITY USAGE INCOME				156,658				
LONG TERM DEBT REDUCTION				156,658				
				-				

**TEMESCAL VALLEY WATER DISTRICT
REVENUE AND EXPENDITURES/BUDGET
For Three Months ending September 30, 2019**

WATER CAPITAL FUND:

ENDING FUNDS AVAILABLE 2018-2019	13,057,975
TRANSFER FOR CAPITAL FUND REPLACEMENT	142,348
TRANSFER FOR CAPITAL IMPROVEMENTS	215,232
CAPITAL IMPROVEMENT (SEE ATTACHED DETAIL)	<u>(186,128)</u>
TOTAL FUNDS AVAILABLE	<u>13,229,429</u>

**TEMESCAL VALLEY WATER DISTRICT
REVENUE AND EXPENDITURES/BUDGET
For Three Months ending September 30, 2019**

	SEPTEMBER			YEAR TO DATE			BUDGET	BUDGET
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	2019-2020	REMAINING
<i>ID#1 DEPARTMENT</i>								
OPERATING REVENUE:								
ANNUAL SEWER SERVICE CHARGE	13,725	13,725	-	41,175	41,175	-	164,700	(123,525)
TOTAL ID #1 REVENUE	13,725	13,725	-	41,175	41,175	-	164,700	(123,525)
OPERATING EXPENSES:								
MONTHLY TREATMENT PLANT COSTS	10,766	10,766	-	32,299	32,299	-	133,078	(100,779)
TOTAL OPERATING COSTS	10,766	10,766	-	32,299	32,299	-	133,078	(100,779)
ADMINISTRATIVE EXPENSES:								
ANNUAL ASSESSMENT PROCESSING	-	-	-	-	-	-	3,000	(3,000)
TOTAL ADMINISTRATIVE EXPENSES	-	-	-	-	-	-	3,000	(3,000)
TOTAL ID#1 EXPENSES	10,766	10,766	-	32,299	32,299	-	136,078	(103,779)
NET OPERATING REVENUE/EXPENSE	2,959	2,959	-	8,876	8,876	-	28,622	(19,746)
NON-OPERATING SOURCE OF FUNDS:								
INTEREST INCOME/UNREALIZED GAIN ON INV	310	175	135	2,332	350	1,982	2,100	232
TOTAL NON-OPER SOURCE OF FUNDS	310	175	135	2,332	350	1,982	2,100	232
TOTAL REVENUE/EXPENSE	3,269	3,134	135	11,208	9,226	1,982	30,722	(19,514)
TRANSFER TO CAPITAL FUND-REPLACEMENT				11,208				
TRANSFER TO CAPITAL FUND-IMPROVEMENT				-				
				-				
<i>ID #1 FUND BALANCE:</i>								
ENDING FUNDS AVAILABLE 2018-2019	528,559							
TRANSFER TO CAPITAL FUND-REPLACEMENT	11,208							
TRANSFER FOR CAPITAL IMPROVEMENTS	-							
CAPITAL IMPROVEMENT (SEE ATTACHED DETAIL)	-							
TOTAL FUNDS AVAILABLE	539,767							

**TEMESCAL VALLEY WATER DISTRICT
REVENUE AND EXPENDITURES/BUDGET
For Three Months ending September 30, 2019**

	SEPTEMBER			YEAR TO DATE			BUDGET 2019-2020	BUDGET REMAINING
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE		
<i>ID#2 DEPARTMENT</i>								
OPERATING REVENUE:								
ANNUAL SEWER SERVICE CHARGE	15,525	15,525	-	46,575	31,050	15,525	191,820	(145,245)
TOTAL ID #2 REVENUE	15,525	15,525	-	46,575	31,050	15,525	191,820	(145,245)
OPERATING EXPENSES:								
MONTHLY TREATMENT PLANT COSTS	12,179	12,179	-	36,535	24,358	12,177	150,530	(113,995)
TOTAL OPERATING COSTS	12,179	12,179	-	36,535	24,358	12,177	150,530	(113,995)
ADMINISTRATIVE EXPENSES:								
GENERAL ENGINEERING EXP	-	-	-	-	-	-	2,500	(2,500)
ANNUAL ASSESSMENT PROCESSING	-	-	-	-	-	-	3,000	(3,000)
TOTAL ADMINISTRATIVE EXPENSES	-	-	-	-	-	-	5,500	(5,500)
TOTAL ID#2 EXPENSES	12,179	12,179	-	36,535	24,358	12,177	156,030	(119,495)
NET OPERATING REVENUE/EXPENSE	3,346	3,346	-	10,040	6,692	3,348	35,790	(25,750)
NON-OPERATING SOURCE OF FUNDS:								
INTEREST INCOME/UNREALIZED GAIN ON INV	620	350	270	2,332	700	1,632	4,150	(1,818)
TOTAL NON-OPER SOURCE OF FUNDS	620	350	270	2,332	700	1,632	4,150	(1,818)
TOTAL REVENUE/EXPENSE	3,966	3,696	270	12,372	7,392	4,980	39,940	(27,568)
TRANSFER TO CAPITAL FUND-REPLACEMENT				12,372				
TRANSFER TO CAPITAL FUND-IMPROVEMENT				-				
				-				
<i>ID #2 FUND BALANCE:</i>								
ENDING FUNDS AVAILABLE 2018-2019	222,772							
TRANSFER TO CAPITAL FUND-REPLACEMENT	12,372							
TRANSFER FOR CAPITAL IMPROVEMENTS	-							
CAPITAL IMPROVEMENT-PLANT REMOVAL	-							
TOTAL FUNDS AVAILABLE	235,144							

**TEMESCAL VALLEY WATER DISTRICT
REVENUE AND EXPENDITURES/BUDGET
For Three Months ending September 30, 2019**

	SEPTEMBER			YEAR TO DATE			BUDGET 2019-2020	BUDGET REMAINING
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE		
<i>NON-POTABLE WATER DEPARTMENT</i>								
OPERATING REVENUE:								
RECYCLED/NON-POTABLE WATER SALES	208,686	180,000	28,686	567,345	530,000	37,345	1,700,000	(1,132,655)
RECYCLED/ NON-POT WATER FIXED CHARGE	21,012	16,700	4,312	63,135	50,100	13,035	200,000	(136,865)
RECYCLED/NON-POTABLE PUMPING CHARGE	7,333	4,000	3,333	19,979	12,000	7,979	40,000	(20,021)
MISC INCOME	1,100	1,000	100	5,200	3,000	2,200	12,000	(6,800)
INSPECTION REVENUE	3,708	2,400	1,308	8,046	4,800	3,246	29,000	(20,954)
TOTAL NON-POTABLE REVENUE	241,839	204,100	37,739	663,705	599,900	63,805	1,981,000	(1,317,295)
OPERATING EXPENSES:								
RECYCLED/NON-POTABLE LABOR EXP	5,945	7,000	(1,055)	17,834	21,000	(3,166)	94,200	(76,366)
INSPECTION WAGES EXPENSE	1,551	1,775	(224)	4,649	5,325	(676)	21,300	(16,651)
PAYROLL TAXES EXP	126	146	(20)	371	438	(67)	1,900	(1,529)
EMPLOYEE BENEFITS-INS	331	950	(619)	1,935	2,850	(915)	11,400	(9,465)
EMPLOYEE BENEFITS-RETIREMENT	986	1,050	(64)	2,729	3,150	(421)	12,600	(9,871)
MILEAGE EXP	-	20	(20)	-	40	(40)	200	(200)
OVERTIME EXP	1,421	520	901	3,965	1,560	2,405	6,200	(2,235)
VACATION EXP	156	460	(304)	468	1,380	(912)	5,600	(5,132)
SCADA SYS EXP	-	1,250	(1,250)	774	3,750	(2,976)	15,000	(14,226)
LABORATORY TESTING COSTS	-	250	(250)	-	750	(750)	3,000	(3,000)
EQUIPMENT REPAIRS & MAINT.	-	8,000	(8,000)	6,181	24,000	(17,819)	100,000	(93,819)
NONPOTABLE WATER LINE REPAIR	-	8,000	(8,000)	-	24,000	(24,000)	100,000	(100,000)
SECURITY AND ALARM EXP	-	150	(150)	-	450	(450)	1,900	(1,900)
PROPERTY MAINTENANCE	470	400	70	1,060	1,200	(140)	5,000	(3,940)
ENERGY COSTS	34,035	21,000	13,035	88,383	63,000	25,383	250,000	(161,617)
CONSUMABLE SUPPLIES EXP	195	80	115	378	240	138	1,000	(622)
CHEMICALS, LUBRICANTS & FUELS	122	300	(178)	997	900	97	3,500	(2,503)
PERMITS AND FEES EXP	278	500	(222)	961	1,500	(539)	6,000	(5,039)
SERVICE METERS AND PARTS COSTS	-	600	(600)	-	1,800	(1,800)	7,000	(7,000)
RECYCLED SIGN/TOOLS EXP	-	300	(300)	1,755	900	855	4,000	(2,245)
MISC OPERATING EXP	-	40	(40)	-	120	(120)	500	(500)
BAD DEBT	-	-	-	-	-	-	1,600	(1,600)
CONTINGENCIES	-	2,250	(2,250)	-	6,750	(6,750)	27,000	(27,000)
TOTAL OPERATING EXPENSES	45,616	55,041	(9,425)	132,440	165,103	(32,663)	678,900	(546,460)

**TEMESCAL VALLEY WATER DISTRICT
REVENUE AND EXPENDITURES/BUDGET
For Three Months ending September 30, 2019**

	SEPTEMBER			YEAR TO DATE			BUDGET	BUDGET
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	2019-2020	REMAINING
ADMINISTRATIVE EXPENSES:								
CONTRACT MANAGEMENT	5,528	5,300	228	14,628	15,900	(1,272)	63,750	(49,122)
GENERAL ENGINEERING/ PLAN CHECK EXP	-	800	(800)	-	2,400	(2,400)	10,000	(10,000)
INSPECTION / PLAN CHECK EXP	-	500	(500)	-	1,500	(1,500)	6,000	(6,000)
EMPLOYEE BENEFITS-INS	694	1,025	(331)	2,081	3,075	(994)	12,300	(10,219)
EMPLOYEE BENEFITS-RETIREMENT	1,712	1,275	437	5,084	3,825	1,259	15,300	(10,216)
WAGES EXPENSE	7,222	8,400	(1,178)	21,258	25,200	(3,942)	109,000	(87,742)
VACATION EXP	199	200	(1)	599	600	(1)	7,700	(7,101)
MILEAGE EXP	-	20	(20)	-	60	(60)	200	(200)
OVERTIME EXP	-	40	(40)	-	120	(120)	500	(500)
PAYROLL TAX EXPENSE	142	150	(8)	386	450	(64)	1,800	(1,414)
CONTRACT STAFFING EXP	-	-	-	-	-	-	2,000	(2,000)
LEGAL EXPENSE	-	400	(400)	531	1,200	(669)	5,000	(4,469)
AUDIT EXP	-	-	-	-	-	-	4,500	(4,500)
BOARD FEES EXP	107	625	(518)	823	1,875	(1,052)	7,500	(6,677)
ELECTION EXP	-	200	(200)	-	400	(400)	2,500	(2,500)
COMPUTER SYSTEMS EXP	859	850	9	2,766	2,550	216	10,000	(7,234)
BANK CHARGES	1,432	1,250	182	4,581	3,750	831	15,000	(10,419)
MISC & EDUCATION EXP	-	80	(80)	238	240	(2)	1,000	(762)
TELEPHONE EXP	325	580	(255)	3,166	1,740	1,426	7,000	(3,834)
OFFICE SUPPLIES	625	425	200	1,889	1,275	614	5,000	(3,111)
PRINTING EXP	-	-	-	-	-	-	3,000	(3,000)
POSTAGE EXP	605	800	(195)	1,857	2,400	(543)	10,000	(8,143)
PUBLICATION EXP	-	170	(170)	-	510	(510)	2,000	(2,000)
EQUIPMENT LEASE EXP	-	375	(375)	1,196	1,125	71	4,500	(3,304)
INSURANCE EXPENSE	1,101	1,400	(299)	3,302	4,200	(898)	17,500	(14,198)
ANNUAL ASSESSMENT EXP	-	-	-	-	-	-	3,000	(3,000)
INVESTMENT EXPENSE	250	250	-	772	750	22	3,000	(2,228)
COMMUNITY OUTREACH EXP	-	400	(400)	1,976	1,200	776	4,800	(2,824)
TOTAL ADMINISTRATIVE EXPENSES	20,801	25,515	(4,714)	67,133	76,345	(9,212)	333,850	(266,717)
TOTAL NON-POTABLE OPERATING EXPENSES	66,417	80,556	(14,139)	199,573	241,448	(41,875)	1,012,750	(813,177)
NET OPERATING REVENUE/EXPENSE	175,422	123,544	51,878	464,132	358,452	105,680	968,250	(504,118)
NON-OPERATING SOURCE OF FUNDS:								
INTEREST INCOME/UNREALIZED GAIN ON INV	-	1,900	(1,900)	-	3,800	(3,800)	23,000	(23,000)
TOTAL NON-OP SOURCE OF FUNDS	-	1,900	(1,900)	-	3,800	(3,800)	23,000	(23,000)
TOTAL REVENUE/EXPENSE	175,422	125,444	49,978	464,132	362,252	101,880	991,250	(527,118)
TRANSFER TO CAPITAL FUND-REPLACEMENT				84,639				
TRANSFER TO CAPITAL FUND-IMPROVEMENT				379,493				
CONNECTION FEES				-				
				-				
NON-POTABLE FUND BALANCE:								
ENDING FUNDS AVAILABLE 2018-2019	3,424,313							
TRANSFER FOR CAPITAL FUND REPLACEMENT	84,639							
TRANSFER FOR CAPITAL IMPROVEMENTS	379,493							
CAPITAL IMPROVEMENT (SEE ATTACHED DETAIL)	(213,900)							
TOTAL FUNDS AVAILABLE	3,674,545							

TEMESCAL VALLEY WATER DISTRICT
Community Facilities District No. 1
Financing Authority
(Sycamore Creek)
9/30/2019

<u>Special Tax Fund (Acct #105636-009)</u> Account Balance at Wilmington Trust	\$ 2,054.24
<hr/>	
<u>BONDS PR ACCT (Acct # 105636-010)</u> Account Balance at Wilmington Trust	367.17
<hr/>	
<u>Administrative Expense Fund(Acct #105636-011)</u> Account Balance at Wilmington Trust	8.23
<hr/>	
<u>Surplus Fund (Acct #105636-012)</u> Account Balance at Wilmington Trust	1,468,308.82
<hr/>	

TEMESCAL VALLEY WATER DISTRICT
Community Facilities District No. 2
Financing Authority
(Montecito Ranch)
9/30/2019

Special Tax Fund (Acct #105636-014)
Account Balance at Wilmington Trust \$ 289.15

BONDS PR ACCT (Acct # 105636-015)
Account Balance at Wilmington Trust 58.25

Administrative Expense Fund(Acct #105636-016)
Account Balance at Wilmington Trust 4.72

Surplus Fund (Acct #105636-017)
Account Balance at Wilmington Trust 343,996.41

Prepayment Fund (Acct #105636-026)
Account Balance at Wilmington Trust -

TOTAL \$ 344,348.53

TEMESCAL VALLEY WATER DISTRICT
Community Facilities District No. 3
Financing Authority
(The Retreat)
9/30/2019

<u>Special Tax Fund (Acct #105636-019)</u> Account Balance at Wilmington Trust	\$ 1,511.47
<hr/>	
<u>BONDS PR ACCT (Acct # 105636-020)</u> Account Balance at Wilmington Trust	284.38
<hr/>	
<u>Administrative Expense Fund(Acct #105636-021)</u> Account Balance at Wilmington Trust	8.23
<hr/>	
<u>Surplus Fund (Acct #105636-022)</u> Account Balance at Wilmington Trust	897,818.32
<hr/>	
Prepayment Fund (Acct #105636-027) Account Balance at Wilmington Trust	44,043.16
<hr/>	
TOTAL	\$ 943,665.56

**TEMESCAL VALLEY WATER DISTRICT
Community Facilities District
Financing Authority**

9/30/2019

Senior Lien Bonds - Revenue Fund (Acct #105636-000)	\$	-
- Lien Interest A/C (Acct #105636-001)		4,990.46
- Lien Principal A/C (Acct #105636-002)		-
- Financing Authority Surplus A/C (Acct #105636-003)		-
- Reserve Fund CFD #1 (Acct #105636-004)		2,265,813.92
- Reserve Fund CFD #2 (Acct #105636-005)		276,381.13
- Reserve Fund CFD #3 (Acct #105636-006)		1,497,237.52
Junior Lien Bonds - Revenue Fund (Acct #105639-000)	\$	0.01
- Lien Interest A/C (Acct #105639-001)		1,558.58
- Lien Principal A/C (Acct #105639-002)		-
- Financing Authority Surplus A/C (Acct #105639-003)		-
- Reserve Fund CFD #1 (Acct #105639-004)		619,754.70
- Reserve Fund CFD #2 (Acct #105639-005)		100,288.87
- Reserve Fund CFD #3 (Acct #105639-006)		541,479.13
TOTAL		
		\$ 5,307,504.32

TEMESCAL VALLEY WATER DISTRICT
Community Facilities District No. 4
Financing Authority
(Terramor)
9/30/2019

Special Tax Fund (Acct #133306-001)
Account Balance at Wilmington Trust \$ 20,452.74

Interest Acct (Acct #133306-002)
Account Balance at Wilmington Trust 260.42

BONDS PR ACCT (Acct #133306-003)
Account Balance at Wilmington Trust -

Administrative Expense Fund(Acct #133306-004)
Account Balance at Wilmington Trust 45,710.79

Reserve fund Fund (Acct #133306-005)
Account Balance at Wilmington Trust 1,418,823.01

Surplus Fund (Acct #133306-006)
Account Balance at Wilmington Trust -

Redemption fund (Acct #133306-007)
Account Balance at Wilmington Trust -

Construction fund (Acct #133306-008)
Account Balance at Wilmington Trust 9,922,803.92

Cost of Issuance (Acct #133306-009)
Account Balance at Wilmington Trust -

TOTAL \$ 11,408,050.88

Temescal Valley Water District
Capital Projects
Yearly Miscellaneous and Multi - Year

In Process
Not Started

Capital Projects		Source of Funding					AS OF SEPT 2019 EXPENDITURES			Total YTD	Variance	
FY 2019/2020 Maintenance/ General Projects	CIP #	ENG#	Total Cost	Sewer Fund	Water Fund	Recycled Fund	Previous YR	Sewer Fund	Water Fund			Recycled Fund
Computer and Software Upgrades	G-1-2019		\$ 25,000	\$ 10,000	\$ 8,750	\$ 6,250		\$ 552	\$ 483	\$ 344	\$ 1,379	\$ 23,621
General Building Improvements	G-2-2019		\$ 80,000	\$ 32,000	\$ 28,000	\$ 20,000	\$ -	\$ 8,292	\$ -	\$ -	\$ 8,292	\$ 71,708
Backhoe	P-1-2019		\$ 90,000	\$ 30,000	\$ 30,000	\$ 30,000		\$ -	\$ -	\$ -	\$ -	\$ 90,000
Trillogy Reservoir Rehab Interior/Exterior	W-1-2019		\$ 524,400	\$ -	\$ 524,400	\$ -	\$ 2,200	\$ -	\$ -	\$ -	\$ -	\$ 522,200
Urban Water Management Plan 2020	G-23-2019		\$ 100,000			\$ 100,000		\$ -	\$ -	\$ -	\$ -	\$ 100,000
WRF Compliance Instrumentation Replacement			\$ 40,000	\$ 25,000	\$ -	\$ 15,000		\$ 22,241	\$ -	\$ -	\$ 22,241	\$ 17,759
Convert to Recycled			\$ 135,000	\$ -	\$ 75,000	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135,000
Forest Boundary Potable Water Looping	W-2-2019		\$ 480,000	\$ -	\$ 480,000			\$ -	\$ -	\$ -	\$ -	\$ 480,000
Recycled and Non-potable Pipeline extentions	NP-2018		\$ 775,000	\$ -	\$ -	\$ 775,000	\$ -	\$ -	\$ -	\$ 26,510	\$ 26,510	\$ 748,490
SUBTOTAL			\$ 2,249,400	\$ 97,000	\$ 1,146,150	\$ 1,006,250	\$ 2,200	\$ 31,085	\$ 483	\$ 26,854	\$ 58,422	\$ 2,188,778

Multiple Fiscal Year Projects		Source of Funding					AS OF AUG 2019 EXPENDITURES			Total YTD	Variance	
CIP #	ENG#	Total Cost	Sewer Fund	Water Fund	Recycled Fund	Previous YR	Sewer Fund	Water Fund	Recycled Fund			
		\$ 125,000	\$ -	\$ 50,000	\$ 75,000	\$ 106,030	\$ -	\$ -	\$ 2,269	\$ 2,269	\$ 16,701	
		\$ 90,000	\$ -	\$ -	\$ 90,000	\$ 17,074	\$ -	\$ -	\$ -	\$ -	\$ 72,926	
		\$ 20,000	\$ -	\$ 20,000	\$ -	\$ 15,595	\$ -	\$ -	\$ -	\$ -	\$ 4,405	
		\$ 100,000	\$ 100,000	\$ -	\$ -	\$ 12,670	\$ -	\$ -	\$ -	\$ -	\$ 87,330	
		\$ 30,000	\$ -	\$ -	\$ 30,000	\$ 29,985	\$ -	\$ -	\$ -	\$ -	\$ 15	
		\$ 52,000	\$ 52,000	\$ -	\$ -	\$ 42,185	\$ -	\$ -	\$ -	\$ -	\$ 9,815	
		\$ 42,000	\$ 42,000	\$ -	\$ -	\$ 21,984	\$ -	\$ -	\$ -	\$ -	\$ 20,016	
		\$ 250,000	\$ 100,000	\$ 87,500	\$ 62,500	\$ 229,729	\$ -	\$ -	\$ -	\$ -	\$ 20,271	
	S-1-2015	\$ 1,230,000	\$ 1,230,000	\$ -	\$ -	\$ 283,140	\$ -	\$ -	\$ -	\$ -	\$ 946,860	
	S-1-2015	\$ 5,506,613	\$ 5,506,613	\$ -	\$ -	\$ 82,334	\$ 46,234	\$ -	\$ -	\$ -	\$ 5,378,045	
		\$ 171,700	\$ 66,000	\$ 66,000	\$ 39,700	\$ 136,086	\$ 866	\$ 866	\$ -	\$ 1,732	\$ 33,882	
		\$ 300,000	\$ -	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000	
		\$ 503,000	\$ -	\$ 135,000	\$ 368,000	\$ 131,140	\$ -	\$ 184,777	\$ 184,777	\$ 369,554	\$ 2,306	
		\$ 320,000	\$ 300,000	\$ -	\$ 20,000	\$ 190,682	\$ -	\$ -	\$ -	\$ -	\$ 129,318	
	W-1-2015	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ 131,540	\$ -	\$ -	\$ -	\$ -	\$ 68,460	
	W-1-2015	\$ 5,770,000		\$ 5,770,000							\$ 5,770,000	
		\$ 500,000	\$ -	\$ 250,000	\$ 250,000	\$ 388,316	\$ -	\$ -	\$ -	\$ -	\$ 111,684	
SUBTOTAL			\$ 15,210,313	\$ 7,396,613	\$ 6,578,500	\$ 1,235,200	\$ 1,818,490	\$ 47,100	\$ 185,643	\$ 187,046	\$ 419,789	\$ 12,972,034

TOTAL	\$ 17,459,713	\$ 7,493,613	\$ 7,724,650	\$ 2,241,450	\$ 1,820,690	\$ 78,185	\$ 186,126	\$ 213,900	\$ 478,211	\$ 15,160,812
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CALIFORNIA STATE TREASURER FIONA MA, CPA



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
09/16/19	2.28	2.35	182
09/17/19	2.27	2.35	188
09/18/19	2.27	2.35	187
09/19/19	2.27	2.35	186
09/20/19	2.26	2.35	185
09/21/19	2.26	2.34	185
09/22/19	2.26	2.34	185
09/23/19	2.26	2.34	186
09/24/19	2.26	2.34	185
09/25/19	2.25	2.34	184
09/26/19	2.25	2.34	186
09/27/19	2.25	2.34	187
09/28/19	2.25	2.34	187
09/29/19	2.25	2.34	187
09/30/19	2.25	2.34	185
10/01/19	2.22	2.22	200
10/02/19	2.22	2.22	200
10/03/19	2.21	2.22	198
10/04/19	2.21	2.22	198
10/05/19	2.21	2.21	198
10/06/19	2.21	2.21	198
10/07/19	2.21	2.21	197
10/08/19	2.21	2.21	197
10/09/19	2.21	2.21	196
10/10/19	2.20	2.21	199
10/11/19	2.20	2.21	200
10/12/19	2.20	2.21	200
10/13/19	2.20	2.21	200
10/14/19	2.20	2.21	197
10/15/19	2.20	2.21	198
10/16/19	2.19	2.21	197

*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

LAIF Performance Report

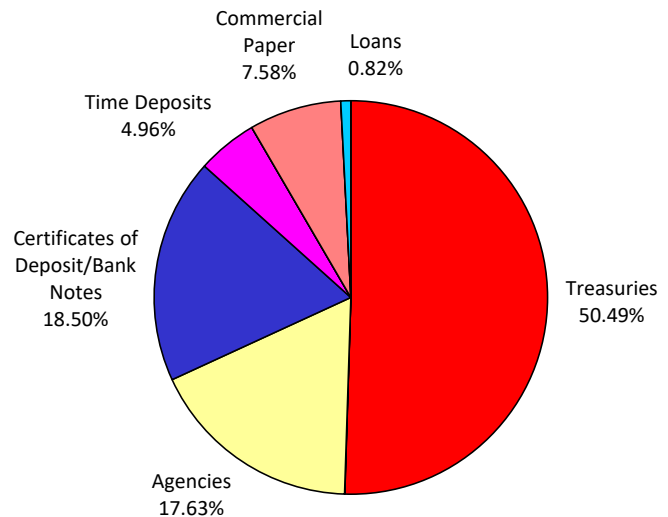
Quarter Ending 09/30/19

Apportionment Rate: 2.45
 Earnings Ratio: .00006701807521016
 Fair Value Factor: 1.001642817
 Daily: 2.25%
 Quarter to Date: 2.34%
 Average Life: 185

PMIA Average Monthly Effective Yields

Sep 2019 2.280
 Aug 2019 2.341
 July 2019 2.379

Pooled Money Investment Account Portfolio Composition 09/30/19 \$97.4 billion



Percentages may not total 100% due to rounding

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1)

Based on data available as of 10/16/2019

Active Lien Board Update

Balance as of 9/24/19: \$11,781.48

Payments received: \$0.00

New liens recorded: \$0.00

ACTIVE

Active liens value \$486.50

Number of active liens 4

WRITTEN OFF

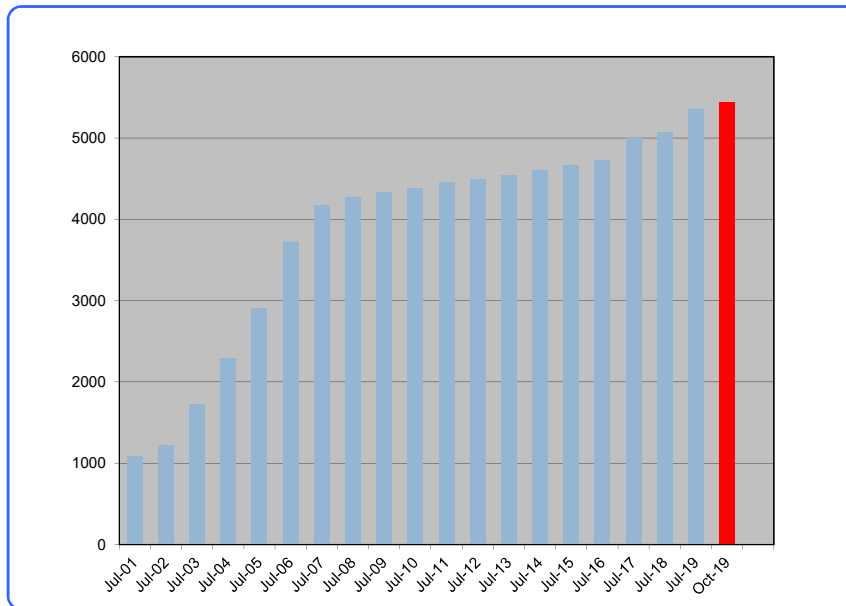
Written off liens value \$11,294.98

Number of written off liens 53

Released liens 6/13/07 - 10/22/19: \$176,789.76

**TEMESCAL VALLEY WATER DISTRICT
CUSTOMER COUNT PER YEAR(RESIDENTIAL)**
(Excludes SID#1 and SID#2 sewer customers)

DATE	Jul-01	Jul-02	Jul-03	Jul-04	Jul-05	Jul-06	Jul-07	Jul-08	Jul-09	Jul-10	Jul-11	Jul-12	Jul-13	Jul-14	Jul-15	Jul-16	Jul-17	Jul-18	Jul-19	Oct-19
CUSTOMERS	1090	1223	1729	2295	2910	3718	4173	4279	4332	4386	4463	4492	4547	4605	4670	4736	5000	5076	5358	5438



RESIDENTIAL	Total Homes	Completed Homes	
Wildrose Ranch	1043	1043	100%
Trilogy at Glen Ivy	1317	1317	100%
Painted Hills	204	204	100%
Canyon Oaks	26	26	100%
Montecito Ranch	306	306	100%
Sycamore Creek	1738	1674	96%
The Retreat	525	525	100%
Terramor	1443	328	23% 15 MODELS
Harmony Grove	50	15	30%
	<u>6652</u>	<u>5438</u>	82%

TOTAL CUSTOMER COUNT REPORT

September 30, 2019

FOR THE MONTH OF JUNE 2019

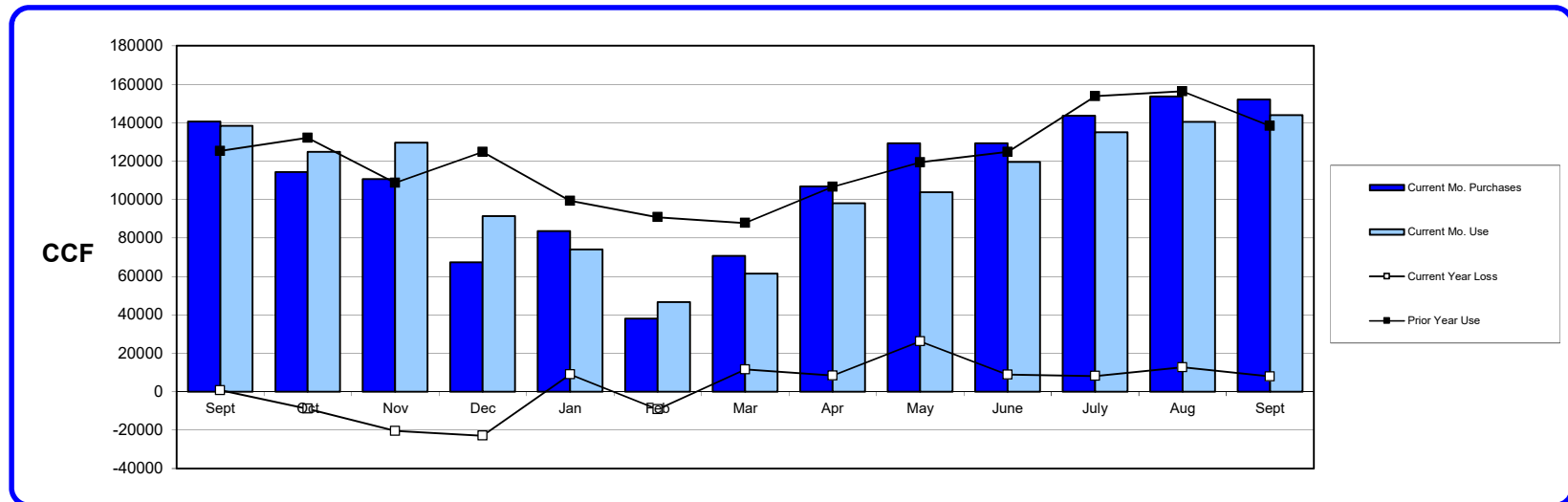
	Water & Sewer	Water Only	Sewer Only	Count
New homes added 7 Accts closed/transf 69 Empty Homes 11			Butterfield (305) Calif. Meadows (345)	
Residential	5388	2	650	6040
Commercial	91	0	2	93
Commercial-fireheld inactive	41			41
Public Govt	4	1	0	5
Irrigation-Industrial	0	68	0	68
Non-Potable Water other	0	149	0	149
Construction-Bulk Sales	0	24	0	24
Total Active Customers	5524	244	652	6420

DELINQUENT REPORT

Meters Read - Customers Billed	5727	
Received Delinquent Notice on current bill	405	7.07%
Turned Off for lack of payment	13	0.23%
Customers turned back on, amount paid	12	0.21%

WATER USAGE REPORT FOR THIRTEEN MONTHS

	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	TOTAL
Beg Water Levels	10107	11630	10154	11560	10429	11083	11571	9302	9628	9628	9628	9628	9628	
Ending Water Levels	11630	2208	11560	10429	11083	11571	9302	9628	8895	9746	10279	10771	10908	
Cur Yearly Purchases	140518	114288	110566	67220	83505	37941	70688	106748	129147	129147	143604	153486	151898	1438756
Cur Yr Monthly Use	138302	2422	129569	91254	73902	46657	61401	98045	103672	119497	134958	140366	143820	1283865
Prior Yr Monthly Use	125247	132059	108702	124709	99305	90737	87771	106589	119302	124735	153700	156286	138302	1567444

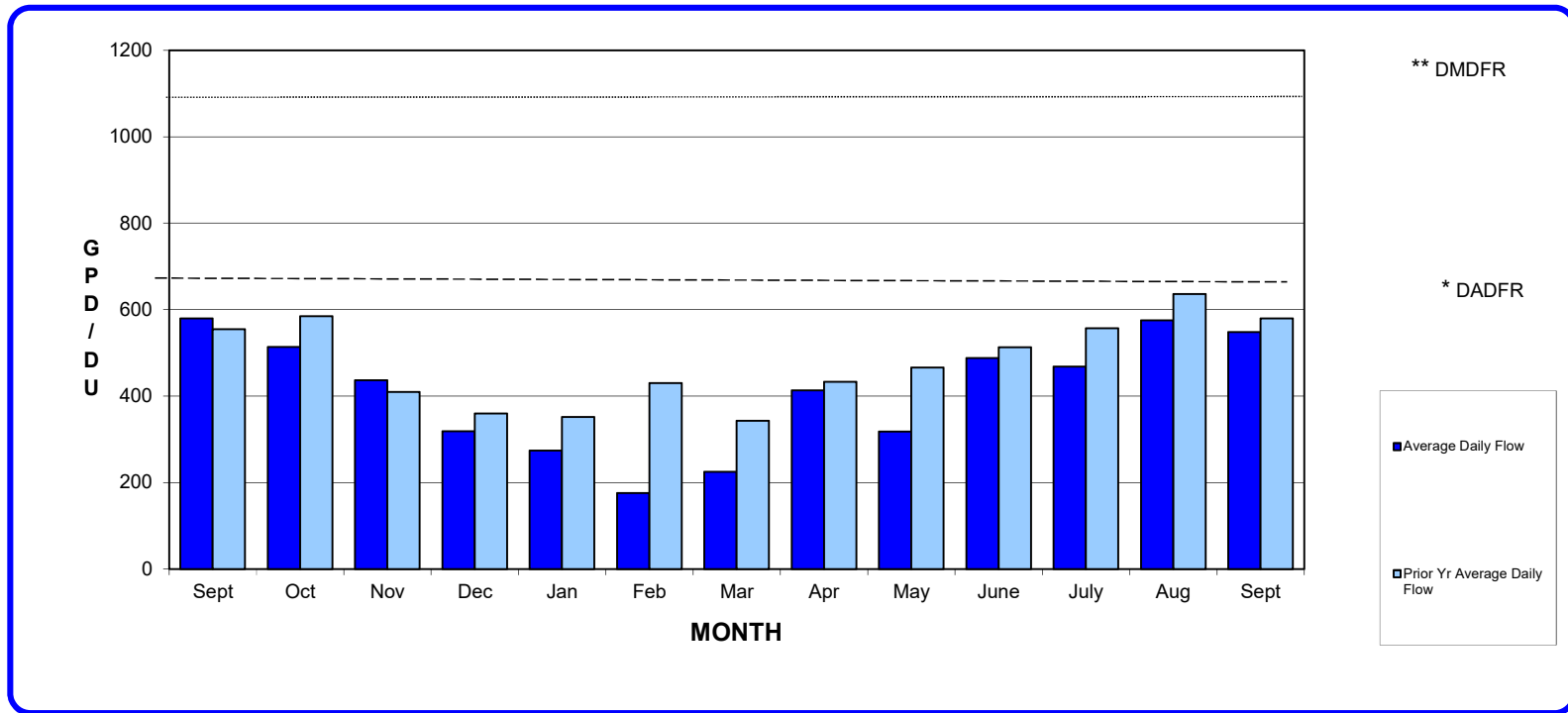


KEY
2017-2018
2018-2019
2019-2020

SUMMARY	CCF
Beginning Water in System	10107 CCF
Water Purchased in last 13 months	1438756 CCF
Water Used in last 13 months	1283865 CCF
Water Remaining in System	10908 CCF
(Loss)/Gain over last 13 months	(154090) CCF
	-10.71%

RESIDENTIAL WATER USAGE AVERAGE DAILY FLOW (GALLONS per DAY per RESIDENTIAL DWELLING UNIT CONNECTED)

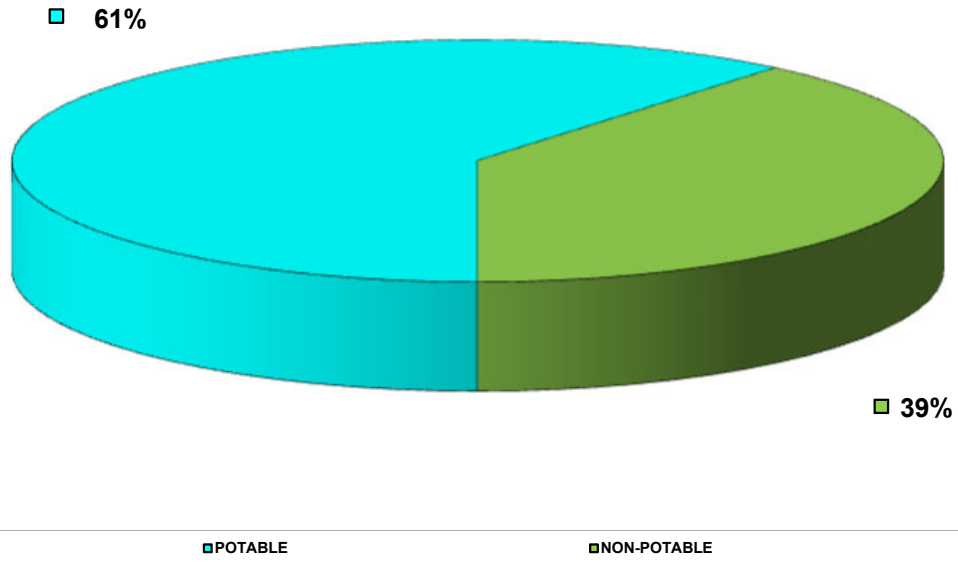
	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	YEARLY AVERAGE
Average Daily Flow	580	514	437	319	274	176	225	413	318	488	468	575	548	396
Prior Yr Average Daily Flow	555	585	410	360	352	430	343	433	466	513	557	636	580	472



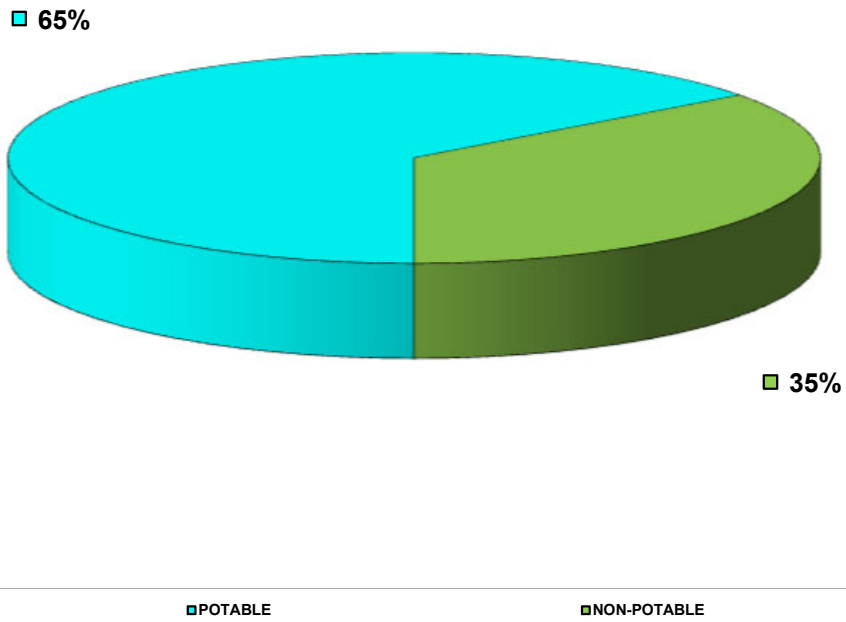
Key
2016-2017
2017-2018
2018-2019
2019-2020

- * DESIGN AVERAGE DAILY FLOW RATE IN GPD (650)
- ** DESIGN MAXIMUM DAILY FLOW RATE IN GPD (1140)

**Temescal Valley Water District
Volume of Water Sold
For Three Months Ending Sept 30, 2019
F/Y 2019-2020**

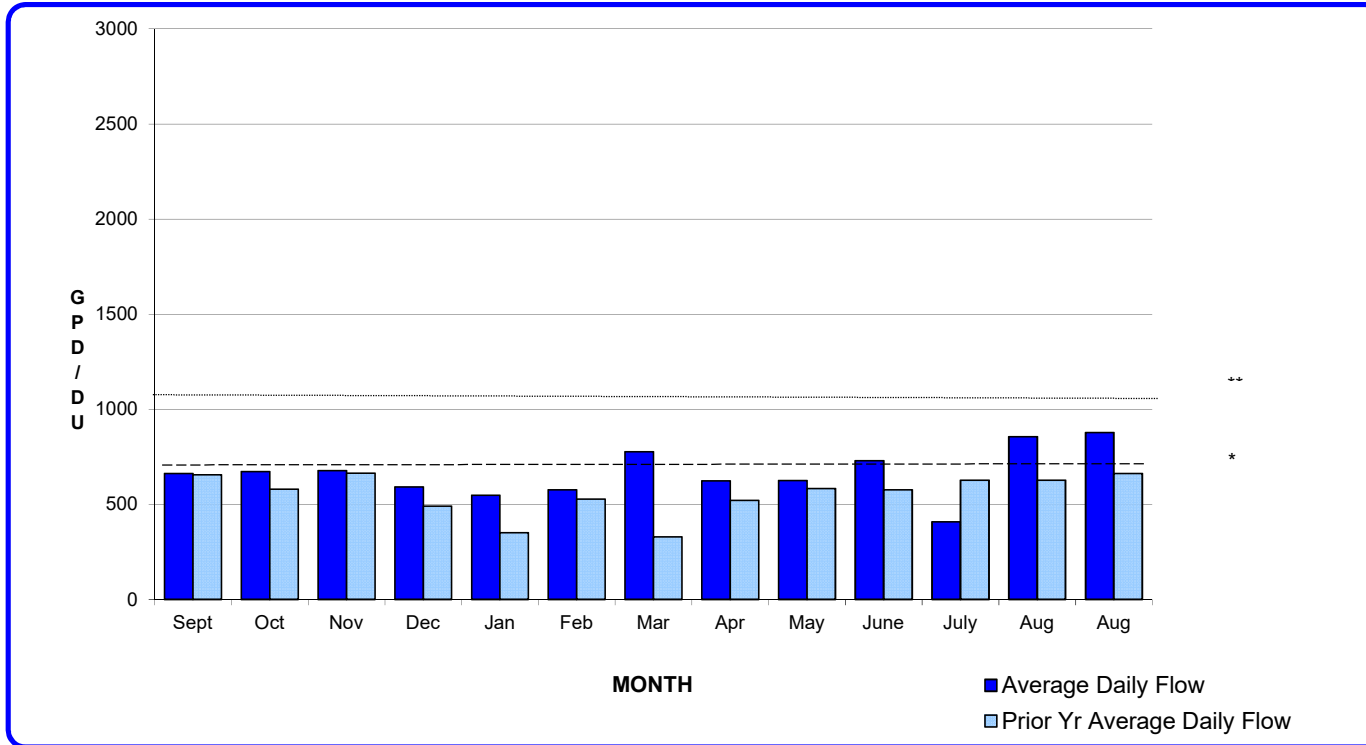


**Temescal Valley Water District
Water Volume Sold
For F/Y 2018-2019
Twelve Months**



**COMMERCIAL WATER USAGE
AVERAGE DAILY FLOW
(GALLONS per DAY per COMMERCIAL DWELLING UNIT CONNECTED)**

	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Aug	YEARLY AVERAGE
Average Daily Flow	663	673	678	591	548	576	776	624	626	729	408	856	877	664
Prior Yr Average Daily Flow	656	580	664	491	352	527	329	521	583	577	627	627	663	934

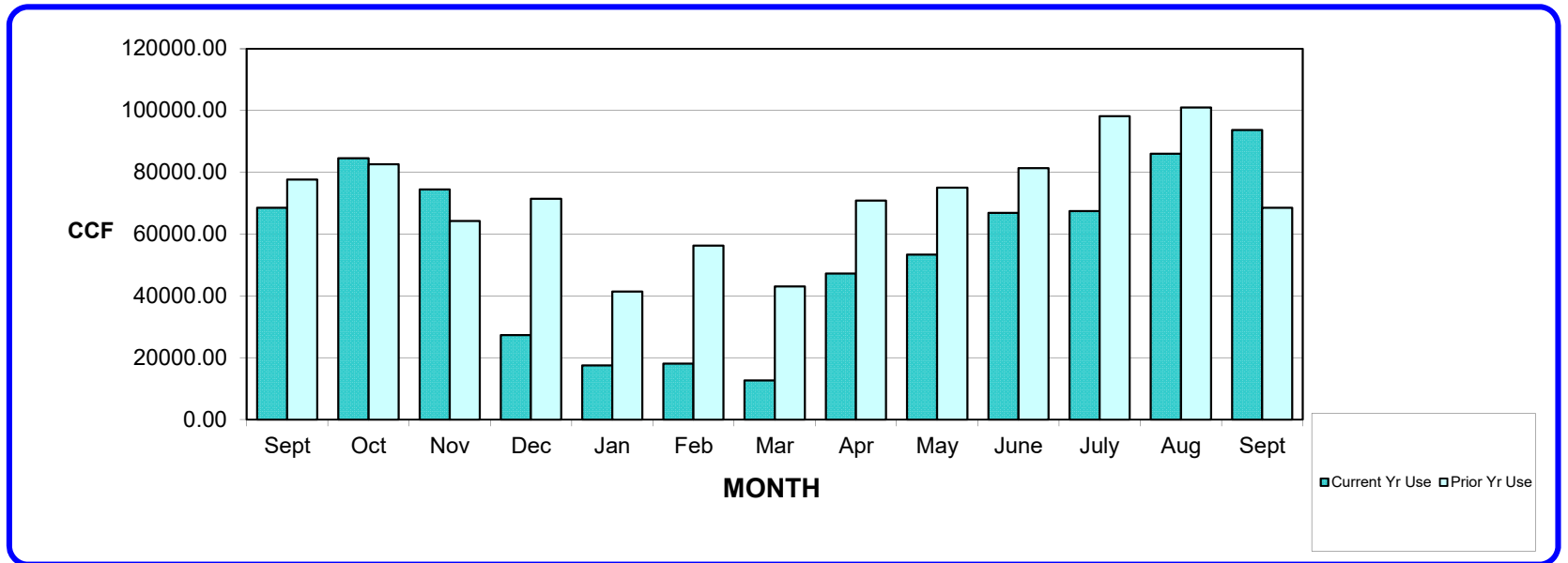


Key
2016-2017
2017-2018
2018-2019
2019-2020

- * DESIGN AVERAGE DAILY FLOW RATE IN GPD (650)
- ** DESIGN MAXIMUM DAILY FLOW RATE IN GPD (1140)

RECYCLED AND NON-POTABLE WELL WATER MONTHLY FLOW (ccf)

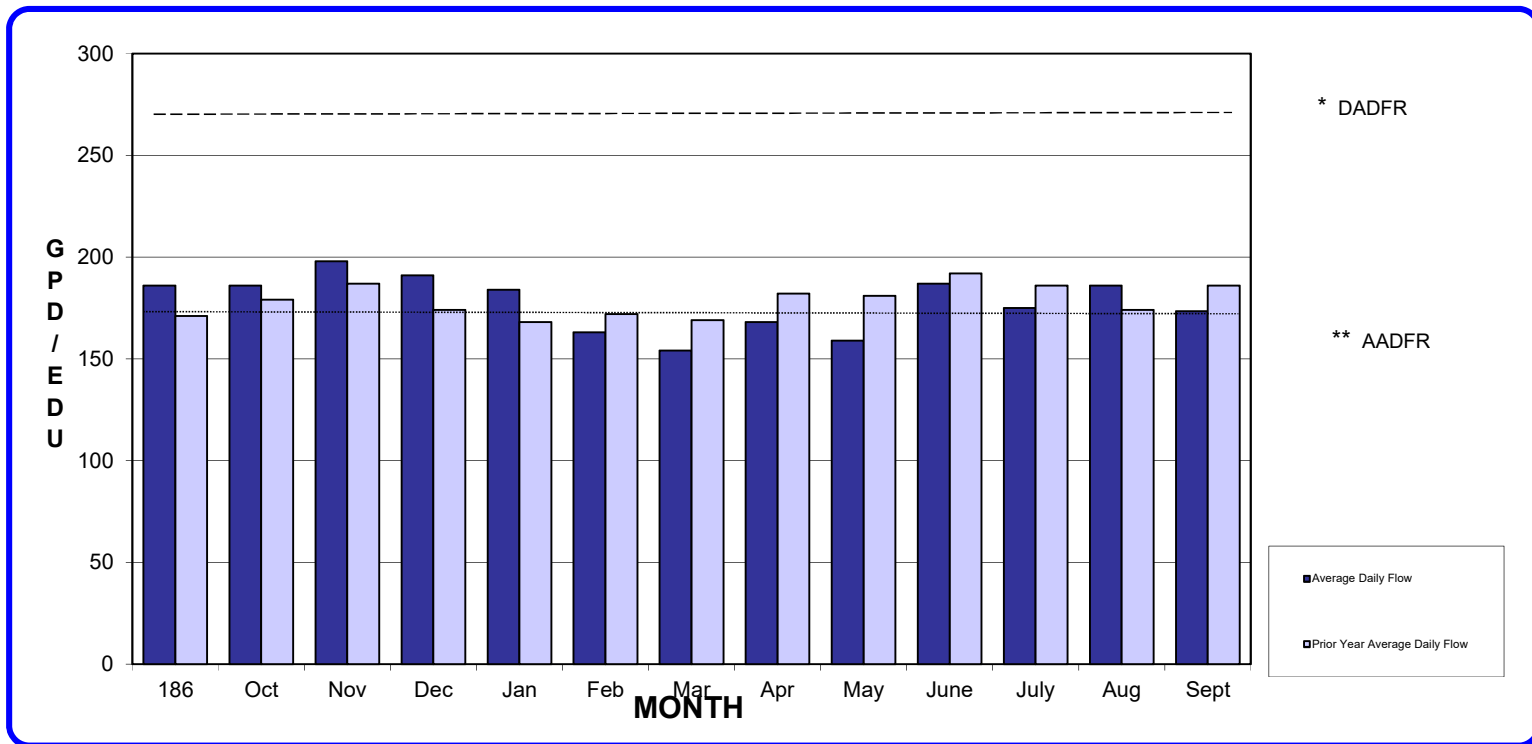
	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Current Yr Use	68554.80	84552.12	74461.87	27296.00	17558.51	18076.74	12612.78	47287.45	53401.21	66847.21	67458.40	86056.00	93701.87
Prior Yr Use	77651.75	82662.81	64288.64	71437.89	41374.89	56321.00	43054.20	70816.32	74999.30	81380.55	98207.89	101012.78	68554.80
Revenue	\$214,499	\$216,138	\$2,422	\$94,379	\$58,997	\$60,614	\$48,432	\$135,906	\$143,871	\$179,818	\$181,463	\$186,783	\$234,758



Key
2017-2018
2018-2019
2019-2020

RESIDENTIAL & COMMERCIAL SEWER USAGE AVERAGE DAILY FLOW (GALLONS per DAY per DWELLING UNIT)

	186	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	12-Month Average
Average Daily Flow	186	186	198	191	184	163	154	168	159	187	175	186	173	193
Prior Year Average Daily Flow	171	179	187	174	168	172	169	182	181	192	186	174	186	179



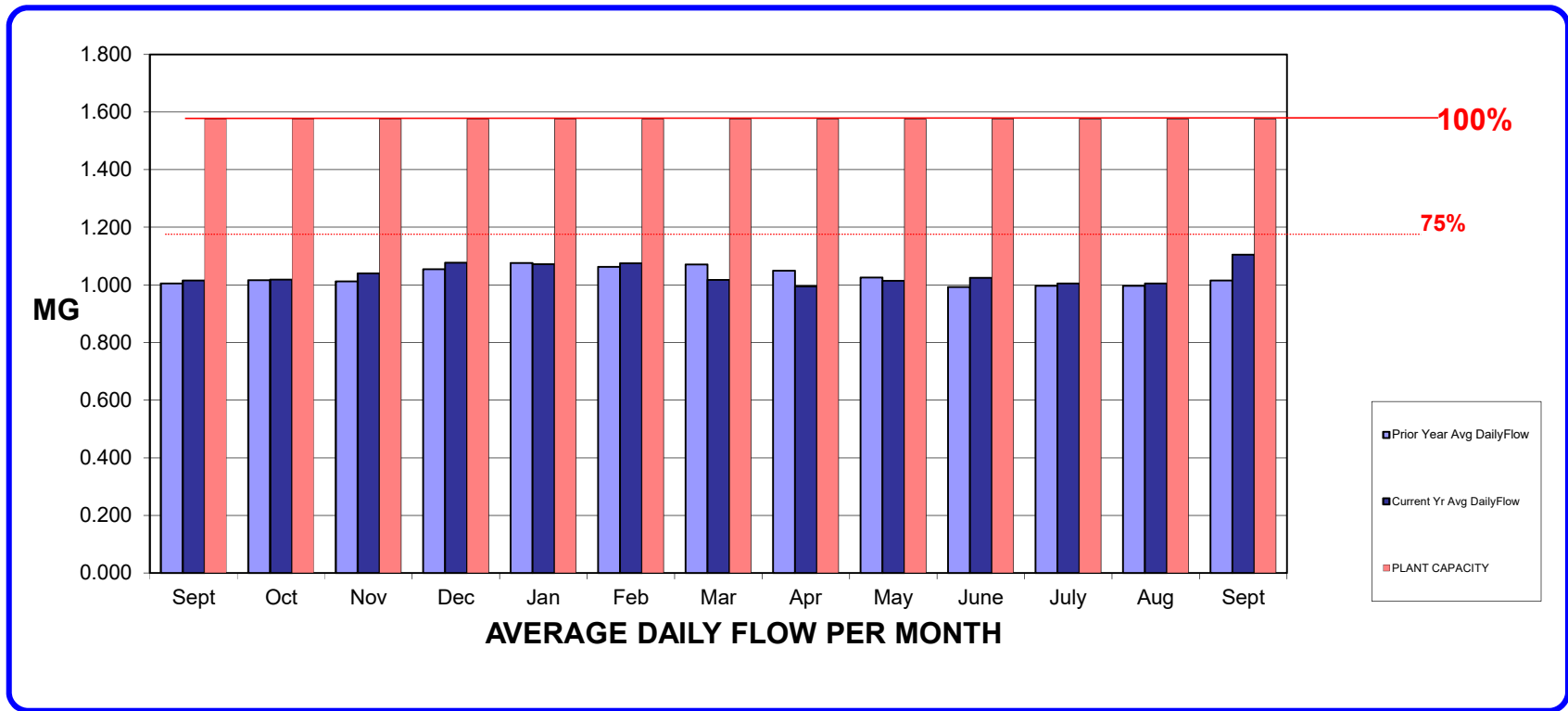
Key
 2017-2018
 2018-2019
 2019-2020

** ACTUAL AVERAGE DAILY FLOW RATE IN GPD

RECLAMATION PLANT FLOW REPORT AVERAGE DAILY FLOW (Million Gallons)

Key
2017-2018
2018-2019
2019-2020

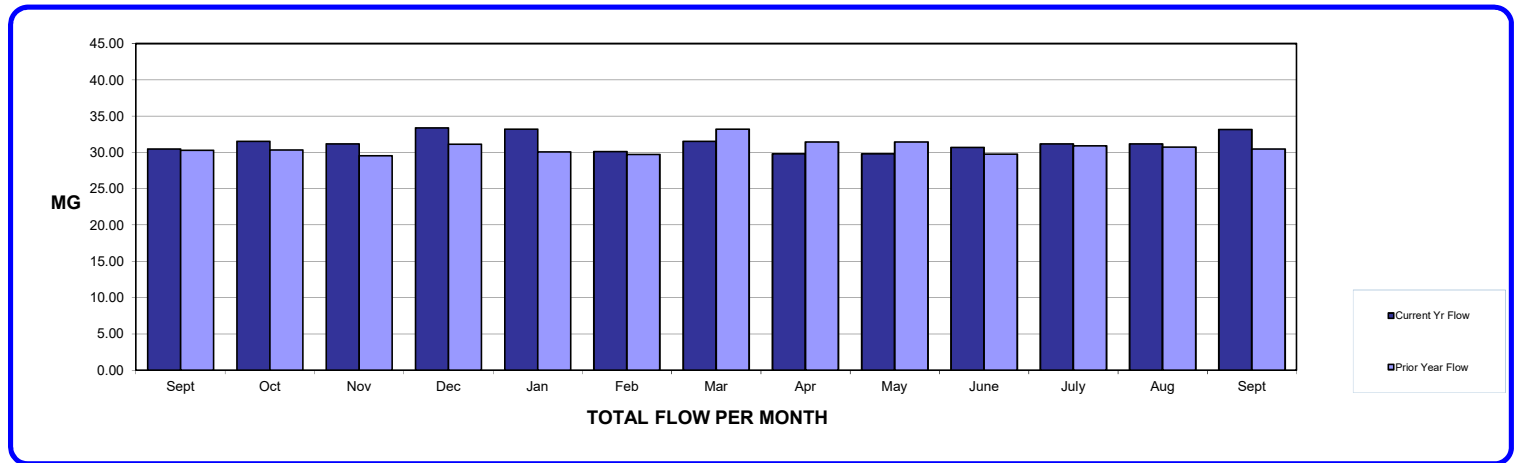
	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
Current Yr Avg DailyFlow	1.0150	1.0180	1.0400	1.0770	1.0720	1.0750	1.0170	0.9940	1.0140	1.0240	1.0050	1.0050	1.1050
Prior Year Avg DailyFlow	1.0050	1.0160	1.0120	1.0540	1.0760	1.0620	1.0710	1.0490	1.0250	0.9920	0.9970	0.9970	1.0150
PLANT CAPACITY	1.575	1.575	1.575	1.575	1.575	1.575	1.575	1.575	1.575	1.575	1.575	1.575	1.575



RECLAMATION PLANT DISCHARGE REPORT MONTHLY FLOW (Million Gallons)

	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Total/yr
Current Yr Flow	30.46	31.55	31.19	33.38	33.21	30.11	31.53	29.82	29.82	30.71	31.17	31.16	33.15	376.80
Prior Year Flow	30.30	30.32	29.55	31.15	30.07	29.73	33.19	31.46	31.46	29.75	30.90	30.75	30.46	368.79

Potential Revenue \$122,488 \$135,269 \$139,906 \$138,187 \$147,820 \$142,984 \$88,961 \$93,156 \$88,104 \$119,190 \$122,747 \$124,586 \$124,547 \$1,465,457

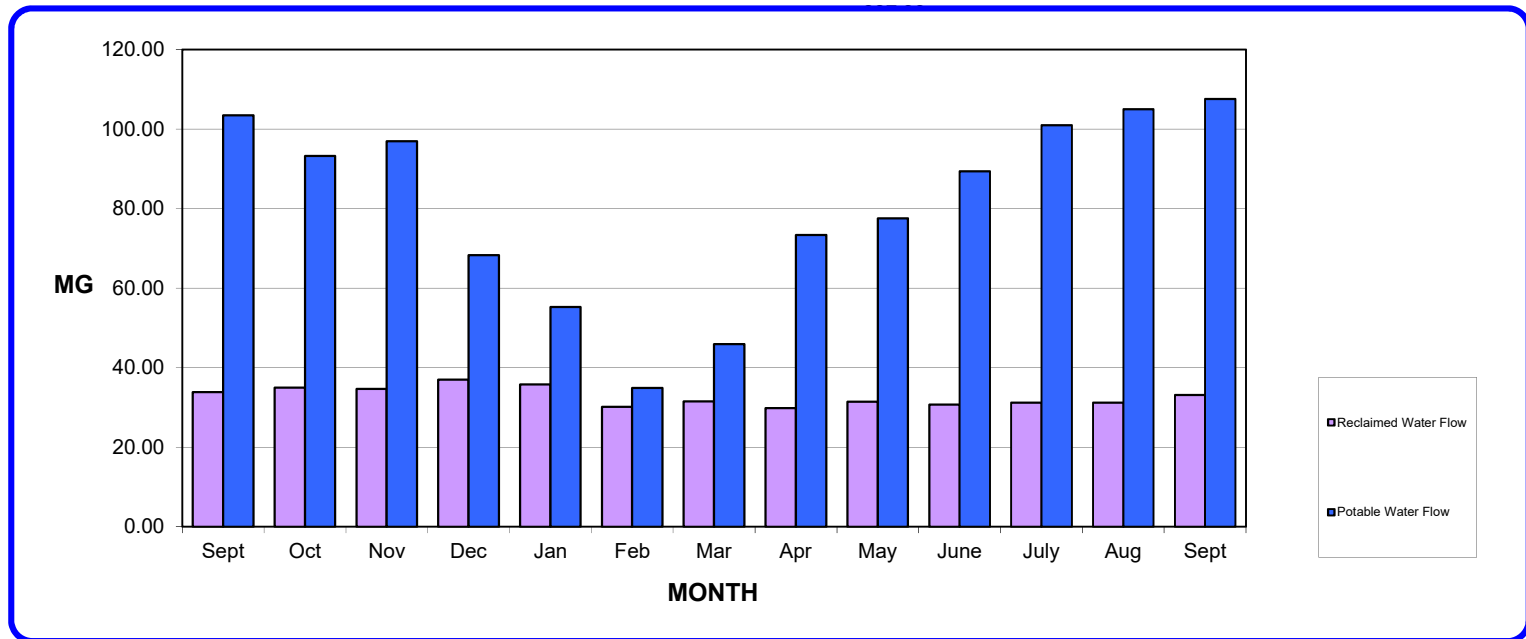


Key
2017-2018
2018-2019
2019-22020

Note - recycled water only

RECLAIMED WATER VERSUS POTABLE WATER MONTHLY FLOW (Million Gallons) FOR THE MONTH OF JULY 2019

	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
No. of Sewer Dwelling Units Connected	6060	6060	6088	6230	6268	6265	6247	6253	6298	6456	6456	6366	6371
Reclaimed Water Flow	33.84	35.01	34.67	36.98	35.77	30.11	31.54	29.83	31.43	30.71	31.17	31.16	33.15
Potable Water Flow	103.45	93.26	96.92	68.26	55.28	34.90	45.93	73.34	77.55	89.38	100.94	104.99	107.58



Month	Wildrose(2)	Montecito(3)	Trilogy(4)	Painted Hills(5)	Syc Crk(6)	Retreat(7)	Terramor(8)	Harmony Gr	Avg All Resid	AVG	TOTAL		
										IND-BK / IRR (1)	RECYCLED- Inc Retreat Golf	NONPOT-Other	NONPOT-Trilogy Golf
AVG '07-'08	18.1	32.7	15.9	32.2	21.7	37.1	0.03	-	25.9	106.6			
AVG '08-'09	24.6	33.8	17.0	33.3	32.6	40.8	-	-	25.4	53.3			
AVG '09-'10	21.9	30.0	15.8	30.2	26.3	38.0	-	-	23.0	51.7			
AVG '10-'11	20.6	27.6	15.5	25.8	25.1	35.2	-	-	22.3	36.0			
AVG '11-'12	21.0	27.9	15.9	27.3	24.7	34.0	-	-	22.5	82.3			
AVG '12-'13	21.9	31.3	15.6	27.5	23.6	30.5	-	-	22.9	190.0			
AVG '13-'14	22.5	33.8	16.5	28.2	24.5	30.6	-	-	23.0	9.8			
AVG '14-'15	20.7	28.4	15.4	26.8	21.9	28.2	-	-	21.2	62.8			
AVG '15-'16	17.4	21.3	10.6	22.4	16.9	24.3	-	-	16.5	105.4	38,401.9	4,639.1	18,977.2
AVG '16-'17	18.4	26.4	16.7	24.8	18.5	27.1	26.4	-	19.4	211.0	46,977.4	8,442.6	16,068.4
AVG '17-'18	18.2	22.9	14.0	25.4	18.4	27.1	16.0	-	18.8	378.4	48,106.6	4,904.8	16,348.5
AVG '18-'19	20.3	26.4	15.7	27.1	19.2	27.3	12.9	0.3	19.5	145.9	39,101.6	4,511.4	12,445.3

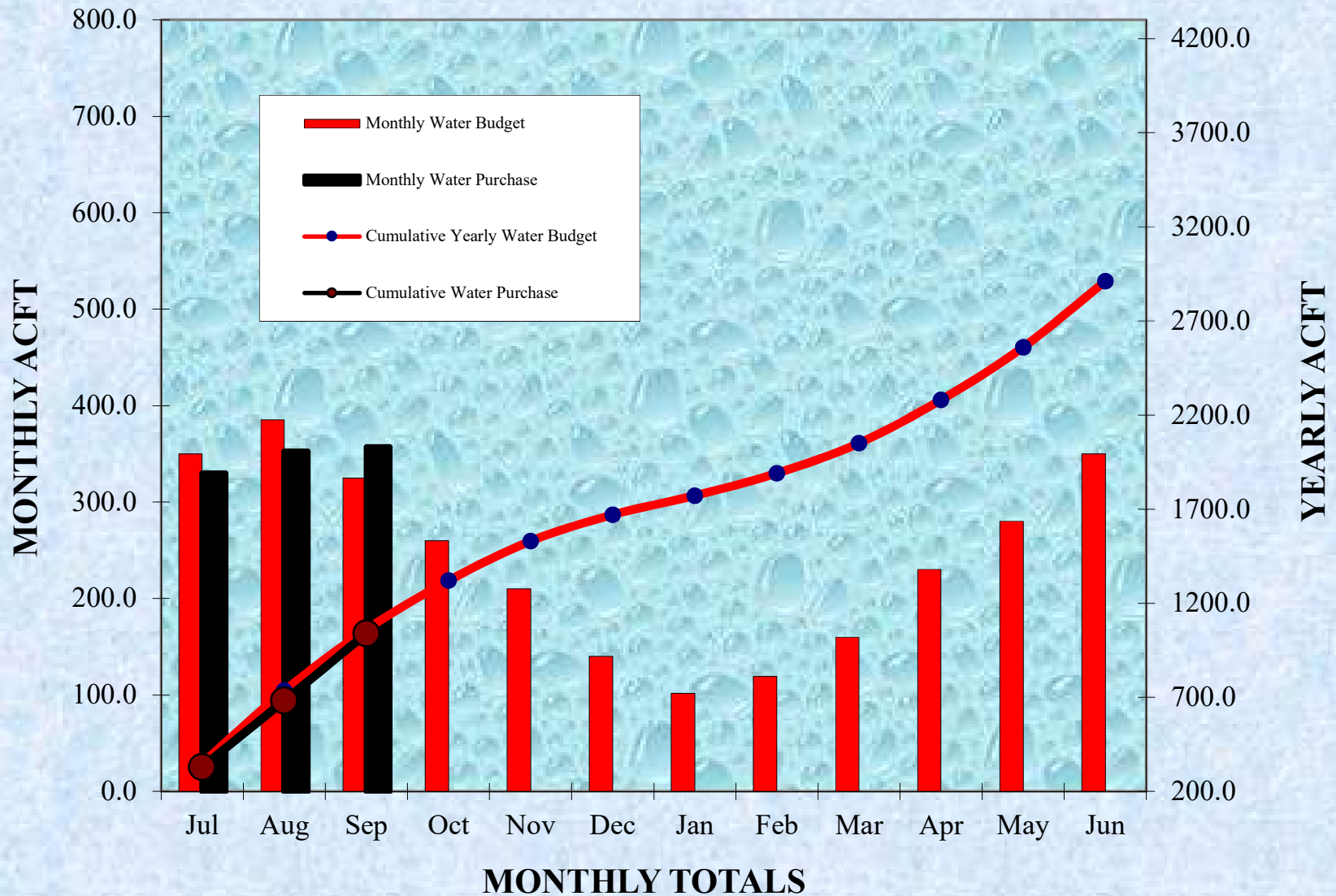
AMOUNTS IN UNITS (CCF) (ONE UNIT = 748 GALS.)

Jul-19	24.9	31.6	20.5	40.9	22.3	29.4	13.9	4.1	23.9	2,709.2	50,645.8	5,744.2	20,891.3
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WHOLESALE BUDGET vs PURCHASE

Water Year July 2019 through June 2020

2900 ACFT PROJECTION)





October 22, 2019

Board of Directors
Temescal Valley Water District

RE: General Manager's Report

Dear Board:

The following is a brief status report on a number of issues that I have been involved in since the last meeting.

- Working on non-potable water supply improvements
 - Park Canyon Drive RW line – The property has been sold and I am working with the new owners to get the necessary easements.
- Working on Conservation opportunities and RW/NP conversion locations
 - New District programs for turf and nozzles
- Working with Land Developers on water and sewer fees for multiple infill projects.
 - Deleo adjacent to Tom's Farms – no news
 - Forest Boundary –home building continues
 - Retreat Infill – Kiley Court – Plans signed
 - Temescal Canyon Road at Campbell Ranch Road – JCFA on the Agenda
 - Kiley Family Trust Property – Tract Map Stage
- Terramor CFD – CFD 4 annexation of Phase 2 completed
- Terramor Review:
 - RW and Potable Tank –In Construction – final electrical work prior to paving continues
- Terramor Onsite Water, Sewer and RW improvements
 - Work continues Improvement Area 2
- Sycamore Creek:
 - TM 36317 Water Sewer and RW improvement plans – TVWD infrastructure is 90% complete – Booster SP complete, accepted by the District and in operation.
- WRF Secondary Percolation:
 - Grading of site –Finished – in operation – one last overflow pipe needed
 - Storm drain relocation/repair – Finished
- WRF 225K GPD upgrade
 - Submittal review continues and contractor on site.
- 10 “ Pipe line break in Caltrans ROW
 - Isolated, Cut the ends off and TV'd to find hole – Seeking Caltrans permission to fix.
 - Received Temporary and 3-week Caltrans Encroachment 10/14
 - Pulled Carrier on 10/16, cleaned Casing 10/117, Video inspect 10/17.

Temescal Valley Water District

22646 Temescal Canyon Road | Temescal Valley, CA 92883-4106 | tel: 951.277.1414 | fax: 951.277.1419
www.temescalvwd.com

MEMORANDUM

DATE: August 27, 2019
TO: Board of Directors
Temescal Valley Water District
FROM: General Manager
SUBJECT: CNUSD CFD No.19-1 TVWD JCFA – JCFA Approval

BACKGROUND

We have been asked to participate in a Corona Norco Unified School District CFD via a Joint Community Facilities Agreement for the financing of certain improvements to be constructed on and adjacent to the Temescal Office Partners Development that is between Butterfield Estates, the 15 FWY and Temescal Canyon Road. The improvements considered for inclusion for TVWD are attached. The priority of funding with CFD proceeds will be determined during CFD formation by TVWD staff and will be for TVWD facilities only.

The Finance Committee reviewed the original agreement and suggested the following concept revisions:

- Finite list of TVWD improvements.
- Packages approved by CNUSD prior to TVWD approval for Developer funding.
- JCFA acquisition only no fees.
- Payment to Developer on acceptance of Facilities by TVWD.

Attached for your consideration is a Joint Community Facilities Agreement that when and if the CFD is formed, will allow certain TVWD facilities to be included for funding.

FINANCIAL IMPACT

N/A

RECOMMENDATION

Approve agreement and authorize the General Manager to execute the agreement on behalf of TVWD.

Respectfully submitted,



Jeff Pape
General Manager

JOINT COMMUNITY FACILITIES AGREEMENT**COMMUNITY FACILITIES DISTRICT NO. 2019-1
OF THE CORONA-NORCO UNIFIED SCHOOL DISTRICT**

This JOINT COMMUNITY FACILITIES AGREEMENT (the “Agreement”), dated as of _____, 2019, is entered into by and among the CORONA-NORCO UNIFIED SCHOOL DISTRICT, public entity (the “School District”), the TEMESCAL VALLEY WATER DISTRICT, a water district (the “TVWD”) and TEMESCAL OFFICE PARTNERS, LP, a California limited partnership (the “Owner”).

RECITALS:

A. The Board of Education of the School District, (the “Board of Education”) at the request of Owner, owner of certain property located generally on the northwest corner of Temescal Canyon Road and Campbell Ranch Road in the County of Riverside and more particularly described in Exhibit “A” attached hereto and incorporated herein by this reference (the “Property”), has initiated proceedings to establish a community facilities district pursuant to the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code (the “Act”) to include the Property for the purpose of financing the acquisition or construction of public facilities necessary to serve new development within the Property. Such community facilities district shall be designated as Community Facilities District No. 2019-1 of the Corona-Norco Unified School District (the “District” or “CFD” or “Community Facilities District” herein). The School District has also initiated proceedings proposing to authorize the issuance of bonds (the “Bonds”) to be secured by the levy of special taxes within the CFD in an amount expected to be sufficient to finance the acquisition or construction of the public facilities.

B. Owner intends to develop the Property as a residential development which will require the construction of water and sewer facilities needed as a result of such development as described in Exhibit “B” (the “TVWD Facilities”). It is estimated the amount of the TVWD Facilities will be equal to \$867,450.00 (the “TVWD Construction Costs”). Upon receipt by the School District of proceeds of the Bonds, the School District shall direct that the Owner shall be entitled pursuant to the provisions of this Agreement to be paid for TVWD Facilities at the prices determined by the District pursuant to this Agreement upon the completion of the construction and acceptance of each TVWD Facility and the formation of the Community Facilities District. TVWD is willing to acquire the TVWD Facilities from Owner subject to the requirements of the Act.

C. Pursuant to Sections 53316.2, 53316.4 and 53316.6 of the Act, (i) a community facilities district may finance facilities to be owned or operated by an entity other than the agency that created the community facilities district pursuant to a joint community facilities agreement or a joint exercise of powers agreement adopted pursuant to Section 53316.2; and (ii) a party to such an agreement may use the proceeds of any bonds or other indebtedness issued pursuant to the Act

to provide facilities which that party is otherwise authorized by law to provide, even though another party to the agreement does not have the power to provide those facilities.

D. The purpose of this Agreement is to set forth the understandings of the parties with respect to the establishment of the CFD, the authorization of bonded indebtedness and the sale of bonds for the CFD, the allocation of the proceeds of the sale of such bonds for the TVWD Facilities.

E. The School District, TVWD and Owner have each determined that entering into a joint community facilities agreement to enable the CFD to finance the TVWD Facilities will be beneficial to the residents of the School District and TVWD respectively, and, therefore, desire to enter into this joint community facilities agreement pursuant to Government Code Section 53316.2.

NOW, THEREFORE, in consideration of the preceding recitals and the mutual covenants hereinafter contained, the parties agree as follows:

1. **Recitals.** The above recitals are all true and correct.
2. **Plans and Specifications; Solicitation of Bids and Award of Construction Contract.**

All plans, specifications and bid documents for TVWD Facilities (the “Plans and Specifications”) shall be prepared by the Owner at the Owner’s initial expense, subject to approval by the TVWD. The costs of acquisition of such TVWD Facilities shall include costs of the preparation of the Plans and Specifications and all related documentation as set forth in Section 4 below. The Plans and Specifications and the form of all construction contracts for TVWD Facilities shall expressly state that the TVWD and the Community Facilities District are not parties to any construction contract for such TVWD Facilities and have no liability whatsoever for the payment to any contractors, subcontractors, laborers or materialmen for the construction of TVWD Facilities.

Owner shall not award bids or enter into a contract for the construction, commence construction or cause commencement of construction of any TVWD Facility until the Plans and Specifications for such TVWD Facility have been approved by the TVWD.

Owner shall invite at least three (3) bids for the construction of each TVWD Facility. Owner shall notify the General Manager of the TVWD, or his or her designee (the “General Manager”) of the date, time and location of all bid openings and a representative of the TVWD shall be permitted to attend any such bid opening. The Owner shall award the contract to the lowest responsible bidder. The invitation of bids and the award of any contract for the construction of any TVWD Facility shall conform to the provisions of this Section 2 and Exhibit “C” hereto.

3. **Construction, Inspection and Completion of TVWD Facilities.** Exhibit “C” hereto shall apply to all TVWD Facilities and compliance with such provisions

with respect to a TVWD Facility shall be a pre-condition for the payment of the “Purchase Price” (defined below) of the TVWD Facility.

4. Payment of Purchase Price.

- (a) **Amount of Purchase Price.** The amount to be paid by the Community Facilities District for the TVWD Facilities to be acquired from Owner (the “Purchase Price”) shall, as to each such Improvement:

(i) be determined by TVWD in accordance with the provisions of this Section 4 and Exhibit “C” hereto,

(ii) equal the lesser of the cost or the value thereof,

(iii) include the reasonable cost or value of eligible appurtenant public facilities, and

(iv) include all other applicable costs of construction and incidental costs eligible under the Act and the goals and policies of TVWD as a part of the cost of the TVWD Facilities, including the following:

(a) Usual and customary design and engineering costs including civil engineering, soils engineering, landscape, architecture, survey and construction staking, utility engineering and coordination, construction administration and supervision, plan check and inspection fees.

(b) Costs of environmental review, permitting and mitigation related directly to the Improvement.

In no event shall the cost or value of the construction of a TVWD Facility be deemed to exceed the construction contract prices set forth in the construction contract(s) and change order(s) approved by TVWD for the TVWD Facility.

(b) **Priority of Funding.** All of the TVWD Facilities and TVWD Advances described below in section 8 are eligible to be financed with the proceeds of the special taxes with respect to the CFD (“Special Taxes”) and bonds of the CFD (“Bonds”) if and to the extent the Owner, or its successor assign, has acquired property within the CFD. The proceeds of the Special Taxes and Bonds and interest earnings thereon available to finance the acquisition or construction of the TVWD Facilities and the repayment of TVWD Advances shall be disbursed to pay the Purchase Price of completed TVWD Facilities and to repay prior TVWD Advances or to fund TVWD Advances in the order in which such TVWD Facilities are completed or such TVWD Advances are made or required.

- (c) **Requisition for Payment of Purchase Price.**

The Owner may submit a written request to the General Manager for the payment of the Purchase Price of a TVWD Facility to be acquired from the Owner upon the completion of the construction of the TVWD Facility in accordance with the approved Plans and Specifications. Such payment request must be in the form attached hereto as Exhibit “E-1” and conform to the requirements below and, unless previously provided to the TVWD, must be accompanied by

(1) as-built drawings or other equivalent plans and specifications for any TVWD Facility in a form reasonably acceptable to the TVWD,

(2) evidence that the Owner has posted a maintenance bond for such TVWD Facility as required by Exhibit “C”,

(3) evidence of the recordation of a Notice of Completion as to such TVWD Facility unless such requirement is waived pursuant to Exhibit “C”, and

(4) evidence acceptable to the General Counsel that the Owner’s contractors have provided conditional lien releases for the TVWD Facility.

(d) **Documentation.** All payment requests submitted by Owner must be properly executed and shall include all supporting documents referred to in the payment request.

(e) **Review of Payment Request.** The General Manager shall review each payment request which shall be in the form of Exhibit “E-1”. If the General Manager finds that any such payment request is incomplete, improper or otherwise not suitable for approval, the General Manager shall inform Owner in writing within ten (10) working days after receipt thereof, the reasons for his finding. Owner shall have the right to respond to this finding by submitting further documentation in support of the original payment request within ten (10) calendar days after receipt of the denial. The General Manager shall review any further documentation submitted by the Owner to support the original payment request and inform Owner of his approval or denial of the payment request, as supplemented, within ten (10) working days after receipt of the further documentation. The resubmittal of an original payment request in its entirety or the submission of documentation in support of an original payment request more than thirty (30) days after receipt of the General Manager’s denial of such payment request shall be deemed a new payment request for purposes of this Section.

(f) **Payment.** Payments hereunder shall be paid to Owner after the date of the approval of the payment request for any such TVWD Facility to the extent of available funds as provided in Exhibit “E-2”. Notwithstanding any other provision of this Agreement, payments hereunder shall be payable solely from proceeds of the sale of Bonds, after all costs of formation of the Community Facilities District and all costs of issuance of such Bonds have been paid and deposits of accrued and capitalized interest to the redemption fund and the initial deposits to fund the reserve fund and annual administrative expenses of the Community Facilities District have been made. Except for such available Bond proceeds, Owner shall not be reimbursed from any other source of funds.

In addition to the foregoing, the Owner shall not be reimbursed if TVWD reasonably determines that the Owner is not then in substantial compliance with all applicable conditions and obligations imposed upon the Development by the TVWD as a precondition to the development of the Development, including but not limited to, payment of all applicable fees, dedication of all applicable rights-of-way or other property and construction of all other public improvements required by the TVWD.

5. **Deposit.** The Owner shall deposit with TVWD the amount of \$5,000 for the processing and administration of this Agreement. The Owner, within thirty (30) days after receipt of an additional billing for such costs, will forward the billed amount to TVWD.

6. **Use of CFD Funds.** TVWD agrees that the TVWD Facilities to be dedicated to TVWD shall have an estimated useful life of not less than five years. TVWD represents that, as of the date of this Agreement, TVWD reasonably expects that with respect to the CFD funds hereunder, such Funds will be used to reimburse the Owner and that such reimbursement will represent at least 85% of such CFD funds within three (3) years from the Closing Date.

7. **Formation Proceedings; Responsibility.** The School District is expected to have responsibility for providing facilities to be financed by a larger share of the proceeds of Special Taxes and Bonds of the CFD and therefore the Board of Education shall have the jurisdiction to and shall be solely responsible for conducting proceedings pursuant to the Act for the establishment of the CFD. The Board of Education shall also have the jurisdiction to and shall be solely responsible for conducting proceedings pursuant to the Act to authorize the CFD to incur bonded indebtedness for purposes authorized under the Act, including the financing of the TVWD Facilities.

The Board of Education, acting as the legislative body of the CFD, shall have the sole discretion to establish the terms and conditions for and approve the issuance of Bonds for the CFD.

TVWD is not directly or indirectly approving or responsible in any way whatsoever for the formation of the CFD, the authorization for the levy of special taxes within the CFD or the issuance of Bonds for the CFD. In addition, TVWD shall not be responsible in any way whatsoever for the costs of formation of the CFD.

The School District's share of bond proceeds and pay-go special taxes will be greater than the TVWD's share.

8. **Responsibility to Plan, Design, and Construct.** TVWD shall, after its direction of the Owner as described herein, have sole responsibility for the oversight of the planning, design, and construction of water and sewer facilities to be owned by TVWD whose construction or reconstruction has been financed, in whole or in part, from payments made pursuant to this Agreement. TVWD shall have no responsibility whatsoever for the planning, design, and construction or operation of any other facilities financed in connection with the CFD (other than the water and sewer facilities financed, in whole or in part, from TVWD Construction Costs

transferred by the School District to Owner for reimbursement in satisfaction of the required TVWD Facilities pursuant to this Agreement).

9. **Indemnification.** Owner shall assume the defense of, indemnify and hold harmless TVWD, the School District, and each of their officers, directors, officials, employees and agents, from and against all actions, damages, claims, losses or expenses, including reasonable attorneys' fees and costs, of every type and description to which they may be subjected or put, by reason of, or resulting from (i) any act or omission of Owner under this Agreement, or (ii) any disclosure made by Owner in connection with the offering and sale of the Bonds or any continuing disclosure made by Owner at any time with respect to the Bonds, or any matter relating thereto; provided, however, that no assumption of defense, indemnification or hold harmless shall be required of Owner for any action, damages, claim, loss or expense arising from the gross negligence or willful misconduct of TVWD, the School District, or any of their officers, directors, officials, employees or agents. If Owner fails to do so, TVWD and School District shall have the right, but not the obligation, to defend the same and charge all of the direct or incidental costs of such defense, including any fees or costs, to, and recover the same from, Owner.

School District shall assume the defense of, indemnify and hold harmless, TVWD, and each of its officers, directors, officials, employees and agents, from and against all actions, damages, claims, losses or expenses, including reasonable attorneys' fees and costs, of every type and description to which they may be subjected or put, by reason of, or resulting from (i) any act or omission of the School District under this Agreement, (ii) the establishment of the CFD, (iii) the levy of Special Taxes, (iv) the issuance of Bonds, (v) the financing of all or a portion of the School District fees and/or facilities from Bond proceeds and (vi) any disclosure made in connection with the offering and sale of the Bonds or any continuing disclosure made at any time with respect to the Bonds, or any matter relating thereto; provided, however, that no assumption of defense, indemnification or hold harmless shall be required of School District for any action, damages, claim, loss or expense arising from the gross negligence or willful misconduct of TVWD, or any of their officers, directors, officials, employees or agents. If School District fails to do so, TVWD shall have the right, but not the obligation, to defend the same and charge all of the direct or incidental costs of such defense, including any fees or costs, to, and recover the same from, School District.

TVWD shall defend, indemnify and hold harmless the School District and Owner, and each of their officers, directors, officials, employees and agents, from and against any and all claims, losses, liabilities, damages by reason of, or resulting from, or arising out of (a) the design, construction, maintenance, and operation of the water and sewer facilities financed, in whole or in part, from TVWD Construction Costs transferred by the School District to TVWD in satisfaction of the required TVWD Facilities pursuant to this Agreement or (b) the implementation of Section 3 of this Agreement.

10. **General Standard of Reasonableness.** Any provision of this Agreement which requires the consent, approval, discretion or acceptance of any party hereto or any of their respective employees, officers or agents shall be deemed to require that such consent, approval or acceptance not be unreasonably withheld or delayed, unless such provision expressly incorporates a different standard.

11. **Entire Agreement, Amendment.** This Agreement and the agreements expressly referred to herein contain all of the agreements of the parties hereto with respect to the matters contained herein and no prior or contemporaneous agreement or understandings, oral or written, pertaining to any such matters shall be effective for any purpose. No provision of this Agreement may be modified, waived, amended or added to except by a writing signed by the party against which the enforcement of such modification, waiver, amendment or addition is or may be sought.

12. **Notices.** Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to either party shall be deemed to have been received when personally delivered or seventy-two (72) hours following deposit of the same in any United States Post Office in California, registered or certified, postage prepaid, addressed as follows:

School District: Corona-Norco Unified School District
2820 Clark Avenue
Norco, California 91760-1903
Attn: Assistant Superintendent, Business Services

TVWD: Temescal Valley Water District
22646 Temescal Canyon Road
Corona, California 92883

Attention:

Owner: Temescal Office Partners, LP
Attn: Steven Militzok
P.O. Box 4317
Laguna Beach, CA 92652

All notices will be deemed to be effective on the date of mailing. In case any party changes its address at which notice is to be received, written notice of such change of address will be given without delay to the other party.

13. **Severability.** If any provision of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, that provision will be limited or eliminated to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect.

14. **Successors and Assigns.** Each and all provisions hereof shall be binding on and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

15. **Governing Law.** This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California, irrespective of

such state's choice-of-law principles. In the event of any legal action to enforce or interpret the Agreement, the sole and exclusive venue shall be a court of competent jurisdiction located in the County of Riverside, California and the parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the parties specifically agree to waive any and all rights to request that an action be transferred for trial to another county.

16. **Waiver.** Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by any other party, or the failure by a party to exercise its rights upon the default of any other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by any other party with the terms of this Agreement thereafter.

17. **Singular and Plural; Gender.** As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine.

18. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which will constitute one and the same instrument.

19. **Construction of Agreement.** This Agreement has been reviewed by legal counsel for the School District, TVWD, and Owner and shall be deemed for all purposes to have been jointly drafted by the School District, TVWD, and Owner. No presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or enforcement of this Agreement. The language in all parts of this Agreement, in all cases, shall be construed as a whole and in accordance with its fair meaning and not strictly for or against any party and consistent with the provisions hereof, in order to achieve the objectives of the parties hereunder. The captions of the sections and subsections of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of construction.

20. **No Obligation to Form CFD or Fund the Project.** TVWD acknowledges that the decision of the Board of Education to form the CFD or to include any particular improvement or activity amongst the improvements and activities to be financed by the CFD is a legislative action and the School District may not enter into an agreement to obligate the Board of Education to exercise its legislative discretion in a particular manner or for a particular result. This Agreement does not, therefore, in any way create a contractual, legal or equitable obligation of or commitment by the School District to approve the formation of the CFD or to issue bonds pursuant to an indenture or fiscal agent agreement making funds available for the TVWD Facilities.

21. **Agreement Contingent.** This Agreement is contingent on the formation of the CFD, the authorization by the qualified electors of the CFD to levy special taxes and incur bonded indebtedness, the successful sale of bonds, and the availability of bond proceeds for the purposes set forth in this Agreement and it shall be null and void if such bonds are not sold within a three-year period following the date of this Agreement or any mutually-agreed extension.

22. **Further Assurances.** Each party to this Agreement agrees to execute, acknowledge and deliver such further instruments, and to do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

23. **Beneficiaries.** No person or entity shall be deemed to be a third-party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than the School District, TVWD, and Owner any rights, remedies, obligations or liabilities under or by reason of this Agreement.

24. **Compliance with SB 1029.** The School District and TVWD have each respectively adopted debt policies in compliance with Senate Bill 1029.

(Signature page follows)

DRAF

T

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

CORONA-NORCO UNIFIED SCHOOL DISTRICT

By: _____
President of the Board of Education

ATTEST:

Secretary of the Board of Education

TEMESCAL VALLEY WATER DISTRICT

By: _____
Name: _____
Title: _____

ATTEST:

Secretary of the Temescal Valley Water District

TEMESCAL OFFICE PARTNERS, LP,
a California limited partnership

By: _____
Name: _____
Title: _____

*-Signature Page-
Joint Community Facilities Agreement*

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EXHIBIT "A"
DESCRIPTION OF THE PROPERTY

[Attach CFD Boundary Map]

EXHIBIT "B"

TVWD Facilities

	Total	Per Dwelling Unit
Sanitary Sewer Improvements	\$ 446,668	\$ 5,583
Domestic Water Improvements	366,707	4,584
Prevailing Wage (25%)	203,344	2,542
Construction Management, Engineering (15%)	122,006	1,525
Temescal Valley Water District Total	\$1,138,724	\$14,234

EXHIBIT "C"

TVWD Facilities Construction, Inspection and Completion Requirements

1. **Construction.** The Owner who intends to submit a payment request for any of the TVWD Facilities to be acquired (the "TVWD Facilities") will complete the design of such TVWD Facilities and the plans and specifications for construction of such TVWD Facilities as provided in Section 2 of this Joint Community Facilities Agreement. Upon approval of the Plans and Specifications, the Owner may proceed with the construction of the TVWD Facilities provided in section 2 and 3 of this Joint Community Facilities Agreement.

2. **Public Works Requirements.** In order to ensure that the TVWD Facilities for which payment requests are submitted will be constructed as if they had been constructed under the direction and supervision, or under the authority of, TVWD, so that they may be acquired by TVWD pursuant to Government Code Section 53313.5, the Owner shall comply with all of the following requirements:

(a) Bids shall be solicited from at least three (3) qualified contractors, provided at least three (3) qualified contractors are reasonably available. The Owner may also directly solicit bids.

(b) The bidding response time shall be not less than ten (10) working days.

(c) An authorized representative of TVWD shall be provided a copy of the tabulation of bid results.

(d) Contract(s) for the construction of the TVWD Facilities shall be awarded to the qualified contractor(s) submitting the lowest responsible bid(s), as determined by the Owner.

(e) The contractor to whom a contract is awarded shall be required to pay not less than the prevailing rates of wages pursuant to Labor Code Sections 1770, 1773 and 1773.1. A current copy of applicable wage rates shall be on file in the office of TVWD's General Manager (the "General Manager"), as required by Labor Code Section 1773.2.

(f) Said contractors shall be required to furnish labor and material payment bonds and contract performance bonds in an amount equal to 100 percent of the contract price naming the Owner and TVWD as beneficiaries or obligees and issued by insurance or surety companies approved by TVWD. All such bonds shall be in a form approved by the authorized representative of TVWD. Rather than requiring its contractors to provide such bonds, the Owner may elect to provide the same for the benefit of its contractors.

(g) All such contractors shall be required to provide proof of insurance coverage throughout the term of the construction of the TVWD Facilities, which they will construct in conformance with TVWD's standard procedures and requirements.

(h) The Owner and all such contractors shall comply with such other requirements relating to the construction of the TVWD Facilities which TVWD may impose by written

notification delivered to the Owner and each such contractor at any time either prior to the receipt of bids by the Owner for the construction of the TVWD Facilities or, to the extent required as a result of changes in applicable laws, during the progress of construction thereof.

The Owner shall provide proof to TVWD, at such intervals and in such form as TVWD may require, that the foregoing requirements have been satisfied as to all of the TVWD Facilities for which payment requests are submitted.

3. **Inspection; Completion of Construction.** TVWD shall have primary responsibility for providing inspection of the work of construction of the TVWD Facilities to ensure that the work of construction is accomplished in accordance with the Plans and Specifications. TVWD's personnel shall have access to the site of the work of construction at all reasonable times for the purpose of accomplishing such inspection. Upon the completion of the construction of each of the TVWD Facilities (or any approved portion) to the satisfaction of TVWD's inspectors, the Owner shall notify TVWD in writing that the construction of the TVWD Facilities has been completed in accordance with the Plans and Specifications.

Upon receiving such written notification from the Owner, and upon receipt of written notification from its inspectors that construction of the TVWD Facilities has been completed in accordance with the Plans and Specifications and TVWD's standard requirements, TVWD shall in a timely manner notify the Owner in writing that the construction of the TVWD Facilities has been satisfactorily completed. Any costs incurred by TVWD in inspecting and approving the construction of the TVWD Facilities not previously paid by the Owner shall be reimbursed from the proceeds of the Bonds of the District, if available, and if not available, shall be paid by the Owner.

4. **Liens.** Upon the expiration of the time for the recording of claims of liens as prescribed by Sections 3115 and 3116 of the Civil Code, the Owner shall provide to TVWD such evidence or proof as TVWD shall require that all persons, firms and corporations supplying work, labor, materials, supplies and equipment to the construction of the TVWD Facilities have been paid, and that no claims of liens have been recorded by or on behalf of any such person, firm or corporation. Rather than await the expiration of the said time for the recording of claims of liens, the Owner may elect to provide to TVWD a title insurance policy or other security acceptable to TVWD guaranteeing that no such claims of liens will be recorded or become a lien upon the Property with priority over the lien of the special taxes to be levied thereon in the proceedings for the formation of the District.

5. **Acquisition; Acquisition Price; Source of Funds.** Provided Owner has complied with the requirements of this Agreement, TVWD agrees to accept each of the TVWD Facilities from the Owner. The price to be paid with respect to TVWD Facilities shall be the lesser of the amount of Bond proceeds available for the TVWD Facilities or the total of the actual costs incurred by the Owner to design, plan, engineer, construct, install, and test the TVWD Facilities. For purposes of determining the approved price to be paid by the District for the acquisition of such TVWD Facilities, the value of such facilities shall be based on the actual costs submitted by the Owner as reviewed and approved by TVWD as provided in Exhibit "C" to this Joint Community Facilities Agreement. As a condition to the payment of such acquisition price, the Owner shall

transfer ownership of the TVWD Facilities to TVWD by grant deed, bill of sale or such other documentation as TVWD may require. Upon the transfer of ownership of the TVWD Facilities or any portion thereof from the Owner to TVWD, TVWD shall be accept into its maintained system the TVWD Facilities or the portion transferred.

If the costs of the TVWD Facilities are greater than the amount of the Bond proceeds available for TVWD Facilities, none of the District, the School District or TVWD is in any way obligated to pay the Owner. Any difference is the sole responsibility of the Owner.

Notwithstanding the timing of substantial completion or final completion and acceptance of the TVWD Facilities, the Owner may submit a payment request upon substantial and/or final completion of a TVWD Facility. The form of payment request to be submitted to TVWD by the Owner in requesting payment by the District of the acquisition price or funding with respect to the TVWD Facility shall be as required by TVWD. Within ten (10) business days of the Owner's submission to TVWD of a payment request, TVWD shall determine if the TVWD Facility has been substantially completed and shall either deny or approve the payment request, which approval shall not be unreasonably withheld. If TVWD denies any payment request, it shall provide the Owner a detailed written explanation describing the reasons or rationale for such denial. All denied payment requests may be resubmitted for approval. The Owner shall reimburse TVWD for its actual costs incurred in connection with the processing of such payment requests, including the inspection of the TVWD Facilities and such amounts shall be included in the acquisition price paid by the District.

In connection with TVWD's approval of a payment request, TVWD and the Owner shall authorize the School District to disburse the acquisition price with respect to the approved TVWD Facilities to the Owner pursuant to a disbursement request, in the form approved by the School District. Within ten (10) days of the School District's receipt of a signed disbursement request, the School District shall authorize payment of the disbursement request by the trustee or fiscal agent for the Bonds.

Upon award of the contracts or completion of the construction of the TVWD Facilities, as applicable and as directed by TVWD, the Owner shall deliver to TVWD all copies of requested items, including, but not limited to, copies of the contract(s) with the contractor(s) who have constructed the TVWD Facilities or other relevant documentation with regard to the payments made to such contractor(s) and each of them for the construction of the TVWD Facilities, and shall also provide to TVWD invoices and purchase orders with respect to all supplies and materials purchased for the construction of the TVWD Facilities.

6. **Easements**. The Owner shall prior to the time TVWD acquires the TVWD Facilities as provided in Section 5 hereof, grant to TVWD, by appropriate instruments prescribed by TVWD, all easements on private property which may be reasonably necessary for the proper operation and maintenance of the TVWD Facilities, or any part thereof.

7. **Maintenance**. Prior to the transfer of ownership of the TVWD Facilities by the Owner to TVWD, as provided in Section 5 hereof, the Owner shall be responsible for the maintenance thereof and shall maintain and transfer the TVWD Facilities to TVWD in as good

condition as the TVWD Facilities were in at the time the Owner notified TVWD that construction of same had been completed in accordance with the Plans and Specifications. T

8. **Warranty.** The Owner and its contractors shall warranty all work performed with respect to the TVWD Facilities to be of good quality and free from any defective or faulty material or workmanship, such warranty to include any requested documentation with respect to Owner's compliance with the provisions of section 2 above. The Owner and its contractors shall agree that for a period of one (1) year after the date of final acceptance, the contractor shall within ten (10) days after being notified in writing by TVWD of any defect in the work or non-conformance of the work to the contract, commence and prosecute with due diligence all work necessary to fulfill the terms of the warranty at its sole cost and expense. The Owner and its contractors shall act sooner as requested by TVWD in response to an emergency. In addition, Owner and its contractors, at their sole cost and expense, shall repair and replace any portions of the work (or work of other contractors) damaged by its defective work or which becomes damaged in the course of repairing or replacing defective work. For any work so corrected Owner and its contractors' obligations hereunder to correct defective work shall be reinstated for an additional one (1) year period, commencing with the date of acceptance of such corrected work. The Owner and its contractors shall perform such tests as TVWD may require to verify that any corrective actions including without limitation redesign repairs, and replacements comply with the requirements of the contract. All costs associated with such corrective actions and testing shall be the sole responsibility of Owner and its contractors. All warranties and guarantees of subcontractors, suppliers and manufacturers with respect to any portion of the work, whether express or implied are deemed to be obtained by Owner for the benefit of TVWD, regardless of whether or not such warranties and guarantees have been transferred or assigned to TVWD by separate agreement, and Owner agrees to enforce such warranties and guarantees, if necessary, on behalf of TVWD. In the event that Owner and its contractors fail to perform their obligations under this section to the reasonable satisfaction of TVWD, TVWD shall have the right to correct and replace any defective or non-conforming work and any work damaged by such work or the replacement or correction thereof at Owner's and its contractors' sole expense. The Owner and its contractors shall be obligated to fully reimburse TVWD for any expenses incurred hereunder upon demand.

8. **Inspection of Records.** TVWD shall have the right to review all books and records of the Owner pertaining to costs and expenses incurred by the Owner for the design and construction of the TVWD Facilities during normal business hours by making arrangements with the Owner.

9. **Ownership of Facilities.** Notwithstanding the fact that some or all of the TVWD Facilities may be constructed in dedicated street rights-of-way or on property which has been or will be dedicated to TVWD, the TVWD Facilities shall be and remain the property of the Owner until acquired by TVWD as provided in the preceding sections of this Agreement. Such ownership by the Owner shall likewise not be affected by any agreement which the Owner may have entered into or may enter into with TVWD pursuant to the provisions of the Subdivision Map Act, Section 66410 et. seq of the Government Code, which may contain or include provisions with respect to the construction and ownership of public facilities which may seem to be contradictory to the provisions of this Agreement, and the provisions of this section shall control.

10. **Improvement Security; Maintenance Bond.** Notwithstanding the provisions of this Agreement, the Owner shall be required to secure the construction and completion of construction of the TVWD Facilities as required by Sections 66499 through 66499.10 of the Government Code.

EXHIBIT “D”
ELIGIBLE COSTS

The eligible costs for the TVWD Facilities shall include all of the actual costs and expenses, directly or indirectly related to the design, planning, engineering, construction, installation and testing of the TVWD Facilities (the “Actual Costs”). Actual Costs shall include without limitation, the following:

1. Costs for the construction of the TVWD Facilities, including employment of licensed contractor(s) to construct, install, complete and test the TVWD Facilities.
2. All permit fees, inspection fees and other fees customarily charged by governmental agencies or other entities, including TVWD, arising out of or in connection with the design, planning, engineering, construction, installation or testing of the TVWD Facilities.
3. Costs of tests, inspections, studies, reports and surveys, including, without limitation, any environmental, archaeological, biological or cultural studies or any mitigation requirements that may be requested by federal, state or local agencies evaluations attributable to the TVWD Facilities.
4. Professional costs and fees associated with design, engineering, accounting, inspection, construction staking, materials testing, legal and accounting and other similar services.
5. Costs of labor and material payment bonds and contract performance and maintenance bonds.
6. Builder’s risk insurance, employer’s liability insurance and comprehensive liability insurance obtained with respect to the TVWD Facilities.
7. Construction and project management and supervision (which costs may include the Owner’s internal cost allocations) not to exceed 10% of the costs of construction of the related TVWD Facilities.
8. Costs and expenses of TVWD in connection with the performance of its obligations under this Agreement, including, but not limited to, (i) attorneys, accountants and other professionals retained in connection with TVWD’s compliance with this Agreement or any matter related to the design, planning, engineering, construction, installation or testing of the TVWD Facilities, and (ii) employee time to review the Plans and Specifications, inspect the construction and installation of the TVWD Facilities and process payment requests.

EXHIBIT "E-1"

FORM OF PAYMENT REQUEST

The undersigned hereby requests payment from the TVWD Facilities Account of the Acquisition and Construction Fund, or any applicable account or subaccount thereof, established by Community Facilities District No. 2019-1 of the Corona-Norco Unified School District (the "CFD") in connection with Series 20__ Special Tax Bonds (the "Bonds"), an amount equal to \$ _____ for the TVWD Facilities (as defined in the Joint Community Facilities Agreement by and among the Corona-Norco Unified School District (the "School District"), the Temescal Valley Water District (the "TVWD") and Temescal Office Partners, LP, (the "Owner"), dated _____, 2019 (the "Facilities Agreement")), all as more fully described in Attachment 1 hereto. In connection with this Payment Request, the undersigned hereby represents and warrants to TVWD as follows:

1. He (she) is a duly authorized officer or representative of the undersigned, qualified to execute this Payment Request for payment on behalf of the undersigned and is knowledgeable as to the matters set forth herein.

2. All costs of the TVWD Facilities (as defined in the Facilities Agreement) for which payment is requested hereby are those Actual Costs (as described in Exhibit "D" to the Facilities Agreement) and have not been inflated in any respect. The Actual Costs for which payment is requested have not been the subject of any prior disbursement request submitted to the CFD.

3. Supporting documentation (such as third-party invoices, lien releases and cancelled checks or other evidence of payment) is attached with respect to each cost for which payment is requested.

4. The TVWD Facilities for which payment is requested were constructed in accordance with the requirements of the Facilities Agreement.

5. The undersigned is in compliance with the terms and provisions of the Facilities Agreement and no portion of the amount being requested to be paid was previously paid.

6. The acquisition price for the TVWD Facilities (a detailed calculation of which is shown in Attachment 1 hereto) has been calculated in conformance with the terms of the Facilities Agreement.

7. Please authorize payment of the acquisition price by the CFD to the following entity(ies), if other than the undersigned, in the amounts or percentages indicated:

[Insert names of payees and amounts or percentages]

DRAF

I declare under penalty of perjury that the above representations and warranties are true and correct.

Date: _____ [OWNER]

PAYMENT REQUEST APPROVED:

Date: _____	TEMESCAL VALLEY WATER DISTRICT By: _____ Its: _____
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ATTACHMENT 1

SUMMARY OF TVWD FACILITIES

TO BE ACQUIRED AS PART OF PAYMENT REQUEST

<u>TVWD Facilities</u>	<u>Actual Costs</u>	<u>Disbursement Requested</u>
----------------------------	---------------------	-----------------------------------

[List here TVWD Facilities for which payment is requested
and attach supporting documentation]

EXHIBIT "E-2"

DISBURSEMENT REQUEST FORM

No. ____

Community Facilities District No. 2019-1 of the Corona-Norco Unified School District (the "CFD") is hereby requested to pay from the TVWD Facilities Account of the Acquisition and Construction Fund, or any applicable account or subaccount thereof, established by the CFD in connection with its Special Tax Bonds (the "Bonds"), to [_____] (the "Owner")/other parties set forth in the attachment payment request], as Payee, the sum set forth below:

\$ _____ (the "Requested Amount")

The undersigned certifies that the amount requested hereunder has been expended or encumbered for capital costs related to the construction and/or acquisition of the following TVWD Facilities:

TVWD
Facilities

Disbursement
Requested

The Requested Amount is due and payable and has not formed the basis of prior request or payment.

DRAFT

The Requested Amount is authorized and payable pursuant to the terms of the Corolla
Norco Unified School District (the "School District"), the Temescal Valley Water District (the
"TVWD") and Temescal Office Partners, LP, (the "Owner"), dated _____, 2019.

Date: _____	[OWNER]
Date: _____	TEMESCAL VALLEY WATER DISTRICT By: _____ Its: _____

Bond Sizing and Total Tax Rate Analysis - 4.25% Interest Rate and 1.73% Tax Rate
August 7, 2019

I. Home Prices and Combined Tax Rates:

LAND USE INFORMATION								TOTAL TAX RATE ANALYSIS						Total CFD Revenues
Tract No.	Plan Type	Sq. Ft. Category	Home Size	Units	Estimated Home Price	Home Owner Exemption	Net Home Price	Ad Valorem Tax Rate 1.10862%	Other Fixed Charges and Assess.	Existing Total Tax per Unit	Existing Total Tax Rate	CNUSD CFD No. 19-1 Special Tax	Total Tax per Unit	
(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(b)	(c)			(d)		
37153	1	< 2,000	1,736	20	\$ 425,000	\$ (7,000)	\$ 418,000	\$ 4,634	\$ 324	\$ 4,958	1.17%	\$ 2,307	\$ 7,265	1.71%
37153	2	> 2,000	2,130	30	445,000	(7,000)	438,000	4,856	324	5,180	1.16%	2,431	7,611	1.71%
37153	3	> 2,000	2,030	14	450,000	(7,000)	443,000	4,911	324	5,235	1.16%	2,431	7,666	1.70%
37153	4	> 2,000	2,137	16	460,000	(7,000)	453,000	5,022	324	5,346	1.16%	2,431	7,777	1.69%
Total/ Wtd. Avg.			2,015	80	\$ 443,875	\$ (7,000)	\$ 436,875	\$ 4,843	\$ 324	\$ 5,167	1.16%	\$ 2,400	\$ 7,567	1.70%

Total Annual Special Taxes for Bonding (Annual CFD Revenues less \$30,000 for annual administration / 110% Coverage)

II. CFD Bond Sizing & Construction Proceeds:

- Bond Amount (4.25% Interest, 30 Year Term & 30 Year Amortization)
- Underwriter Discount (Min. of \$50,000 or 2.00%)
- Reserve Fund (Annual Debt Service)
- Capitalized Interest (12 mos)
- Incidental Costs (Estimate)
- Total Net Construction Proceeds
- Per Unit

Total	\$ 147,285
	\$ 2,470,000
	\$ (50,000)
	(147,285)
	(104,975)
	(200,000)
	\$ 1,967,740
	\$ 24,597

III. Allocation of Net Construction Proceeds

- Corona Norco Unified School District
 - Mitigation Payments (100.00% of the greater of \$6.05 per SF for FY 18/19 or \$1,100,290)
- Temescal Valley Water District
 - Water and Sewer Facilities (76.18% of \$1,138,724 total)

Per DU	Total
\$ 13,754	\$ 1,100,290
\$ 10,843	\$ 867,450
\$ 24,597	\$ 1,967,740

TOTAL PROCEEDS

IV. Footnotes

- (a) Product Mix & Pricing provided by Pinnacle Residential on 5/7/2019.
- (b) Includes 1.00% plus the following:
 - A tax of 0.09034% is charged for Fiscal Year 2018-2019 by the Corona Norco School District to pay debt service for outstanding bonds.
 - A tax of 0.00350% is charged for Fiscal Year 2018-2019 by the Metropolitan Water District to all parcels to pay debt service for outstanding bonds.
 - A tax of 0.01478% is charged for Fiscal Year 2018-2019 by the Riverside Community College District to all parcels to pay debt service for outstanding bonds.
- (c) Includes the following:
 - Riverside County Flood Control District levies an assessment of \$4.00 per acre, or \$4.00 per parcel if less than an acre.
 - County of Riverside will require a maintenance district (CSA, LMD and/or CFD) to be established for the project for the purposes of maintaining the landscape and trails along Temescal Canyon Road, streetlights, traffic signal at Temescal Canyon Road and Campbell Ranch Rd and street sweeping. A preliminary estimate of \$300 per DU is included as such district has not yet been established. Please note that this is preliminary and subject to change pending review by the County and the preparation of an Engineer's Report for the maintenance of these items.*
 - * Per the Tentative Tract Map, all open space and landscape areas will be maintained by a HOA.
 - County of Riverside annual assessment of \$10.60 to pay for vector and mosquito control.
 - MWD levies a standby charge of \$9.22 per acre, or \$9.22 per parcel if less than an acre.
- (d) Represents the CNUSD CFD No. 19-1 Facilities Special Tax.

Exhibit 2
Corona Norco Unified School District CFD No. 19-1

Temescal Office Partners, LP
Preliminary List of Authorized CFD Facilities

Tract No. 37153
 No. of Units 80

Description of Fees and Improvements	Total	Per DU
CNUSD Fees		
Mitigation Payment (\$6.05 per square foot)	\$ 975,454	\$ 12,193
Fixed Mitigation Payment (\$1,150,000)	1,150,000	14,375
Mitigation Payment (Greater of the above)	\$ 1,150,000	\$ 14,375
Temescal Valley Water District		
Sanitary Sewer Improvements	\$ 446,668	\$ 5,583
Domestic Water Improvements	366,707	4,584
Prevailing Wage (25%)	203,344	2,542
Construction Management, Engineering (15%)	122,006	1,525
Temescal Valley Water District Total	\$ 1,138,724	\$ 14,234
TOTAL AUTHORIZED FEES	\$ 2,288,724	\$ 28,609



Welcome to TEMESCAL VALLEY WATER DISTRICT! We are pleased that you have chosen to work with our agency.

As a member of the TEMESCAL VALLEY WATER DISTRICT team, you will be expected to contribute your talents and energies to improve the environment and quality of the District, as well as the District's services to its customers and the community.

This handbook is provided for your use as a reference and summary of our personnel policies, work rules and benefits. It is designed to acquaint you with the District's policies. You should read the entire handbook promptly so that you have a complete understanding of the material covered.

TEMESCAL VALLEY WATER DISTRICT certainly hopes that it and every employee will find the employment relationship satisfying and rewarding in all aspects. At the same time, it recognizes that relationships are not always mutually satisfactory. TO PROTECT BOTH PARTIES' RIGHTS, IT SHOULD BE REMEMBERED THAT THE EMPLOYMENT RELATIONSHIP IS TERMINABLE AT-WILL, AT THE OPTION OF ANY EMPLOYEE OR THE DISTRICT.

Moreover, no one in the organization, other than the Board of Directors, has the authority or legal ability to modify the at-will nature of the employment relationship. The Board of Directors can do so only if it is done specifically in a written agreement that is signed both by the Board of Directors and the employee. This represents an integrated agreement with respect to the at-will nature of the employment relationship.

We extend to you our personal best wishes for your success and happiness at TEMESCAL VALLEY WATER DISTRICT.

TEMESCAL VALLEY WATER DISTRICT

Jeff R. Pape
General Manager

TEMESCAL VALLEY WATER DISTRICT

Employee Handbook

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TEMESCAL VALLEY WATER DISTRICT

Employee Handbook

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TEMESCAL VALLEY WATER DISTRICT

Employee Handbook

Purpose of the Employee Handbook

The purpose of this handbook is to acquaint employees with some of TEMESCAL VALLEY WATER DISTRICT'S policies and benefits. IT IS NOT A CONTRACT AND SHOULD NOT BE CONSTRUED AS CREATING CONTRACTUAL OBLIGATIONS.

TEMESCAL VALLEY WATER DISTRICT (TVWD) certainly hopes that it and every employee will find the employment relationship satisfying and rewarding in all respects. At the same time, it recognizes employment is at the mutual consent of the employee and the District. Accordingly, either the employee or the District can terminate the employment relationship at-will, at any time, with or without cause or advance notice. No one in the organization, other than the Board of Directors, has the authority or legal ability to modify the at-will nature of the employment relationship. The Board of Directors can do so only if it is done specifically and unequivocally in a written agreement that is signed both by the Board of Directors and the employee. This represents an integrated agreement with respect to the at-will nature of the employment relationship.

Please understand that this handbook only highlights District policies, practices and benefits for your personal education. Circumstances will require that policies, practices and benefits described in the handbook change from time to time.

Consequently, TVWD reserves the right to amend, supplement or rescind any provisions of this handbook, other than its employment at-will provisions, as it deems appropriate in its sole and absolute discretion. As policies and benefits are revised, updated pages will be distributed to you. Please keep this handbook readily available and insert the updated material promptly so that it is current at all times.

If you have problems understanding this handbook because of an inability to read or understand English, please let your manager know. TVWD will attempt to help you understand the policies and what is expected of you. If you fail to request assistance, we will assume that you fully understand the handbook.

TEMESCAL VALLEY WATER DISTRICT

Employee Handbook

Right to Revise

This employee handbook contains the employment policies and practice of TEMESCAL VALLEY WATER DISTRICT in effect at the time of publication. All previously issued handbooks and any inconsistent policy statements or memoranda are superseded.

Excluding at-will status, TVWD reserves the right to revise, modify, delete, or add to any and all policies, procedures, work rules, or benefits stated in this handbook or in any other document. However, any such changes must be in writing and approved by the Board of Directors.

Any written changes to this handbook will be distributed to all employees so that employees will be aware of the new policies or procedures. No oral statements or representations can in any way alter the provisions of this handbook.

Nothing in this employee handbook or in any other personnel document, including benefit plan descriptions, creates or is intended to create a promise or representation of continued employment for any employee.

Employment is at the mutual consent of the employee and the District. Accordingly, either the employee or the District can terminate the employment relationship at will, at any time, with or without cause or advance notice. No one in the organization, other than the Board of Directors, has the authority or legal ability to modify the at-will nature of the employment relationship. The Board of Directors can do so only if it is done specifically and unequivocally in a written agreement that is signed both by the ~~Board of Directors~~ **General Manager** and the employee. This represents an integrated agreement with respect to the at-will nature of the employment relationship.

TEMESCAL VALLEY WATER DISTRICT

Employee Handbook

Open Door Policy

In a spirit of willingness to listen, TEMESCAL VALLEY WATER DISTRICT believes in an open door policy. Our goal is to maintain a comfortable working environment for everyone. We encourage you to discuss your problems, opinions, or suggestions; you will always find an open door and an attentive ear.

Misunderstandings or honest differences of opinion do occur occasionally. Most of the time, these problems can be solved when brought out into the open and discussed frankly. Employees are encouraged to bring any questions or problems to the attention of the General Manager. Remember it is always best to resolve problems right away. Little problems tend to turn into big problems; facts become confused; resentment and anger can build up. It is always best to ironed out before they get out of hand.

An effort will be made to provide each employee with an opportunity to raise his/her questions or problems in confidence and without fear of reprisal or discrimination. TVWD will make every effort to investigate and to settle an employee's problem on an equitable basis.

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Our Pledge

We believe that the interest of this District and the interest of its employees are inseparable. We, therefore, are guided by the following principles:

1. **EQUAL EMPLOYMENT OPPORTUNITY.** TEMESCAL VALLEY WATER DISTRICT will provide equal employment opportunity without regard to race, color, sex, age, disability, religion, national origin, marital status, sexual orientation, gender identity, ancestry, political belief or activity, or status as a veteran.

This policy applies to all areas of employment, including recruitment, hiring, training and development, promotion, transfer, termination, layoff, compensation benefits, social and recreational programs, and all other conditions and privileges of employment in accordance with applicable federal, state, and local laws.

It is the policy of TVWD to comply with all the relevant and applicable provisions of the Americans with Disabilities Act (ADA). TVWD will not discriminate against any qualified employee or job applicant with respect to any terms, privileges, or conditions of employment because of a person's physical or mental disability. TVWD also will make reasonable accommodation wherever necessary for all employees or applicants with disabilities, if the individual is otherwise qualified to safely perform the duties and assignments connected with the job, complying with departmental operating procedures that shall not cause an undue hardship to TVWD.

Equal employment opportunity notices are posted on appropriate employee bulletin boards by law. The notices summarize the rights of employees to equal opportunity in employment and list the names and addresses of the various government agencies that may be contacted in the event that any person believes he or she has been discriminated against.

Management is primarily responsible for assuring that the District's equal employment opportunity policies are implemented, but all employees share in the responsibility for assuring that by their personal actions the policies are effective and apply uniformly to everyone. Any employees, including managers, involved in discriminatory practices will be subject to discharge. (Note: Throughout this Employee Handbook, masculine pronouns such as he, his, or him shall be construed so as to include both sexes).

2. **IMMIGRATION LAW COMPLIANCE.** TEMESCAL VALLEY WATER DISTRICT is committed to full compliance with federal immigration laws. These laws require that all individuals pass an employment verification procedure within specific time frames after they are hired. This procedure has been established by law and requires that every individual provide satisfactory evidence of his or her legal authority to work in the United States no later than three (3) business days ~~after he or she begins work~~ before reporting for the first day of work. Federal regulations require that 1) before becoming employed, all applicants must complete and sign Federal Form 1-9, Employment Eligibility Verification Form, and 2) all applicants who are hired must present documents of identity and eligibility to work in the U. S. to the personnel manager. Accordingly, all new hires must go through this procedure.

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Classifications of Employment

In order to determine eligibility for benefits, TEMESCAL VALLEY WATER DISTRICT has established the following employment categories:

Probationary Period. All new employees shall serve a probationary period of 90 calendar days commencing with their first day of employment. During this period, both TEMESCAL VALLEY WATER DISTRICT and employee will have an opportunity to decide whether future employment with the District is appropriate. TVWD can extend the duration of the probationary period one or more times if, in its sole and absolute discretion, it determines that such an extension is appropriate. The employment relationship can be terminated by the employee or TVWD at any time during or after the probationary period, at-will, either with or without cause. An employee who successfully completes the probationary period will be notified that he or she has become a regular full-time or a regular part-time employee of TVWD, but the employee's at-will status will not change.

Regular Full-Time Employees. An employee who has successfully completed the Probationary Period and who ~~works at least~~ is scheduled for forty (40) hours per week, or (80) hours in two weeks is considered a full-time employee. Unless otherwise specified, the benefits described under "Introduction to Benefits" of this handbook apply only to scheduled full-time employees. All other policies described in this handbook and communicated by TEMESCAL VALLEY WATER DISTRICT apply to all employees, with the exception of certain wage, salary and time off limitations applying only to "non-exempt" (see the definition that follows) employees. If you are unsure of which job classification your position fits into, please ask your manager.

Since all employees are hired for an unspecified duration, this classification does not guarantee employment for any specific length of time. Employment is at the mutual consent of the employee and the District. Accordingly, either the employee or the District can terminate the employment relationship at will, at any time, with or without cause or advance notice. No one in the organization, other than the Board of Directors, has the authority or legal ability to modify the at-will nature of the employment relationship. The Board of Directors can do so only if it is done specifically and unequivocally in a written agreement that is signed both by the Board of Directors and the employee. This represents an integrated agreement with respect to the at-will nature of the employment relationship.

Regular Part-Time Employees. An employee who has successfully completed the Probationary Period and who works less than thirty-two (32) hours per week is considered a part-time employee. If you are a part-time employee, please understand that you are not eligible for benefits described under "Introduction to Benefits" of this handbook, except as granted on occasion, or as required by the California Public Employee's Retirement System (CalPERS), or to the extent required by provision of state and federal laws.

Since all employees are hired for an unspecified duration, this classification does not guarantee employment for any specific length of time. Employment is at the mutual consent of the employee and the District. Accordingly, either the employee or the District can terminate the employment relationship at will, at any time, with or without cause or advance notice. No one in the organization, other than the Board of Directors, has the authority or legal ability to modify the at-will nature of the employment relationship. The Board of Directors can do so only if it is done specifically and unequivocally in a written agreement that is signed both by the Board of Directors and the employee. This represents an integrated agreement with respect to the at-will nature of the employment relationship.

Inactive Status. Employees who are on any type of leave of absence, work-related or non-work-related, that exceeds 4 months may be placed on inactive status. During that time the employee is on inactive status, vacation and sick leave will not be earned. In connection with a medical or disability leave more

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time may be granted before inactive status is implemented, so long as the extended time off is not an undue hardship.

Exempt Employee. Exempt employees are employees who, because of their positional duties and responsibilities and level of decision making authority, are exempt from the overtime provisions of the Fair Labor Standards Act (FLSA). An exempt employee is paid an established monthly or annual salary and is expected to fulfill the duties of their positions regardless of hours worked.

Non-Exempt Employee. Non-exempt employees are employees who, because of the type of duties performed, the usual level of decision making authority, and the method of compensation, are subject to all provisions of the Fair Labor Standards Act (FLSA) including the payment of overtime **premium**. Non-exempt employees are required to account for hours and fractional hours worked. Non-exempt employees shall be compensated for all overtime hours worked at the premium (time-and-one-half) rate of pay.

FLSA - The Fair Labor Standards Act of 1938 is a U.S. federal law governing minimum wage, overtime pay, child labor, and recordkeeping requirements.

Employment at Will

TEMESCAL VALLEY WATER DISTRICT certainly hopes that it and every employee will find the employment relationship satisfying and rewarding in all respects. At the same time, it recognizes employment is at the mutual consent of the employee and the District. Accordingly, either the employee or the District can terminate the employment relationship at will, at any time, with or without cause or advance notice. No one in the organization, other than the Board of Directors, has the authority or legal ability to modify the at-will nature of the employment relationship. The Board of Directors can do so only if it is done specifically and unequivocally in a written agreement that is signed both by the **Board of Directors** **General Manager** and the employee. This represents an integrated agreement with respect to the at-will nature of the employment relationship.

Anniversary Date

The first day you report to work is your "official" anniversary date. Your anniversary date is used to compute various conditions and benefits described in this handbook.

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Work Schedules

Our regular office operating hours are 7:30 AM to 5:00 PM, Monday through Thursday and 7:30 AM to 4:00 PM Friday and apply to those working in the District Office.

Traditional Work Schedule. Monday through Thursday 8:00 AM to 5:00 PM, Friday 7:30 AM to 4:00 PM. Your particular hours of work and the scheduling of your lunch period will be determined and assigned by your manager. You are required to take a one (1) hour unpaid lunch period Monday through Thursday and Friday a one-half (1/2) hour unpaid lunch period. Please understand that you may not “work through lunch” in order to arrive late or to leave early or to work extra time.

Alternative Work Schedule 9-80 (see details below). Monday through Thursday 7:30 AM to 5:00 PM, Friday 7:30 AM to 4:00 PM. Your particular hours of work and the scheduling of your lunch period will be determined and assigned by your manager. You are required to take a one-half (1/2) hour unpaid lunch period. Please understand that you may not “work through lunch” in order to arrive late or to leave early or to work extra time.

Alternative Work Schedule

Summary. The 9-80 workweek redefines the workday and workweek to allow employees to have every other Friday off. Specifically, employees work 9-hour days (Monday – Thursday) and 8-hour days every other Friday. **Except for unforeseen emergencies, employees are expected to schedule personal business during off days. (Certain doctors appointments for employees with disabilities may need to be scheduled during working hours. This would be considered a reasonable accommodation).**

Eligibility. All exempt and non-exempt full-time employees are eligible to participate in the 9-80 alternative work schedule. Employees must elect to participate in the program **(Exhibit C)**.

Basic Work Requirement. The basic work requirement for a 9-80 work schedule is the number of hours, excluding overtime hours, an employee is required to work or to account for by taking leave or otherwise:

- Exempt and non-exempt full-time employees are scheduled to work 80 hours in a biweekly period.
- Personnel can expect in some instances to have to work on their scheduled day off due to emergency circumstances.

Reservation of Rights. Management reserves the right to interpret, modify, or revise this program, in whole or in part as necessary.

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Break Periods and Meals

Breaks/Rest Periods. Employees are mandated to take one ten-minute rest period during each four hours of work or major fraction of four hours. The only exception applies if an employee's total daily work time is less than three and one-half hours. If an employee works more than six hours in a day, the employee will be entitled to a second ten-minute rest period. Rest periods shall be provided in the middle of each work period insofar as practicable. Rest periods may not be combined with each other or added to an employee's meal period.

Rest periods are scheduled by managers to ensure that the employee's position and duties will be covered during periods of rest. Rest periods are to be recorded on each employee's time record.

Lunch Period. Employees who work more than five hours in a day must take a meal period of at least 30 minutes. Meal periods must begin by the end of an employee's fifth hour of work. Employees must accurately record their meal periods on their time record. Employees who work no more than six hours in a day may voluntarily agree to waive their meal period for that day if their manager agrees to allow such a waiver. Employees who work over six hours may not waive their meal period. **In the event of an operational emergency the manager may allow the meal period to be waived, however the time sheet must be documented and signed by both the employee and manager.**

The time when lunch periods are scheduled varies among departments, depending on the needs of each department. Your manager will give you your lunch period.

You are expected to take your fully allotted time for lunch. You are requested not to perform any work during your regularly scheduled lunch period.

All break/rest periods and lunch periods must be taken and failure to do so could result in disciplinary action including termination.

Recording of Employee Hours

By law, we are obligated to keep accurate records of the time worked by "non-exempt" employees. This is done either by time cards or other written documentation.

Your time sheet is the only way the payroll department knows how many hours you worked and how much to pay you. Your time card indicates when you arrived and when you departed. You are to document on your time sheet regular hours worked, lunch periods, overtime, all absences and vacations. By signing your time sheet you are verifying that you took all your break/rest periods and lunch period.

All employees are required to keep the office advised of their departures from and returns to the premises during the work day.

No one may record hours worked on another's sheet. Tampering with another's time sheet is cause for disciplinary action, including possible dismissal, of both employees. Do not alter another person's record, or influence anyone else to alter your record for you. In case of an error in recording your time, please report the matter to your manager immediately.

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Overtime

Due to the nature of the work, your manager may ask you to work beyond your normal shift. You will be paid for hours worked in accordance with all legal requirements. Although an attempt will be made to give you advance notice where it is feasible to do so, this is not always possible. Exempt employees ~~who are administrative, executive or professional employees within the meaning of the state and federal wage and hour laws~~ are exempt from overtime pay and are not subject to this policy. All non-exempt employees are entitled to overtime pay if overtime is worked. All overtime work by a non-exempt employee must be approved in advance by an employee's manager. Unauthorized overtime is against District policy; therefore, employees who work unauthorized overtime are subject to discipline, up to and including termination.

Exchanging Shifts

Employees are not permitted to exchange shifts with another employee without the prior authorization of both employees' managers. Authorization for exchanging shifts will not be granted unless it can be done without interference with the District's operations and without either employee working overtime.

Pay

Pay Day. Employees are paid every other Friday. If a regular pay day falls on your Friday off (Alternative Work Schedule) or on a holiday, employees will be paid on the last day worked.

Paycheck Distribution. Paychecks are hand delivered to you at the office.

Automatic Deposit. TEMESCAL VALLEY WATER DISTRICT offers automatic payroll deposit for employees. You may begin and stop automatic deposit at any time. To begin automatic payroll deposit, you must complete a form (available from Management) and return it. You should carefully monitor your payroll deposit statements for the first two pay periods after the service begins. The District reserves the right to discontinue automatic deposit at its discretion.

Overtime. Overtime **premium** will be paid in accordance with all legal requirements.

Payroll Deductions

TEMESCAL VALLEY WATER DISTRICT is required by law to make certain deductions from your paycheck each time one is prepared. Among these are your federal, state and local income taxes. These deductions will be itemized on your check stub. The amount of the deductions may depend on your earnings and on the information you furnish on your W-4 form regarding the number of dependents/exemptions you claim. Any change in name, address, telephone number, marital status or number of exemptions must be reported to the Payroll Department immediately, to ensure proper credit for tax purposes. The W-2 form you receive each year indicates precisely how much of your earnings were deducted for these purposes.

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Garnishments

TEMESCAL VALLEY WATER DISTRICT is required by law to comply with certain court orders, liens and wage assignments. When TVWD receives a notice of a pending garnishment or wage assignment, a manager is requested to discuss it with the employee in an effort to settle the matter without involving the District. Employees are encouraged to avoid financial transactions that result in wage garnishments.

Exempt Employees

Employees who are exempt from the overtime provision of state and federal law are paid a salary that is to fully compensate them for all hours worked each week; however few or many those hours are. That amount is not subject to reduction because of variations in the quality or quantity of the employee's work. An exempt employee's salary is not subject to deductions, except when they are expressly authorized under applicable state and federal laws. Any **exempt** employee who believes that an improper deduction or violation of the laws regulating salaries has occurred is encouraged to advise the General Manager or file a grievance as soon as possible. The matter will be promptly investigated and, if a mistake occurred, corrected. Employees may file complaints without fear of any retaliation.

Questions Regarding Pay

Please check the amount of your pay carefully. Every effort is made to avoid errors in your paycheck. If you believe an error has been made, tell your manager immediately. He or she will take the necessary steps to research the problem and to assure that any necessary correction is made properly and promptly.

Advancement of Wages

Employees requesting payment of wages in advance of regular pay days shall submit said request to the General Manager.

The General Manager may authorize the requested advancement of wages if the amount requested does not exceed the wages accrued (excluding applicable deductions) by the employee to the date of said request.

Advancement of wages prior to a regular pay day is not a privilege that an employee may use at his/her discretion, but may be authorized by the General Manager at his/her complete discretion in case of employee necessity and/or personal financial emergency.

Requests for advancement of wages may be submitted only once in any pay period only for extraordinary circumstances. Frequent requests shall be grounds for denial of authorization.

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Personal Information

Employees must notify Management promptly of any changes in your personnel file. Keep your personal information up-to-date is important if you have a change in any of the following items, please be sure to notify the Personnel Manager as soon as possible.

1. Legal name
2. Home address
3. Home telephone number
4. Person to call in case of emergency
5. Number of dependents
6. Marital status
7. Change of beneficiary
8. Driving record or status of driver's license, if you operate any District vehicles
9. Exemptions on your W-4 tax form

You may see information that is kept in your own personnel file if you wish, and you may request and receive copies of all documents you have signed.

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Worker's Compensation

The California Workers Compensation Law has set up a no-fault insurance plan that is supervised by the state and entirely paid by TEMESCAL VALLEY WATER DISTRICT. This law was designed to provide you with benefits for any injury that you may suffer in connection with your employment. Under the provisions you are injured while at work, you are eligible to apply for Workers' Compensation.

If you are injured while working, you must report it *immediately* to your manager, regardless of how minor the injury may be.

Neither TVWD nor its insurance company is liable for the payment of workers' compensation benefits for any injury which arises out of an employee's voluntary participation in any off-duty recreational, social, or athletic activity which is not a part of the employee's work-related duties.

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Leaves of Absence

Employees may occasionally need time off from work to address important matters that are required by law. TEMESCAL VALLEY WATER DISTRICT ~~will comply with its legal obligations by providing employees time off. Time off that is provided under this policy will ordinarily be unpaid except where the law requires that it be compensated. Please ask Management for complete description of eligibility and coverage.~~

Pregnancy Disability Leave and Transfer Privileges

~~Under the California Fair Employment and Housing Act (FEHA), employees who are disabled by pregnancy, childbirth, or related medical conditions are eligible to take a pregnancy disability leave. Employees who are affected by pregnancy or a related medical condition are also eligible to transfer to less strenuous or hazardous position or to less strenuous or hazardous duties, if such a transfer is medically advisable.~~

~~1. The pregnancy disability leave is for any period or periods of actual disability caused by an employee's pregnancy, childbirth or related medical conditions up to four months (or 88 work days for a full-time employee) for pregnancy.~~

~~2. The pregnancy disability leave does not need to be taken in one continuous period of time, but can be taken on an as-needed basis.~~

~~3. Time off needed for prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, and recovery from childbirth would all be covered by the employee's pregnancy disability leave.~~

~~4. Employees may be required to obtain a certification from their health care provider of their pregnancy disability or the medical advisability for a transfer. The certification should include the following information:~~

~~a. The date on which the employee becomes disabled due to pregnancy or the date of the medical advisability for the transfer;~~

~~b. The probable duration of the period or periods of disability or the period or periods for the advisability of the transfer; and~~

~~c. A statement that, due to the disability, the employee is unable to work at all or to perform any one or more of the essential functions of her position without undue risk to herself, the successful completion of her pregnancy or to other persons, or a statement that, due to her pregnancy, the transfer is medically advisable.~~

~~d. The employee may be eligible for state disability insurance for the leave.~~

~~6. TEMESCAL VALLEY WATER DISTRICT will continue to pay its share of insurance premiums to the same extent that coverage is provided while the employee is on the job for up to 12 weeks each leave year. If the employee is disabled by pregnancy, coverage will continue to be covered for up to 4 months (i.e. 17 and 1/3 weeks) for each pregnancy, for a maximum of twelve (12) weeks while you are on a disability leave of absence. In the event an employee is disabled by pregnancy and also uses leave under the California Family Rights Act, the District will maintain the employee's health benefits while the employee is disabled by pregnancy (up to four months or 17 and 1/3 weeks) and during the employee's CFRA leave (up to 12 weeks). Employees will still be~~

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~~responsible for the employee's share of the premiums for health benefits. While you are on any other type of unpaid leave of absence from TVWD, you will be responsible for paying the total premium for your coverage and that of your dependents while on leave. Failure to do so may result in loss of coverage and possible refusal by the insurance carrier to allow your coverage to be reinstated.~~

provides family and medical leave to eligible employees under both the Federal Family and Medical Leave Act (FMLA). The function of this policy is to provide employees with a general description of their FMLA rights. In the event of any conflict between this policy and applicable law, employees will be afforded all rights as required by law. A brief overview is provided below.

Family and Medical Leave

Eligibility

To be eligible to take FMLA Leave, employees must meet all of the following conditions:

- 1) Have worked at least 12 months for TVWD.
- 2) Have worked at least 1,250 hours for TVWD over the preceding 12 months; and

Permissible Purposes for Leave

FMLA Leave may be taken for any of the following reasons:

- 1) Birth of a child or to care for a newly-born child ("bonding leave");
- 2) Placement of a child for adoption or foster care ("bonding leave");
- 3) To care for an immediate family member (spouse, registered domestic partner, child, or employee's parent) with a serious health conditions (family care leave");
- 4) Because of an employee's own serious health condition, which makes the employee unable to perform the functions of the employee's job ("serious health condition leave");
- 5) Because of a "qualifying exigency" arising out of the fact that an employee's spouse, son, daughter, or parent is on active duty or ordered to active duty in the armed forces ("military emergency leave"); or
- 6) To care for an injured service member if the employee is the spouse, son, daughter, parent or next of kin of the injured or ill service member ("military caregiver leave").

Length of Leave

An eligible employee can take up to 12 workweeks of unpaid leave during any "rolling" 12-month period, measured backward from the date an employee uses any leave under this policy. If both spouses work for TVWD and are eligible for leave under this policy, the spouses will be limited to a total of 12 workweeks off between the two of them for bonding leave. Bonding leave must be concluded within 12 months of the birth or placement of the child.

If eligible for FMLA Leave, an employee may take FMLA Leave intermittently, by reducing the employee's normal weekly or daily work schedule, when medically necessary for the employee's own or immediate family member's serious health condition. Intermittent leave for bonding leave may be available, but may be subject to additional restrictions. Leave taken intermittently may be taken in increments of no less than 1 hour. If an employee requires intermittent leave or reduced schedule leave, the employee must try to schedule the leave in a manner that will least disrupt TVWD's operations.

For military caregiver leave, an eligible employee can take a combined total of 26 workweeks of leave for military caregiver leave and leave for any other FMLA-qualifying reason during the same "single 12-month period." Of this 26-week period, this eligible employee may not exceed 12 workweeks of leave for any reason other than military caregiver leave. For purposes of military caregiver leave, a "single 12-month period" begins on the first day the eligible employee takes military caregiver leave and ends 12

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months after that date. If the employee takes less than 26 weeks of leave during that 12-month period, the unused weeks are forfeited. If both spouses work for TVWD and are eligible for leave under this policy, the spouses may be limited to a total of 26 workweeks off between the two of them depending on the reasons for the leave.

Health Benefits During Leave

During FMLA Leave, TVWD will continue making contributions for the employee's group health benefits on the same terms as if the employee had continued to work. This means that if the employee wants benefit coverage to continue during the FMLA Leave, the employee must continue to pay the employee's portion of any premium payments during the FMLA Leave. Benefit premiums will need to be submitted to the Finance Manager of a monthly basis. If the payment is more than 30 days late, and TVWD has sent the employee at least 15 days' written notice of late payment, an employee's benefit coverage will cease and the employee will be offered continuation of coverage via COBRA. If the employee has exhausted all available FMLA Leave, continuation coverage will be available at the employee's expense under COBRA.

Pay During FMLA Leave

FMLA Leave is unpaid unless the employee qualified for state-provided or TVWD-provided disability/family leave benefits. Employees have the option to substitute accrued vacation and/or sick leave for unpaid FMLA Leave. The substitution of paid leave for unpaid FMLA leave does not extend the length of leave to which the employee is entitled. Employees do not accrue benefits, including vacation and sick leave, and are not entitled to holiday pay, during unpaid FMLA Leave.

Employment Status After FMLA Leave

Employees granted FMLA Leave are reinstated to the same of an equivalent job position at the end of the leave unless the job ceased to exist for legitimate business reason and subject to any other defense allowed under the law. "Key employees," as defined by law, may be subject to reinstatement limitations in some circumstances. If an employee is a "key employee," the employee will be notified of the possible limitations at the time the employee requests a leave.

Notice and Certification Procedures

The following procedures shall apply when an employee requests FMLA Leave:

- 1) Please contact the Office Manager as soon as you realize the need for FMLA Leave;
- 2) If the need for leave is foreseeable, employees must give at least 30-days' advance notice of the need for FMLA Leave. If the need for leave is not foreseeable, an employee must notify TVWD as soon as practicable. When leave is planned medical treatment, employees must make a good faith effort to try to schedule treatment so as not to unduly disrupt operations at TVWD.
- 3) Medical certification supporting the need for leave due to a serious health condition affecting the employee or the employee's immediate family member must be provided before the leave begins, or if not possible, within 15 days of TVWD's request to provide the certification. While employees do not have to share a medical diagnosis, employees must provide enough information from their doctor so that TVWD can determine if the leave qualifies for FMLA protection;
- 4) Certification of the family member's active duty status or call to active duty for emergency military leave;
- 5) Periodic updates as permitted by law during the leave regarding the employee's status and intent to return to work; and
- 6) Medical certification of fitness for duty before returning to work, if the leave was due to the employee's own serious health condition.

At TVWD's expense, TVWD may also require a second or third opinion regarding an employee's own serious health condition. Employees are expected to cooperate with TVWD in obtaining

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additional medical opinions that TVWD may require.

Failure to Provide Certification and to Return from Leave

Failure to comply with the notice and certification requirements may result in a delay or denial of the leave. If an employee fails to return to work at the end of the leave's expiration and has not obtained an extension of the leave, TVWD may presume that the employee does not plan to return to work and has resigned from employment.

Pregnancy-Related Disabilities

Under California law, pregnancy-related disabilities are not counted against an employee's leave entitlement under the California Family Rights Act. Instead, they are covered by California's Pregnancy Disability Leave Law, which is explained in TVWD'S Pregnancy Disability Leave Policy, Exhibit D.

Sick Leave

Sick leave is defined as absence from work due to illness, non-industrial injury, or quarantine due to exposure to a contagious disease. In addition, dentist and doctor appointments and prescribed sickness prevention measures shall be subject to sick leave provided prior notice is provided to the General Manager. The employee is eligible to use sick leave for personal or family illness or medical situations only after the Probationary Period. Sick leave time may only be used in one (1) hour increments. Sick leave is not a privilege that an employee may use at his/her discretion, but shall be allowed only in case of necessity and actual sickness or disability of the employee, or because of illness of his/her immediate family.

Employee's eligibility for sick leave pay is effective as of date of hire. Regular full-time employees ~~accrue sick leave at the rate of 52 hours per year. Accrual rate per month is 4.33 hours.~~

will be front loaded eighty (80) hours each fiscal year. Unused sick leave may be rolled over to the next fiscal year and accrued up to one hundred (100) hours. Employees will not be compensated for any forfeited or lost sick time based on the rollover rules. Unused sick leave will not be paid out upon termination, resignation, or other separation from employment.

~~Part-time~~ Employees working at least 24³² hours per week will accrue sick leave based on the number of hours worked each month on a pro-rata basis.

Sick leave time is provided solely for use during times of need when an employee must miss work due to health problems. It is not the intent to provide sick leave time for vacation use. In order to receive compensation while on sick leave, the employee shall notify his/her manager prior to the time for beginning the regular work day, or as soon thereafter as practical.

Alternative Work Schedule Sick Leave Addendum. Sick leave time will be deducted based on the 9-80 schedule for the employee in one (1) hour increments.

Example: An employee takes sick leave on Thursday, March 18. Nine hours are deducted from this employee's sick time allowance since the employee was scheduled to work nine hours. Another employee takes sick leave on Friday, March 19. This employee is scheduled to work on Friday, March 19. Eight hours are deducted from this employee's sick time allowance since the employee was scheduled to work eight hours.

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Jury Duty

It is your civic duty as a citizen to report for jury duty whenever called. An employee summoned for jury duty will immediately notify their manager. While serving on a jury, the employee will be given a paid leave of absence for the duration of up to 10 days. Said paid leave of absence is conditional upon the employee coming into work prior to serving and/or returning to work upon dismissal each day to complete his/her remaining normal workday as long as two or more hours of work are available. Employee is required to report to work on all non-trial days and TEMESCAL VALLEY WATER DISTRICT requires employee's to bring the daily records from the court showing they served. It is also conditional upon the employee's conveyance to TVWD any compensation received as a juror, not including any travel allowance received.

Bereavement

In the event of a death in the IMMEDIATE FAMILY, an employee may be granted a paid leave of absence not to exceed three (3) days. This is in addition to regular sick leave and vacation time. Certification may be required by the General Manager.

"IMMEDIATE FAMILY" is defined as being spouse, parents, children, brother, sister, grandparents, father-in-law, mother-in-law, sister-in-law, brother-in-law or any other person who is a legal dependent of the employee.

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Standards of Conduct

TEMESCAL VALLEY WATER DISTRICT requires order and discipline to succeed and to promote efficiency, productivity and cooperation among employees. You are expected to act in a mature, responsible, and courteous manner at all times. It is helpful to identify some examples of types of conduct that are impermissible and that may lead to disciplinary action, possible including immediate discharge. However, it is not possible to provide an exhaustive list of all types of impermissible conduct and performance, so the following are some examples:

1. Insubordination, including improper conduct toward a manager or refusal to perform tasks assigned by a manager in the appropriate manner.
2. Possession, distribution, sale, use or being under the influence of alcohol beverages or a ~~illegal drug~~ **controlled substance** while on TEMESCAL VALLEY WATER DISTRICT property, while on duty, or while operating a vehicle or potentially dangerous equipment leased or owned by the District, or violation of the Alcohol and Drug-Free Workplace policy contained herein.
3. Sexual harassment or other unlawful harassment, whether verbal, physical or visual.
4. Actual or threatened violence.
5. Release of confidential information about TEMESCAL VALLEY WATER DISTRICT or its customers.
6. Theft or unauthorized removal or possession of property from TEMESCAL VALLEY WATER DISTRICT, fellow employees, customers or anyone on TVWD property.
7. Failure to use your timecard; altering or falsifying any time-keeping records.
8. Absence for one or more consecutive work days without notice to your manager or department head, unless a reasonable excuse is offered and accepted by TEMESCAL VALLEY WATER DISTRICT.
9. Falsifying or making a material omission on an employment application or any other TEMESCAL VALLEY WATER DISTRICT record.
10. Misusing, destroying or **intentionally** damaging property of TEMESCAL VALLEY WATER DISTRICT, a fellow employee, a customer, or a visitor.
11. Fighting on TEMESCAL VALLEY WATER DISTRICT property.
12. Bringing onto TEMESCAL VALLEY WATER DISTRICT property dangerous or unauthorized materials, such as explosives, firearms, or other similar items.
13. Misconduct.
14. Unsatisfactory performance.

Be aware that employment is at the mutual consent of the employee and TEMESCAL VALLEY WATER DISTRICT. Accordingly, either the employee or TVWD can terminate the employment relationship at will, at any time, either with or without cause or advance notice.

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Policy Against Fraud

Background - The fraud policy is established to facilitate the development of controls that will aid in the detection and prevention of fraud against TEMESCAL VALLEY WATER DISTRICT. It is the intent of TVWD to promote consistent organizational behavior by providing guidelines and assigning responsibly for the development of controls of investigation.

Scope of the Policy

This applies to any irregularity, or suspected irregularity, involving employees as well as consultants, vendors, contractors, outside agencies doing business with TVWD.

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to TVWD.

Policy

Management is responsible for the detection and prevention of fraud, misappropriations, and other irregularities. Fraud is defined as the intentional false representation, or concealment of material fact for the purpose of inducing another to act upon it to his or her injury. Each member of the management team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

Any irregularity that is detected or suspected must be reported immediately to the General Manager or the Finance Manager, who coordinates all investigations with Director of the Finance Committee and the District Board attorney, if necessary.

Actions Constituting Fraud

The terms defalcation, misappropriations, and other fiscal irregularities refer to, but are not limited to:

- Any dishonest or fraudulent act.
- Misappropriation of funds, securities, supplies, or other assets.
- Impropriety in the handling or reporting of money or financial transactions.
- Profiteering as a result of insider knowledge of company activities.
- Disclosing confidential and proprietary information to outside parties.
- Disclosing to other persons activities engaged in or contemplated by the company.
- Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to the company. Exception: Gifts less than \$50.00 in value.
- Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment, and/or
- Any similar or related irregularity.

Other Irregularities

Irregularities concerning an employee's moral, ethical, or behavior conduct should be resolved by departmental management and the General Manager.

If there is any question as to whether an action constitutes fraud, contact the General Manager or Finance Manager for guidance.

Investigation Responsibilities

The District has the primary responsibility for the investigation of all suspected fraudulent acts as defined

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in the policy. If the investigation substantiates, fraudulent activities have occurred, the District will issue reports to appropriate designated personnel and, if appropriate, to the Board of Directors through the Finance Committee.

Any irregularity or suspected dishonest or fraudulent activity involving the General Manager or the Finance Manager shall be reported solely to the President of the Board, who will coordinate such investigation with the Director of the Finance Committee, and the Board's attorney if appropriate.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made by the Board of Directors.

Confidentiality

The District treats all information received confidentially. Any employee who suspects dishonest or fraudulent activity will notify the General Manager or Finance Manager immediately, and should not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act.

Authorization for Investigating Suspected Fraud

Members of the Investigation Unit will have:

- Free and unrestricted access to all District records and premises, whether owned or rented; and:
- The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of their investigation.

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Policy Against Harassment

TEMESCAL VALLEY WATER DISTRICT is committed to providing a work environment that is free of discrimination. In keeping with this commitment, TVWD maintains a strict policy prohibiting all forms of unlawful harassment, including sexual harassment and harassment based on race, color, religion, national origin, age, sexual orientation, gender identity, or any other characteristic protected by state or federal law. This policy applies to all agents and employees of TVWD, including managers and non-supervisory employee, and prohibits harassment of employees in the workplace by any person, including non-employees. Furthermore, this policy prohibits unlawful harassment in any form, including verbal, physical, and visual harassment. It also prohibits retaliation of any kind against individuals who file complaints in good faith or who assist in a District investigation.

Sexual harassment includes, but is not limited to, making unwanted sexual advances and requests for sexual favors where either (1) submission to such conduct is made an explicit or implicit term or condition of employment; (2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individuals; or (3) such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment. Individuals who violate this policy are subject to discipline up to and including the possibility of immediate termination.

Unlawful harassment may take many forms, including:

- Verbal conduct, such as epithets, derogatory comments, slurs, or unwanted sexual advances, invitations or comments.
- Visual conduct, such as derogatory posters, cartoons, drawings, or gestures.
- Physical conduct, such as assault, blocking normal movement, or interference with work directed at an employee because of the employee's sex or other protected characteristic.
- Threats and demands to submit to sexual requests in order to keep one's job or avoid some other loss, and offers to job benefits in return for sexual favors.
- Retaliation for having reported unlawful harassment.

Any employee or other person who believes he or she has been harassed by a co-worker, manager, or agent of TEMESCAL VALLEY WATER DISTRICT should promptly report the facts of the incident or incidents and the names of the individuals involved to his or her manager or, in the alternative, to the General Manager. It is the responsibility of each employee to immediately report any violation or suspected violation of this policy to one or more of the individuals identified above.

Managers should immediately report any incidents of harassment to the General Manager. The General Manager will investigate all such claims and take appropriate corrective action, including disciplinary action, when it is warranted. Employees should feel free to report valid claims without fear of retaliation of any kind.

Employees will not be subject to retaliation for registering any complaint of unlawful harassment in good faith.

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Any violations of this policy are subject to discipline up to and including the possibility of immediate termination.

If any employee has any questions concerning this policy, please feel free to contact the Office Manager.

Personal Appearance and Grooming

The District's image is important, and it is therefore necessary that employees present a professional image to customers and vendors. Employees are expected to dress and groom themselves in accordance with accepted social and business standards. A good clean appearance bolsters your own poise and self-confidence and greatly enhances our District image. The District provides operations staff with shirts that exhibit the TVWD logo, all safety equipment for use in the field, as well as a boot allowance of up to \$200 every six months. Office staff shall dress in a professional manner; however, business casual attire is allowed on Friday's. Employees should utilize good judgment in determining their dress and appearance.

Employees who are inappropriately dressed will be sent home and directed to return to work in proper attire. Such employees will not be compensated for the time away from work.

This is an overview of the District's policy on dress and grooming standards. Employees are requested to ask their manager for specific dress standards for their position.

Non-Solicitation

TEMESCAL VALLEY WATER DISTRICT strives to establish a work environment that is productive and without undue disruptions to the workday.

In order to avoid disruption of TVWD operations, the following rules shall apply to solicitations and distribution of literature on TVWD property:

1. Employees of TVWD may not solicit during working time for any purpose. Working time is defined below.
2. Employees may not distribute literature during working time for any purpose.
3. Employees may not distribute literature at any time for any purpose in working areas.

WORKING TIME: "Working time" includes the working time of both the employee doing the soliciting and distributing and the employee to whom the soliciting or distributing is being directed. Working time does not include break periods, meal periods, or any other specified periods during the workday when employees are properly not engaged in performing their work tasks.

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Non-Fraternization

Managers and Supervisors. The District desires to avoid misunderstanding, complaints of favoritism, possible claims of sexual harassment, and the employee morale and dissension problems that can potentially result from personal or social relationships involving managerial and supervisory employees in the District. Accordingly, managers and supervisors are prohibited from fraternizing or becoming sexually or romantically involved with one another or with any subordinate employee in their chain of command or with any non-management employee of a facility owned or operated by the District.

All Employees. The District also desires to avoid misunderstanding, complaints of favoritism, possible claims of sexual harassment and the employee morale and dissension problems that can result from certain other relationships between employees. Accordingly, all employees, both management and non-management, are prohibited from fraternizing or becoming sexually or romantically involved with other employees when, in the opinion of the District, their personal relationships may create a potential conflict of interest, cause disruption, create a negative or unprofessional work environment, or present concerns regarding supervision, safety, security or morale. All employees should also remember that the District maintains a strict policy against unlawful harassment of any kind, including sexual harassment.

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Conflict of Interest Policy

The success of TEMESCAL VALLEY WATER DISTRICT depends upon the quality of the relationships between TVWD, our employees, our customers, our suppliers, subcontractors, consultants and the general public. Our customers' impressions of TVWD and their interest and willingness to support our District, is largely formed by the people who serve them. In a sense, regardless of your position, you are the District's ambassador. The more goodwill you promote, the more our customers will respect and appreciate you and TVWD.

Employees at all levels are therefore required to comply with this conflict of interest policy. The policy recognizes that employees have the right to insist upon the undivided loyalty of their employees throughout their employment; therefore, TVWD requires the following commitments from all employees, subject to the provisions of all applicable, federal, state and local laws:

1. Every employee of TEMESCAL VALLEY WATER DISTRICT has a legal and ethical responsibility to promote the District's best interests. No employee may engage in any conduct or activities that are inconsistent with the District's best interests or that in any manner disrupts, undermines, or impairs the District's relationships with any customer or prospective customer or any outside organization, person, or entity with which the District has or proposes to enter into an arrangement, agreement, or contractual relationship of any kind.
2. Employees must also agree that, both during and subsequent to their employment with the District, they will not interfere with, disrupt, or impair any relationship between the District and any employee, consultant, representative, or any outside organization with which it has or proposes to enter into a contractual relationship, arrangement, or program.
3. The protection of confidential information and trade secrets is essential to the District, its clients, and the future security of its employees. To protect such information, employees may not disclose any trade secrets or confidential information. Employees who are exposed to confidential, sensitive, or proprietary information about the District, its clients, or its programs may be required to sign a trade secret and non-disclosure agreement as a condition of employment. Employees who improperly disclose any sensitive information, confidential information, or trade secrets are subject to disciplinary action up to and possibly including discharge, whether or not they are parties to such an agreement.
4. The District requires the complete commitment of all full-time employees. Such employees may not engage in any outside activity or accept work in any outside position that either interferes with their ability to devote their full and best efforts to the District's interests or raises an actual or potential conflict of interest or the possible appearance of a conflict of interest. Employees who have any questions whatsoever regarding this policy or the potential impact of outside employment or outside activities on their position with the District should contact their manager before accepting any outside position or engaging in such an activity.
5. The District reserves the right to determine that other relationships that are not specifically covered by this policy represent actual or potential conflicts of interest. In any case where the District determines, in its sole discretion that a relationship between any employee and a non-employee and an outside organization or individual presents an actual or potential conflict of interest, the District may take whatever action it determines to be appropriate to avoid or prevent the continuation of the actual or potential conflict of interest. Such action may include, but is not necessarily limited to, transfers, reassignments, changing shifts or responsibilities, or, where it deems such action appropriate, disciplinary action up to and including the possibility of immediate termination.

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Gifts

Advance approval from management is required before an employee may accept or solicit a gift of any kind from a customer, supplier or vendor representative. Employees are not permitted to give gifts to customers or suppliers, except for certain promotional "premiums" (tee-shirts, coffee mugs, pens, key chains, etc.) imprinted with the TEMESCAL VALLEY WATER DISTRICT logo or sales information. Statement of Economic Interest (Form 700) designated employees filing pursuant to a conflict of interest "code filers" under the Fair Political Practices Commission must report gifts as defined by Government Code Section 87200.

Telephone

TEMESCAL VALLEY WATER DISTRICT phone lines are to be used only for business use. Except in cases of emergency, employees should not tie up District telephone lines with personal calls. TVWD may monitor telephone calls to ensure compliance with this policy as well as for other business reasons, including the desire to ensure that calls are handled in a professional manner and to promote efficiency in the manner in which customers are treated. Employees should therefore not assume that calls made or received on District lines are confidential.

Employees are requested to keep all personal phone calls to a minimum. Friends and relatives should be discouraged from calling during working hours unless there is an emergency. Under no circumstances should an employee make or charge a long distance call to TEMESCAL VALLEY WATER DISTRICT unless it is work-related and approved by the employee's manager.

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Cell Phone Policy

TEMESCAL VALLEY WATER DISTRICT wishes to ensure that employees devote their full attention to their job responsibilities, and that employees who are operating potentially dangerous equipment are not distracted. Based on these considerations, TVWD has established a policy regarding the use of cell phones that applies while employees are at work or operating vehicles or potentially dangerous equipment.

1. Use in the Workplace. Employees are discouraged from bringing their personal cell phones onto TEMESCAL VALLEY WATER DISTRICT property. Using a phone to receive or make excessive personal calls is inappropriate and may interfere with an employee's productivity. Employees who have such cell phones should keep them turned off and should not use them during working hours. If cell phones must be used when an employee is not on a meal or rest break, calls must be kept to a minimum and occur only when a genuine need exists. Employees may use their cell phones to make personal calls during approved breaks and meal periods. Under no circumstances should they be used where it would result in discourtesy to others or prevent the employee from being fully attentive to the employee's duties and responsibilities.
2. Use While in Vehicles or Operating Equipment. The use of a cell phone while operating a vehicle or any potentially dangerous equipment may impair the employee's ability to devote his or her full attention to the duty of operating the vehicle or equipment safely. It can present a distraction and prevent the employee from focusing attention on other vehicles, road conditions, safety concerns and pedestrians. TEMESCAL VALLEY WATER DISTRICT requires all employees to operate vehicles and potentially dangerous equipment in a safe manner and comply with all rules, regulations and statutes regarding the operation of a motor vehicle including but not limited to safety belts, speed limits and hands-free operation of cell phones.

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Employer Property

Personal packages and articles. TEMESCAL VALLEY WATER DISTRICT reserves the right to inspect any and all parcel, packages, backpacks, purses, boxes or other articles leaving THE DISTRICT'S premises. All managers or any other District-designated person has the authority to inspect packages or other articles leaving the District's premises in the possession of any employee. If employees desire to avoid such inspections, they should refrain from bringing packages or other articles on the District's premises. TVWD is not responsible for lost or stolen items that are brought on the premises.

Locker and desk inspection policy. TEMESCAL VALLEY WATER DISTRICT provides lockers for the convenience and use of its employees at the District's expense. In addition, some employees are also provided desks for their use during work. Although lockers and desks are made available for the convenience of employees while at work, employees should remember that all lockers and desks remain the sole property of TVWD and TVWD reserves the right to open and inspect lockers and desks, as well as any contents, effects, or articles that are in lockers or desks. Such an inspection can occur at any time, with or without advance notice or consent. An inspection may be conducted before, during, or after working hours by any manager, manager or security personnel designated by TVWD.

Prohibited materials, including weapons, explosives, alcohol and non-prescribed drugs or medications, may not be placed in a locker or desk. Perishable items also should not be stored in lockers or desks or left for prolonged periods. Employees, who, if requested, fail to cooperate in any inspection, will be subject to disciplinary action, including possible suspension or discharge. TEMESCAL VALLEY WATER DISTRICT is not responsible for any articles that are placed or left in a locker or desk that are lost, damaged, stolen or destroyed.

Off-Duty Use of Facilities

Employees may request to use TEMESCAL VALLEY WATER DISTRICT facilities, property, or equipment for personal use on an occasional and reasonable basis from their manager. Said request should be made in writing and manager approval is required.

Loss or damage of the equipment will be the responsibility of the employee.

For insurance liability reasons, vehicles may not be used for personal use.

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Use of Electronic Media

Applicability of Policy. This policy applies to all individuals (employees, contractors, temporary agency personnel, etc.) using the District's electronic communications systems, irrespective of the time of day, means of access, or location of the person.

Statement of Policy. TEMESCAL VALLEY WATER DISTRICT uses various forms of electronic communication including, but not limited to computers, e-mail, telephones, fax, and the Internet. All electronic communications, including all software, databases, hardware, and digital files, remain the exclusive property of TVWD and are to be used only for TVWD business with the exception of occasional and reasonable personal use, provided that this does not interfere with work performance. No person should have any expectation of privacy when using or accessing the District's electronic communications systems. TVWD has the right, but not the duty, to monitor any and all aspects of its electronic communications systems, and persons using the systems waive their right to privacy in anything they create, store, send, or receive.

Use of TEMESCAL VALLEY WATER DISTRICT electronic communications systems is a privilege, not a right, and all who access the system are expected to do so in a professional, responsible, lawful, and ethical manner. TVWD may revoke any individual's privileges, temporarily or permanently. Individuals using District-provided access (i.e., TVWD's network) must only access the Internet through the approved Internet firewall, unless otherwise authorized.

Statement of Business Purpose. All of TEMESCAL VALLEY WATER DISTRICT electronic communications systems are for the purpose of facilitating the acquisition and/or exchange of information in furtherance of District business, education and research. All business related information (e.g. products, processes, strategies, etc.) communicated through the District's electronic communications systems must be treated in a manner consistent with the District's policy regarding Confidential Information. The use of the District's electronic communications systems to commercially advertise, promote, solicit other team members for any non-business purpose, convey political material, or for other similar unauthorized purposes is strictly prohibited. It is recognized there may be a need for occasional personal use, but such use does not include activities deemed inappropriate under this policy.

Scope of Improper Acts. Provided below is a descriptive (non-exhaustive) list that outlines some of the types of uses for which the electronic communications systems must not be used. When considering the propriety of engaging in a particular act, the individual should be guided by both the specific prohibitions provided below and the general objectives and guidelines expressed in this Policy Statement (when in doubt, consult your manager before engaging in the questionable act). Prohibited activities include but are not limited to:

- Using or displaying any words, images, references, etc., that could be perceived and/or interpreted as obscene, derogatory, defamatory, or racially, sexually, ethnically or otherwise offensive to colleagues, clients, suppliers, or competitors.
- Creating, accessing, downloading, transmitting, or displaying, etc., words, messages, images, etc., that might be considered inappropriate in the workplace. This is including but not limited to messages or images that are lewd, obscene, or pornographic, and messages or images that might be considered offensive or harassing due to their reference to race, color, sex, age, sexual orientation, marital status, religion, national origin, physical or mental disability, height, weight, or other protected status.
- Using the electronic communications systems to harass, intimidate, or annoy other persons, including co-workers.

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- Spreading “chain mail” and other frivolous communications.
- Downloading, copying, printing, or transmitting software and/or documents protected by copyright laws. Persons using The District’s electronic communications systems must comply with all software licenses, copyrights, and all laws governing intellectual property and on-line activity. Any team member with a question concerning a copyright, license, or legal issue should contact Management.
- Downloading or copying public domain software without prior consent from Management.
- Downloading any files or software that are not authorized by TEMESCAL VALLEY WATER DISTRICT.
- Using encryption devices and/or encryption software that have not been expressly authorized by Management.
- Opening e-mail messages from unknown or unidentified external sources. Such messages may contain computer viruses capable of causing substantial damage to the District’s computer system. Individuals who receive messages from unrecognized external sources must delete the message immediately.
- Installing and/or connecting unauthorized hardware to District computing systems.
- The storage of non-business related materials on TEMESCAL VALLEY WATER DISTRICT computers. This includes but is not limited to music, sound, games, jokes, and other personal files.
- The installation and use of peer-to-peer file-sharing and streaming medial sites. The operation of such file-sharing programs opens TEMESCAL VALLEY WATER DISTRICT to copyright violations, virus infestation, lost or corrupted data, congested network traffic and lost productivity. Legitimate streaming media use as required for conducting research or training constitutes acceptable use.
- Jeopardizing the security of access to The District’s network by disclosing or sharing passwords and/or impersonating others.

Password Protection Policy. Passwords are the entry point to the District’s network. Protecting access to our District resources (e.g., project files, accounting data, and personal information) is pivotal in ensuring that our systems remain secure. Network accounts are assigned for the individual use of TEMESCAL VALLEY WATER DISTRICT staff, and each is responsible for the proper use and security of this account.

Note: Passwords are designed to maintain the confidentiality of the District’s business-related information and to give persons access to all or part of the District’s electronic communications systems as part of their work functions. Passwords are not designated to provide confidentiality with respect to messages and documents stored on, or a person’s use of, The District’s electronic communications systems. Voice-mail messages, e-mail messages and files, computer files, and all other electronic data stored on the District’s communications systems are the exclusive property of TVWD.

No person should have any expectation of privacy when using or accessing the District’s electronic communications systems. TEMESCAL VALLEY WATER DISTRICT has the right, but not the duty, to monitor any and all aspects of its electronic communications systems, and persons using the systems waive their right to privacy in anything they create, store, send, or receive.

Email and Voicemail. Individuals using the District’s electronic communications systems must understand that voice-mail and e-mail messages are typically more permanent than written

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communications on paper. Even when a voice-mail or e-mail message has been “erased” or “deleted,” it is still usually possible to retrieve, read, print, and forward the message. Individuals using the District’s electronic communications systems must therefore exercise the same degree of care when preparing and sending an e-mail message, communicating on the Internet, or when leaving a voice-mail message, as would be exercised when preparing and sending a signed written paper communication.

No person should have any expectation of privacy when using or accessing the District’s electronic communications systems. TEMESCAL VALLEY WATER DISTRICT has the right, but not the duty, to monitor any and all aspects of its electronic communications systems, and persons using the systems waive their right to privacy in anything they create, store, send, or receive.

Software Licenses. TEMESCAL VALLEY WATER DISTRICT purchases and licenses the use of various computer software for business purposes and does not own the copyright to this software or its related documentation. Unless authorized by the software developer, TVWD does not have the right to reproduce such software for use on more than one computer.

Employees may only use software on local area networks or on multiple machines according to the software license agreement. TEMESCAL VALLEY WATER DISTRICT prohibits the illegal duplication of software and its related documentation. Employees are prohibited from installing and/or downloading any software on their computers without prior consent from management.

Equipment and Services. TEMESCAL VALLEY WATER DISTRICT may provide equipment (laptops and software) for securely accessing the District’s computer network from remote locations.

The use of TEMESCAL VALLEY WATER DISTRICT-provided equipment and services for accessing the District network is limited to authorized persons and only for purposes relating to fulfilling the organization’s business. TVWD will provide for repairs to District-provided equipment and services.

No person should have any expectation of privacy when using or accessing the District’s electronic communications systems. TVWD has the right, but not the duty, to monitor any and all aspects of its electronic communications systems, and persons using the systems waive their right to privacy in anything they create, store, send, or receive.

Corrective Action for Violations. Individuals who violate this Policy will be subject to corrective action, up to and including termination. Temporary service agency personnel or contractors who violate this Policy will generally have their assignment severed immediately.

Duty to Report Violations. Individuals who become aware of violations of this policy must report such violation to their manager. An employee’s failure to report a violation may result in discipline up to and including termination.

No Waiver. The District’s decision to not initiate corrective action for a policy violation does not in any way waive the District’s right to enforce the Policy and correct any subsequent and/or other Policy violations.

Disclaimer of Liability. TEMESCAL VALLEY WATER DISTRICT is not responsible for any damages arising out of the use of its electronic communications systems caused by any person acting in a manner inconsistent with or in violation of this Policy.

Access, Monitoring and Surveillance. By accepting or continuing employment with TEMESCAL VALLEY WATER DISTRICT, or by accepting or continuing your assignment with TEMESCAL VALLEY WATER DISTRICT, you consent to (a) the monitoring, printing, copying, and/or deleting of any voice-mail message, e-mail message, or other electronic data prepared by you via use of the

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District's electronic communications systems and (b) The District's use of any such voice-mail, e-mail, or other electronic data from the District's electronic communication systems, as the District deems appropriate. You acknowledge that the District's ability and freedom to monitor, delete, and otherwise take action with respect to voice-mails, e-mails, Internet usage, and other electronic data stored on District equipment is necessary in order for TEMESCAL VALLEY WATER DISTRICT to protect itself, its business, and its team members.

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District Vehicles

Employees are required to operate motor vehicles safely in accordance with all applicable laws. Among other things, these laws prohibit the operation of motor vehicles in excess of applicable speed limits, while under the influence of alcohol, controlled substances, or other substances that impair driving abilities, or in any other unsafe manner. New laws also recognize that the use of cellular phones can create distractions. As a result, TEMESCAL VALLEY WATER DISTRICT prohibits the use of cellular telephones while driving. If an employee operates a motor vehicle while using a cellular telephone, the cellular telephone must be used in a manner that allows hands-free listening and talking operations. It may not be used under any circumstances that would distract an employee from the duty to drive in a safe and non-negligent manner. TVWD requires employees with driving responsibilities to inform the District within 24 hours if the employee's driver's license has been suspended or revoked or if the employee's liability insurance has been cancelled or modified in any manner. Employees who fail to comply with this requirement will be subject to disciplinary action found appropriate by the District, up to and possibly including immediate termination.

If you are authorized to operate a District vehicle in the course of your assigned work, or if you operate your own vehicle in performing your job, you will be considered completely responsible for any accidents, fines or traffic violations incurred.

Employees who operate their own vehicle while performing their job should add TEMESCAL VALLEY WATER DISTRICT as additional insured to their insurance policy and provide proof to the District. There is no fee for this addition.

Driving Records

Employees or potential employees who seek or hold positions that involve driving responsibilities for TEMESCAL VALLEY WATER DISTRICT work in occupations for which TVWD may have direct or indirect legal responsibility. TVWD is committed to ensuring that employees who have driving responsibilities do not place the District, employees, or members of the general public at risk. Therefore, TVWD requires that employees with driving responsibilities maintain safe driving records as a condition of employment and continued employment. TVWD reserves the right to discipline or terminate employees with driving responsibilities whose driving records become unsatisfactory, in the sole discretion of the District. In order to verify an individual's driving status, TVWD may require the employees or job applicants to furnish all or portions of their driving record from the Department of Motor Vehicles or may ask them to sign any necessary authorizations that are required or appropriate to request records directly from the Department of Motor Vehicles. Subject to any limitations imposed by state and federal law, individuals must cooperate fully with any request for records or request for an authorization to seek such records from an appropriate agency or entity.

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Confidential Information

Our customers, suppliers, subcontractors, and consultants entrust the District with important information relating to their businesses. The nature of this relationship requires confidentiality.

The protection of confidential information and trade secrets is essential both for TEMESCAL VALLEY WATER DISTRICT and its employees' future security. To protect such information, employees may not disclose any trade secrets or confidential information. Employees who disclose trade secrets or confidential TVWD information are subject to disciplinary action up to and possibly including discharge.

Bulletin Boards

TEMESCAL VALLEY WATER DISTRICT maintains a bulletin board which contains legally required notices and notices pertaining to TVWD business. Employees are responsible for regularly checking and reading the bulletin boards and for following the rules, regulations and instructions posted there.

Posting of other material on the bulletin board is strictly prohibited.

Management maintains bulletin boards in the kitchen.

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Attendance

You are expected to be at your work area and ready to work at the beginning of your assigned daily work hours, and you are expected to remain at your work area until the end of your assigned work hours except for approved breaks and lunch. When your work takes you away from your work area, please let your manager know where you are going and how long you expect to be gone. Be aware that excessive time off could lead to disciplinary action.

Absence or Tardiness. The District is aware that emergencies, illnesses, or pressing personal business that cannot be scheduled outside your work hours may arise. Sick days and vacation days have been provided for this purpose.

If you are unable to report to work, or if you will arrive late, please contact your manager immediately. Give your manager as much time as possible to arrange for someone else to cover your position until you arrive. If you are unable to call in yourself because of an illness, emergency or for some other reason, be sure to have someone call on your behalf. If your manager is not available the information can then be left with another staff member.

If you know in advance that you will need to be absent, you are required to request this time off directly from your manager. He or she will determine when will be the most suitable time for you to be absent from your work.

Be aware that excessive **unexcused** absenteeism, lateness or leaving early may lead to disciplinary action, including possible dismissal. Absence from work for three (3) consecutive days without notifying your Manager or the Manager on-duty will be considered a voluntary resignation.

Record of Absence. If you are absent because of illness for three (3) or more successive days, your manager may request that you submit written documentation from your doctor. If you are absent five (5) or more days because of illness, you may be required to provide written documentation from a doctor that you are able to resume normal work duties before you will be allowed to return to work. You will be responsible for any charges made by your doctor for this documentation.

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Termination

~~The employment relationship is based on the mutual consent of the employee and the District. Therefore, either the employee or the District can terminate the employment relationship at will, with or without cause or advance notice, at any time. No employee or representative of the District other than the Board of Directors has any authority to enter into any agreement for employment for any specified period of time or to make any agreement that is contrary to the employment at will policy. Further, the Board of Directors may not alter the at will nature of the employment relationship unless they do so specifically in a written agreement signed by both the Board of Directors and the employee.~~

Return of Property

If you quit or are terminated, you must return any property of the District that you have on your last day of work. The District may request that property or materials in your possession be returned earlier.

Final Paycheck

Employees will receive their final paycheck within the time required by law.

Exit Interviews

In instances where an employee voluntarily leaves our employ, the District's management would like to discuss your reasons for leaving and any other impressions that you may have about the District. If you decide to leave, you will be asked to grant us the privilege of an exit interview. During the exit interview, you can express yourself freely. It is hoped that this exit interview will help us part friends, as well as provide insights into possible improvements we can make. All information will be kept strictly confidential and will in no way affect any reference information that the District's management will provide another employer about you.

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Performance Evaluations and Merit Increases

Performance Evaluations. Your manager is continuously evaluating your job performance. Day-to-day interaction between you and your manager should give you a sense of how your manager perceives your performance.

TEMESCAL VALLEY WATER DISTRICT conducts a formal performance review approximately every twelve (12) months for each employee. New employees will be reviewed after ninety (90) days. A review may also be conducted in a case of a promotion or change in duties and responsibilities.

During formal performance reviews, your manager will consider the following things, among others:

- Attendance, initiative and effort
- Knowledge of your work
- Attitude and willingness
- Quality and quantity of your work
- Conditions under which you work
- Teamwork

The primary reason for performance reviews is to identify your strengths and weaknesses in order to reinforce your good habits and develop ways to improve in your weaker areas. The review also serves to make you aware of and to document how your job performance compares to the goals and description of your job. This is a good time to discuss your interests and future goals. Your manager is interested helping you to progress and grow in order to achieve personal as well as work-related goals--perhaps he or she can recommend further training or additional opportunities for you.

Disciplinary Actions

TEMESCAL VALLEY WATER DISTRICT must retain the right to discipline employees where it determines that such action is warranted by the circumstances. Although all employment relationships are terminable at will, at any time, either at the employee's option or at the option of TVWD, the District may exercise its discretion to administer a system of progressive forms of discipline, such as verbal counseling, one or more written counseling's, and termination. However, progressive discipline is not mandatory or binding in any case. It is also inapplicable to layoffs and similar downsizing efforts. TVWD reserves the right, in its discretion, to deviate from any formal system of discipline.

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Reference Requests

TEMESCAL VALLEY WATER DISTRICT does not respond to oral requests for references. All requests must be in writing and on District letterhead. Employees should not provide any information regarding current or former employees or volunteers to any outside agency, organization, institution, or person who is not employed by TVWD. Any employee who receives a request for any information, including but not limited to verifications of employment, employment references and requests for comments regarding performance from any outside agency, organization, institution, or person concerning a past or present employee or volunteer of TVWD should refer the person making the request to the Manager without engaging in any on or “off the record” conversation about the individual. The Manager is the only individual who is authorized to provide information of any kind regarding current or former employees or volunteers. *Strict observance of this policy is required.* Any violation of this policy may result in disciplinary action up to and including possible termination.

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Safety Regulations

Safety is everybody's business. Safety is to be given primary importance in every aspect of planning and performing all TEMESCAL VALLEY WATER DISTRICT activities. To achieve our goal of providing a completely safe work place, everyone must be safety conscious. Please report any unsafe or hazardous condition directly to your manager immediately. Every effort will be made to remedy problems as quickly as possible.

The use of a cell phone while operating a vehicle or any potentially dangerous equipment may impair the employee's ability to devote his or her full attention to the duty of operating the vehicle or equipment safely. It can present a distraction and prevent the employee from focusing attention on other vehicles, road conditions, safety concerns and pedestrians. TVWD requires all employees to operate vehicles and potentially dangerous equipment in a safe manner and comply with all rules, regulations and statutes regarding the operation of a motor vehicle including but not limited to safety belts, speed limits and hands-free operation of cell phones.

In case of an accident involving a personal injury, regardless of how serious, please notify your manager or the on-duty manager immediately, this includes all parties who witness the accident. Failure to report accidents can result in a violation of legal requirements, and can lead to difficulties in processing insurance and benefit claims. If any employee is injured on the job, he or she will be entitled to benefits under the state workers' compensation law in most cases. TVWD carries workers' compensation insurance and will assist employees to obtain all benefits to which they are legally entitled.

The employee is expected to work safely, to observe all safety rules and to keep the premises clean and neat. Remember that carelessly endangering yourself or others may lead to disciplinary action, including possible dismissal.

INJURY AND ILLNESS PREVENTION PROGRAMS

Employee safety is of paramount importance to the District. In keeping with its commitment to safety in the work place, the District has established this Injury and Illness Prevention Program (the "IIPP") to explain its safety policies and procedures. Some of the key features of the program are summarized below:

1. **Responsibility for Administration.** The individual with principal authority and responsibility for implementing and administering the District's IIPP is the General Manager, the Safety Director. This person is referred to as the "IIPP Administrator" in this IIPP Statement.
2. **Need for Compliance.** All employees are required to comply with the District's safety and health policies and practices. This includes employees at every level and in all positions within the District. Performance evaluations take into consideration all aspects of an employee's performance, including the employee's compliance with the District's safety standards. Consequently, strict adherence to the District's safety standards and legal obligations concerning safety will be viewed positively in an evaluation. In the same manner, employees who fail to promote the interests of safety and health in the work place may be viewed negatively in an evaluation. In addition, violations of safety standards or conduct that shows either a disregard for safety concerns or negligent or reckless conduct may result in disciplinary action. In this regard, it should be remembered that the employment relationship is at the mutual consent of the employee and the District and can be terminated at will, at any time, either by the employee or by the District.
3. **Communications.** Employees will be informed of matters relating to occupational safety and health from time to time. Communications of this nature may be contained in posted notices, memos, personnel policy statements, employee newsletters, or safety guidelines. Important

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safety issues may also be raised at employee meetings and training programs. Employees are, in turn, encouraged to direct any questions they have regarding safety issues or the IIPP to the IIPP Administrator. It is also the responsibility of each employee to inform his or her supervisor or the IIPP Administrator immediately of any hazard or unsafe condition in the work site. This can occur without fear of reprisal in any form. Employees can also notify the IIPP Administrator of any such hazards anonymously if they prefer to do so. This can be done either by calling the IIPP Administrator at (951) 277-1414 and indicating that the employee does not wish to identify him or herself or by writing to the IIPP Administrator at 22646 Temescal Canyon Road, Corona, CA 92883.

4. Inspections. The District has adopted procedures that are designed to assist it to identify and evaluate work place hazards, including unsafe conditions and work practices. These procedures include periodic inspections. Inspections may be scheduled at various times. In addition to the inspections that were conducted when our IIPP was first established, inspections may occur (a) when new substances, processes, procedures, or equipment that represent a new occupational safety and health hazard are introduced to the work place, and (b) when the District becomes aware of a new or previously unrecognized hazard.
5. Investigation of Injuries and Illnesses. The District will investigate occupational injuries and illnesses when and in the manner that it determines appropriate. This may involve a physical inspection of the location where an injury occurred, the circumstances that led to the injury or illness, and whether specific procedures, practices, or preventive measures could have helped to reduce or eliminate the danger or prevent the injury or illness. Such investigations may be conducted by the IIPP Administrator or a person designated by the Administrator for that purpose.
6. Correction of Unsafe Conditions. Where it is determined that an unsafe or unhealthy condition, work practice or work procedure exists, the District will take steps that it determines are appropriate under the circumstances to correct the condition, practice or procedure in a timely manner. The severity of the hazard will be considered along with other relevant factors when evaluation the most appropriate method of correcting any hazardous situation and the time frame within which the correction will be made. If an imminent hazard exists that cannot be abated immediately without endangering one or more employees or property, the District may find it appropriate to remove all exposed personnel from the area in which the hazard exists, unless they are necessary to correct the existing condition. Where employees are found, necessary to correct the hazardous condition, they will be provided necessary safeguards.
7. Training and Instruction. The District will also provide training and instruction to employees under the IIPP from time to time. Such training and instruction will be provided (a) when the program is first established, (b) as part of the orientation provided to new employees, (c) to employees provided new job assignments for which training has not previously been received, (d) when new substances, processes, procedures, or equipment are introduced to the work place and represent a new hazard, (e) when the District becomes aware of a new hazard or one that was previously unrecognized, and (f) to supervisors who must be familiar with the safety and health hazards to which employees under their immediate direction and control may be exposed.
8. Records. The District will retain records of inspections and training conducted under the IIPP for the period required by law. The objectives of the IIPP can only be fully accomplished with the cooperation of all employees. We again wish to stress the importance of safety to the District and all of its employees and urge every employee to cooperate in our goal of achieving “safety first”. If you have any questions regarding the IIPP or your responsibilities with respect to work place safety, please direct them to the IIPP Administrator.

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Workplace Security Policy

TEMESCAL VALLEY WATER DISTRICT is firmly committed to providing a workplace that is free from acts of violence or threats of violence. Although some kinds of violence result from societal problems that are beyond our control, we believe that measures can be adopted to increase protection for employees and to provide a secure workplace. Therefore, we have established a strict policy that prohibits any employee from threatening or committing any act of violence in the workplace, while on duty, while on District-related business, or while operating any vehicle or equipment owned or leased by TVWD. This policy applies to all employees, including managers, supervisors and non-supervisory employees. In order to achieve our goal of providing a workplace that is secure and free from violence, we must enlist the support of all employees. Compliance with this policy and the District's commitment to a "zero tolerance" policy with respect to workplace violence is *every employee's responsibility*.

Employees are required to report any incident involving a threat of violence or act of violence immediately to their manager or, if they prefer, the General Manager. The manager must report the matter immediately to the General Manager who will investigate the matter and take appropriate corrective action. This may include the imposition of disciplinary action upon any employee who violates this policy, up to and possibly including immediate termination.

If employees become aware of any workplace security hazards or identify methods of increasing security in the workplace, they should report that information to their manager or General Manager as well. Employees are required to report violations of this policy, including any incidents involving actual or threatened violence. They may do so without fear of retaliation of any kind.

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Smoking Policy

TEMESCAL VALLEY WATER DISTRICT shall comply with all laws and regulations regarding smoking in public places. Smoking is prohibited in all locations on TVWD property except those outside areas specifically designated as smoking areas. Employees who violate this policy will be subject to disciplinary action, up to and possibly including immediate termination.

Pre-Employment Testing

Job applicants who receive offers of employment may be asked to submit to and pass testing procedures that are designed to detect the presence of illicit drugs and/or alcohol. All offers of employment to such individuals will be conditioned upon the successful completion of the testing procedure.

All employees are asked and expected to cooperate fully with TEMESCAL VALLEY WATER DISTRICT in connection with the administration of this policy. Employees must fully comply with these requirements.

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Alcohol and Drug-Free Workplace

TEMESCAL VALLEY WATER DISTRICT has a strong commitment to provide a safe, efficient and productive work environment. TVWD wishes to ensure that employees will perform their duties safely and efficiently in a manner that protects their interests and those of their co-workers. TVWD also desires to promote efficiency in the work place and to provide the highest quality products and services. In keeping with this commitment, TVWD has a strict policy regarding the inappropriate use and possession of drugs and alcohol. This policy recognizes that employee involvement with alcohol or drugs can be extremely disruptive and harmful to the work place. It can adversely affect the quality of work and the performance of employees, pose serious safety and health risks to the user and others and have a negative impact on work efficiency and productivity. Accordingly, TVWD requires all employees to report for work fit to perform their jobs and prohibits the use or possession of alcohol or drugs. All employees must adhere to the rules stated in this policy.

No employee may use, possess, transfer, distribute, manufacture, or sell alcohol or any drug while on the District's property, while on duty, while on on-call status, or while operating a vehicle or potentially dangerous equipment that is owned or leased by TVWD. In addition, no employee may report for work, or go or remain on duty or on on-call status, while under the influence of or impaired by any drug or alcohol. Legally prescribed medications are excluded from this rule and permitted only to the extent that the use of such medications does not adversely affect the employee's work ability, job performance, or the safety of that individual or others.

It is essential that all employees comply fully with this policy. Employees who violate this policy are subject to disciplinary action up to and including the possibility of immediate discharge.

In order to promote a safe, productive and efficient work place, the District reserves the right to inspect employees, as well as any articles and property in their possession, to detect inappropriate materials. The District also reserves the right to inspect lockers, desks, tool boxes, District vehicles, personal vehicles on District property, packages, lunch boxes, containers, articles in such areas and other objects brought onto District property that might conceal alcohol, drugs, and/or inappropriate materials.

An employee may be asked or required to submit to testing procedures designated to detect the presence of drugs and/or alcohol if an employee (a) is acting in a manner that leads to a suspicion that he or she either possesses, controls, or is under the influence of a drug and/or alcohol, (b) was directly or indirectly involved in a work-related accident or mishap, (c) performs safety-sensitive, safety-related or security-sensitive work, or (d) is suspected that he or she has or may have been involved in the use, possession, transfer, distribution, manufacture, and/or sale of drugs or alcohol in District-controlled areas, on District-owned property, while on duty, or while operating a vehicle or potentially dangerous equipment owned or leased by TEMESCAL VALLEY WATER DISTRICT.

Any employee who does not consent to and cooperate fully with any search and/or medical testing procedure is subject to discipline up to and possibly including immediate termination.

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Introduction to Benefits

The benefits program described in this handbook represents a large investment by the District for the benefit of our employees, and we trust that you will avoid abusing any of the program benefits. TEMESCAL VALLEY WATER DISTRICT will periodically review the benefits program and make modifications at its discretion.

As a **full-time employee**, you will enjoy all of the benefits described in this handbook as soon as you meet the eligibility requirements for each particular benefit.

If you are a **part-time employee**, you will enjoy only those benefits that are required by law to be afforded to you, provided that you meet the minimum requirements set forth by law and in the benefit plan.

Temporary employees are not eligible for benefits.

No benefits are available to you during your Probationary Period, except as otherwise provided by law or as required by the California Public Employee's Retirement System (CalPERS).

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Holidays

TEMESCAL VALLEY WATER DISTRICT observes ~~eight (8)~~ **ten (10)** paid holidays as listed below. Employee's eligibility for holiday pay is effective as of date of hire. Only regular full-time employees are eligible for holiday pay.

Recognized Holidays

New Year's Day

Memorial Day

Independence Day

Labor Day

Veterans Day

Thanksgiving Day

Friday after Thanksgiving

Christmas Eve

Christmas Day

1 Floating Day

Whenever a holiday falls on a Saturday or Sunday, ~~it is usually observed on the preceding Friday or the following Monday. However, TVWD may close on another day.~~ **the District calendar will dictate when the holiday is observed.** Holiday observance ~~may~~**will** be announced in advance.

Alternative Work Schedule Holiday Addendum. If an employee is scheduled for a Friday off that falls on a TVWD holiday; the employee may elect to switch the day off to Thursday or Monday instead. The day off must be approved by their manager in advance as to not interfere with workplace performance.

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Vacations

Every effort will be made to grant you your vacation at the time you desire. However, vacations cannot interfere with your department's operation and therefore should be approved by your manager at least (2) weeks in advance.

Regular full-time employees accrue paid vacations according to the following schedule on an annual basis:

<u>Years of Employment</u>	<u>Monthly Accrual Rate (In Hours)</u>	<u>Total Accrual Per Year (In Days)</u>
1st year – 4 th year	6.67	10
5 th – 9 th year	10.00	15
10 or more years	13.33	20

In the first, second, third and fourth years of continuous employment, full-time employees will accrue vacation time at the rate of 6.67 hours per month. An employee who is scheduled to and does work 80 hours per pay period will normally accrue 10 working days or 80 hours of vacation time in the first, second, third and fourth years of employment.

Beginning with the fifth year of continuous employment, full-time employees begin to accrue vacation time at the rate of 10 hours per month. An employee who is scheduled to and does work 80 hours per pay period will normally accrue 15 working days or 120 hours of vacation the fifth, sixth, seventh, eighth and ninth year of employment.

Beginning with the tenth year of continuous employment, full-time employees begin to accrue vacation time at the rate of 13.33 hours per month. An employee who is scheduled to and does work 80 hours per pay period will normally accrue 20 working days or 160 hours of vacation in year ten and forward.

Part-time employees working a minimum of 24 hours per week accrue vacation on a pro-rata basis.

TVWD requires full-time employees to take forty hours of vacation annually. **If the forty hour minimum is not met, those hours will be forfeited.** Earned vacation time accrues to a maximum of 25 working days (200 hours). At the end of each calendar year, any hours in excess of the 200-hour maximum will be paid at the employee's current rate.

If a holiday falls on a workday during an employee's vacation period, that day shall be considered as a paid holiday and not vacation time.

Employees on unpaid leave do not accrue vacation time. An employee whose employment terminates will be paid for accrued unused vacation time at his/her straight time rate of pay.

Alternative Work Schedule Vacation Addendum. Vacation hours will be deducted based on the 9-80 schedule for the employee.

Example: An employee is scheduled for an off day on Friday, March 19 requests vacation for Thursday, March 18. Nine hours are deducted from this employee's vacation allowance since the employee was scheduled to work nine hours. Another employee who is scheduled to work on Friday, March 19 requests vacation for Friday, March 19. Eight hours are deducted from this employee's vacation allowance since the employee was scheduled to work eight hours.

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Bonuses

TEMESCAL VALLEY WATER DISTRICT has discretion to distribute bonuses. No mandatory bonuses are promised or implied.

Expense Reimbursement

Certain work related expenses; i.e. mileage, required safety equipment, may be eligible for reimbursement. After obtaining pre-approval from your manager you must submit a completed Expense Report with original receipts to the Finance Manager for payment. Expense Reports are paid within 30 days.

Pet Policy

Employees are allowed to bring their pet to work on an occasional and reasonable basis upon approval of the manager. The pet should be kept in the employee's office or cubicle, not allowed to roam the floor/building unattended. The pet should be quiet so as not to disturb other employees and clients. If the pet cannot be kept quiet, it may not remain in the building. If the pet relieves itself in the building, or in the surrounding neighborhood on walks, the waste must be removed and remediated immediately by the employee.

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Health Insurance

TEMESCAL VALLEY WATER DISTRICT is pleased to offer medical insurance coverage for regular full-time employees and their dependents as long as they meet the eligibility requirements established by the insurance provider. Employees are eligible for coverage the first of the month following 90 days of employment.

The District coordinates benefits through an insurance provider which gives the employee's the ability to choose the health plan(s) that best suits their needs.

The insurance provider offers the employee a selection of various health plans, HMO, PPO and HSA plan designs.

The premium to be paid by the District for employee benefits shall be limited to the amount specified in the Employment Agreement or as modified in writing by the District. If employee selects a plan(s) that exceeds the premium defined, they shall pay any additional premium.

TVWD also provides insurance programs as mandated by state and federal regulations for all **full time** employees.

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California Public Employee's Retirement System (CALPERS)

TEMESCAL VALLEY WATER DISTRICT offers employees the benefit of a Defined Contribution Retirement Plan, California Public Employee Retirement System (CalPERS) this plan provides employees and their beneficiaries with additional security for retirement.

The District entered into the MISCELLANEOUS PLAN, 2% @ 60 FULL FORMULA, 0% PRIOR SERVICE CalPERS plan on April 3, 2010. See Exhibit A for the plan description, including a summary of the major provisions and benefits.

For employees hired after January 1, 2013 the Public Employees' Pension Reform Act (PEPRA) implemented the new benefit formula 2% @ Age 62 and the final compensation period of 3 years.

Contributions to CalPERS plan:

The District shall provide for discretionary contributions in each calendar year to the CalPERS total plan costs for all employees who are at least 18 years old and have performed service for the District for at least one year. This employee contribution plan does not include:

- (1) employees covered under a collective bargaining agreement;
- (2) certain nonresident aliens; or
- (3) employees whose total compensation during the year is less than \$450*

The District will make mandatory contributions on behalf of each eligible current employee to CalPERS at the EMPLOYER rate determined by CalPERS on an annual basis. It is mandatory that all current employees contribute a minimum of three percent (3%) to a maximum of seven percent (7%), or six and a quarter percent (6.25%) for PEPRA employees hired after January 1, 2013 of their gross wages toward the EMPLOYEE portion as determined by CalPERS and the District. The District has the right but not the obligation to pay the EMPLOYEES portion of the CalPERS contribution as determined from time to time by Board action. All contributions are limited to Internal Revenue Code (IRC) Section 401(A) (17).

It is mandatory that all new full-time employees and part time employees who work more than twenty (20) hours per week are eligible for CalPERS from the first day of employment with the District. A new employee will be responsible for the entire contribution to CalPERS for the first year of employment or as negotiated by the District.

**amount is updated annually by the IRS Code Section 408 (k)*

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Educational Assistance

The District encourages all employees to seek further education and training in an effort to increase the competency and efficiency in his or her work, as well as to increase his or her own personal development. In order to assist employees in this effort, the District provides assistance of tuition expenses or other fees for approved courses of study.

Purpose

This policy establishes the guidelines and criteria for reimbursement for qualified educational fees and expenses toward obtaining college and university degrees and/or other approved professional certificates after being hired by the District. This District also firmly believes that this policy will improve its ability to attract and retain outstanding employees.

Annual Budget

An annual education assistance budget of \$3,000 per employee will be allocated. In the event the total approved assistance requests exceeds the annual budget and is not sufficient for the employee needs for that particular fiscal year, management will bring a request forward to the Finance Committee of the Board for additional funds to be considered. In the event approved assistance requests exceed available budgeted funds, reimbursement may be delayed and approval of new requests deferred until sufficient funds are available in the next budget year.

Employee Eligibility

1. All regular full-time employees who have been employed by the District for one (1) year and who have maintained a satisfactory performance rating are eligible to participate in this program.
2. Employees must take courses during non-working hours. Completion of the course with a minimum final grade of "B" or equivalent is required.
3. Terminated employees, whether voluntary or involuntary, are not eligible for tuition assistance.

Qualified Education

The following off-duty education qualifies for financial assistance:

- a. Coursework toward a degree from an approved college or university (Associates, Bachelors, Masters, others as approved).
- b. Specific courses taken for credit relating to the District's water and wastewater functions.
- c. Specific courses taken for credit relating to support functions of the District (i.e., accounting, engineering, communications, administrative, welding, chemistry, etc.).
- d. Specific courses resulting in certificates or professional licenses related to the employees District functions.
- e. Self-study/correspondence courses from reputable institutions with final exam and certificate in subjects that relate to employee's District functions.
- f. Other programs deemed appropriate for District personnel.

Procedure

1. All requests for education assistance will be approved or disapproved on a case-by-case basis. Such approval will be based upon direct relationship of the planned curriculum to the

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employee's job and benefit to the District. Upon approval of the General Manager the costs associated with tuition, books, parking and mileage directly related to the educational program shall be reimbursed to the employee. The time invested in the pursuit of education is the employee's responsibility and the District shall not be responsible for any compensation or reimbursement not delineated in this policy.

2. Upon successful completion of the course, the employee must attach an official grade report and relevant receipts/bills to the General Manager for approval. Reimbursement will be made as soon as practical following receipt in the Finance Department.
3. Funds received from outside sources, such as scholarships, Veteran's Education Benefits, or participation in student activities must be applied to the cost of the program **first before the District's educational assistance may be applied.** ~~The remaining cost, if approved, will be paid by the District.~~

Service Obligation

An employee who voluntarily leaves employment with the District within one year of receiving reimbursement under this policy shall be required to repay the District for all amounts received for educational assistance during the 12 months preceding the employee's termination date.

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NOTICE TO EMPLOYEES

The policies in this handbook are to be considered as guidelines. TEMESCAL VALLEY WATER DISTRICT, at its option, may change, delete, suspend or discontinue any part or parts of the policies in this handbook at any time without prior notice. Any such action shall apply to existing as well as future employees. Employees may not accrue eligibility for monetary benefits that they have not earned through actual time spent at work. Employees shall not accrue eligibility for any benefits, rights, or privileges beyond the last day worked. No one other than the General Manager or Board of Directors of the District may alter or modify any of the policies in this handbook. No statement or promise by a supervisor, manager, or other employee may be interpreted as a change in policy nor will it constitute an agreement between TVWD and an employee.

All employment at TEMESCAL VALLEY WATER DISTRICT is "AT WILL". No one will be denied opportunities or benefits based on age, sex, sexual orientation, color, race, creed, national origin, religious persuasion, marital status, political belief, or disability that does not prohibit performance of essential job functions, nor will anyone receive special treatment for those reasons.

Should any provision in this Employee Handbook be found unenforceable and/or invalid, such finding does not invalidate the entire Employee Handbook, but only the subject provision.

This handbook replaces (supersedes) all other previous handbooks, letters of employment or other agreements for TEMESCAL VALLEY WATER DISTRICT as of October 22, 2019.

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EXHIBIT A

(For employees hired prior to January 1, 2013)

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Actuarial and Employer Services Branch
Public Agency Contract Services
(888) CalPERS (225-7377)

SUMMARY OF MAJOR PROVISIONS

2% @ 60 Formula (Section 21353)
Local Miscellaneous Members

SERVICE RETIREMENT

To be eligible for service retirement, a member must be at least age 50 and have five years of CalPERS credited service. There is no compulsory retirement age.

The monthly retirement allowance is determined by age at retirement, years of service credit and final compensation. The basic benefit is 2% of final compensation for each year of credited service upon retirement at age 60. If retirement is earlier than age 60, the percentage of final compensation decreases for each quarter year of attained age to 1.092% at age 50. If retirement is deferred beyond age 60, the percentage of final compensation increases for each quarter year of attained age to 2.418% at age 63.

Final compensation is the average monthly pay rate during the last consecutive 36 months of employment, or 12 months if provided by the employer's contract, unless the member designates a different period of 36 or 12 consecutive months when the average pay rate was higher.

DISABILITY RETIREMENT

Members substantially incapacitated from performing the usual duties for the position for his/her current employer, and from performing the usual duties of the position for other CalPERS covered employers (including State agencies, schools, and local public agencies), and where similar positions with these other employers with reasonably comparable in pay, benefits, and promotional opportunities are not available, would be eligible for disability retirement provided they have at least five years of service credit. The monthly retirement allowance is 1.8% of final compensation for each year of service. The maximum percentage for members who have between 10.000 and 18.518 years of service credit is one-third of their final compensation. If the member is eligible for service retirement the member will receive the highest allowance payable, service or disability. If provided by the employer's contract, the benefit would be a minimum of 30% of final compensation for the first five years of service credit, plus 1% for each additional year of service to a maximum benefit of 50% of final compensation.

INDUSTRIAL DISABILITY RETIREMENT

If provided by the employer's contract, members permanently incapacitated from performing their duties, as defined above under Disability Retirement, and the disability is a result of a job-related injury or illness may receive an Industrial Disability Retirement benefit equal to 50% of their final compensation. If provided in the employer's contract and the member is totally disabled, the disability retirement allowance would equal 75% of final compensation in lieu of the disability retirement allowance otherwise provided. If the member is eligible for service retirement, the service retirement allowance is payable. The total allowance cannot exceed 90% of final compensation.

PRE-RETIREMENT DEATH BENEFITS

Basic Death Benefit: This benefit is a refund of the member's contributions plus interest and up to six months' pay (one month's salary rate for each year of current service to a maximum of six months).

PERS-CON 44 (Rev. 2/05)

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1957 Survivor Benefit: An eligible beneficiary may elect to receive either the Basic Death Benefit or the 1957 Survivor Benefit. The 1957 Survivor Benefit provides a monthly allowance equal to one-half of the highest service retirement allowance the member would have received had he/she retired on the date of death. The 1957 Survivor Benefit is payable to the surviving spouse or registered domestic partner until death or to eligible unmarried children until age 18.

1959 Survivor Benefit: (If provided by the employer's contract and the member is not covered under social security.) A surviving spouse or registered domestic partner and eligible children may receive a monthly allowance as determine by the level of coverage. This benefit is payable in addition to the Basic Death Benefit or 1957 Survivor Benefit. Children are eligible if under age 22 and unmarried.

Pre-Retirement Optional Settlement 2 Death Benefit: (If provided by the employer's contract.) The spouse or registered domestic partner of a deceased member, who was eligible to retire for service at the time of death, may to elect to receive the Pre-Retirement Optional Settlement 2 Death Benefit in lieu of the lump sum Basic Death Benefit. The benefit is a monthly allowance equal to the amount the member would have received if he/she had retired for service on the date of death and elected Optional Settlement 2, the highest monthly allowance a member can leave a spouse or registered domestic partner.

COST-OF-LIVING ADJUSTMENTS

The cost of living allowance increases are limited to a maximum of 2% compounded annually unless the employer's contract provides a 3, 4, or 5% increase.

DEATH AFTER RETIREMENT

The lump sum death benefit is \$500 (or \$600, \$2,000, \$3,000, \$4,000 or \$5,000 if provided by the employer's contract) regardless of the retirement plan chosen by the member at the time of retirement.

TERMINATION OF EMPLOYMENT

Members who have separated from employment may elect to leave their contributions on deposit or request a refund of contributions and interest. Those who leave their contributions on deposit may apply at a later date for a monthly retirement allowance if the minimum service and age requirements are met. Members who request a refund of their contributions terminate their membership and are not eligible for any future benefits unless they return to CalPERS membership.

EMPLOYEE CONTRIBUTIONS

Miscellaneous members covered by the 2% @ 60 formula contribute 7% of reportable earnings. Those covered under a modified formula (coordinated with Social Security) do not contribute on the first \$133.33 earned.

The employer also contributes toward the cost of the benefits. The amount contributed by the employer for current service retirement benefits generally exceeds the cost to the employee. In addition, the employer bears the entire cost of prior service benefits (the period of time before the employer provided retirement coverage under CalPERS). All employer contribution rates are subject to adjustment by the CalPERS Board of Administration.

TEMESCAL VALLEY WATER DISTRICT

Employee Handbook

Summary of Provisions
Fourth Level of 1959 Survivor Benefits
Government Code Section 21574

The 1959 Survivor Benefits are paid monthly to certain survivors of a member who dies before retirement. The covered member's survivors receive the following monthly allowances regardless of whether the member was eligible to retire at the time of death.

- Surviving spouse or domestic partner with two or more dependent children; or three or more dependent children alone \$2,280

- Surviving spouse or domestic partner with one dependent child; or two dependent children alone \$1,900

- One dependent child; or surviving spouse or domestic partner at age 60, or older; or dependent parents \$ 950

Definitions of Survivors

A dependent child is one under the age of 22 and unmarried, or a disabled child of any age whose disability began before and has continued without interruption after attainment of age 22.

Concurrent Benefits

The 1959 Survivor Benefits would be payable in addition to the following benefits, if applicable:

- either* Basic Death Benefit - This benefit is a refund of the member's contributions plus interest and up to six month's pay (one month's salary rate for each year of service up to a maximum of six months).
- OR* 1957 Survivor Benefit - This benefit is a monthly allowance equal to one-half of the unmodified retirement allowance the member would have received had he/she retired on the date of death.

- N/A* Special Death Benefit (applies to local safety members only) - This benefit is a monthly allowance equal to one-half of your final compensation. The 1959 Survivor Benefits payable in any month shall be reduced by the amount of the Special Death Benefit.

Cost To The Employee

The cost to the employee is \$2.00 monthly (non-refundable), in addition to normal retirement contributions.

TEMESCAL VALLEY WATER DISTRICT

Employee Handbook

EXHIBIT B

TEMESCAL VALLEY WATER DISTRICT Employee Handbook Receipt Acknowledgment Form

As an employee of TEMESCAL VALLEY WATER DISTRICT, I acknowledge the following things:

1. I have received a copy of the Employee Handbook pages dated _____, pages _____ through _____. I understand that the handbook contains important information about the District's policies, work rules and my benefits. I also understand that the handbook outlines my responsibilities as an employee of the District. I also understand that I have the responsibility to read and understand the information in the handbook, and to ask the General Manager for clarification of any information I do not understand.
2. I understand that this handbook is not a contract of employment or a guarantee of specific treatment in specific situations. Except for any supplemental safety policies and rules that apply to employees in certain jobs or work areas, I understand that this handbook supersedes all prior handbooks, policies and understandings on the subjects contained in it.
3. I understand that my employment relationship with TEMESCAL VALLEY WATER DISTRICT is at-will. The District has the right to change, modify, add to, substitute or eliminate, interpret and apply, in its sole judgment, the policies, rules and benefits described in this handbook. I understand that should the content be changed in any way, the District will require an additional signed acknowledgement from me to indicate that I am aware of the changes.
4. I am aware that I may be given confidential information during the course of my employment, such as customer lists or other information. I understand that this information is critical to the success of TEMESCAL VALLEY WATER DISTRICT and I agree not to disseminate or use it outside of the District workplace. In the event of my termination, either voluntary or involuntary, agree not to use this information or communicate it to any other individual, District or entity.

I also acknowledge that I have asked for and received clarification on any of the four items listed on this acknowledgment form that I did not understand, before signing it.

Employee Signature

Date

Print Employee's Name

TEMESCAL VALLEY WATER DISTRICT

Employee Handbook

EXHIBIT C

TEMESCAL VALLEY WATER DISTRICT

Employee Election to Participate in Alternative Work Schedule 9-80

As an eligible employee of TEMESCAL VALLEY WATER DISTRICT and by my signature below I elect to participate in the Alternative Work Schedule 9-80 and acknowledge that I have read, understand and agree to the schedule as outlined below and through definition in the TEMESCAL VALLEY WATER DISTRICT Employee Handbook.

Alternative Work Schedule 9-80. Monday through Thursday 7:30 AM to 5:00 PM, Friday 7:30 AM to 4:00 PM. Your particular hours of work and the scheduling of your lunch period will be determined and assigned by your manager. You are required to take a one-half (1/2) hour unpaid lunch period. Please understand that you may not “work through lunch” in order to arrive late or to leave early or to work extra time.

Alternative Work Schedule

Summary. The 9-80 workweek redefines the workday and workweek to allow employees to have every other Friday off. Specifically, employees work 9-hour days (Monday – Thursday) and 8-hour days every other Friday. **Except for unforeseen emergencies, employees are expected to schedule personal business during off days.**

Eligibility. All exempt and non-exempt full-time employees are eligible to participate in the 9-80 alternative work schedule. Employees must elect to participate in the program.

Basic Work Requirement. The basic work requirement for a 9-80 work schedule is the number of hours, excluding overtime hours, an employee is required to work or to account for by taking leave or otherwise:

- Exempt and non-exempt full-time employees are scheduled to work 80 hours in a biweekly period.
- Personnel can expect in some instances to have to work on their scheduled day off due to emergency circumstances.

Reservation of Rights. Management reserves the right to interpret, modify, or revise this program, in whole or in part as necessary.

Employee Signature

Date

Print Employee's Name

TEMESCAL VALLEY WATER DISTRICT

Employee Handbook

EXHIBIT D

Pregnancy Disability Leave

A California employee who is disabled by pregnancy, childbirth or related medical condition is eligible to take a pregnancy disability leave ("PDL"). An employee affected by pregnancy or a related medical condition is also eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, provided the employee is qualified and such position is available. In addition, if it is medically advisable for the employee to take intermittent leave or work a reduced leave schedule. TVWD may require the employee to transfer temporarily to an alternative position with equivalent pay and benefits that can better accommodate recurring periods of leave.

The PDL is for any period(s) of actual disability caused by an employee's pregnancy, childbirth, or related medical condition up to 4 months per pregnancy. A "four month leave" means time off for the number of days or hours the employee would normally work within four calendar months (one-third of a year or 17 1/3 weeks).

The PDL does not need to be taken in one continuous period of time, but can be taken on an as-needed basis. Time off needed for prenatal care, severe morning sickness, doctor-ordered bed rest, childbirth, and recovery from childbirth is covered by PDL.

Requesting PDL

Employees are required to obtain a certification from their health care provider of their pregnancy disability or the medical advisability of a transfer. The certification should include: (1) the date on which the employee became disabled due to pregnancy or the date of the medical advisability of a transfer; (2) the probably duration of the period(s) of disability or the period(s) for the advisability of a transfer; and (3) a statement that, due to the disability, the employee is either unable to work at all or to perform any one or more of the essential function of the employee's position without undue risk to the employee, the pregnancy's successful completion, or to other persons, or (4) a statement that, due to pregnancy, a transfer to a less strenuous or hazardous position or duties is medically advisable.

Pay While on PDL

PDL Leave is unpaid except to the extent the employee qualifies for paid leave benefits through a state-provided program or TVWD-provided program. Employees may substitute accrued sick leave for all unpaid PDL. The substitution of paid leave for unpaid leave does not extend the length of leave to which the employee is entitled.

TVWD encourages employees to contact the California Employment Development Department regarding an employee's eligibility for state disability insurance for the unpaid portion of the employee's leave.

Employees do not accrue benefits, including vacation and sick leave, and are not entitled to holiday pay, during unpaid leave.

Health Benefits While on PDL

During the PDL, TVWD will maintain the employee's health insurance coverage under any group health plans as if the employee had remained actively employed. During PDL, the employee must continue to pay any employee contribution to the health coverage on a monthly basis. After the PDL is exhausted, the employee will be eligible for continuation coverage under COBRA, except as otherwise required by law.

Returning from PDL

Upon return from PDL, the employee will be reinstated to the same position unless the job ceases to exist because of legitimate business reasons unrelated to the PDL, or to a comparable position for which the employee is qualified. As a condition of the employee's return from PDL, or transfer, TVWD requires the employee to obtain a release to return to work from the employee's health care provider stating that the employee is able to resume her original job duties.

MEMORANDUM

DATE: October 17, 2019
TO: Board of Directors
Temescal Valley Water District
FROM: General Manager
SUBJECT: Glen Ivy Spa Sewer Capacity Purchase

BACKGROUND

The District has had multiple conversations with the Glen Ivy Spa anticipating their participation in the WRF Expansion. This Agreement will allow the Spa to purchase capacity for their existing facility and connect to public sewer, eliminating their current septic system disposal. Their participation will also remove a portion of the financial burden of the expansion from Forestar Development.

Attached for your consideration is the Waste Water Capacity Purchase Agreement that spells out the terms and conditions that allow the Spa to connect to our facilities..

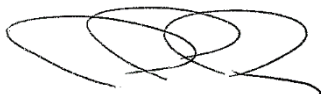
FINANCIAL IMPACT

Glen Ivy Spa funding 6.37% of the WRF Expansion – Approximately 43,000 GPD or \$1,323,000
New Sewer Service charges upon connection

RECOMMENDATION

Approve agreement and authorize the President of the Board to execute the agreement on behalf of TVWD.

Respectfully submitted,



Jeff Pape
General Manager

WASTE WATER CAPACITY PURCHASE AGREEMENT

This Waste Water Capacity Purchase Agreement is entered by and between Temescal Valley Water District, a public agency organized and existing pursuant to Division 13 of the California Water Code (“District”) and GOCO Hospitality California, Inc., a California corporation (“GOCO”) as of _____, 2019 (“Effective Date”).

R E C I T A L S

A. GOCO is the owner of the real property described in the attached **Exhibit “A”** (the “Property”).

B. GOCO desires to obtain capacity in District’s wastewater treatment facility and to obtain wastewater treatment services from the District to serve the Property.

C. District desires to provide capacity in the District’s wastewater treatment facility and wastewater treatment services to the Property on the terms and conditions set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. Wastewater Treatment Capacity to be Acquired. District and GOCO agree that GOCO shall acquire 43,000 gallons per day (GPD) of sewer treatment capacity from District (“GOCO Sewer Capacity”). The GOCO Sewer Capacity is calculated at 260 GPD for 165 equivalent dwelling units (“EDUs”) to be located on the Property. Purchased capacity is for the existing site as utilized currently. Any additional capacity for new facilities shall be purchased separately.

2. Payment for Treatment Capacity. District has engaged a contractor to construct a 670,000 GPD expansion of District’s treatment capacity in its wastewater treatment plant at a cost of approximately \$18,000,000.00, prior projects, current and future incidentals total approximately \$3,000,000.00 for a total estimated cost of \$21,000,000.00 and as summarized in Exhibit B (the “Expansion Project”). The Expansion Cost includes GOCO’s fair share of the cost of the Expansion Project and has been determined to be 6.37% or \$1,323,000.00 of the total cost of the Expansion Project (“GOCO’s Fair Share Cost”).

3. Payment of Fair Share Cost. GOCO shall pay GOCO’s Fair Share Cost to District as follows: (a) \$198,450.00 on the Effective Date (the “Initial Deposit”); (b) Commencing after the Effective Date, a sum equal to 6.37% of the contractor’s monthly billing from the contractor constructing the Expansion Project until GOCO has paid the District all of GOCO’s Fair Share Cost (“Installment Payment”). GOCO acknowledges that the actual cost of the Expansion Project may exceed \$21,000,000.00, and GOCO’s Fair Share Cost may be adjusted to reflect changes in such actual costs.

4. Connection to the District's Sewer Treatment System. Upon execution of this Agreement and payment of the Initial Deposit, GOCO may connect the Property to the District's sewer treatment system. If at any time GOCO shall fail to pay any Installment Payment within 30 days of a written pay request from the District, GOCO shall terminate its flow to the treatment plant and District shall have a right to place in plug in the sewer line until all Installment Payments are brought current.

5. Estimated Flow. The amount of GOCO Sewer Capacity is an estimate. In the event GOCO requires additional sewer capacity to serve the Property, the parties shall negotiate in good faith to determine the price for such additional capacity.

6. Sewer Treatment Fees. The billing for monthly wastewater treatment to serve the Property shall be in accordance with the District's Rules and Regulations as amended from time to time.

7. Sole Agreement. This is the sole agreement between the parties as to its subject matter. It supersedes all other agreements or understandings between the parties.

8. Covenant Running with the Land. This Agreement shall be a covenant running with the Property and shall bind the successors and assigns of the parties.

9. Rights Not Assignable. This Agreement shall be for the sole benefit of the Property and shall not be assignable to any party that is not an owner of the Property without the District's written consent, which consent may be withheld in the District's sole discretion.

10. Notices. Notice required or permitted under this Agreement shall be deemed sufficiently given if served in writing personally upon the party or delivered by overnight courier addressed to the parties as follows:

TO DISTRICT: General Manager
 Temescal Valley Water District
 22646 Temescal Canyon Road
 Temescal Valley, CA 92883

TO GOCO: GOCO Hospitality California, Inc.
 Attention:
 25000 Glen Ivy Road
 Corona, CA 92883

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first above written.

DISTRICT:

President, Board of Directors
Temescal Valley Water District

Attest by my hand this ____ day of _____, 2019.

Secretary, Board of Directors
Temescal Valley Water District

GOCO:

GOCO HOSPITALITY CALIFORNIA, INC.

By _____
Print Name:
Its:

By _____
Print Name:
Its:

EXHIBIT "A"

THE PROPERTY

EXHIBIT B
TVWD SEWER TREATMENT PLANT EXPANSION

Actual	Paid/responsibility	
	TVWD	Forestar
Generator Replacement		
Generator Replacement	\$ 415,400.00	ACS Engineering Contract
Contingency 10%	\$ -	
Design Engineering 9%	\$ 46,150.00	By Dexter Wilson/Forestar
Plan Check	\$ 5,470.00	Estimated TVWD Inspection
CM and Inspection	\$ 26,250.00	Estimated Dudek Bidding
	\$ 493,270.00	
SBR Controls And Equipment		
SBR Controls And Equipment	\$ 1,110,117.00	Parkson Corporation Contract
Contingency 10%	\$ 111,011.70	
Design Engineering	\$ -	By Dexter Wilson/Forestar
Plan Check & Inspection 4%	\$ 12,000.00	Estimated TVWD Inspection
Construction Management 5%	\$ 15,000.00	Estimated Dudek Bidding
	\$ 1,248,128.70	
Phase VI Treatment Plant Expansion		
Phase VI Treatment Plant Expansion	\$ 16,400,000.00	
10% Contingency	\$ 1,640,000.00	
Design Engineering	\$ 998,538.00	By Dexter Wilson/Forestar
Plan Check & Inspection		
Plan Check - TVWD	\$ 43,973.09	Paid By Forestar
Inspection - TVWD	\$ 60,000.00	Estimate - Non Process Equip.
Construction Management		
Bidding	\$ 23,600.00	Bid Package - Murow
Labor Compliance/Contract Admin	\$ 502,280.00	Murow-Sr CM, Assist CM, Snr PM
Dexter Wilson	\$ 75,000.00	Bid RFI's, Constr. RCO, RFI's
TVWD	\$ 50,000.00	Estimate - SCADA/Integrator
	\$ 19,793,391.09	
Total	\$ 21,534,789.79	\$ 2,400,658.70 \$ 1,094,131.09
	\$ 31.90	
	\$ 8,294.88	

Need to verify
Need to verify

EDUs	Cost Responsibility per Agreement	%	Splits	Paid or Responsibility	Due During Const	Funds on Hand	Delta
865.38	TVWD %	0.33333	\$ 7,178,263.26	\$ 2,400,658.70	\$ 4,777,604.56	\$ 4,777,604.56	\$ -
1,730.77	Forestar %	0.66667	\$ 14,356,526.53				
1,482.75	CFD Bond funding = 85.67%		\$ 12,299,236.28		\$ 12,299,236.28	\$ 9,847,409.00	\$ (2,451,827.28)
248.02	Developer =14.33%		\$ 2,057,290.25	\$ 1,094,131.09	\$ 963,159.16	0	\$ (963,159.16)
					\$ 18,040,000.00		\$ (3,414,986.44)

WRF COST

\$21,534,789.79 ALL Costs including Soft Costs
\$31.90 \$/gallon

Construction Only

\$17,925,517.00 No Soft Costs
\$26.56 \$/gallon

October 17, 2019

Board of Directors
Temescal Valley Water District

Re: Water and Sewer Operations – September 2019

Dear Board Members:

Temescal Valley Water District operations personnel perform the following tasks on a regular and routine basis:

- Managed 348.71 acre-feet of water through system.
- Collected monthly potable water samples. We are now collecting four samples per week as required by the State Water Resources Control Board, Division of Drinking Water. Collected monthly and weekly wastewater samples as required by Regional Water Quality Control Board.
- Submitted monthly SMR for 2019 to the Regional Water Quality Control Board for: Temescal Valley Wastewater Reclamation Facility
- Submitted monthly report to the State Water Resources Control Board, Division of Drinking Water for: TVWD distribution system monitoring.
- Read 5727 water meters.
- 18 shut offs.
- Responded 116 service calls.
- Installed 7 meters for the various developers
- Responded to 92 USA Dig Alerts to mark District underground utilities.

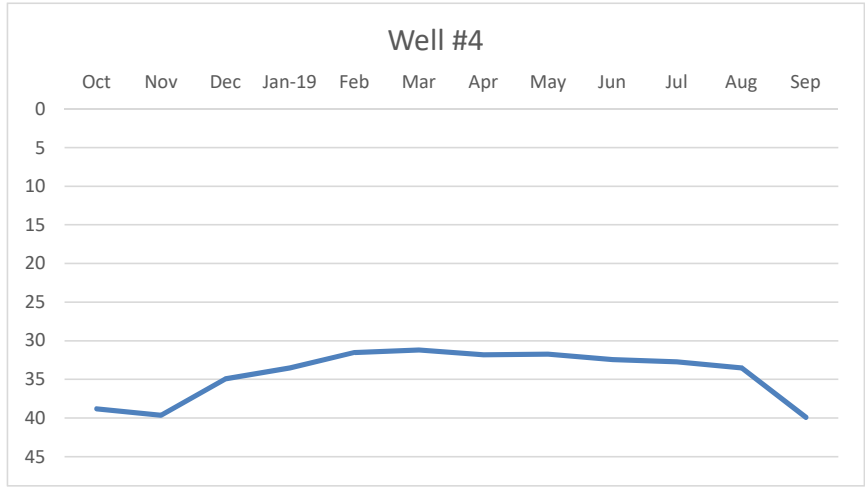
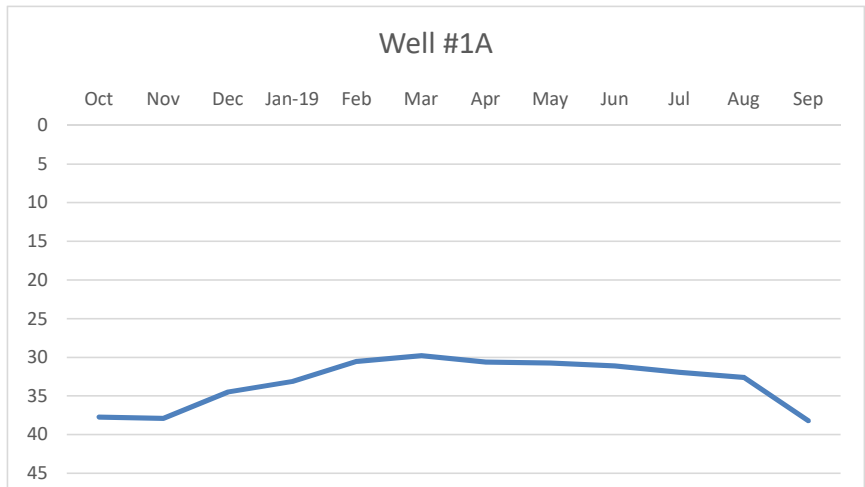
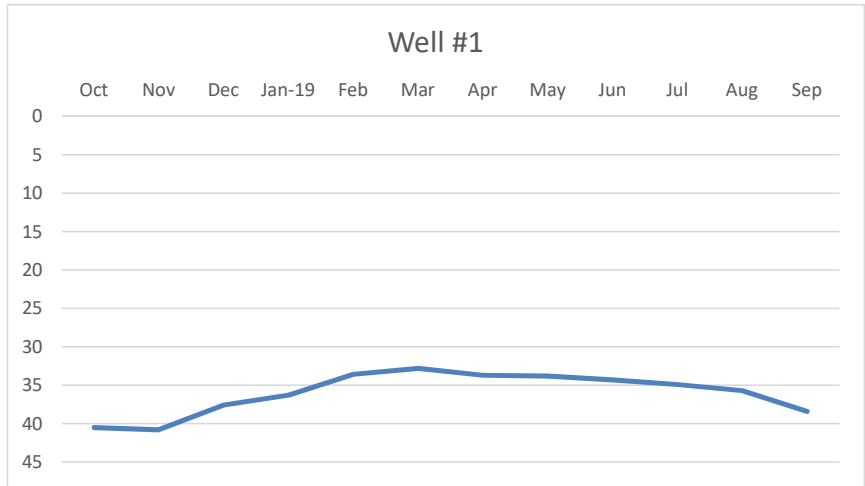
In addition to the above regular and routine tasks we also performed the following operational tasks.

- Maintained aesthetic appearance of all District facilities.
- 2 loads of biosolids were hauled off this month.
- Contractor brought in to service all pumps at the Trilogy Booster Station.
- New final effluent chlorine analyzer installed at the Wastewater Treatment Facility.

- New Sodium Bisulfite tank brought in to replace old tank. System to be overhauled.

Sincerely,

Paul Bishop, Superintendent



TEMESCAL VALLEY WATER DISTRICT
ENGINEERING DEPARTMENT

DISTRICT ENGINEER'S MONTHLY REPORT

Date: October 9, 2019
To: Jeff Pape, General Manager
From: Justin Scheidel, District Engineer
Subject: Engineering Activities Update for the Month of October 2019

Following is a summary of the status of current engineering projects:

PLAN CHECKING & DEVELOPER RELATED PROJECTS

Terramor Reservoirs Project (1401.1610) – Engineering review previously completed, currently under construction.

Tract 33688 Water, Sewer and Recycled Plan Check (10555, Phase 6) – 2nd plan check completed, comments returned to the Engineer for incorporation.

Warm Spring Drive (10555, Phase 10) – Final mylars signed and the project is currently under construction.

Tract 37153 “Motor Court Development” (10555, Phase 11) – 2nd plan check completed and comments were returned to the Engineer for incorporation. Currently under review by the County of Riverside.

Speedway Commercial Development (10555, Phase 13) – 1st plan check completed and comments were returned to the Engineer for incorporation.

CAPITAL IMPROVEMENT PROJECTS

Status

Dawson Canyon 1320 Potable Water Reservoir Design (1401.1810): Dawson Canyon Reservoir Design: Recently completed the 90% design submittal for the reservoir portion of the project. The preliminary alignment for the pipeline has been created and easement documents are currently being processed by the landowner for both the pipeline, and the reservoir site.

90% Design Completed

AS-NEEDED ENGINEERING SERVICES

Status

General Engineering Initiated During FY 2018/19

Project 1401.1901: As-Needed Potable Water Engineering: Development of the district engineering report and attendance of the District's board meeting.

Project 1401.1902: Non-Potable Water Related Services for FY 2018/19: Coordination for master plan update.

Project 1401.1903: Wastewater Related Services for FY 2017/18: No activity this month.

- Project 1401.1808: General GIS Support: Updating of the GIS database and re-formatting as-built catalog. General support provided for updating GIS information discovered during master plan updates. Completed updates for all new developments within the District and currently linking as-built drawings to online GIS database. **Currently 90% Complete**
- Project 1401.1811: Water System Master Plan Update: Draft water system master plan submitted to the General Manager for review. We will work with the general manager to review the document, run additional operation scenarios in the model, and provide a final master plan to the District for future development planning. **Draft Report Completed**
- Project 1401.1812: Non-Potable Master Plan Update: Draft non-potable water system master plan submitted to the General Manager for review. We will work with the general manager to review the document, run additional operation scenarios in the model, and provide a final master plan to the District for future development planning.
Draft Report Completed
- Project 1401.1815: Sewer System Master Plan Update: Completed import of GIS information into the model. Currently wrapping up edits to the sewer system and fixing bugs to facilitate calibration of the model and drafting of the master plan report.
Draft Report Completed
- Project 1401.1906: Knabe Road Potable Waterline: Acquired utility as-builts and completed design of the preliminary alignment. Waiting for survey to be completed before assembly of the 50% design submittal. Began project specifications and cost estimate for 50% design submittal.
30% Complete
- Project 1401.1907: Trilogy Reservoir Rehabilitation: Completed 30% design drawings. Currently working with the General Manager to determine the acceptable amount of temporary storage during construction. Began project specifications and cost estimate for 50% design submittal.
30% Complete
- Project 1401.1908: Emergency Ag-Line Repair: Developed as-built drawings of the existing ag-line for Caltrans review and approval. Developed rehabilitation plan with General Manager and coordinated with contractor to begin remediation work.