

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

May 3, 2017

A Regular Meeting of the Board of Directors of Vista Irrigation District was held on Wednesday, May 3, 2017 at the offices of the District, 1391 Engineer Street, Vista, California.

1. CALL TO ORDER

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

2. ROLL CALL

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

Directors absent: None.

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

Other attendees: District Special Counsel John Carter.

3. PLEDGE OF ALLEGIANCE

Director Vásquez led the pledge of allegiance.

4. APPROVAL OF AGENDA

17-05-54	<i>Upon motion by Director MacKenzie, seconded by Director Vásquez and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors approved the agenda as presented.</i>
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5. PUBLIC COMMENT TIME

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

6. CONSENT CALENDAR

17-05-55	<i>Upon motion by Director MacKenzie, seconded by Director Vásquez and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors approved the Consent Calendar, including Resolution No. 17-18 approving disbursements.</i>
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A. Appointment of General Manager to serve as Co-Trustee for Hans and Margaret Doe Charitable Trust

See staff report attached hereto. Staff recommended and the Board approved the acceptance of the General Manager's appointment as Co-Trustee of the Hans and Margaret Doe Charitable Trust.

B. Treasurer's Report as of March 31, 2017

See staff report attached hereto. The Board noted and filed this informational report concerning the investments of the District.

C. Annual contract for vacuum excavation services

See staff report attached hereto. Staff recommended and the Board authorized the General Manager to amend the existing contract with ADCO Underground Services to provide vacuum excavation services (potholing) for District jobs in an amount not to exceed \$75,000 and extend the existing contract for fiscal year 2018 in an amount not to exceed \$75,000.

D. Annual contract for traffic control services

See staff report attached hereto. Staff recommended and the Board authorized the General Manager to extend the existing contract with Cecilia's Safety Services, Inc. to provide traffic control services for fiscal year 2018 in an amount not to exceed \$350,000.

E. Annual contract for material transport services

See staff report attached hereto. Staff recommended and the Board authorized the General Manager to extend the existing contract with Leon Perrault Trucking to transport and provide assorted material for District jobs in an amount not to exceed \$225,000.

F. Waterline project approval

See staff report attached hereto. Staff recommended and the Board approved the waterline project and directed staff to file the Notice of Exemption over a three lot single-family development consisting of approximately 2.22 gross acres owned by Sanjay Jain, The Pandit Family Trust, and The Doshi 2003 Family Trust, located at 1200 Barbara Drive, Vista (LN 2016-035; APNs 180-342-14, -15, and -16; DIV NO 3).

G. Grant of Right of Way and Quitclaim of Easement

See staff report attached hereto. Staff recommended and the Board accepted Grant of Right of Way (M129) for a specific easement and approved Quitclaim Deed (664) quitclaiming a portion of Blanket Easement (A4) over residential property consisting of approximately 1.25 gross acres owned by Jahangir & Farnaz Mahallati, located at 945 Miramar Drive, Vista (LN 2016-037; APN 183-083-15; DIV NO 4).

H. Minutes of the Board of Directors meetings on April 19 and 25, 2017

The Minutes of the Board of Directors meetings on April 19 and 25, 2017 were approved as presented.

I. Resolution ratifying check disbursements

RESOLUTION NO. 17-18

BE IT RESOLVED, that the Board of Directors of Vista Irrigation District does hereby approve checks numbered 55826 through 55938 drawn on Union Bank totaling \$547,317.09.

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

PASSED AND ADOPTED unanimously by a roll call vote of the Board of Directors of Vista Irrigation District this 3rd day of May 2017.

7. DIVISION REPORTS

See staff report attached hereto.

Mr. Boone reported that HP Reservoir Rehabilitation project is 12.5% under the engineer's project estimate. Engineering Project Manager Randy Whitmann provided the Board with a map (attached hereto as Exhibit A) showing the location of the Beehive bench and siphon. He stated that the plan is to apply an epoxy coating on the inside and outside of the bench and siphon; however, staff is going to look at other alternatives, including slip lining or undergrounding. Mr. Whitmann indicated that there are concerns with leakage at the joints and that staff will continue to monitor, inspect and repair those areas as needed. Director Vásquez commented that the map provides Board members with a good reference point when they have questions about the flume and/or siphons.

Director Vásquez requested an update on the Master Plan. Mr. Whitmann stated that a consultant is currently working on updating the hydraulic model that will include demand records, meter accounts, and current settings on valves. He said that staff will be receiving a technical memo on demand projections and planning criteria. Mr. Whitmann provided additional clarification with regard to how the hydraulic model will be run and how it will be used to evaluate the future need for capital projects.

Director Vásquez noted that less untreated water was bought in March compared to previous months and asked about the reason for the reduction. Mr. Boone explained that the flume is currently out of service while the Flume Relocation project is being completed; therefore, the District purchased treated water from the City of Oceanside or the San Diego County Water Authority (Water Authority).

Director MacKenzie asked if staff could inspect the inside of the flume while it's out of service. Operations and Field Services Manager Frank Wolinski confirmed that staff has conducted inspections on the closed sections of the flume and have made repairs to the transition boxes on the Daley Bench and replaced a blow-off on the Pleasant Valley siphon. He also reported that the flume will be out of service until mid-June.

President Miller inquired if water will be released from Lake Henshaw. Mr. Boone stated that the District anticipates releasing water, and an agreement with the city of Escondido will ensure that the District will receive credit for Lake Henshaw water when it is released. Mr. Miller also inquired as to when the District will begin operating the well field again. Mr. Boone stated that well field operations may resume at the end of summer, depending on the lake level at that time.

8. AMENDMENT TO OPERATING AGREEMENT WITH SAVE OUR HERITAGE ORGANISATION FOR THE WARNER-CARRILLO RANCH HOUSE

See staff report attached hereto.

Mr. Boone provided a recap on the Operating Agreement with Save Our Heritage Organisation (SOHO) for the operation and maintenance of the Warner-Carrillo Ranch House (Ranch House) following its restoration. In 2010 the District accepted a grant from the California Cultural and Historical Endowment for the restoration of the Ranch House. Upon acceptance of the Grant, the District agreed to keep the Ranch House “accessible and open to the public for a period of twenty years from the date of project completion”, or until August 2031. The District’s responsibility is currently carried out through its Ranch House Operating Agreement with SOHO. Per the Agreement, SOHO is responsible for making the Ranch House available to the public, performing all routine maintenance and preparing and updating an Operating Plan. He reported that SOHO has experienced an average monthly operating loss of about \$1,000 and are seeking assistance to offset the loss. The proposed Amendment provides that, beginning July 1, 2017, the District will contribute \$1,000 per month, paid quarterly, towards SOHO’s operation and maintenance obligations under the Operating Agreement. Per the Board’s request, the Amendment also changes the notice required by either party to terminate the agreement for convenience from 90 days to 180 days.

Mr. Boone stated that the Board previously discussed the lack of directional signage for the Ranch House. Mr. Boone reported that the issue was discussed with SOHO and that they agree that improved signage would be beneficial. The Board indicated their interest in helping SOHO with the signage to promote interest by the public.

Director Dorey voiced his concern about the District’s financial contribution to this project. Mr. Dorey also expressed his concerns about the cost associated with remaining 16-year obligation from accepting the grant.

17-05-56	<i>Upon motion by Director MacKenzie, seconded by Director Sanchez and carried (4 ayes: Miller, Vásquez, Sanchez, and MacKenzie; 1 no: Dorey), the Board of Directors authorized the General Manager to execute Amendment 1 to the Operating Agreement with the Save Our Heritage Organisation for the Warner-Carrillo Ranch House in an amount not to exceed \$12,000 annually.</i>
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There was a motion by Director MacKenzie which was seconded by Director Vásquez to direct staff to research the specification and required permitting for additional signage at the Ranch House. The motion also included direction for staff to agendize this information for consideration by the Board at a Board meeting in June. Upon further discussion, the Board reached consensus that this research would contractually fall under the purview of SOHO. Consequently, Director MacKenzie withdrew her motion.

The Board requested that staff update the Board of the progress made by SOHO regarding Ranch House signage in June.

9. STATE WATER RESOURCES CONTROL BOARD PROPOSED MERCURY POLICY

See staff report attached hereto.

General Counsel Jeremy Jungreis reported that on May 2 the state adopted Part 2 of the Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and Estuaries of California – Tribal and Subsistence Finishing Beneficial Uses and Mercury Provisions (Mercury Policy). He provided an

overview of the changes made to Mercury Policy. Mr. Jungreis indicated that the changes that were made to the Mercury Policy protected the District's interests under the Clean Water Act.

Director MacKenzie asked about notification to the public regarding mercury levels in reservoirs. Director of Water Resources Don Smith mentioned that some reservoir operators have voluntarily posted signs that the California Office of Environmental Health Hazard Assessment provided and that the posting of signs may become a reservoir operating requirement. He stated that the District may have to post signs in the future.

10. ASSEMBLY BILL 892

See staff report attached hereto.

Assistant General Manager Brett Hodgkiss reported that at the last board meeting Mr. Boone reported that a request was received from the San Luis Rey Indian Water Authority (SLRIWA) to consider supporting Assembly Bill 892 (AB 892) and Senate Bill 750 (SB 750) at a future date. Mr. Hodgkiss stated that AB 892 is continuing to move through the legislative process; SB 750 had been amended such that it no longer pertained to the same subject matter as AB 892. Mr. Hodgkiss explained that AB 892 creates an annexation for Indian Tribes to receive water from water agencies without being within their service area. He noted that as drafted, AB 892 wording states "may" rather than "shall"; therefore, it becomes optional to provide water services when certain conditions are met. Mr. Hodgkiss stated that Special Counsel indicated that the legislation will not have an impact on the Indian Settlement. He also noted that the Sycuan Band of the Kumeyaay Nation had raised objections to the proposed changes and have been unable to come to an agreement with the author; therefore, it's possible that AB 892 may not move forward this legislative year.

Mr. Boone stated that SLRIWA is not asking for a letter of support at this time. Staff is requesting the Board's authorization to submit a letter of support for AB 892 (if deemed appropriate) at this time because there may not be sufficient time to come back to the Board and get authorization before the letter needs to be sent to the legislature.

17-05-57	<i>Upon motion by Director Vásquez, seconded by Director Dorey and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors authorized the General Manager to submit a letter of support for Assembly Bill 892 if deemed appropriate.</i>
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11. STATUS OF SAN LUIS REY INDIAN WATER RIGHTS SETTLEMENT IMPLEMENTATION

See staff report attached hereto.

Mr. Boone invited Special Council John Carter to the meeting to provide an update on this item. Mr. Boone stated that staff is asking the Board to authorize Mr. Carter to sign the Stipulation Regarding December 5, 2014 Implementing Agreement (attached hereto as Exhibit B) on behalf of the District.

Mr. Carter reminded the Board that this dispute has been around for almost half a century. He stated that over the years there were three lawsuits filed in Federal District Court and as a result of the Judge's final judgment last month, the lawsuits were dismissed. Mr. Carter encouraged the Board to read the Judge's findings and order that were issued and entered on April 26, 2017. He reiterated the Judge's verbiage on his findings on the dispute and the history of what happened. Mr. Carter said that the Judge approved all of the agreements before him and dismissed all of the claims between the parties, the Indian

Bands versus the city of Escondido and Vista Irrigation District. He stated that as a result of those actions, and as far as the District Court is concerned, the matter is complete. Mr. Carter reported that a letter to the Federal Energy Regulatory Commission was filed today advising them to issue a final order based on the Judge's order. He said that once the final order is issued, the effective date will set other items in motion, primarily implementation of the settlement. Mr. Carter stated that implementation of the settlement agreement will be very complicated but that he felt confident that District staff will be able to handle the work.

Mr. Carter noted that the verbiage in the Implementing Agreement requires that the parties appear in open court, in front of the Judge, and state that they all agree and approve the documents and sign them. Unfortunately, the Judge issued his order and final judgement without a hearing. The attorneys discussed this issue and suggested that, with their client's approval, counsel signs the stipulation on each party's behalf. Mr. Boone stated that there is no requirement to give Mr. Carter authorization to sign the stipulation but it would be in the District's best interest to have it on record that Mr. Carter does have the authorization to sign the document.

Mr. Carter reported that the FERC Conduit Exemption and License Surrender Order were filed this morning; he stated that it's unknown how long the order will take to process.

Mr. Boone and the Board thanked Mr. Carter and Director of Water Resources Don Smith for all their efforts.

17-05-58	<i>Upon motion by Director Sanchez, seconded by Director MacKenzie and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors authorized Special Counsel John Carter to sign the Stipulation regarding the December 5, 2014 Implementing Agreement in the San Luis Rey Indian Water Rights Settlement.</i>
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A brief break was taken from 10:24 a.m. to 10:37 a.m.

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

See staff report attached hereto.

President Miller reported that the Water Authority Board authorized the General Manager to award a construction contract for the San Vicente Dam inclinometer installation. They also awarded a professional services contract for acoustic fiber optic cable monitoring services on several large diameter pipelines. Director Miller reported that the Miramar pump station rehabilitation project is complete, and they are moving forward with procuring bids for the San Vicente Energy Storage Facility Study. He reported that a new valve is being installed at the Skinner Water Treatment Plant that would allow a reduction in treated water deliveries from Metropolitan Water District to the Water Authority.

Director Miller stated that Governor Brown lifted the drought emergency declaration. He said that Lake Powell is at 49% of capacity and Lake Mead is at 40%. It is anticipated that approximately 9 million acre feet of water will be transferred from Lake Powell to Lake Mead.

Director Miller also reported that the State Water Resources Control Board is working on establishing long-term water use efficiency rules aimed at curbing consumption. He reported that he will not attend the next Water Authority meeting.

13. MEETINGS AND EVENTS

See staff report attached hereto.

Director Dorey attended the Southern California Water Committee where he heard about the “California Water Fix”. He suggested attending the session on this topic at the upcoming Association of California Water Agencies (ACWA) conference in Monterey.

Director MacKenzie reported her attendance at the California Special Districts Association (CSDA) Finance Corp meeting, Special District Leadership Foundation committee meeting, and two CSDA Board meetings. She informed the Board about upcoming events, including the General Manager Summit in June and Board Secretary’s conference in October. Ms. MacKenzie stated that Senator Nava will be the key note speaker at CSDA Legislative Days in May. She reported attending a business meeting covering the audit and taxes. Ms. MacKenzie also let the Board know that the California Legislature passed SB 496 limiting design professional defense and indemnity obligations.

Director MacKenzie informed the Board that she will be participating in a Little Hoover Commission conference call and will be attending an upcoming the Legislative Committee meeting.

Directors Dorey and Vásquez requested to attend the Council of Water Utilities (COWU) meeting on May 16, 2017 in Poway. President Miller and Director Sanchez requested to attend the CSDA Quarterly meeting on August 17, 2017 in Kearney Mesa. Director Dorey requested to attend the Groundwater Resources Annual Conference October 3-4, 2017 in Sacramento. Director MacKenzie requested to attend the CSDA Quarterly meeting on November 16, 2017 in Kearney Mesa.

17-05-59 *Upon motion by Director Dorey, seconded by Director Vásquez and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors authorized the following attendances: Directors Dorey and Vásquez to attend COWU on May 16 in Poway; President Miller and Director Sanchez to attend the CSDA Quarterly meeting on August 17 in Kearney Mesa; Director Dorey to attend the Groundwater Resources Annual Conference October 3-4, 2017 in Sacramento; and Director MacKenzie to attend the CSDA quarterly meeting on November 16, 2017 in Kearney Mesa.*

14. ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

See staff report attached hereto.

15. COMMENTS BY DIRECTORS

Directors Vásquez and MacKenzie mentioned an article in the ACWA news regarding the proposed change in the solar peak hours and asked if the change would impact the District. Mr. Boone clarified that San Diego Gas and Electric (SDG&E) is moving the peak hours to later in the evening. He stated that the District’s contract for electricity with Direct Energy contains no time of day charge so the change will have a minimal impact on the District.

Director Vásquez mentioned that he read an article in the newspaper that the population in California has grown by 300,000 people in the past year and now up to 39.5 million people. He voiced his concern as to where the water will come from to support this increase in population.

Director Sanchez thanked the Directors and staff for the tour of the District’s local water system

facilities in Warner Springs on April 25, 2017. He stated the information was very educational to him and he was very appreciative.

Mr. Sanchez asked Director MacKenzie for clarification regarding CSDA's involvement on Senate Bill 448 (Wieckowski) regarding districts that are idle or inactive. Director MacKenzie stated that the bill seeks to provide a definition for "inactive" and "idle" special districts, makes changes to the dissolution process for special districts, and increases special district financial reporting requirements. CSDA pointed out the need for amendments to allow Local Agency Formation Commissions to consider other options besides dissolution when appropriate, allow special districts to testify on their own behalf, and reduce redundant paperwork requirements. She said that CSDA opposes the bill because it doesn't give the public the right to oppose the dissolution and doesn't give the special district the right to defend itself.

Director Dorey stated that he felt that the newspaper article on Lake Henshaw overstated the quantity of lower cost local water available. He also stated that Southern California Water Committee is trying to get more business interests involved.

President Miller stated that he will not be at the May 24, 2017 Board of Directors meeting.

16. COMMENTS BY GENERAL COUNSEL

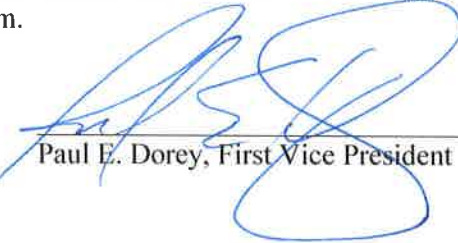
Mr. Jungreis had nothing to report and there was a brief discussion regarding business e-mail versus private e-mail. Mr. Jungreis stated that the best practice was to use a District provided e-mail address for District business only.

17. COMMENTS BY GENERAL MANAGER

Mr. Boone had nothing to report.


18. ADJOURNMENT

There being no further business to come before the Board, at 11:27 a.m. President Miller adjourned the meeting to May 24, 2017 at 9:00 a.m.



Paul E. Dorey, First Vice President

ATTEST:



Marian Schmidt, Assistant Secretary
Board of Directors
VISTA IRRIGATION DISTRICT



Agenda Item: 6.A

STAFF REPORT

Board Meeting Date: May 3, 2017
Prepared By: Brett Hodgkiss
Approved By: Eldon Boone

SUBJECT: APPOINTMENT OF GENERAL MANAGER TO SERVE AS CO-TRUSTEE FOR HANS AND MARGARET DOE CHARITABLE TRUST

RECOMMENDATION: Approve the acceptance of the General Manager's appointment as Co-Trustee of the Hans and Margaret Doe Charitable Trust.

PRIOR BOARD ACTION: On July 19, 1995, the Board gave its approval for the Assistant General Manager Roy Coox to serve as Co-Trustee of the Trust.

FISCAL IMPACT: None.

SUMMARY: The Hans and Margaret Doe Charitable Trust, a private foundation ("Trust"), creates a Committee of three persons to act as Trustee of the Trust upon the death of the survivor. The first member is currently Gregory Moser, a San Diego water lawyer; the second member is "the person . . . serving as General Manager of the Vista Irrigation District", and the third is "the person . . . serving as General Manager of the San Diego County Water Authority." When Roy Coox, who served as the District's General Manager, retired, he became ineligible to serve as Co-Trustee of the Trust. The Board's approval is requested to allow General Manager Eldon Boone to accept appointment as a Co-Trustee of the Trust.

ATTACHMENT: Letter of request to Board of Directors

April 13, 2017

Board of Directors
Vista Irrigation District
1391 Engineer Street
Vista, CA 92081-8840

Re: Approval of Service as Co-Trustee of the Hans and Margaret Doe Charitable Trust

Dear Members of the Board of Directors:

The Hans and Margaret Doe Charitable Trust, a private foundation ("Trust"), creates a Committee of three persons to act as Trustee of the Trust upon the death of the survivor. The first member is currently Gregory Moser, a San Diego water lawyer; the second member is "the person . . . serving as General Manager of the Vista Irrigation District [*"District"*]," and the third is "the person . . . serving as General Manager of the San Diego County Water Authority."

The Trust is created ". . . exclusively for religious, charitable, scientific, literary and/or educational purposes, and shall be managed in a manner consistent with Section 501(c)(3) of the Internal Revenue Code of 1954, as amended." Section 3.2(F) provides:

There are two charitable purposes of greatest interest to the Trustors: (i) to educate the public regarding the utilization of water resources in the State of California, including the historical development of water resources as well as the planning for present and future development, and (ii) to provide scholarship grants and other financial aid to assist deserving students who are the children of employees of the Vista Irrigation District in pursuing advanced education and training.

Attorneys for the Trust gave an opinion that the duties as General Manager of the District and as Co-Trustee of the Trust are not incompatible, and that the Co-Trustee may retain any compensation and reimbursements received from the Trust. As trustee, I will not be accepting any compensation from the Trust. They also advised that under Government Code section 1127, approval of the Board for this outside activity should be obtained. A copy of the Trust counsel's opinion letter (dated July 11, 1990 and the law verified as substantially unchanged today) is available for review in the office of the Trust's attorney, Michael Van Horne.

Therefore, the Board's approval is requested to permit me to accept appointment as a Co-Trustee of the Trust. Such services will be rendered so as not to interfere with my responsibilities as General Manager of the District.

Very truly yours,



Eldon Boone



STAFF REPORT

Agenda Item: 6.B

Board Meeting Date:	May 3, 2017
Prepared By:	Marlene Kelleher
Reviewed By:	Brett Hodgkiss
Approved By:	Eldon Boone

SUBJECT: TREASURER’S REPORT AS OF MARCH 31, 2017

RECOMMENDATION: Informational report concerning the investments of the District.

SUMMARY: Attached for review by the Board of Directors is the Treasurer’s Report as of March 31, 2017. The report is formatted to provide information as required by the California Government Code and the Vista Irrigation District Investment Policy. The Treasurer’s Report contains both an investment summary and a detailed security listing. Also attached is a five-year cash flow forecast, which indicates the District’s investments are sufficiently liquid to meet anticipated cash flow needs.

DETAILED REPORT: Activity for the quarter included deposits and withdrawals from the District’s cash and cash equivalent accounts: checking, California Asset Management Program (CAMP), and Local Agency Investment Fund (LAIF). During the quarter \$6 million of Treasury bills matured and \$6 million of new Treasury bills were purchased.

As of March 31, 2017, the net unrealized gain on the portfolio was as follows:

	<u>Unrealized Gain/(Loss)</u>
Treasury Bills	\$ 44,132
LAIF	<u>(4,548)</u>
Net Unrealized Gain/(Loss)	<u>\$ 39,584</u>

All investment transactions have been made in accordance with the District’s Investment Policy and market value information is obtained from the Wall Street Journal.

The following is a five-year summary of the District’s investment portfolio:

	<u>3/31/13</u>	<u>3/31/14</u>	<u>3/31/15</u>	<u>3/31/16</u>	<u>3/31/17</u>
Total Portfolio	\$26,318,694	\$32,863,186	\$36,475,959	\$31,288,682	\$31,065,089
Unrealized Gain/(Loss)	\$26,882	\$15,744	\$18,524	\$48,915	\$39,584
Weighted Average Maturity	85 Days	68 Days	89 Days	123 Days	113 Days
Portfolio Interest Rate	0.19%	0.15%	0.17%	0.48%	0.79%

ATTACHMENTS: Treasurer’s Report
 Securities Detail
 Cash Flow Projection

**Vista Irrigation District
TREASURER'S REPORT
March 31, 2017**

<u>Category</u>	<u>Maturity Value</u>	<u>Percentage Permitted by Board Policy</u>	<u>Actual Percentage</u>	<u>Weighted Average Maturity (in Days)</u>	<u>Current Interest Rate</u>
Cash and Cash Equivalents					
Checking/Petty Cash	\$ 566,234	n/a	1.8%	0	0.00%
California Asset Management Program	6,979,820	40%	22.5%	1	0.95%
Local Agency Investment Fund	5,519,035	40%	17.8%	1	0.85%
	<u>13,065,089</u>		<u>42.1%</u>	<u>1</u>	<u>0.87%</u>
Securities					
U.S. Treasury	18,000,000	100%	57.9%	195	0.73%
Total Portfolio	<u>\$ 31,065,089</u>		<u>100.0%</u>	<u>113</u>	<u>0.79%</u>

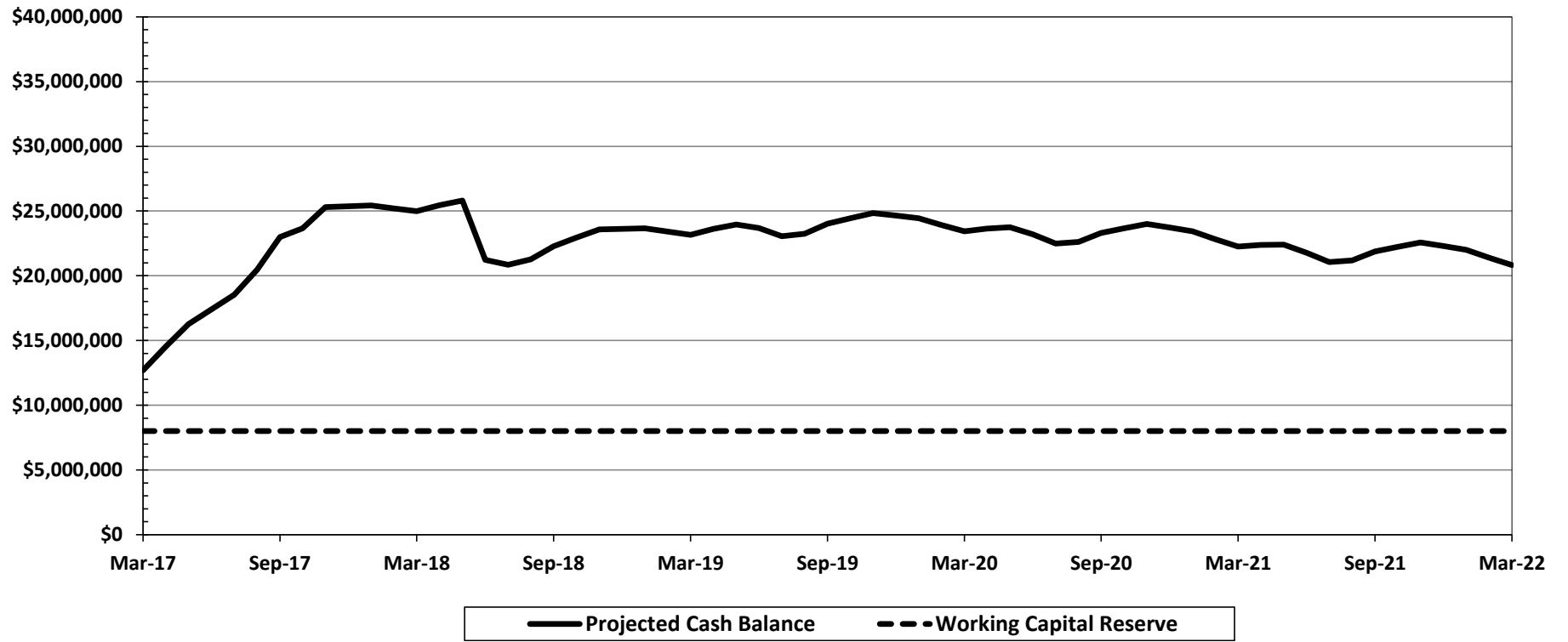
Notes:

- ◆ This report excludes accrued interest and employee flexible spending accounts.
- ◆ California Asset Management Program (CAMP) is a California Joint Powers Authority (JPA) established to provide California public agencies with professional investment services. The CAMP pool is a permitted investment for all local agencies under California Government Code Section 53601(p). The market valuation is provided by PFM Asset Management LLC.
- ◆ Local Agency Investment Fund (LAIF) is a pool of funds invested for California governmental agencies and is managed by the State Treasurer's Office of the State of California. The market valuation is provided by the State Treasurer's Office.
- ◆ The above portfolio is in full compliance with the District's Investment Policy.
- ◆ The District's investment portfolio is adequate to meet the District's cash flow requirements for the next six months.

Vista Irrigation District
SECURITIES DETAIL
March 31, 2017

Issuer	Investment Type	Interest Rate	Maturity Date	Days to Maturity	Maturity Value	Cost	Market Value	Unrealized Gain/(Loss)
U.S. Treasury	Treasury Bill	0.616%	04/27/17	27	\$ 1,500,000	\$ 1,490,824	\$ 1,499,196	\$ 8,371
U.S. Treasury	Treasury Bill	0.640%	05/25/17	55	1,500,000	1,489,611	1,498,400	8,789
U.S. Treasury	Treasury Bill	0.570%	06/22/17	83	1,500,000	1,491,507	1,497,449	5,942
U.S. Treasury	Treasury Bill	0.560%	07/20/17	111	1,500,000	1,491,658	1,496,497	4,838
U.S. Treasury	Treasury Bill	0.580%	08/17/17	139	1,500,000	1,491,355	1,495,527	4,172
U.S. Treasury	Treasury Bill	0.642%	09/14/17	167	1,500,000	1,490,445	1,494,132	3,687
U.S. Treasury	Treasury Bill	0.708%	11/09/17	223	1,500,000	1,489,459	1,491,981	2,522
U.S. Treasury	Treasury Bill	0.847%	12/07/17	251	1,500,000	1,487,412	1,490,459	3,047
U.S. Treasury	Treasury Bill	0.888%	01/04/18	279	1,500,000	1,486,805	1,489,280	2,475
U.S. Treasury	Treasury Bill	0.826%	02/01/18	307	1,500,000	1,487,715	1,488,166	451
U.S. Treasury	Treasury Bill	0.867%	03/01/18	335	1,500,000	1,487,108	1,486,467	(641)
U.S. Treasury	Treasury Bill	1.047%	03/29/18	363	1,500,000	1,484,454	1,484,933	479
		<u>0.733%</u>		<u>195</u>	<u>\$ 18,000,000</u>	<u>\$ 17,868,353</u>	<u>\$ 17,912,487</u>	<u>\$ 44,132</u>

**Vista Irrigation District
CASH FLOW PROJECTION
March 31, 2017**





STAFF REPORT

Agenda Item: 6.C

Board Meeting Date:	May 3, 2017
Prepared By:	Frank Wolinski
Reviewed By:	Brett Hodgkiss
Approved By:	Eldon Boone

SUBJECT: ANNUAL CONTRACT FOR VACUUM EXCAVATION SERVICES

RECOMMENDATION: Authorize the General Manager to amend the existing contract with ADCO Underground Services to provide vacuum excavation services (potholing) for District jobs in an amount not to exceed \$75,000 and extend the existing contract for fiscal year 2018 in an amount not to exceed \$75,000.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: The original contract amount was for \$48,000; the proposed amendment will increase the maximum contract amount by \$27,000 to a total of \$75,000 for the fiscal year 2017. The proposed contract amount for fiscal year 2018 is an amount not to exceed \$75,000.

SUMMARY: Over the past two years, the District has successfully outsourced potholing on District main line replacement projects. ADCO Underground Services has been used to provide potholing services to the District in an effort to increase main line replacement productivity. An amendment to the contract is needed to complete potholing services associated with main replacement projects scheduled during the remainder of fiscal year 2017. Potholing services will also be needed in fiscal year 2018, and staff proposes to extend the existing contract for said services.

DETAILED REPORT: In May 2015, the District solicited bids from five contractors to perform potholing services in an effort to increase main line replacement production. In response, the District received three qualified bids. ADCO Underground Services responded with the lowest overall bid based on labor rates for potholing and traffic control services.

This effort has yielded an increase in main line production, better utilization of District staff and has transferred associated risk with this task. ADCO Underground Services have provided satisfactory service to the District and have kept labor rates fixed during the original contract term as well as the first extension.

Staff is requesting an increase to the fiscal year 2017 contract amount to not to exceed \$75,000 to complete potholing services on scheduled main line replacement projects. Provisions in the original contract allow for it to be extended two additional one-year periods; one of the optional extension periods has been exercised, and staff is recommending that the Board authorize the second (and final) contract extension for the fiscal year 2018 in an amount not to exceed \$75,000.

Current rates for ADCO Underground Services:

Potholing system with crew	\$250/hour with a four (4) hour minimum
Project coordinator	\$70/hour
Flag-person	\$60/hour
Stamped traffic control plans	\$150/per sheet



STAFF REPORT

Agenda Item: 6.D

Board Meeting Date: May 3, 2017
Prepared By: Frank Wolinski
Reviewed By: Brett Hodgkiss
Approved By: Eldon Boone

SUBJECT: ANNUAL CONTRACT FOR TRAFFIC CONTROL SERVICES

RECOMMENDATION: Authorize the General Manager to extend the existing contract with Cecilia's Safety Services, Inc. to provide traffic control services for fiscal year 2018 in an amount not to exceed \$350,000.

PRIOR BOARD ACTION: On May 11, 2016, the Board authorized the General Manager to enter into a contractual service agreement with Cecilia's Safety Services, Inc. to provide traffic control services for District jobs for the fiscal year 2017. The Board authorized the General Manager to increase the not to exceed contract amount from \$275,000 to \$350,000 for fiscal year 2017 on February 15, 2017.

FISCAL IMPACT: This contract is proposed for an amount not to exceed \$350,000.

SUMMARY: During fiscal year 2017, Cecilia's Safety Services, Inc. has successfully provided reliable traffic controls services for District jobs. The current contract with Cecilia's Safety Services, Inc. allows for the District to extend the contract through fiscal year 2018.

DETAILED REPORT: Historically, the District has used outside traffic control services in an effort to minimize costs, better utilize District staff and to minimize service disruption time during construction and repair. Outsourcing this service transfers associated risk and provides our customers and field crews a safe and efficient work environment.

In April 2016, the District advertised and solicited bids from nine contractors to perform traffic control services throughout the District's service area. In response, the District received two qualified bids. Cecilia's Safety Services, Inc. responded with the lowest overall bid based on labor rates for flagging and traffic plan services. As a result of this process, the District entered into a contract with Cecilia's Safety Services, Inc. for fiscal year 2017 with an option to extend the contract for two additional one-year periods at the District's discretion. Staff recommends exercising the District's first option to extend the contract for a one-year period for fiscal year 2018 in an amount not to exceed \$350,000.

Current rates:

Cecilia's Safety Service, Inc.	\$85/hour (flagging)
	\$95/hour (overtime)
	\$95/hour (weekends & holidays)



STAFF REPORT

Agenda Item: 6.E

Board Meeting Date:	May 3, 2017
Prepared By:	Frank Wolinski
Reviewed By:	Brett Hodgkiss
Approved By:	Eldon Boone

SUBJECT: ANNUAL CONTRACT FOR MATERIAL TRANSPORT SERVICES

RECOMMENDATION: Authorize the General Manager to extend the existing contract with Leon Perrault Trucking to transport and provide assorted material for District jobs in an amount not to exceed \$225,000.

PRIOR BOARD ACTION: On June 17, 2015, the Board authorized the General Manager to enter into a contractual service agreement with Leon Perrault Trucking to transport and provide assorted materials for District jobs. On March 2, 2016, the Board authorized the General Manager to increase the not to exceed contract amount from \$150,000 to \$225,000. The Board authorized the General Manager to extend the existing contract with Leon Perrault Trucking in an amount not to exceed \$225,000 on May 11, 2016.

FISCAL IMPACT: This contract is proposed for an amount not to exceed \$225,000.

SUMMARY: During the fiscal year 2017, Leon Perrault Trucking successfully transported materials to and from District job sites and the District yard. The current contract with Leon Perrault Trucking allows for the District to extend the contract through the fiscal year 2018. The cost of service and material (table below) remain the same for fiscal year 2018.

DETAILED REPORT: Historically, utilizing outside materials transport services has led to improved production on the District’s main line replacement program as it has allowed construction crews to focus on main line installations and repair. In May 2015, the District advertised and solicited bids from four different material transport companies for the importing of fill material and the exporting of spoils from different job sites within the District’s service area; companies were also asked to submit pricing for various materials used on District projects. The only bid received was from Leon Perrault Trucking.

The District entered into a contract with Leon Perrault Trucking for fiscal year 2016 with an option to extend the contract for two additional one-year periods at the District’s discretion. As noted above, the District exercised its option to extend the contract for fiscal year 2017. Staff recommends extending the agreement for the second (and final) option period for fiscal year 2018 in an amount not to exceed \$225,000.

Current and proposed transport rates and material costs:

Company	Material Transport Prices	Material Prices (per ton)			
		Class 2	Class 3	Sand	Rock
Leon Perrault Trucking	\$150.00 per load or \$110 per hour	\$10.00	\$10.00	\$16.00	\$16.00



STAFF REPORT

Agenda Item: 6.F

Board Meeting Date:	May 3, 2017
Prepared By:	Al Ducusin
Reviewed By:	Brian Smith
Approved By:	Eldon Boone

SUBJECT: WATERLINE PROJECT APPROVAL

RECOMMENDATION: Approve this waterline project and direct staff to file the Notice of Exemption over a three lot single-family development consisting of approximately 2.22 gross acres owned by Sanjay Jain, The Pandit Family Trust, and The Doshi 2003 Family Trust, located at 1200 Barbara Drive, Vista (LN 2016-035; APNs 180-342-14, -15, and -16; DIV NO 3).

PRIOR BOARD ACTION: The Board accepted Grant of Right of Way (N69) for Parcels B and C (APNs 180-342-15 and -16) on February 15, 2017.

FISCAL IMPACT: None.

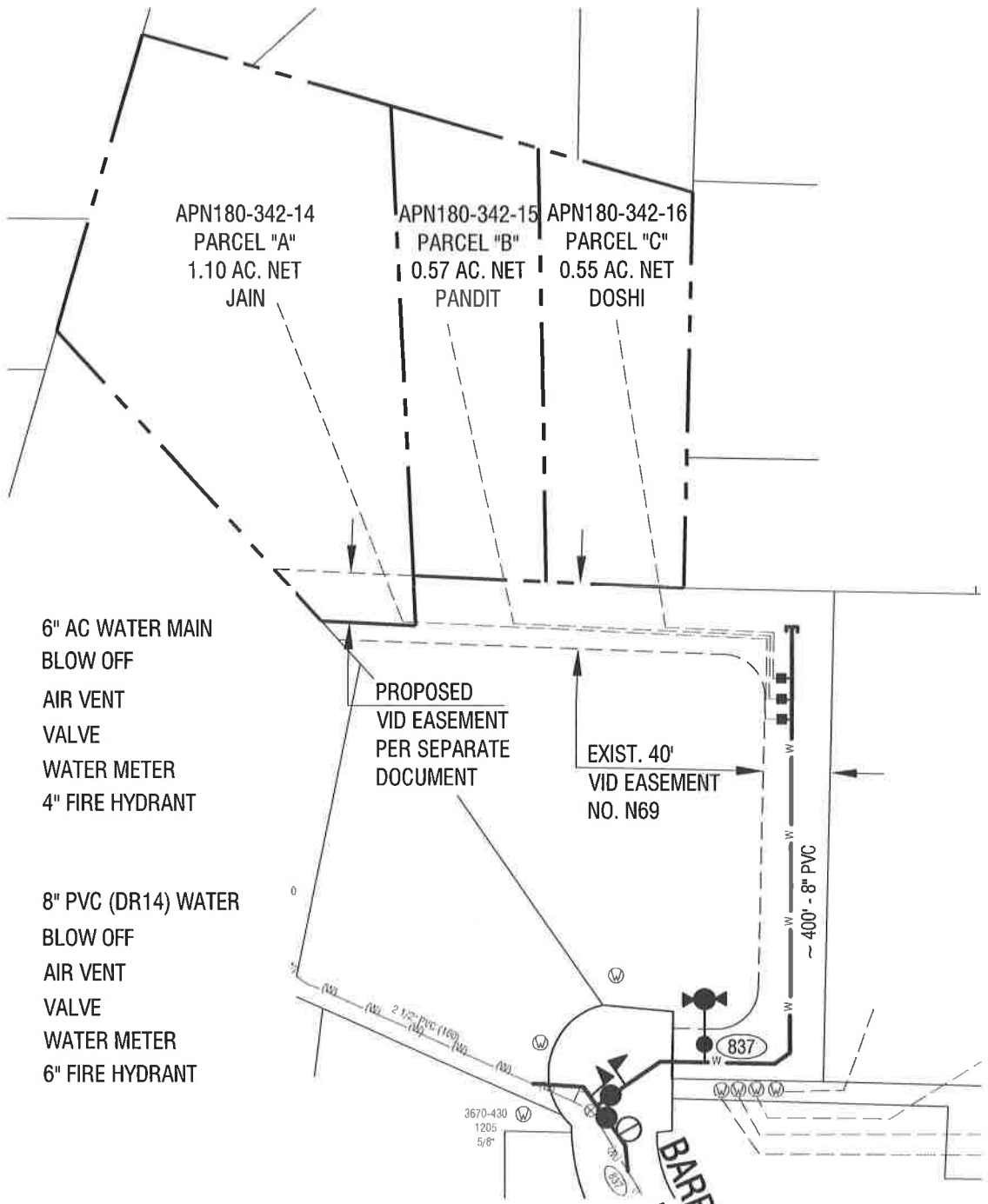
SUMMARY: On April 24, 2017, the District's Engineer signed the improvement plans for this waterline project. The approval of this water system will allow the General Manager to sign the construction contract when the owner returns it and will allow the owners to continue with the development of their project.

DETAILED REPORT: The owners are in the process of developing three single-family homes on Parcels A, B, and C (APNs 180-342-14, -15, and -16).

At owners' expense, the District will install approximately 376 feet of 8" waterline, two 1" air-vents, two 2" blow-offs, two 8" gate valves, three 1" domestic water services, one standard 6" fire hydrant, and make the connections as shown on the approved plans.

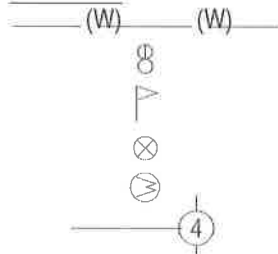
The District currently has Blanket Easement (BC33) and Specific Easement (N69) on Parcels B and C. The acceptance of a specific easement on Parcel A will be brought to the Board for consideration at a future meeting.

ATTACHMENT: Map



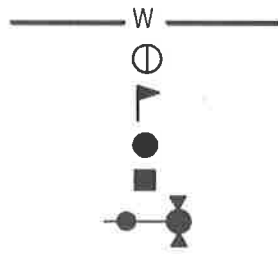
LEGEND

EXISTING

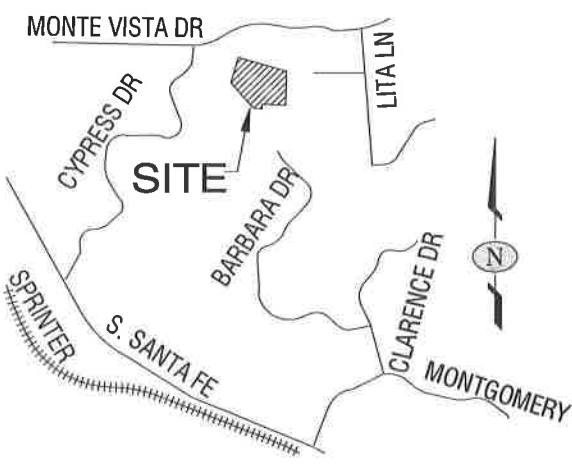


6" AC WATER MAIN
 BLOW OFF
 AIR VENT
 VALVE
 WATER METER
 4" FIRE HYDRANT

PROPOSED



8" PVC (DR14) WATER
 BLOW OFF
 AIR VENT
 VALVE
 WATER METER
 6" FIRE HYDRANT



VICINITY MAP
 NO SCALE

VISTA IRRIGATION DISTRICT			
1200 BARBARA DRIVE			
PARCEL A, B & C			
APN 180-342-14, -15, -16		T.B.1088-B7;1108-B1	
SCALE: NO SCALE		L.N. 2016-035	
APPD. BY AD	DATE 4/25/17	W.O.	
DRAWN BY JB	DATE 08/17/16		
SHEET 1 of 1	MAP H16		
REVISED 4/25/17	Jeanette Bradshaw		
Z:\Engineering\JOBS\LN-Jobs\LN2016\LN2016-035 1200 Barbara\LN2016-035 Maps.dwg			



STAFF REPORT

Agenda Item: 6.G

Board Meeting Date: May 3, 2017
Prepared By: Al Ducusin
Reviewed By: Brian Smith
Approved By: Eldon Boone

SUBJECT: GRANT OF RIGHT OF WAY AND QUITCLAIM OF EASEMENT

RECOMMENDATION: Accept Grant of Right of Way (M129) for a specific easement and approve Quitclaim Deed (664) quitclaiming a portion of Blanket Easement (A4) over residential property consisting of approximately 1.25 gross acres owned by Jahangir & Farnaz Mahallati, located at 945 Miramar Drive, Vista (LN 2016-037; APN 183-083-15; DIV NO 4).

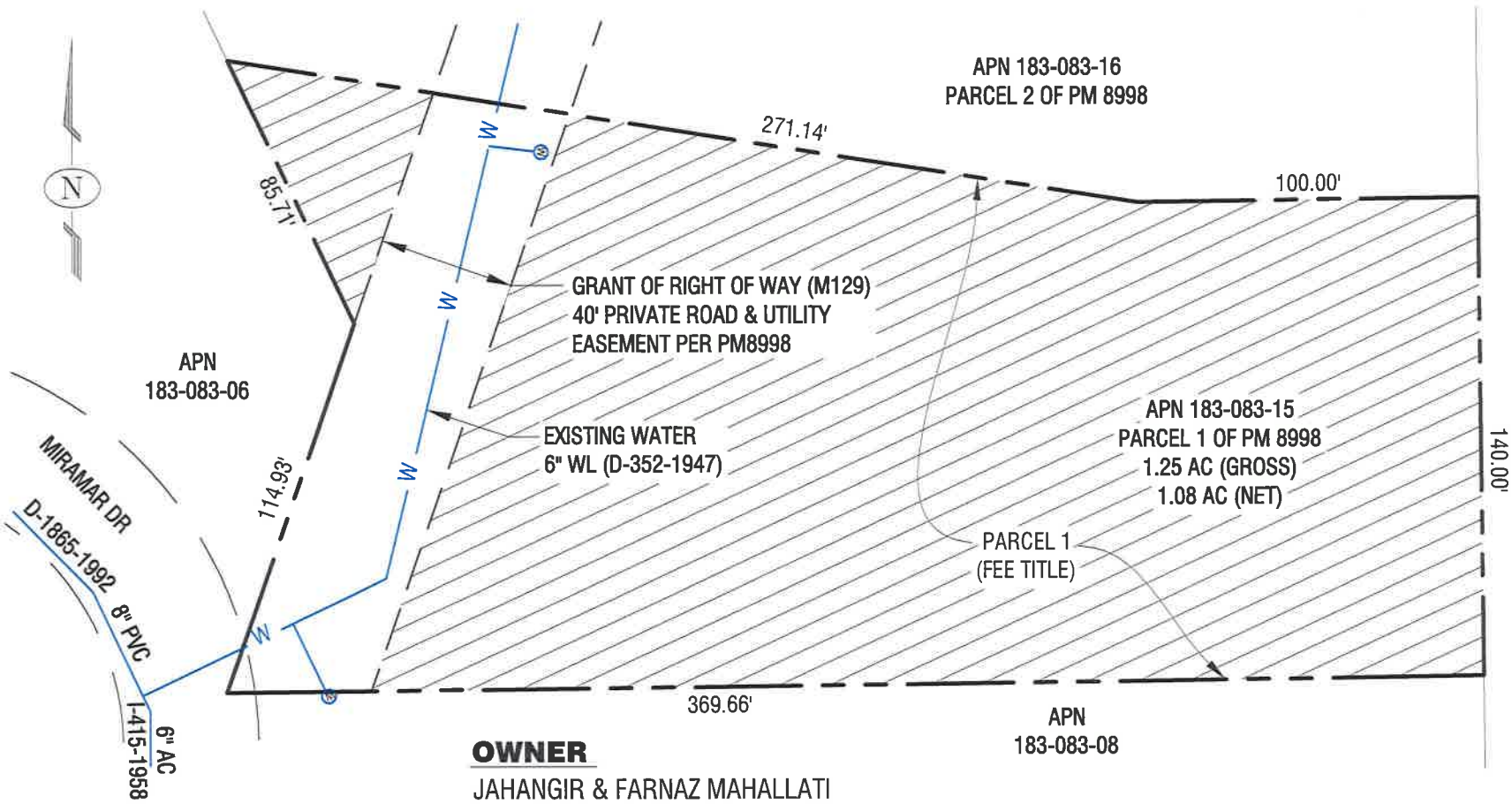
PRIOR BOARD ACTION: None.

FISCAL IMPACT: None.

SUMMARY: The acceptance of Grant of Right of Way (M129) will allow the District to secure a dedicated 40-foot specific easement over an existing 6" waterline located within an existing private road and utility easement. The approval of Quitclaim Deed (664) will quitclaim a portion of Blanket Easement (A4) encumbered on APN 183-083-15 which is no longer needed.

DETAILED REPORT: The owners have requested that portions of Blanket Easement (A4) be quitclaimed from their property located at Miramar Drive in exchange for granting the District a new specific easement via Grant of Right of Way (M129). The acceptance of Grant of Right of Way (M129) will allow the District's existing facilities to be located within a dedicated 40-foot specific easement. Blanket Easement (A4) encumbered on the owner's property will no longer be necessary and is recommended to be quitclaimed.

ATTACHMENT: Map



APN 183-083-06

APN 183-083-16
PARCEL 2 OF PM 8998

APN 183-083-17

APN 183-083-15
PARCEL 1 OF PM 8998
1.25 AC (GROSS)
1.08 AC (NET)

GRANT OF RIGHT OF WAY (M129)
40' PRIVATE ROAD & UTILITY
EASEMENT PER PM8998

EXISTING WATER
6" WL (D-352-1947)


PARCEL 1
(FEE TITLE)


APN 183-083-08

OWNER

JAHANGIR & FARNAZ MAHALLATI
125 W. MOUNTAIN ST. #215
GLENDALE, CA 91202-1903
818-205-8673

LEGEND

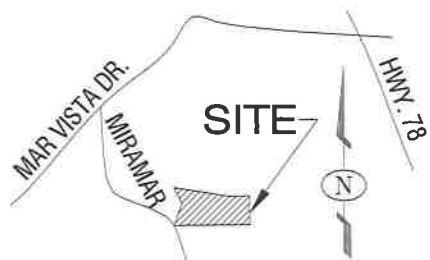
 INDICATES EASEMENT TO BE GRANTED TO VISTA IRRIGATION DISTRICT (M129).

 INDICATES PORTION OF VID BLANKET EASEMENT (A4) TO BE QUITCLAIMED.

**VISTA IRRIGATION DISTRICT
GRANT OF RIGHT-OF-WAY (M129)
QUITCLAIM NO. (664)**

APN 183-083-15	T.B. 1107 J-2
SCALE: 1"=50'	L.N. 2016-037
APPD. BY <i>JB</i>	DATE <i>4/25/17</i>
DRAWN BY: JB	DATE 4/21/17
SHEET 1 OF 1	MAP F18
REVISED: 4/21/17 Jeanette Bradshaw	

W.O.



VICINITY MAP

NO SCALE

Cash Disbursement Report

Payment Dates 04/06/2017 - 04/19/2017



Payment Number	Payment Date	Vendor	Description	Amount
55826-55827	04/12/2017	Refund Checks 55826-55827	Customer Refunds	1,020.44
55828	04/12/2017	Air Resources Board	Portable Compressors Permit Renewals (2)	1,140.00
55829	04/12/2017	Airgas USA LLC	Acetylene & Oxygen Fuel	371.27
	04/12/2017		Arc Helmet Lens - Truck 11	(17.33)
55830	04/12/2017	Asphalt Zipper Co	Grinder Bits (45)	463.91
55831	04/12/2017	Brooke Michelle Furgal	2017 Water Awareness Poster Contest (1st)	100.00
55832	04/12/2017	Caitlyn Enciso	2017 Water Awareness Poster Contest (2nd)	50.00
55833	04/12/2017	California Department of Justice	New Employee Background Check	49.00
55834	04/12/2017	Cecilia's Safety Service Inc	Traffic Control - Lobelia Dr/Robelini Dr	4,450.00
	04/12/2017		Traffic Control - Mimosa Ave	935.00
55835	04/12/2017	City Of Escondido	Escondido Water Treatment Plant 01/2017 & 02/2017	145,250.00
55836	04/12/2017	City of Oceanside	Weese Treatment 03/2017	7,645.00
55837	04/12/2017	EDCO Waste & Recycling Services Inc	Trash/Recycle 03/2017	206.46
	04/12/2017		40yd Dumpster 03/17	527.15
55838	04/12/2017	El Camino Rental	Concrete	162.38
55839	04/12/2017	Eurofins Eaton Analytical Inc	Lead Testing	75.00
	04/12/2017		Lead Testing	255.00
55840	04/12/2017	Ferguson Waterworks	DFW Meter Box Lid Small (48)	2,753.88
	04/12/2017		DFW Meter Box Small (48)	3,793.08
	04/12/2017		DFW Meter Box Lid Large (25)	2,056.75
	04/12/2017		DFW Meter Box Large (25)	2,598.00
	04/12/2017		DFW Meter Box Lid 3.5 (48)	1,974.48
55841	04/12/2017	Coast Fitness Repair Shop	Treadmill Service	125.00
55842	04/12/2017	Fleet Pride	Air Brake Gladhands w/Dust Covers (4)	80.16
55843	04/12/2017	Hawthorne Machinery Co	Battery Cover - B21	36.81
	04/12/2017		Front Grill Bumpers (2) - B21	192.83
55844	04/12/2017	HD Supply Waterworks	Blind Flange	50.97
55845	04/12/2017	HDR	2016 Water Master Plan Update 02/2017	16,782.50
55846	04/12/2017	Home Depot Credit Services	Heavy Duty Tarp	420.94
	04/12/2017		Wire Brush, Metal Cut-off Disc	37.97
	04/12/2017		Canopy	161.29
	04/12/2017		Angle Grinder, Screw Adapter	235.95
	04/12/2017		Retro-Battery Kit	139.64
	04/12/2017		Paint & Building Supplies	59.45
	04/12/2017		Plumbing Parts	12.60
	04/12/2017		Water Line for Hydration Station	7.29

Payment Number	Payment Date	Vendor	Description	Amount
	04/12/2017		Concrete Forms, Lumber, Rebar	121.36
	04/12/2017		Paint	32.48
	04/12/2017		Angle Iron Supplies	63.37
	04/12/2017		Work Platform	71.16
	04/12/2017		Asphalt	51.83
	04/12/2017		Plywood	143.00
	04/12/2017		Plywood	141.37
	04/12/2017		Concrete Patch	51.86
	04/12/2017		Plywood	34.38
	04/12/2017		ABS Pipe, Adapter, Coupling	(16.38)
	04/12/2017		ABS Pipe, Adapter, Coupling, Cleanout Plug	31.06
	04/12/2017		ABS Pipe, Adapter, Coupling, Lantern	43.40
	04/12/2017		Welding/Grinding Supplies	344.69
	04/12/2017		Power Plug	15.99
	04/12/2017		Drain Cleaner Tool Rental Deposit	125.00
	04/12/2017		Drain Cleaner Tool Rental Deposit Return	(59.96)
	04/12/2017		Adjustable Rip Fence, Blades, Chlorinating Liquid	84.72
	04/12/2017		Hose for Faucet	12.89
	04/12/2017		Supplies to Repair Wave Plate	319.61
	04/12/2017		Wire Mesh	42.99
	04/12/2017		Supplies to Repair Wave Plate	210.46
	04/12/2017		Supplies for Dam Repair	268.24
	04/12/2017		Chlorinating Liquid	29.69
	04/12/2017		Refrigeration Coil, Spray Paint, Primer, Brushes	92.88
	04/12/2017		Rust-Oleam	20.43
	04/12/2017		Batteries, Air Fresheners	61.14
	04/12/2017		Couplings	334.36
55847	04/12/2017	Lighthouse Inc	Lightbar Adapter Kits (2)	205.68
55848	04/12/2017	Major League Pest/Gemini Pest Control	Pest Control Service	93.00
55849	04/12/2017	Moodys	Dump Fees (2)	400.00
	04/12/2017		Dump Fees (4)	800.00
	04/12/2017		Dump Fees (4)	800.00
	04/12/2017		Dump Fees (2)	400.00
	04/12/2017		Dump Fee	200.00
	04/12/2017		Dump Fee	200.00
55850	04/12/2017	NAPA Auto Parts	Side Steps - Truck 21	247.38
	04/12/2017		Air Hammer Retaining Springs (2)	8.64
	04/12/2017		Sandpaper - Shop	16.56
	04/12/2017		Filter, Tool Universal, Brake Fluid, Clips & Ties	106.83
	04/12/2017		D-Rings for tie down - Truck 48	20.55
55851	04/12/2017	North County Auto Parts	Lamp Bulb, Degreaser, Coolant Caps - Shop	26.01

Payment Number	Payment Date	Vendor	Description	Amount
55852	04/12/2017	One Source Distributors	Safety Body Harnesses (4)	1,532.47
55853	04/12/2017	Pacific Pipeline Supply	Steel Grooved Pipe, Grooved Coupling	94.83
	04/12/2017		Repair Clamp	768.09
	04/12/2017		2" Sch 80 Threaded Cap (2)	23.82
	04/12/2017		4" PO End Cap	35.72
	04/12/2017		End Cap	53.37
55854	04/12/2017	Paul Stewart	2017 Water Awareness Poster Contest (3rd)	25.00
55855	04/12/2017	Benetrac	Employee Benefits Tracking 04/2017	400.00
55856	04/12/2017	Pollardwater	De-Chlorination Tablets	1,016.39
55857	04/12/2017	Priority Neopost	Ink Cartridge, Sealer Brush	291.39
55858	04/12/2017	Ramco Petroleum	Fuel 03/2017	1,421.52
55859	04/12/2017	Ryan Herco Flow Solutions	Sandpiper Mud Pump - Truck 21	2,138.43
55860	04/12/2017	San Diego Gas & Electric	Gas 03/2017	570.08
	04/12/2017		Electrical Transmission 03/2017	2,439.40
	04/12/2017		Electric 03/2017 - T&D	14.13
55861	04/12/2017		Electric 03/2017 - Wellfield	13,498.84
	04/12/2017		Electric 03/2017 - T&D	45.26
	04/12/2017		Electric 03/2017 - Reservoirs	42.35
	04/12/2017		Electric 02/2017 - Cathodic Protection	19.89
55862	04/12/2017	Southern Counties Lubricants, LLC	Fuel 03/16/2017-03/31/2017	4,600.52
55863	04/12/2017	Spok, Inc	Paging Service 04/2017	32.88
55864	04/12/2017	Staples	Gift Cards (3) - 2017 Wtr Awareness Poster Contest	120.00
55865	04/12/2017	Sunrise Materials Inc	Waddles	138.56
55866	04/12/2017	TS Industrial Supply	Sprayer Nozzle, Mud Pump Screen	97.64
	04/12/2017		Air Couplers, Lock Nuts - Shop	50.51
	04/12/2017		Chisel	21.43
	04/12/2017		Drain Spade Shovel	50.88
55867	04/12/2017	Tyler Technologies Inc	Custom Programming	2,500.00
55868	04/12/2017	UniFirst Corporation	Uniform Service	347.14
55869	04/12/2017	VG Donuts & Bakery Inc	Board Meeting 04/05/2017	29.65
55870-55878	04/19/2017	Refund Checks 55870-55878	Customer Refunds	3,959.34
55879	04/19/2017	ABABA Bolt	1" Nuts (10)	4.87
55880	04/19/2017	ACWA/JPIA	Medical & Dental Insurance 05/2017 - Cobra	69.09
	04/19/2017		Medical & Dental Insurance 05/2017 - Cobra	2,941.08
	04/19/2017		Medical & Dental Insurance 05/2017 - Cobra	138.18
	04/19/2017		Medical & Dental Insurance 05/2017 - Cobra	69.09
	04/19/2017		Medical & Dental Insurance 05/2017 - Cobra	69.09
	04/19/2017		Medical & Dental Insurance 05/2017 - Employees	155,748.59
	04/19/2017		Medical & Dental Insurance 05/2017 - Retirees	33,893.72
	04/19/2017		Medical & Dental Insurance 05/2017 - J MacKenzie	1,731.63
	04/19/2017		Medical & Dental Insurance 05/2017 - R Vasquez	1,462.29

Payment Number	Payment Date	Vendor	Description	Amount
	04/19/2017		Medical & Dental Insurance 05/2017 - M Miller	1,731.63
	04/19/2017		Medical & Dental Insurance 05/2017 - P Dorey	1,462.29
55881	04/19/2017	Air Technologies Corporation	Office Ergonomic Supplies	684.05
55882	04/19/2017	Alignment Plus	Diagnose & Alignment - Truck 44	150.00
55883	04/19/2017	BHA Inc	Henshaw Dam Survey 03/2017	1,418.90
	04/19/2017		Surveying Service 03/2017 - Pechstein	1,670.00
55884	04/19/2017	Cass Construction, Inc	Shea Homes Flume Relocation Construction	2,967.56
55885	04/19/2017	CDW Government Inc	SAN Hard Drive	610.93
55886	04/19/2017	Cecilia's Safety Service Inc	Traffic Control - Lobelia Dr/Robelini Dr	5,885.00
	04/19/2017		Traffic Control - Independence Way	595.00
	04/19/2017		Traffic Control - Guajome Lake Rd	1,360.00
	04/19/2017		Traffic Control - Jamaica Way	765.00
55887	04/19/2017	Council of Water Utilities	Meeting 04/18/2017 - R Vasquez	25.00
	04/19/2017		Meeting 04/18/2017 - P Dorey	25.00
	04/19/2017		Meeting 04/18/2017 - E Boone	25.00
55888	04/19/2017	Dell Awards	Name Badge - P Sanchez	15.28
55889	04/19/2017	Department of Forestry & Fire Protection	Brush Cleaning @ Dam	228.62
55890	04/19/2017	Diamond Environmental Services	Portable Restroom Service	89.71
	04/19/2017		Stationary & Portable Restroom Service	217.68
55891	04/19/2017	Digital Deployment, Inc	Website Hosting, Maintenance & Support	300.00
55892	04/19/2017	Dion International Trucks Inc	Front Wheel - Truck 44	206.07
55893	04/19/2017	Employee Relations, Inc	Pre-Employment Background Check	65.10
55894	04/19/2017	Escondido Metal Supply	Steel for Valve Install	145.16
55895	04/19/2017	Eurofins Eaton Analytical Inc	Lead Testing	150.00
	04/19/2017		Lead Testing	15.00
55896	04/19/2017	Ewing Irrigation Products Inc	Pesticide Training	600.00
55897	04/19/2017	Fastenal Company	Tools for Cla-Val Maintenance	45.01
	04/19/2017		Hardware for Valve Install	73.51
	04/19/2017		Hardware for Valve Install	244.97
	04/19/2017		Flat Washers - Shop	40.42
55898	04/19/2017	Ferguson Waterworks	Bolts, Nuts	850.85
55899	04/19/2017	GLC-(CA) Vista LLC	Solar Use 03/2017	6,298.13
55900	04/19/2017	Glennie's Office Products Inc	Office Supplies	160.09
	04/19/2017		Office Supplies	121.85
55901	04/19/2017	Grainger	O-rings, Disposable Gloves, Splicing Tape	100.13
	04/19/2017		Saw Blades	31.28
	04/19/2017		Hinges (7)	210.05
55902	04/19/2017	Hawthorne Machinery Co	Hydraulic Hoses, Lens Cover	260.54
	04/19/2017		Hydraulic Oil - B19	101.91
55903	04/19/2017	HD Supply Waterworks	Gaskets (100)	818.90
55904	04/19/2017	HUB Construction Specialties	Expansion Joints & Caps	14.44

Payment Number	Payment Date	Vendor	Description	Amount
55905	04/19/2017	Infrastructure Engineering Corporation	Shea Flume Inspection 02/25/17-03/31/17	10,208.00
55906	04/19/2017	Inland Water Works Supply Co	Meter 100W ERT (202)	16,399.88
	04/19/2017		100W Through-the-Lid Remote Mount Antenna Kits (10)	405.94
55907	04/19/2017	Interstate Battery of San Diego Inc	Battery - Truck 10	130.08
	04/19/2017		Battery - Truck 61	130.08
55908	04/19/2017	Iron Mountain Records Management	Offsite Data Storage	160.31
55909	04/19/2017	KEH & Associates, Inc	Pipeline Replacement Design 03/2017	10,104.30
55910	04/19/2017	Kimball Midwest	Primer, Decal Removal Wheel - Shop	54.05
55911	04/19/2017	Lawnmowers Plus Inc	Repair Kit for Weed Whip	106.51
	04/19/2017		Weed Whips (3), Rapid Loader	1,632.27
	04/19/2017		Rapid Loader for Weed Whip	10.78
	04/19/2017		Repair Kit for Weed Whip	36.37
55912	04/19/2017	Lightning Messenger Express	Messenger Service 03/30/17	48.00
55913	04/19/2017	Major League Pest/Gemini Pest Control	Bee Removal	85.00
	04/19/2017		Bee Removal	85.00
55914	04/19/2017	Mallory Safety and Supply, LLC	Safety Glasses (60)	226.03
55915	04/19/2017	Medical Eye Services	Vision Insurance 05/2017 - Cobra	14.24
	04/19/2017		Vision Insurance 05/2017 - Cobra	14.24
	04/19/2017		Vision Insurance 05/2017 - Employees	1,602.12
	04/19/2017		Vision Insurance 05/2017 - R Vazquez	14.24
	04/19/2017		Vision Insurance 05/2017 - M Miller	14.24
	04/19/2017		Vision Insurance 05/2017 - J MacKenzie	14.24
	04/19/2017		Vision Insurance 05/2017 - P Dorey	14.24
	04/19/2017		Vision Insurance 05/2017 - P Sanchez	28.48
55916	04/19/2017	Moodys	Dump Fees (2)	400.00
	04/19/2017		Dump Fee	200.00
	04/19/2017		Dump Fees (3)	600.00
	04/19/2017		Dump Fees (4)	800.00
	04/19/2017		Dump Fees (2)	400.00
55917	04/19/2017	MRC, Smart Technology Solutions	Managed Print Services	807.55
55918	04/19/2017	MSDS Online. Inc	MSDS Online Subscription	2,061.75
55919	04/19/2017	Mutual of Omaha	LTD/STD/Life Insurance 05/2017	6,241.99
55920	04/19/2017	North County Auto Parts	Hydraulic Fittings (2) - B19	29.90
	04/19/2017		Hydraulic Line O'Rings - Shop	45.47
	04/19/2017		Air Hammer Return Spring - Shop	21.38
	04/19/2017		Front Brake Pads - Truck 20	60.09
	04/19/2017		Filters, Engine Degreaser	18.25
	04/19/2017		Glass Cleaner - Shop	11.20
55921	04/19/2017	North County Pool Center Inc	Chlorine	22.45
55922	04/19/2017	Pacific Pipeline Supply	Hex Nuts, Brass Bolts	479.11
55923	04/19/2017	Parkhouse Tire Inc	Tire/Mounting/Road Call - Truck 44	499.23

Payment Number	Payment Date	Vendor	Description	Amount
55924	04/19/2017	RC Auto & Smog	Smog Test - Truck 42	50.00
	04/19/2017		Smog Test - Truck 60	50.00
55925	04/19/2017	Interstate All Battery Center	Battery - T19	21.65
55926	04/19/2017	RouseSign and Graphics Inc	Name Plate	51.96
55927	04/19/2017	San Diego Gas & Electric	Electric 03/2017 - Cathodic Protection & T&D	199.12
	04/19/2017		Electric 03/2017 - Reservoirs	122.58
	04/19/2017		Electric 03/2017 - Pump Stations	5,300.49
	04/19/2017		Electric 03/2017 - Plants	89.14
55928	04/19/2017	Tegriscap Inc	Landscaping Maintenance Service 03/2017	1,840.00
55929	04/19/2017	The UPS Store 0971	Shipping 03/2017	179.28
55930	04/19/2017	TS Industrial Supply	Suction Hose	107.30
	04/19/2017		Marking/Striping Paint, Grinding Wheel, Brushes	3,120.05
	04/19/2017		1 Gallon Poly Sprayer (4)	213.63
	04/19/2017		3 Gallon Water Cooler (3)	107.17
	04/19/2017		Cutter 150 Copper 1/8" to 1.5" (3)	92.39
	04/19/2017		Blade 14" Diamond Concrete (4)	897.18
	04/19/2017		Vest Lime Hi-Viz 2XL (10)	175.91
	04/19/2017		First Aid Kits (10)	232.20
	04/19/2017		Abrasive Roll 120G (24)	387.88
	04/19/2017		Cartridges MSA Comb for P100 (4)	494.49
	04/19/2017		Towel Wypall X80 (25)	798.34
	04/19/2017		Pump 36" Utility Water (20)	718.78
	04/19/2017		Measuring Tape 25' (18)	324.43
55931	04/19/2017	Tyler Technologies Inc	Maintenance 05/01/17 - 04/30/18	1,212.75
55932	04/19/2017	Underground Service Alert of Southern California	DigAlert New Tickets 03/2017 (274)	411.00
55933	04/19/2017	UniFirst Corporation	Uniform Service	352.65
55934	04/19/2017	Union Bank	CA-NV AWWA Spring Conference	267.93
	04/19/2017		CA-NV AWWA Spring Conference	267.93
	04/19/2017		ARC Flash Electrical Safety Training	1,100.00
	04/19/2017		ACWA Spring Conference	156.40
	04/19/2017		Supervisory Skills Workshop	225.00
	04/19/2017		Wks Comp & Leadership Conference	55.00
	04/19/2017		Wks Comp & Leadership Conference	55.00
	04/19/2017		ACWA Spring Conference - P Sanchez	461.60
	04/19/2017		California Water Policy Conference 26 - R Vasquez	391.07
	04/19/2017		JPIA Liability Program Committee Mtg - P Dorey (JPIA Reimbursed)	158.22
	04/19/2017		GRA Annual Legislative Symposium - P Dorey	413.55
	04/19/2017		JPIA Liability Program Committee Mtg - P Dorey (JPIA Reimbursed)	213.88
	04/19/2017		ACWA Water Quality Committee Mtg - R Vasquez	137.05
	04/19/2017		California Water Policy Conference 26 - R Vasquez	399.00
	04/19/2017		CSDA Special Districts Legislative Days - J MacKenzie	150.00

Payment Number	Payment Date	Vendor	Description	Amount
	04/19/2017		Southern CA Water Committee Mtg - P Dorey	70.00
	04/19/2017		California Water Policy Conference - J MacKenzie	399.00
	04/19/2017		Ethics AB1234 Compliance Webinar - P Sanchez	65.00
	04/19/2017		ACWA Spring Conference - P Sanchez	699.00
	04/19/2017		ACWA Spring Conference - J MacKenzie	699.00
	04/19/2017		ACWA Spring Conference - P Dorey	699.00
	04/19/2017		ACWA Spring Conference - B Hodgkiss	699.00
	04/19/2017		ACWA Spring Conference - E Boone	699.00
	04/19/2017		California Water Policy Conference - E Boone	399.00
55935	04/19/2017	UPS	Shipping	38.85
55936	04/19/2017	Verizon Wireless	SCADA Remote Access 02/21/17-03/20/17	240.14
55937	04/19/2017	Vista Firestone Brake & Smog	Tires/Mounting (4)	642.48
55938	04/19/2017	Vulcan Materials Company and Affiliates	Cold Mix	2,041.85
Grand Total:				547,317.09



STAFF REPORT

Agenda Item: 7

Board Meeting Date: May 3, 2017
Prepared By: Brett Hodgkiss, Don Smith,
and Brian Smith
Approved By: Eldon Boone

SUBJECT: DIVISION REPORTS

RECOMMENDATION: Note and file informational report.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: None.

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

ADMINISTRATION DIVISION

April

- **The District's total water production for March 2017 was 1,162 acre-feet (AF) compared to 1,343 AF in 2013, representing a 13 percent decrease. For the twenty two month period ended March 31, 2017 that the State has mandated conservation standards, the District's total water production has decreased by 16 percent when compared to a twenty two month period using 2013 data. The District's State mandated conservation standard is 0%.**
- Issued a news release announcing the winners of the scholarship and water awareness poster contest.
- Hosted California Special Districts Association's workshop on supervisory skills in the public sector.
- Hosted Homeowner Landscape Makeover Workshop.
- Continued coordinating the development of the District Budget.
- Completed recruitments for Construction Worker and Information Technology System Administrator positions. Robert Hogge accepted a promotion to the position of Construction Worker. Rick Pooley accepted the job offer for the Information Technology System Administrator position.
- Began recruitment for Laborer position.
- Presented information about the District and its operation to a group of eighth grade students from Vista Unified School District as part of the school district's "Talent Cities" pilot program; the goal of the program is to provide students with career ideas so that they are better able to plan their high school and post-secondary educational program.
- Coordinated training on proper use of respiratory protection equipment and fit testing for field personnel.

May

- Attend Association of California Water Agencies 2017 Spring Conference
- Mail notice regarding the availability of the Consumer Confidence Report (annual water quality report) on-line beginning July 1, 2017 with water bills.
- Issue news release announcing landscape contest winner.
- Participate in Vista Strawberry Festival.

- Continue coordinating the development of the District Budget.
- Continue recruitment for Laborer position.
- Coordinate training on summer safety issues, including heat related illness, for field personnel.

ENGINEERING DIVISION

April

- Mainline Replacements – Continued working on design of main replacement projects.
- The District has replaced approximately 5.8 miles of Nipponite pipe since 2002. Of the 11.3 miles of Nipponite pipe remaining in the system, replacement of 4.3 miles is currently in design and 0.5 mile is in construction.
- Beehive Bench & Siphon – Infrastructure Engineering Corporation evaluating rehabilitation alternatives.
- Flume Relocation (Hidden Valley Estates) – Cass Construction continued with flume relocation work.
- Master Plan Update – HDR continued on master planning efforts.
- HP Reservoir Rehabilitation – Richard Brady and Associates (Brady) completed gunite / pre-stressed wire removal and tank footing demolition work. See cost estimate / bid summary table attached.

May

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

*Nipponite pipe

FIELD SERVICES AND WATER RESOURCES DIVISION

VID Water Production

March 2017

Description	Current Month Production		Average Production of Last 12 Months		Total, Fiscal Year-to-Date
	(mgd)	(af)	(mgd)	(af)	(af)
VID's EVWTP Water Production					
Local Water	0.00	0.00	1.22	114.85	858.40
SDCWA Raw Water	0.00	0.00	8.00	745.99	6,238.50
Subtotal (EVWTP Water Production)	0.00	0.00	9.22	860.84	7,096.90
Oceanside Contract Water	0.58	55.00	1.20	111.38	1,167.40
SDCWA Treated Water	11.63	1,106.80	4.64	436.48	4,241.30
TOTAL WATER PRODUCTION	12.21	1,161.80	15.06	1,408.71	12,505.60

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

Lake Henshaw

Storage as of April 25, 2017: 15,154 af (29% of 51,774 af capacity)
 Current releases: 15 cfs
 Change in storage for month of March: 1,716 af (gain)
 Total releases for month of March: 0 af
 Hydrologic year-to-date rain total: 32.59 inches (April 25, 2017)
 Percent of yearly average rain: 135% (30-year average: 24.09 inches)
 Percent of year-to-date average rain: 140% (30-year average through April: 23.36 in.)

Warner Ranch Wellfield

Number of wells running in March: 3*
 Total production for month of March: 36 af*
 Average depth to water table (March): 122 ft (see attached historical water table chart)
 * Wellfield in maintenance/cattle water mode

Electrical Energy Use at VID Headquarters

March 2017

Description	Current Month Production	Average of Last 12 Months	Total, Fiscal Year-to-Date
	(kWh)	(kWh)	(kWh)
Solar Production (\$0.16 per kWh)	39,071	33,397	278,884
Power purchased from Direct Energy (\$0.05 per kWh)	9,973	14,270	158,187
TOTAL ELECTRICAL ENERGY USE	49,044	47,667	437,071

April

- Water Quality Calls/Incidents for April – received one discolored water call. Discolored water was determined to be calcium carbonate from the private hot water system.
- Collected and processed a total of 27 lead samples from nine schools within the Vista Unified School District.
- Continued main line replacement of 6” steel pipe on Lobelia Drive and Primrose Avenue – install 4,300’ of various size PVC, 49 services and 9 hydrants. Approximately 35% complete.
- Completed main line replacement of 4” Nipponite pipe on Mimosa Avenue (private easement) – installed 460’ of 4” PVC and seven services.
- Cleaned, prepared and poured 3 new concrete wave plates on face of Henshaw Dam.

May

- Continue main line replacement of 6” steel pipe on Lobelia Drive and Primrose Avenue.

ATTACHMENTS:

Lake Henshaw Resort, Inc., Activity Reports – February 28, 2017

VID's Warner Wellfield - Water Table Depth vs. Monthly Wellfield Production

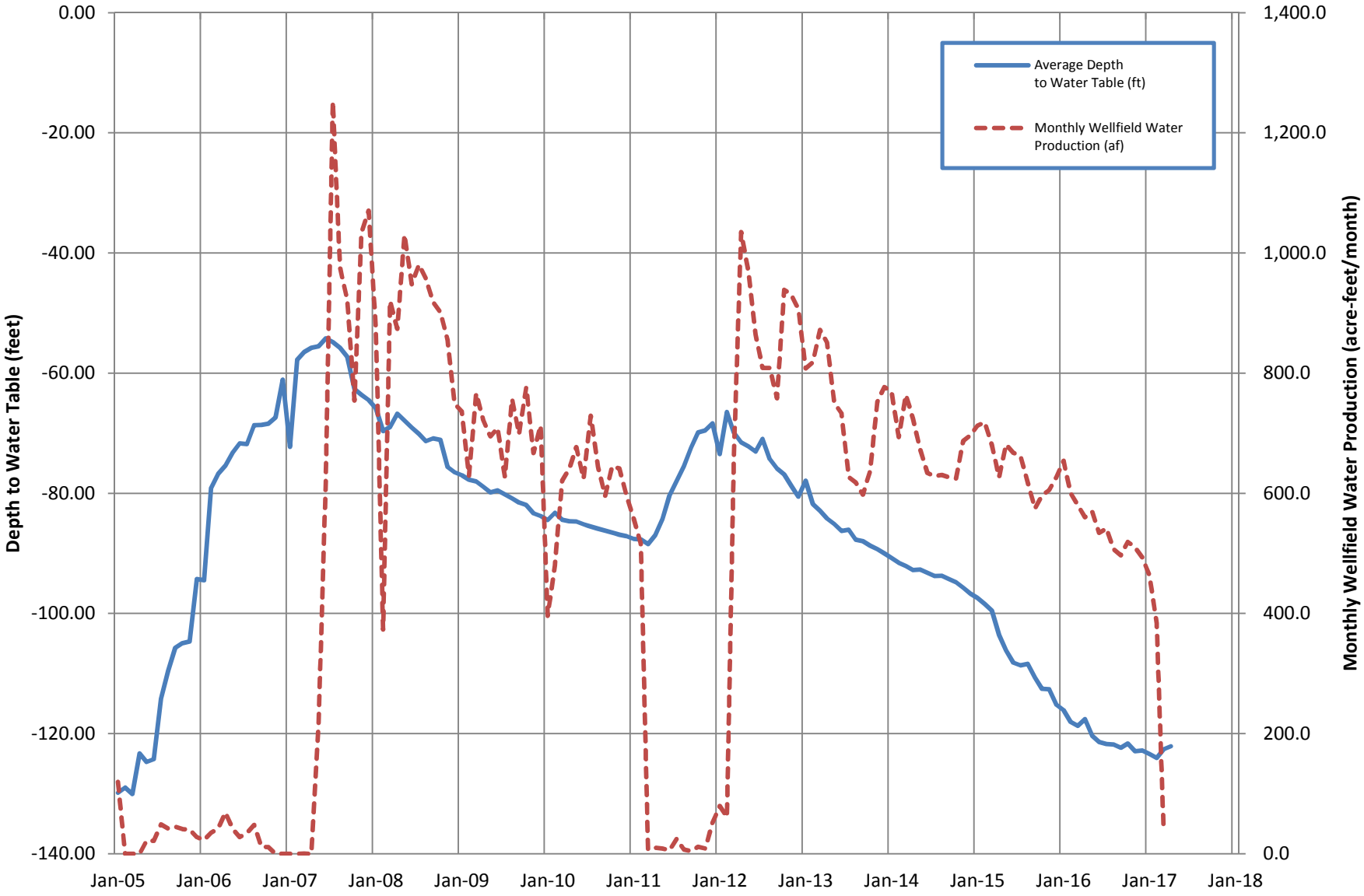


**LAKE HENSHAW RESORT, INC.
ACTIVITY REPORT
AS OF FEBRUARY 28, 2017**

	2016 Feb	2016 Mar	2016 Apr	2016 May	2016 Jun	2016 Jul	2016 Aug	2016 Sep	2016 Oct	2016 Nov	2016 Dec	2017 Jan	2017 Feb	12 MO AVG
Fishing Permits	327	591	699	650	772	835	617	573	356	285	80	109	83	471
Boat Launches	9	14	26	32	62	24	3	2	5	2	0	0	1	14
Motor Boats (full day rental)	13	27	52	55	59	56	49	24	13	1	13	14	0	30
Motor Boats (half day rental)	6	3	8	3	12	9	8	5	9	2	0	0	0	5
Campground/Head Count	170	153	194	2,124	659	1,642	1,159	1,294	749	205	115	77	54	702
Campground/Cars, Trucks, etc.	58	128	284	797	283	848	386	406	347	137	17	12	15	305
Campground/Recreational Vehicles	5	21	15	16	6	13	6	9	10	19	6	0	3	10
Mobile Home/Spaces	61	61	62	62	62	62	62	62	63	64	65	65	66	63
M.H.P. Daily (Visitors/Head Count)	9	12	23	22	53	6	12	18	0	0	0	0	0	12
M.H.P. (Residents/Head Count)	85	84	86	84	84	84	84	84	89	96	98	98	99	89
Storage	4	3	1	4	4	4	4	4	2	3	6	4	7	4
Cabins	91	231	166	174	127	109	191	238	211	248	167	109	112	174
Hunters	0	0	0	0	0	0	0	0	0	0	131	78	0	17

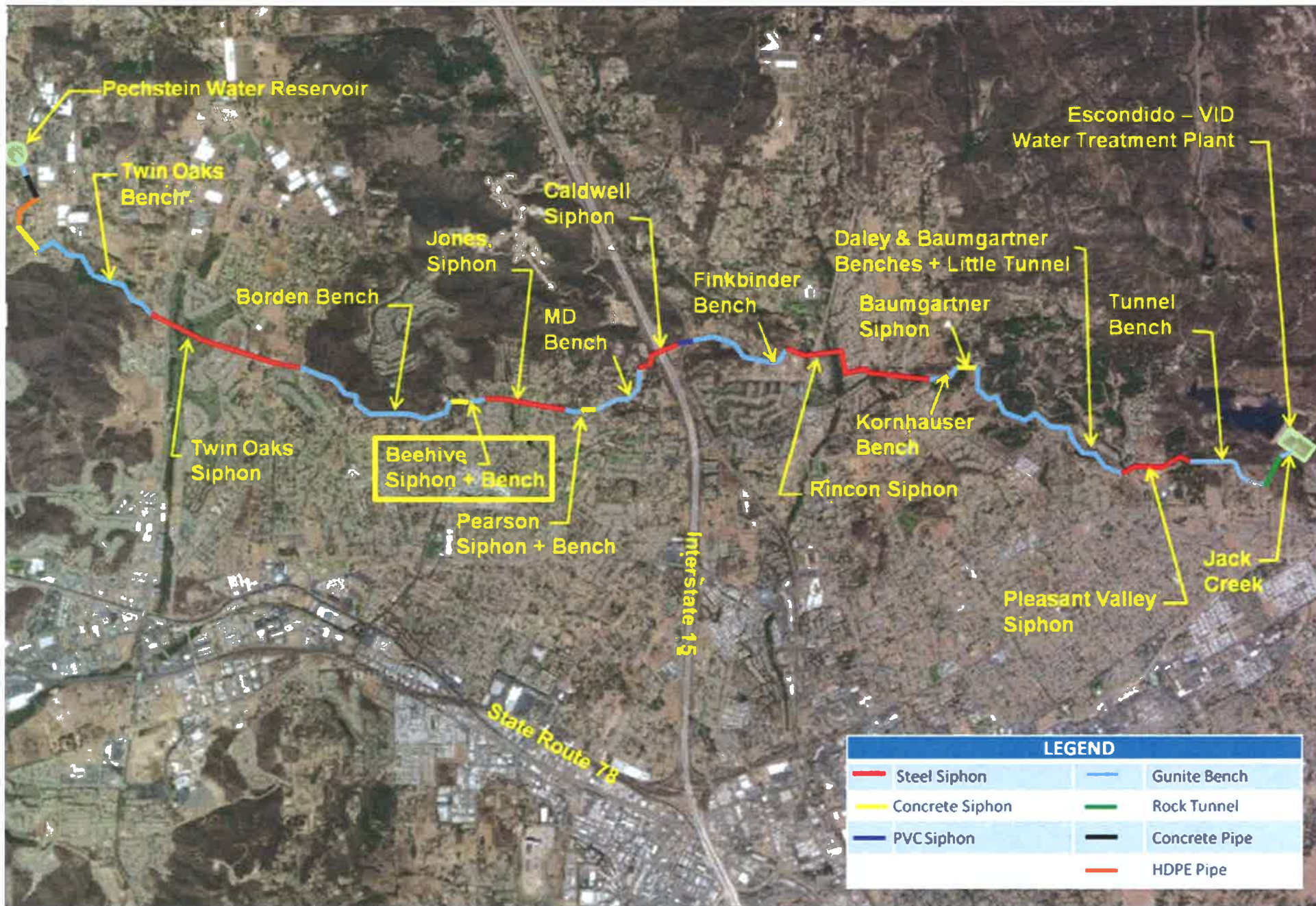
VID's Warner Wellfield

Water Table Depth vs. Monthly Wellfield Production



HP RESERVOIR CONSTRUCTION COST ESTIMATE AND BID SUMMARY

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





STAFF REPORT

Agenda Item: 8

Board Meeting Date: May 3, 2017
Prepared By: Don Smith
Reviewed By: Brett Hodgkiss
Approved By: Eldon Boone

SUBJECT: AMENDMENT TO OPERATING AGREEMENT WITH SAVE OUR HERITAGE ORGANISATION FOR THE WARNER-CARRILLO RANCH HOUSE

RECOMMENDATION: Authorize the General Manager to execute Amendment 1 to the Operating Agreement for the Warner-Carrillo Ranch House.

PRIOR BOARD ACTION: On June 1, 2011, the Board authorized the General Manager to execute an agreement with the Save Our Heritage Organisation (SOHO) for the operation and maintenance of the Warner-Carrillo Ranch House (Ranch House) following restoration.

FISCAL IMPACT: \$12,000 annually.

SUMMARY: For the 51 months ended March 31, 2017, SOHO has been operating and maintaining the Ranch House with an average monthly operating loss of \$1,041, excluding administrative overhead, startup costs, or the purchase of furnishings. SOHO has requested assistance to offset most of this operating loss. The proposed Amendment provides that, beginning July 1, 2017, the District will contribute \$1,000 per month, paid quarterly, towards SOHO's operation and maintenance obligations under the Operating Agreement. Per the Board's request, the Amendment also changes the notice required by either party to terminate the agreement for convenience from 90 days to 180 days.

DETAILED REPORT: The California Cultural and Historical Endowment contributed \$316,000 towards the cost of restoration for the Ranch House under the terms of a Grant Agreement approved by the Board in August, 2010 (Resolution No. 10-33). By accepting the grant, the District agreed to keep the Ranch House "accessible and open to the public for a period of twenty years from the date of project completion", or until August 2031. Currently, the District carries out this responsibility through its Ranch House Operating Agreement with SOHO.

Under the terms of the Operating Agreement, the public shall have access to the Ranch House "at least twenty-four (24) hours each calendar month, including four (4) hours each week unless otherwise approved in writing by the District." Since the commencement of museum operations in November 2012, SOHO has opened the Ranch House to the public every weekend. Currently, the Ranch House is open to the public between 12:00 pm and 4:00 pm, every Saturday and Sunday; admission is \$5 for adults and \$4 for seniors and children. On average, 23 people visit the Ranch House each month.

Per the Operating Agreement, SOHO is responsible for making the Ranch House available to the public, performing all routine maintenance and preparing and updating an Operating Plan. The District is responsible for providing water and power to the Ranch House and its associated restroom facility and for major maintenance items, including structural repairs, roof maintenance, termite damage, and grading and drainage of the grounds.

ATTACHMENTS:

1. Warner-Carrillo Ranch House Operating Agreement
2. Proposed Amendment No. 1 to the Warner-Carrillo Ranch House Operating Agreement

WARNER-CARRILLO RANCH HOUSE OPERATING AGREEMENT

This WARNER-CARRILLO RANCH HOUSE OPERATING AGREEMENT (the "Agreement") is entered into as of August 4, 2011 (the "Effective Date"), by and between the VISTA IRRIGATION DISTRICT, a special governmental district of the State of California formed and operating under California Water Code section 20500, *et seq.* ("VID"), and SAVE OUR HERITAGE ORGANISATION, a California non-profit corporation ("SOHO").

RECITALS

A. As part of its ownership of the Warner Ranch, VID owns the Warner-Carrillo Ranch House, a designated National Historic Landmark, which is one of the few remaining examples of the Mexican period adobes in California, and once served as an important stop for early overland migrants to California (the "Ranch House"). The Ranch House is located near the intersection of State Route 79 and County Route S-2 in unincorporated San Diego County. The Ranch House and surrounding grounds ("Grounds") are depicted on the plat attached hereto as Exhibit "A."

B. Due to its age, the condition of the Ranch House has deteriorated significantly, and it was in a state of disrepair. On August 24, 2010, VID entered into an agreement with the California Cultural and Historical Endowment for a grant of \$306,000, to be matched with \$190,000 in VID funds, for the restoration and rehabilitation of the Ranch House. VID anticipates that the Ranch House restoration will be completed by September 30, 2011.

C. Upon the completion of the restoration of the Ranch House, VID desires to establish a relationship with a separate entity for the operation and maintenance of the Ranch House.

D. SOHO is a California non-profit corporation with expertise in the preservation, promotion and support of the architectural, cultural and historical landmarks that contribute to the community identity, depth and character of the San Diego region. Among its activities, SOHO operates and maintains rehabilitated historical structures.

E. VID and SOHO mutually desire to enter into this Agreement to set forth the terms and conditions under which SOHO will, operate and maintain the Ranch House on behalf of VID, at no direct cost to VID, but in consideration for SOHO's use of the Ranch House for SOHO-related activities.

EXECUTORY AGREEMENTS

NOW, THEREFORE, in consideration of the facts recited above, and the covenants, conditions and terms set forth herein, VID and SOHO do hereby agree as follows:

1. Annual Operating Plan. Within one hundred twenty (120) days of the Effective Date, and, prior to the beginning of each fiscal year thereafter during the term of this Agreement, SOHO shall prepare and submit for review and written approval by VID an Annual Operating

Plan (the "Operating Plan"). Amendments or changes to the Operating Plan may be made more frequently than annually, by submitting an updated Operating Plan to VID for its approval. VID shall not unreasonably withhold or delay approval of the Operating Plan. At a minimum, the Operating Plan shall address or contain the following:

1.1 Interpretative Plan. An interpretative plan for the Ranch House shall be included in the Operating Plan.

1.2 Building Use and Maintenance. The Operating Plan shall describe the use(s) for the Ranch House, and a building maintenance plan that addresses preservation of the Ranch House structure and general upkeep for the health and safety of the public. Any proposed changes to be made to the uses of the Ranch House shall be described.

1.3 Furnishings. The Operating Plan shall include a schematic room plan of each room in the Ranch House and an inventory, including a record of ownership, of all items in each room. The inventory of furnishings shall comport with the requirements described in section 2.3.3, below.

1.4 Curation/Archive. The Operating Plan shall include, in addition to a current inventory of all items in the Ranch House, a housekeeping and curation plan for the items, and a procedure to acknowledge and access donations.

1.5 Marketing. The Operating Plan shall include a marketing plan that describes a strategy to advertise the Ranch House, including brochures, pamphlets, special events, news releases, and onsite information regarding the Ranch House, SOHO and VID. The Operating Plan shall provide for a publicly accessible internet website that describes the history and setting of the Ranch House, the hours that the Ranch House is open for public access, the admission fee (if any), and a telephone number staffed by SOHO personnel that the public may call for information regarding the Ranch House or its operations. The Operating Plan shall also provide for the posting onsite in a prominent location at the Ranch House, that is accessible to the public twenty-four (24) hours each day, a sign that includes SOHO's Ranch House website address (url) and informational telephone number, and the hours each day that the Ranch House is open to the public.

1.6 Programs and Activities. The Operating Plan shall include the days and hours of operation of the Ranch House, the types and frequencies of programs and special events, and a fee schedule for programs and special events.

1.6.1 Under the operating hours set forth in the Operating Plan, the general public shall not be wholly or permanently excluded from the Ranch House. The Operating Plan may, however, include reasonable restrictions for the use of the Ranch House and participation in certain activities at the Ranch House, provided that those restrictions are consistent with the rights of the general public and are designed to enable SOHO to use the Ranch House for the purposes set forth herein. The Operating Plan shall provide that members of the public shall be allowed access to the Ranch House at least twenty-four (24) hours each calendar month, including four (4) hours each week, unless otherwise approved in writing by VID.

1.6.2 As set forth in the Operating Plan, SOHO shall have the right to charge reasonable fees for entrance into the Ranch House or for any of the services provided by SOHO under this Agreement; provided, however, that any fees charged by SOHO shall be approved by VID.

1.7 Management and Staffing. The Operating Plan shall include a listing of the paid and unpaid positions, job descriptions and qualifications, and recruitment and hiring methods, for SOHO employees, contractors and volunteers who will staff the Ranch House. Training for management and staff shall be addressed, and shall be at museum standards and shall be directed toward customer service.

1.8 Customer Satisfaction Surveys. The Operating Plan shall include programs to continually survey customers and to take corrective actions to address customer comments.

1.9 Landscaping. The Operating Plan shall include any proposed changes to be made to the landscaping, walkways and other amenities in proximity to the Ranch House.

1.10 Security. The Operating Plan shall include the methods used to secure the Ranch House, its furnishings, and the grounds around it.

1.11 Financial Statement. The Operating Plan shall include SOHO's annual financial statements.

1.12 By-Laws. The Operating Plan shall include a current copy of SOHO's by-laws and a current list of SOHO's officers and directors.. The Operating Plan shall provide that, within fourteen (14) days of any change in the make-up of the officers or directors of SOHO, SOHO shall provide an updated list to VID. The Operating Plan shall also include a current explanation of the status and rights of SOHO members, particularly in relation to access to and participation in events held at the Ranch House and Grounds.

2. Operation of Ranch House.

2.1 Commencement of SOHO Ranch House Operations. Upon its acceptance of the completion of the Ranch House rehabilitation and restoration, VID shall transmit a written notice to SOHO to commence operation of the Ranch House (the "Commencement Notice"). SOHO shall have an exclusive (subject to VID's access rights pursuant to Section 3 below) license to occupy and use the Ranch House and Grounds, and shall operate and maintain the Ranch House and Grounds in accordance with this Agreement and the Operating Plan then in effect, from the date of the Commencement Notice until this Agreement expires or terminates.

2.2 SOHO Operational Rights. From the date of the Commencement Notice, and through the term of this Agreement, SOHO shall have the right to conduct the following operations and activities at the Ranch House and Grounds in accordance with the Operating Plan then in effect:

2.2.1 Open the Ranch House and Grounds to the public as a museum with regular hours of operation, and conduct public tours of the Ranch House.

2.2.2 To the extent feasible, acquire period furnishings (ownership of which shall be as described in section 2.3.3, below) for interpretive exhibits, and create an historic furnishings report.

2.2.3 Develop and maintain an interpretive program of the Ranch House, the Overland Trail and the history of water in the Warner Ranch area.

2.2.4 Support and facilitate the activities and operations in paragraphs 2.2.1, 2.2.2 and 2.2.3 above, including but not limited to administrative, marketing and accounting activities, photography and graphic art support, computer, curatorial, archival activities, events planning, grant writing and fund raising.

2.3 SOHO Operational Responsibilities. SOHO shall comply with the following provisions in connection with its operations and activities at the Ranch House and Grounds:

2.3.1 SOHO shall operate and use the Ranch House and Grounds only for the purposes and activities authorized by this Agreement and more particularly described in the Operating Plan then in effect, and the Ranch House and Grounds shall not be operated or used for any other use or purpose whatsoever without the prior written consent of VID.

2.3.2 SOHO shall staff the Ranch House with trained docents, and develop a volunteer docent program in accordance with the Operating Plan.

2.3.3 SOHO shall keep track of the ownership of all furnishings stored and displayed within the Ranch House or on the Grounds. Further, SOHO shall obtain clarification regarding the intent of any donation of furnishings made in connection with the operation of the Ranch House – whether the intent is for: the item to be loaned (and hence not donated per se); donated for display at the Ranch House (and hence donated to VID, the owner); or donated to support SOHO's operation (in which case the item shall be owned by SOHO). Any item stored or displayed within the Ranch House or on the Grounds whose ownership is unknown or which is unaccounted for in SOHO's inventory shall be presumed to be owned by VID.

2.3.4 SOHO shall not erect or display any banners, pennants, flags, posters, signs, decorations, marquees, awnings or similar devices or advertising at the Ranch House not described in the Operating Plan without the prior written consent of VID.

2.3.5 SOHO shall not serve, or allow the service of, alcohol at or within the Ranch House or Grounds without the prior written consent VID. In the event that VID grants permission for service of alcohol at or within the Ranch House and Grounds, SOHO shall be responsible for ensuring that all state and local regulations regarding the consumption of alcohol are followed.

2.3.6 SOHO shall not permit any person to smoke within thirty feet (30') of the Ranch House or any adjacent structure on the Grounds.

2.3.7 SOHO shall maintain proper and adequate policing and security of the Ranch House in accordance with the Operating Plan in order to assure its orderly use and to prevent, to the best of its abilities, intrusion from trespassers, playing children and vandals, it being understood that SOHO is not liable to VID for damages caused by trespassers, children or vandals.

2.3.8 SOHO shall not cause, permit or suffer any "hazardous material," "hazardous waste" or "hazardous chemicals," as those terms are used in CERCLA (42 U.S.C. § 9601) or SARA (42 U.S.C. § 110211), or any similar federal, state or local law, statute, ordinance, regulation or order, or otherwise determined by VID to be a "hazardous" material, waste or chemical, to be brought upon, left, used or abandoned at the Ranch House or Grounds by its employees, agents, contractors or any other third parties under SOHO's control.

2.3.9 SOHO shall not maintain, commit or permit the maintenance or commission of any waste or any nuisance at the Ranch House, and shall not use or permit the operation or use of the Ranch House for any unlawful purpose by its employees, agents, contractors or any other third parties under SOHO's control.

2.3.10 SOHO shall conduct its operations and activities at the Ranch House and Grounds so as to prevent interference with the operation and activities of VID and its lessees and licensees. SOHO acknowledges that the Ranch House is located in close proximity to the headquarters and domicile of VID's principal cattle grazing lessee, and that as such the premises are subject to the normal domestic and business activities of the lessee, including the deliveries of cattle, material and supplies. SOHO shall coordinate its operations and activities with VID and with its grazing lessees to prevent interference with their normal domestic and business activities.

2.3.11 Within 60 days following the end of each calendar quarter, SOHO shall provide VID a report setting forth, for the immediately preceding calendar quarter by month and cumulatively for that calendar year, the number of persons visiting the Ranch House, the amount of Ranch House-related entrance fees collected and financial donations or contributions received by SOHO, and detail of the funds expended for the operation and maintenance of the Ranch House.

2.3.12 Concurrent with its distribution to recipients, SOHO shall transmit to VID copies of all materials, written, electronic or otherwise, relating to the Ranch House and Grounds, including but not limited to promotional materials or communications regarding any private or public events scheduled to occur at or relating to the Ranch House or Grounds.

2.4 Areas Adjacent to the Ranch House

2.4.1 Historical Barn. The parties acknowledge that a historical barn is located on the Grounds in close proximity to the Ranch House (the "Barn"), and is in need of repair and rehabilitation. VID makes no representation, express or implied, regarding the safety or structural stability or integrity of the Barn. SOHO shall take all

reasonable actions to prevent members of the general public from entering the Barn. Incidental entrance into the Barn by SOHO management or staff to set up or maintain historical displays is permitted. Any other use of the Barn shall be subject to the prior written approval of VID. Any use or occupation of the Barn by the management or staff of SOHO shall be at their sole risk.

2.4.2 Parking Lot. A vehicular parking lot is located on VID-owned land in close proximity to the Ranch House, and this parking lot historically has been used by employees of VID's grazing lessees. SOHO and members of the public visiting the Ranch House shall have the right to the non-exclusive shared use of this parking lot with the grazing lessee and its employees, but SOHO shall be responsible for ensuring that the use of the parking lot in connection with Ranch House activities does not interfere with the use of the parking lot by VID's grazing lessee and its employees.

2.4.3 Reynolds Ridge and Kimble-Wilson Store. SOHO contemplates future programming, including interpretive programming and/or an archeological field school for the Reynolds Ridge and/or the Kimble-Wilson Store areas of the Warner Ranch, which are not included in the Grounds. SOHO may prepare a detailed proposal for such programming and use for consideration by the District.

2.4.4 Other than the Ranch House and the Grounds, and as set forth in Paragraphs 2.4.1 and 2.4.2 above, SOHO shall have no right to enter upon, access, occupy or use any portion of the Warner Ranch without the prior written consent of VID.

2.5 Interpretation of Allowable Operations and Activities. In the event that SOHO is reasonably in doubt as to the propriety of or authorization for any particular operation or activity at, or use of, the Ranch House, SOHO may request the written determination of VID whether such use, activity or operation is permitted under this Agreement. VID shall transmit a written response to any such SOHO request within ten (10) days of its receipt by VID. SOHO shall not be in breach of this Agreement if SOHO abides by any such written determination by VID.

2.6 Books and Accounts. SOHO shall maintain accurate and complete written records and accounts of all operational and financial activities relating to the Ranch House or its performance under this Agreement, and maintain such records and accounts for a period of not less than four (4) years following the expiration or termination of this Agreement. VID and its authorized representatives shall have the right at all times during normal business hours, upon at least five (5) days' notice, to review all such records and accounts.

3. VID Reserved Rights

3.1 Access for VID Activities. VID shall have unrestricted 24-hour access to the Ranch House and Grounds at its convenience, for VID-related purposes and activities, including but not limited to site visits by VID staff and members of its Board of Directors. VID shall have access to the Ranch House and Grounds upon at least twenty-four hours telephonic, email or written notice to SOHO for purposes and activities involving non-VID persons and

entities, including but not limited to press tours, and tours offered to other persons and groups by VID, and shall coordinate with SOHO the scheduling of such activities involving non-VID persons and entities so as not to interfere with SOHO's operation of the Ranch House and scheduled activities.

3.2 Inspection and Repair. VID and its authorized representatives may, upon at least one (1) day's notice to SOHO (except in the event of an emergency in which case no notice shall be required), enter the Ranch House and Grounds for the purpose of inspecting to determine whether SOHO is complying with its obligations set forth in this Agreement. If SOHO is not in compliance, VID shall have the right, in addition to other remedies available under this Agreement, at law or in equity, to enter the Ranch House immediately and take such action as VID in its sole judgment deems appropriate to remediate any actual or threatened danger to the Ranch House structure or to the public generally. In this regard, VID reserves the right to access or enter the Ranch House and Grounds for, among other purposes, the following:

3.2.1 Any work that may be necessary to comply with any laws, ordinances, rules or regulations of any public authority.

3.2.2 Any work that VID may deem necessary to prevent waste or deterioration in connection with the Ranch House or Grounds if SOHO does not make, or cause to be made, such repairs or perform, or cause to be performed, such work promptly after receipt of written demand from VID.

3.2.3 Any work that VID may deem necessary in connection with its operation and activities on VID lands and facilities adjacent to the Ranch House and Grounds.

Nothing set forth in subparagraph 3.2.1, 3.2.2 or 3.2.3 shall imply any duty on the part of VID to undertake any work that is the responsibility of SOHO under this Agreement, and VID's performance of any repairs or other work on behalf of SOHO shall not constitute a waiver of SOHO's default in failing to do such work or repair.

3.3 VID Displays. VID shall have the right to prepare and display at the Ranch House and Grounds an interpretive exhibit that describes VID's role in the history of the Warner Ranch and the Ranch House. VID shall provide SOHO with advance opportunity to review and comment on all such materials and shall make a good faith effort to reach agreement with SOHO regarding such displays.

3.4 VID Historical Research. VID reserves the right to conduct historical and archeological studies at the Ranch House and the Grounds, and to engage in activities to restore the historic barn adjacent to the Ranch House. VID shall consult with SOHO regarding the selection of contractors.

3.5 Approval Power over Informational Material. VID shall have the right to review and approve any material concerning the Ranch House, the Grounds or the Warner Ranch that SOHO proposes to provide for public distribution or viewing, if such material has not already been approved as part of the approval of the Operating Plan. SOHO shall not display or

distribute any material concerning the Ranch House, the Grounds or the Warner Ranch that has not been approved by VID, either as part of the Operating Plan or separately by VID.

3.6 Coordination and Indemnity. VID shall conduct its access of and visits to the Ranch House and Grounds as set forth in this Section 3 in such a manner as to avoid substantial interference with or inconvenience to the operations and activities of SOHO. VID shall indemnify and hold harmless SOHO from any and all damages and injuries resulting from the acts or omissions of VID, its officers, employees and invitees, arising out of VID's access or use of the Ranch House and Grounds.

4. Maintenance and Repair of Ranch House.

4.1 Condition and Inspection of Ranch House.

4.1.1 SOHO acknowledges that it occupies and uses the Ranch House and Grounds on an as-is basis, and that SOHO has had the opportunity to and has inspected the Ranch House prior to entering into this Agreement, and has determined that the Ranch House will be suitable for its purposes after completion of the restoration described in Recital B above.

4.1.2 SOHO acknowledges that neither VID nor any of its officers, employees, agents, or representatives has made any written or oral representation, promise or warranty, expressed or implied, concerning the Ranch House and Grounds, their fitness for the uses and purposes set forth in this Agreement, the income producing history of the Ranch House and Grounds or any other purpose or use, its potential or capabilities, the value of the Ranch House and Grounds, or any other matter not expressly set forth in this Agreement.

4.2 SOHO Maintenance and Repair Responsibilities. SOHO shall provide routine, ongoing maintenance and repair of both the exterior and the interior of the Ranch House, and the Grounds, and keep them in a decent, safe and sanitary condition, free from objectionable noises and odors. Specifically, SOHO shall keep and maintain the Grounds free of trash; conduct routine pest control (excluding termite extermination); control weeds and small vegetation; maintain regular landscape features around the Ranch House and Grounds; provide janitorial service, including the stocking, cleaning and regular maintenance of toilet facilities adjacent to the Ranch House; whitewash and paint the Ranch House on an as-needed basis; monitor and operate security systems and protocols to ensure the safety and integrity of the Ranch House; and regularly repair the Rancho House adobe finishes.

4.3 VID Maintenance of the Ranch House. VID shall be responsible for maintaining and providing electrical and water systems and service to the Ranch House, and for causing an annual termite inspection to be conducted within the Ranch House and providing any appropriate termite extermination.

4.4 VID Repair Responsibilities. VID shall be responsible for major maintenance, repair and replacements of the Ranch House, including structural roof and wall

repairs, roof coverings, termite damage repairs; grading and drainage of the Grounds; and maintenance of large landscape features (including mature trees).

4.5 SOHO Default in Its Maintenance and Repair Duties. In the event that SOHO fails, neglects or refuses to maintain or make repairs to the Ranch House or Grounds as required by this Agreement, VID shall notify SOHO in writing of such failure or refusal. Should SOHO fail or refuse to correct the default within seven (7) days of receipt of written notice from VID, VID may, but shall not be required to, itself or by contract, undertake the necessary maintenance, repair or replacements.

4.5.1 In the event that VID undertakes maintenance, repair or other work due to a default by SOHO, the cost incurred by VID, including but not limited to labor, materials and equipment, plus an administrative fee in the amount of fifteen percent (15%) of the sum of those costs, shall be paid by SOHO to VID within twenty (20) days of SOHO's receipt of a statement of such costs from VID.

4.5.2 Any such maintenance, repair or other work by or on behalf of VID shall not be deemed to be a waiver of SOHO's default under this Agreement, and shall not in any way impair, prevent or restrict VID from exercising any of its rights or remedies set forth in this Agreement or otherwise provided at law.

5. Improvements to the Ranch House.

5.1 Prior Consent for Improvements. SOHO shall not make any alteration of or improvement to the Ranch House or Grounds without the prior written approval of VID, after its review of SOHO's improvement plans. In the event VID grants written approval to any requested alteration of or improvement to the Ranch House or Grounds, such approval shall be deemed conditioned upon SOHO acquiring all governmental licenses, approvals and permits required for the improvement or alteration, and SOHO shall construct such alteration or improvement at its sole cost and expense in strict conformance with the improvement plans submitted to VID

5.2 Ownership of Improvements. All improvements, fixtures and facilities (exclusive of trade fixtures, furniture and other personal property) constructed or placed within or at the Ranch House by SOHO shall, upon the completion of construction, installation or placement within or at the Ranch House, be free and clear of all liens, claims and liabilities for payment of labor and materials. Such improvements, fixtures and facilities shall become and remain the property of VID at the expiration or earlier termination of this Agreement, provided, however, that VID reserves the right, in its sole discretion, by written notice to SOHO given prior to expiration or termination of this Agreement to require (or, if requested by SOHO, to allow) SOHO, at its sole cost, to remove all such improvements, fixtures and facilities within or at the Ranch House.

5.3 SOHO's Assurance of Construction Completion. Prior to the commencement of construction of approved improvements, alterations or facilities within or at the Ranch House or within the Grounds, SOHO shall furnish to VID evidence that sufficient funds will be available to SOHO to complete the proposed construction. VID reserves the right

to require SOHO to obtain a performance bond, labor and material bond, and/or completion bond to evidence and secure SOHO's ability to complete construction of the proposed improvement to or alteration of the Ranch House or Grounds.

5.4 No Liens. SOHO shall at all times indemnify and save VID harmless from all claims, losses, demands, damages, costs, expenses, or liability for costs for labor or materials in connection with the maintenance, construction, repair, alteration, or installation of structures, improvements, equipment, or facilities within the Ranch House or the Grounds, and from the cost of defending against such claims, including attorneys' fees and costs. In the event a lien or stop notice is imposed upon the Ranch House or the Grounds as a result of such *maintenance, construction, repair, alteration, or installation*, SOHO shall either record a valid release of lien, or procure and record a bond in accordance with the California Civil Code, which frees the Ranch House from the claim of the lien or stop notice and from any action brought to foreclose the lien. Should SOHO fail to accomplish either of the two alternative actions above within fifteen (15) days after the filing of such a lien or stop notice, this Agreement shall be in default and shall be subject to immediate termination by VID without further notice to SOHO.

6. Insurance.

6.1 Without limiting SOHO's indemnification obligations, SOHO shall not occupy the Ranch House or any portion of the Grounds or commence operations at or the use of the Ranch House or the Grounds until SOHO has obtained all of the insurance required in this Section 6 from a company or companies acceptable to VID; and SOHO shall maintain all such insurance in full force and effect at all times during the term of this Agreement, and any extension or renewal hereof. Insurance shall be placed with insurers having a current A.M. Best rating of no less than A-:VII or equivalent, or as otherwise approved in writing by VID.

6.2 SOHO shall take out and maintain the following insurance during the term of this Agreement:

6.2.1 Workers' Compensation and Employer Liability Insurance.

SOHO shall cover or insure under the applicable laws relating to Workers' Compensation Insurance all of its employees and volunteers working on or about the Ranch House, in accordance with the Workers' Compensation laws of the State of California. SOHO shall provide Workers' Compensation Insurance and Employer Liability Insurance with limits not less than \$1,000,000 per occurrence, \$1,000,000 disease policy limit, and \$1,000,000 disease each employee. Such policy of worker's compensation insurance shall contain the following separate endorsements:

(a) "Insurer waives all rights of subrogation against the Vista Irrigation District, its officers, directors, employees, representatives and volunteers."

(b) "This insurance policy shall not be suspended, voided, reduced in coverage or in limits, cancelled, limited, non-renewed or materially changed for any reason by the insurer until thirty (30) days after receipt by the Vista Irrigation District through written notice of such proposed cancellation, limitation or reduction of coverage."

6.2.2 Commercial General Liability Insurance, providing coverage in the following minimum limits:

(a) Combined single limit of \$2,000,000 per occurrence for Bodily Injury, Personal Injury or Death and Property Loss.

(b) Damaged coverage shall be at least as broad as Insurance Services Office ("ISO") Commercial General Liability coverage (occurrence Form CG001).

(c) If Commercial General Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503 or ISO CG 2504 or insurer's equivalent endorsement provided to VID), with a general aggregate limit shall be twice the required occurrence limit.

6.2.3 Comprehensive Automobile Liability Insurance, including owned, non-owned, leased, hired and borrowed automobiles and similar vehicles, providing the following minimum limits:

(a) Combined single limit of \$1,000,000 per occurrence for Bodily Injury or Death and Property Damage.

(b) Coverage shall be at least as broad as ISO Business and Auto Coverage (Form CA 0001) covering any auto.

6.2.4 Endorsements. The policies of liability insurance provided for in Paragraph 6.2.2 and 6.2.3 shall specify that this specific Agreement is insured and that coverage to participants resulting from SOHO's activities is not excluded, and shall be in a form satisfactory to VID and contain the following separate endorsements:

(a) "The Vista Irrigation District, its officers, directors, employees, representatives and volunteers, are declared to be additional insureds on all of the above policies with respect to the operations and activities of the named insured at or from the premises of the Vista Irrigation District. The coverage shall contain no special limitation on the scope of protection afforded to the Vista Irrigation District, its officers, directors, employees, representatives and volunteers."

(b) "This insurance policy shall not be suspended, voided, reduced in coverage or in limits, cancelled, limited, non-renewed or materially changed for any reason until thirty (30) days after receipt by the Vista Irrigation District of a written notice of such proposed cancellation, limitation or reduction in coverage."

(c) "This insurance policy is primary insurance and no insurance held or owned by the designated additional insureds shall be called upon or looked to cover a loss under said policy; the Vista Irrigation District shall not be liable for the payment of any premiums or assessments on this policy."

(d) “Any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the Vista Irrigation District, its officers, directors, employees, representatives or volunteers.”

(e) “This insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer’s liability.”

6.3 Evidence of Coverage. SOHO at the time of execution of this Agreement shall present to VID the original policies of insurance required by this Section 4 or a certificate of the insurance, with separate endorsements (ISO Form CG 2026 or equivalent), showing the issuance of such insurance and the additional insured and other provisions and endorsements required herein, and copies of all endorsements signed by the insurer’s representative. All policies shall contain SOHO’s name and the location of the Ranch House on the certificate. At least thirty (30) days prior to the expiration of any such policy, a signed completed certificate of insurance, with all endorsements provided herein, showing that such insurance coverage has been renewed or extended, shall be filed with VID. SOHO’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer’s liability.

6.4 Personal Property Insurance. SOHO may, but shall not be required to, procure and maintain casualty insurance at its cost covering SOHO’s personal property within and at the Ranch House.

7. Assumption of Risk and Indemnification.

7.1 SOHO’s Risk. SOHO shall bear and assumes all risks and liabilities in any way arising out of or in any manner directly or indirectly connected with, SOHO’s occupancy, use, operation, maintenance or repair of the Ranch House and Grounds, and any damages to SOHO’s personal property or trade fixtures on, in or in the vicinity of the Ranch House resulting directly or indirectly such use, operation, maintenance or repair of the Ranch House.

7.2 VID Not Liable. Except as expressly provided for in this Agreement, VID shall not be liable at any time for any loss, damage or injury whatsoever to the person or property of any person or entity whatsoever, including but not limited to any employee, agent, volunteer or contractor of SOHO, or any member of the public, resulting from or arising out of any act or omission of SOHO or an of its employees, contractors or volunteers, or the occupancy or use of the Ranch House or Grounds, or any part thereof by or under SOHO or any of its employees, contractors or volunteers, or any act or omission in the exercise of any right or the performance of any obligation under this Agreement, or directly or indirectly from any state or condition of the Ranch House or the Grounds.

7.3 Waiver of Claims. Except as expressly provided for in this Agreement, and as a material party of the consideration to VID under this Agreement, SOHO hereby waives any and all claims that it may have against VID for any damage to goods, wares, trade fixtures, personal property or merchandise within or about the Ranch House, and for any injury to SOHO,

its employees, agents, contractors, volunteers or to third parties in or about the Ranch House or Grounds, from any cause, except the gross negligence or willful misconduct of VID, arising at any time during the term of this Agreement and any extension or renewal thereof.

7.4 Indemnification by SOHO. Irrespective of any insurance carried by SOHO for the benefit of VID, SOHO shall defend, indemnify and hold VID, its officers, directors, employees, representatives and volunteers harmless from and against any and all actions, claims, demands, judgments, attorneys' fees, costs, damages to persons or property, penalties, obligations, expenses or liabilities of any kind that may be asserted or claimed by any person or entity (including but not limited to any employee, agent, contractor, volunteer or invitee of SOHO) in any way arising out of or in connection with this Agreement, the operations carried on by SOHO within or about the Ranch House, the Grounds or any other lands to which SOHO has access hereunder, or the occupation or use of the Ranch House and Grounds by SOHO or any person or entity under SOHO (collectively, the "SOHO Claims"), whether or not there is concurrent active or passive negligence on the part of VID and/or acts for which VID would be strictly liable, but excluding SOHO claims caused by the sole active negligence and/or willful misconduct of VID, or covered in paragraph 7.5 below.

7.5 Indemnification by VID. VID shall indemnify and hold SOHO, its officers, directors, employees, representatives and volunteers harmless from and against any and all actions, claims, demands, judgments, attorneys' fees, costs, damages to persons or property, penalties, obligations, expenses or liabilities of any kind that may be asserted or claimed by any person or entity (including but not limited to any employee, agent, contractor, volunteer or invitee of VID) in any way arising out of or in connection with the maintenance and repair obligations and activities of VID as set forth in paragraphs 4.3 and 4.4 above.

8. Term, Extension and Termination.

8.1 Term. Subject to extension in accordance with paragraph 8.2, or earlier termination in accordance with paragraph 8.3 or 8.4 below, this Agreement shall continue for a term of twenty (20) years from and after the Effective Date set forth on the first page of this Agreement.

8.2 Extension of Term. By mutual written agreement, SOHO and VID may extend the term of this Agreement for a period of not more than ten (10) years beyond the term set forth in paragraph 8.1.

8.3 Termination for Cause. VID may terminate this Agreement in accordance with this paragraph 8.3 at any time if SOHO defaults in the performance of any of its duties or obligations under this Agreement.

8.3.1 In the event of a default, VID shall provide SOHO written notice setting forth the nature of the default, SOHO shall have thirty (30) days to cure; provided, however, that if the nature of the default is such that it cannot reasonably be cured within thirty (30) days, SOHO may cure such default by commencing a good faith to cure it promptly after its receipt of written notice from VID, and by prosecuting the

cure of such default to completion with diligence and continuity within a reasonable time thereafter.

8.3.2 For purposes of this Agreement, SOHO shall be deemed to be in default if SOHO becomes insolvent. SOHO shall be conclusively presumed to have become insolvent if any one of the following occur:

(a) A receiver is appointed to take possession of all or substantially all of SOHO's property because of the insolvency; or

(b) SOHO makes a general assignment for the benefit of creditors; or

(c) SOHO allows any judgment against SOHO to remain unsatisfied or unbounded for a period of thirty (30) days or longer; or

(d) An attachment or execution is levied upon or against any or all of SOHO's right, title or interest in or under this Agreement, and the same shall not have been released within thirty (30) days from the date thereof; or

(e) Proceedings and receivership or bankruptcy have been or are about to be instituted against SOHO; or

(f) SOHO is adjudicated a bankrupt.

8.4 Termination for Convenience. Notwithstanding any other provision of this Agreement, either VID or SOHO may terminate this Agreement with or without cause, or for any reason or no reason at all, at any time, by giving the other party a ninety (90) day written notice of termination.

8.5 Obligations upon Expiration or Termination. Upon the expiration of this Agreement or its termination by either party, SOHO shall promptly quit and surrender the Ranch House and Grounds in a good state of repair, and undertake the following:

8.5.1 SOHO shall deliver to VID all keys, property, supplies, records, contracts, and other documents relating to the Ranch House, all of which data, information and documents shall at all times be and remain the property of VID.

8.5.2 SOHO shall execute, acknowledge and deliver to VID a quitclaim deed conveying to VID all rights, title and interest of SOHO to the Ranch House and the Grounds, both land and improvements.

8.5.3 Unless otherwise directed by VID, SOHO shall, at its sole cost and expense, remove all fixtures, equipment and personal property placed on or within the Ranch House by SOHO, and clear the Ranch House and Grounds of all debris.

9. Legal Relations and Responsibilities.

9.1 Nature of Relationship. VID and SOHO understand and agree that the only relationship created between them created by this Agreement is that of contracting parties, and that this Agreement does not create, and shall not be construed to create, any landlord-tenant, agency, partnership, joint venture or other relationship between VID and SOHO.

9.2 Compliance with Laws. SOHO shall keep itself fully informed of all existing and future state and federal laws and all county and local ordinances and regulations which in any manner affect the activities of SOHO under this Agreement, or the occupation, operation or use of the Ranch House and Grounds by SOHO, and of all such orders and decrees of bodies and tribunals having any jurisdiction or authority over the same. SOHO shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, VID, its officers, directors, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, or decree, whether by SOHO or by any person or entity under SOHO.

9.3 Permits and Approvals. SOHO shall obtain any and all governmental permits, approvals, licenses or other authorizations which may be required in connection with its performance of this Agreement and its operation, occupation and use of the Ranch House and Grounds as authorized by this Agreement. No approval or consent given under this Agreement by VID shall affect or limit SOHO's obligations hereunder, nor shall any approvals or consents given by VID in its capacity as a party to this Agreement be deemed to be approval as to compliance or conformance with any applicable governmental codes, laws, orders, rules or regulations.

9.4 Assignment and Sublease. SOHO may not assign, convey, hypothecate, encumber, mortgage or otherwise transfer this Agreement or any part hereof, or sublease any portion of the Ranch House or Grounds, without the prior written consent of VID, which VID may withhold in its sole and absolute discretion for any reason, or for no reason at all. Any such assignment or transfer by SOHO, whether voluntarily or by operation of law, without the prior written consent of VID, shall be void and shall, at the option of VID, be grounds for terminating this Agreement upon written notice to SOHO. A consent by OCWD to one assignment or transfer shall not be deemed a consent to any subsequent assignment or transfer.

9.5 Responsibility for Payment of Taxes and Assessments. VID shall not be obligated to pay any taxes or assessments accruing against SOHO on or in relation to the Ranch House or Grounds (or in any way in connection with SOHO's use, occupation, operation or activities at the Ranch House or Grounds), during or after the term of this Agreement, or any extension thereof; and all such payments shall be the sole responsibility of SOHO.

9.5.1 As used herein, the term "taxes" means all taxes, governmental bonds, special assessments, charges, license and transaction fees, including but not limited to the following:

- (i) Any state, local, federal, personal or corporate income tax, or any real or personal property tax; or
- (ii) Any franchise, succession or transfer tax; or
- (iii) Any interest on taxes or penalties resulting from SOHO's failure to pay taxes; or
- (iv) Any increases in taxes attributable to the sale or transfer of any of SOHO's rights under this Agreement; or
- (v) Any taxes which are essentially payments to a governmental agency for the right to make improvements to the Ranch House.

9.5.2 Pursuant to California Revenue and Taxation Code Section 107.6, SOHO is hereby advised that the terms of this Agreement may result in the creation of a possessory interest. If such a possessory interest is vested in SOHO, SOHO may be subject to the payment of real property taxes levied on such interest. SOHO shall be solely responsible for the payment of any such real property taxes. SOHO shall pay all such taxes when due, and shall not allow any such taxes, assessments or fees to become a lien against the Ranch House or any improvement thereon. Notwithstanding the foregoing, nothing herein shall be deemed to prevent or prohibit SOHO from contesting the validity of any such tax, assessment or fee in a manner authorized by law.

9.6 Acknowledgement of VID's Title. SOHO hereby acknowledges the title of VID in and to the Ranch House and Grounds, including the real property, fixtures and improvements existing or erected thereon; and SOHO hereby covenants and promises never to a sale, contest or resist VID's title to the Ranch House or the Grounds.

9.7 No Obligation to Third Parties. The execution and performance of this Agreement shall not be deemed to confer any rights upon, directly, indirectly or by way of subrogation, nor obligate either of the parties hereto to, any person or entity other than VID and SOHO.

9.8 No Discrimination. SOHO shall not, in the conduct or promotion of any of its activities with respect to the Ranch House, discriminate or permit discrimination in any manner against any person or class of persons by reason of race, color, religion, gender, national origin, age, mental or physical disabilities or sexual orientation.

9.9 Political Activities Prohibited. Neither the Ranch House nor any portion of the Grounds shall be utilized for the purpose of working or campaigning for the nomination or election or any person to any public office, whether partisan or non-partisan, or the passage or defeat of any ballot measure.

9.10 No Continuing Waiver. Any waiver by VID of any term, covenant or condition of this Agreement shall be in writing, and shall not be deemed a continuing waiver of such term, covenant or condition, or a waiver of any subsequent breach of the same or any other term, covenant or condition in this Agreement.

10. Miscellaneous.

10.1 Notices. Any notice, payment or instrument required or permitted to be given or delivered by this Agreement may be given or delivered by personal delivery or by depositing the same in the United States Mail Depository, First Class Postage Prepaid, and addressed as follows:

If to VID: Vista Irrigation District
1391 Engineer Street
Vista, California 92081-8836
Attn.: General Manager

If to SOHO:

Bruce Coons
SOHO
2476 San Diego Ave
San Diego, CA 92110

or such other person or address as either party may direct in writing to the other; provided, however, that such new or different person or address shall not become effective until acknowledged in writing by the party to whom directed. Except where service is by personal delivery or registered or certified mail, return receipt requested, service of any instrument or writing shall be deemed completed two (2) days after deposit in the United States Mail Depository.

10.2 Warranty of Authority. Each officer of VID and SOHO affixing his or her signature to this Agreement warrants and represents by such signature that he or she has the full legal authority to bind his or her respective party to all the terms, conditions and provisions of this Agreement; that his or her respective party has the full legal right, power, capacity and authority to enter into this Agreement and perform all of its provisions and obligations; and that no other approvals or consents are necessary in connection therewith.

10.3 Headings. The titles and headings of Sections and Paragraphs of this Agreement, as herein set forth, have been inserted for the sake of convenience only, and are not to be taken, deemed or construed to be any part of the terms, covenants or conditions of this Agreement, or to control, limit or modify any of the terms, covenants or conditions hereof.

10.4 Time of Essence. Time is of the essence of this Agreement. Failure to comply with any requirement, including but not limited to any time requirement, of this Agreement shall constitute a breach of and default under this Agreement.

10.5 Disputes. In the event that any action is commenced by either party hereto to enforce any right or obligation under this Agreement or to seek an interpretation of this Agreement, the prevailing party in such action, in addition to any other relief and recovery ordered by the court, shall be entitled to recover all statutory costs, plus reasonable attorneys' fees.

10.6 "Day" Defined. Unless otherwise indicated herein, all references in this agreement to a "day" shall refer to calendar days.

10.7 Construction and Interpretation. This Agreement shall be construed, interpreted, governed and enforced in all respects according to the laws of the State of California and as if drafted by both VID and SOHO.


10.8 Integration and Amendment. This Agreement represents the entire understanding of VID and SOHO as to all matters contained herein. No prior oral or written understanding should be of any force or effect with regard to those matters covered by this Agreement. This Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements or understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment, change or modification of this Agreement shall be valid unless in writing, stating that it amends, changes or modifies this Agreement, and signed by authorized representatives of both VID and SOHO.

10.9 Successors. Subject to the provisions of Paragraph 9.4 above, this Agreement, and all of the terms, conditions and provisions herein, shall inure to the benefit of, and be binding upon, VID, SOHO, and their respective successors and assigns.

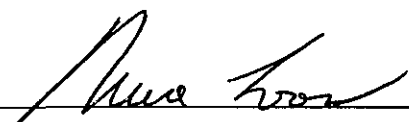
[signatures on following page]

IN WITNESS WHEREOF, the parties have executed and entered into to this Agreement as of the Effective Date set forth above.

VISTA IRRIGATION DISTRICT, a special governmental district in the State of California

By: 
Roy A. Coox, General Manager

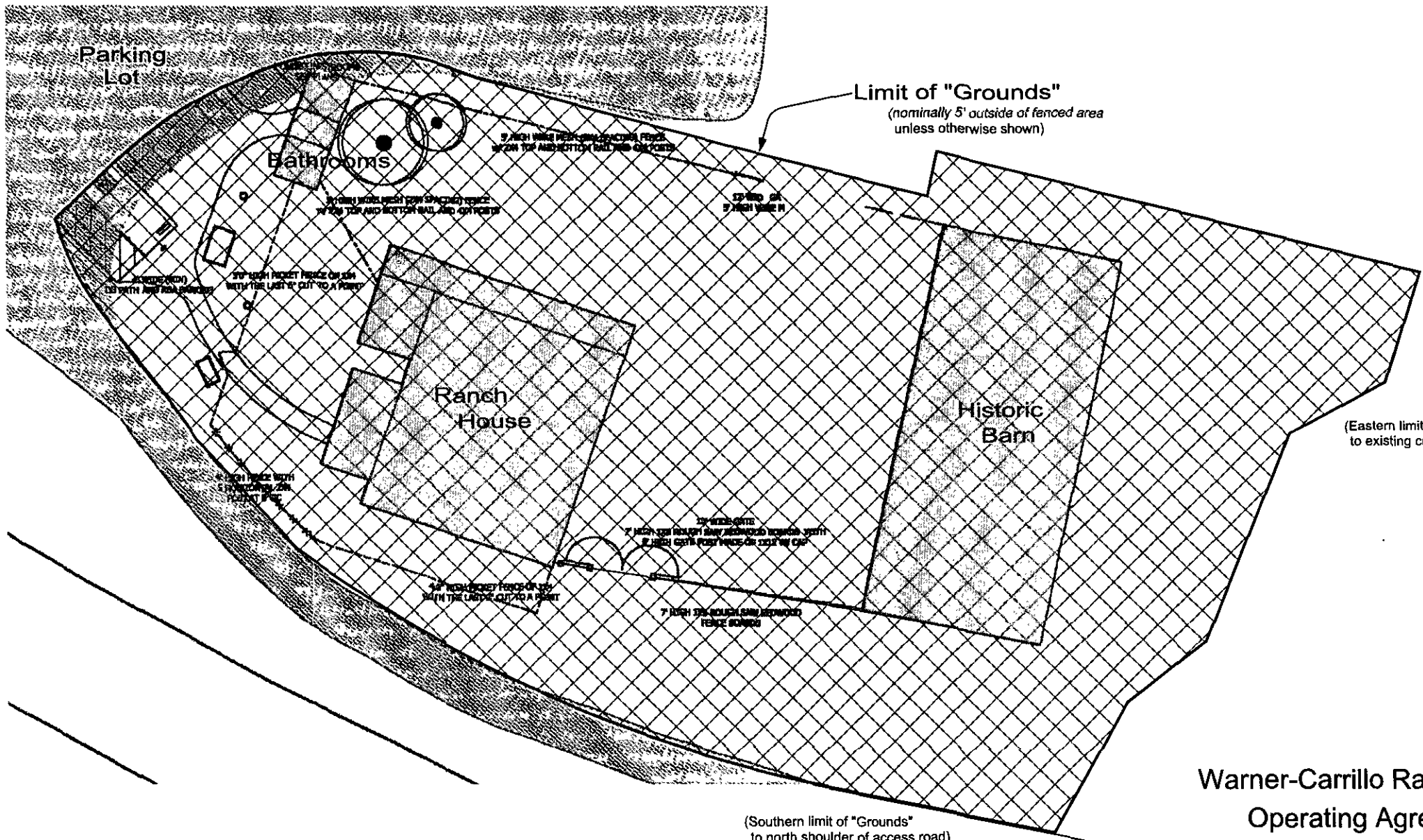
SAVE OUR HERITAGE ORGANISATION, a California non-profit corporation

By: 
Printed Name: Bruce Coons
Title: Executive Director

By: _____
Printed Name: _____
Title: _____



Scale: 1" = 20'



**Warner-Carrillo Ranch House
Operating Agreement
Exhibit A**

AMENDMENT NO. 1

**WARNER-CARRILLO RANCH HOUSE OPERATING AGREEMENT BETWEEN
VISTA IRRIGATION DISTRICT AND SAVE OUR HERITAGE ORGANISATION**

This Amendment No. 1 to WARNER-CARRILLO RANCH HOUSE OPERATING AGREEMENT (“Amendment”) is entered into as of _____, 2017, by and between the VISTA IRRIGATION DISTRICT (“VID”), and SAVE OUR HERITAGE ORGANISATION (“SOHO”), to amend the WARNER-CARRILLO RANCH HOUSE OPERATING AGREEMENT entered into between VID and SOHO as of August 4, 2011 to provide for the operation and maintenance of the Warner-Carrillo Ranch House (the “Agreement”).

SECTION 1: Amendments to the Agreement:

A. Recital E is modified to read:

E. VID and SOHO mutually desire to enter into this Agreement to set forth the terms and conditions under which SOHO will operate and maintain the Ranch House on behalf of VID and for SOHO’s use of the Ranch House for SOHO-related activities.

B. Section 8.4 is modified to read:

8.4 Termination for Convenience. Notwithstanding any other provision of this Agreement, either VID or SOHO may terminate this Agreement with or without cause, or for any reason or no reason at all, at any time, by giving the other party a one hundred eighty (180) day written notice of termination.

C. A new Section 11 is added following “Section 10 – Miscellaneous” as follows:

11. VID Contribution Towards SOHO Operation and Maintenance. Beginning on July 1, 2017, VID shall contribute \$1,000 per month to defray a portion of SOHO’s expenses to fulfill operation and maintenance responsibilities under this Agreement. SOHO shall invoice VID for this “VID O&M Contribution” on a quarterly basis up to 30 days before the beginning of each quarter, and VID shall pay such invoice within 30 days of receipt.

SECTION 2: This Amendment shall be deemed effective as of July 1, 2017.

SECTION 3: Except as set forth in Section 1 of this Amendment, each and every term, condition and provision in the Agreement shall remain in full force and effect.

VISTA IRRIGATION DISTRICT

By: _____
Eldon Boone, General Manager

**SAVE OUR HERITAGE
ORGANISATION**

By: _____
Bruce Coons, Executive Director



STAFF REPORT

Agenda Item: 9

Board Meeting Date: May 3, 2017
Prepared By: Don Smith
Reviewed By: Brett Hodgkiss
Approved By: Eldon Boone

SUBJECT: STATE WATER RESOURCES CONTROL BOARD PROPOSED MERCURY POLICY

RECOMMENDATION: Receive an update regarding the State Water Resources Control Board's proposed Mercury Policy.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: Unknown at this time.

SUMMARY: In January 2017, the State Water Resources Control Board (State Board) proposed to create three new beneficial uses¹ of water and establish water quality objectives for inland water bodies as part of its effort to control mercury in California water bodies (hereinafter the "Policy"). The three new proposed uses are Tribal Subsistence Fishing, Subsistence Fishing, and Tribal Tradition & Culture (defined below). The proposed water quality objectives are based on the concentration of methylmercury in fish tissue, and the objectives for a specific water body depend on the trophic level of the fish and the beneficial uses being protected.

The District, in concert with the San Diego County Water Authority (Water Authority), the Association of California Water Agencies (ACWA) and other California water interests, is seeking modifications and clarifications in the regulatory language to prevent potential adverse impacts on water production and development programs, including the District's operation of the local water system. Comments on the preliminary Policy proposal were due on February 17, 2017, and the letters submitted by the Water Authority and District are attached for reference. The proposed final Policy has been released to the public, and the State Board has scheduled a public hearing on May 2 to consider adoption of the Policy.

DETAILED REPORT: The proposed definitions of the three new beneficial uses are as follows:

Tribal Subsistence Fishing: Uses of water involving the non-commercial catching or gathering of natural aquatic resources, including fish and shellfish, for consumption by individuals, households, or communities of California Native American Tribes to meet minimal needs for sustenance.

Subsistence Fishing: Uses of water involving the non-commercial catching or gathering of natural aquatic resources, including fish and shellfish, for consumption by individuals, households, or communities, to meet minimal needs for sustenance.

¹ Beneficial uses are "uses" of water that the Federal Clean Water Act ("CWA") was passed to protect (e.g. making waters "fishable" and "swimmable"), and they are at the heart of the CWA's regulatory scheme. All regulatory actions of Regional Boards are ultimately tied back to the protection of beneficial uses in state waters. Federally protected beneficial uses required by the CWA include, among other things, fishing, swimming, recreation, municipal water supply, navigation and agriculture. The three new beneficial uses currently proposed by the State Board are not required by the CWA, and they appear to be primarily promulgated under the State Board's state law authorities.

Tribal Tradition & Culture: Uses of water that support the cultural, spiritual, ceremonial, or traditional rights or lifeways of California Native American Tribes, including, but not limited to: navigation, ceremonies, or fishing, gathering, or consumption of natural aquatic resources, including fish, shellfish, vegetation, and materials.

The broad language of these proposed definitions have led to concerns that regulatory measures to protect these uses could adversely affect water agencies. Among the changes being sought are 1) clarification that before these uses are made part of a regional water quality control plan, the Regional Water Quality Control Board will prepare a “use attainability analysis” as required by the Federal Clean Water Act; and 2) modification to require that the uses being protected are “existing and established”.

As part of the Mercury Policy, the State Board has also proposed extremely stringent water quality limits for mercury that would “implement” the new proposed uses (as well as other existing beneficial uses). According to regulatory materials released by the State Board, Lake Henshaw currently exceeds the proposed regulatory levels for mercury, although the evidentiary basis for the State Board’s assertion is uncertain. There are no known sources of mercury that drain to Lake Henshaw, and the primary source of mercury in Lake Henshaw (and other southern California reservoirs) is believed to be aerial deposition of mercury released from the world-wide burning of fossil fuels, primarily coal. The consequences to the District and its partners in the San Luis Rey Indian Water Rights Settlement of regulatory measures that might ensue from the proposed mercury water quality objectives may affect the release and diversion of local water and/or fishing practices at Lake Henshaw.

Efforts by water agencies and private water users to obtain changes to the Policy are ongoing and may include meetings with high level staff and Board members of the State Board prior to the May 2 hearing. District legal counsel will provide an update regarding efforts to obtain policy changes as well as information on what occurred at the May 2 hearing.

ATTACHMENTS:

1. Water Authority Comment Letter
2. District Comment Letter
3. Proposed Mercury Policy



San Diego County Water Authority

4677 Overland Avenue • San Diego, California 92123-1233
(858) 522-6600 FAX (858) 522-6568 www.sdcwa.org

February 17, 2017

Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

MEMBER AGENCIES

- Carlsbad
Municipal Water District
- City of Del Mar
- City of Escondido
- City of National City
- City of Oceanside
- City of Poway
- City of San Diego
- Fallbrook
Public Utility District
- Helix Water District
- Lakeside Water District
- Olivenhain
Municipal Water District
- Otay Water District
- Padre Dam
Municipal Water District
- Camp Pendleton
Marine Corps Base
- Rainbow
Municipal Water District
- Ramona
Municipal Water District
- Rincon del Diablo
Municipal Water District
- San Dieguito Water District
- Santa Fe Irrigation District
- South Bay Irrigation District
- Vallecitos Water District
- Valley Center
Municipal Water District
- Vista Irrigation District
- Yuima
Municipal Water District

OTHER REPRESENTATIVE

- County of San Diego

RE: Comment Letter -- Beneficial Uses and Mercury Objectives

Dear Chair Marcus and Members of the Board:

Thank you for the opportunity to provide comments on the draft Staff Report (Staff Report) and Substitute Environmental Documentation (SED) for the proposed amendment to the State Water Resources Control Board's (Board) Water Quality Control Plan for Inland Surface Waters, Enclosed Bays and Estuaries of California, Tribal and Subsistence Fishing Beneficial Uses and Mercury Provisions (Provisions). A significant amount of staff effort has gone into development of the Staff Report, which includes a wealth of scientific information on the problem of bioaccumulation of mercury in fish. We acknowledge that this is an important public health issue that is complex, and presents substantial cross-jurisdictional challenges to developing a solution. This letter and the attached table include our comments.

The Water Authority is the wholesale water supplier in San Diego County, providing water to 3.2 million residents together with 24 member agencies through a mix of local and imported water supplies. We are very interested in this subject because there are 24 surface water reservoirs in San Diego County, which were designed to support the region's water supply needs by capturing storm water runoff and/or storing imported water. Many of the local reservoirs region were constructed in the late 1800s and early 1900s to provide water for the San Diego region and have reliably served the local agencies in the region since that time. Recently the Water Authority expanded raw water storage capacity and improved local conveyance through our Emergency Storage Project. The local reservoirs are operated to maximize the use of local supply, offset dry-year shortfalls, and maintain emergency and carryover storage. The Water Authority's member agencies manage most of the region's reservoirs, and in coordination with the member agencies, the Water Authority manages the imported conveyance system. We also coordinate reservoir operations with the city of San Diego to optimize the use of storage and manage a pumped storage project. The primary purpose of the region's reservoirs is to provide water supply infrastructure, including raw water conveyance and storage.

In addition to providing water supply benefits, the region's reservoirs provide wildlife habitat, most agencies also support recreational fishing as a secondary use, though in many instances they are not required to do so. Fishing is managed by the member agencies in coordination with the California Department of Fish and Wildlife (DFW). In the interest of protecting public health, where fish tissue sampling has indicted mercury concentrations in excess of OEHHA's recommended levels, most reservoir operators in the San Diego region have proactively posted OEHHA's fish consumption advisories, which are also included in the State's Sport Fishing regulations booklets.

A number of these local reservoirs have been identified by the State Water Board for inclusion in the proposed Statewide mercury TMDL for drinking water reservoirs (Reservoir Policy) based upon data that requires additional validation and listing under 303(d) of the Clean Water Act (CWA) prior to the TMDL development. The Staff Report (Section 1.6) indicates that the Reservoir Policy is currently under development, but it has not been included as part of this proposed Water Quality Control Plan Update. Based on our review of your Staff Report, the primary source of mercury to the reservoirs in San Diego County is global atmospheric deposition. The Water Authority and our member agencies do not cause or contribute to mercury pollution in our local reservoirs and do not have a responsibility nor the ability to clean up this contamination. However, in the interest of supporting local fisheries and public health protection, we are willing to collaborate with the State and Regional Water Boards to minimize mercury impacts to the extent that it is practical and feasible and does not interfere with our or member agency reservoir operations that are focused on water supply or water rights. Collaboration should focus in the areas of informing the public, improving air quality, working collaboratively on fisheries management, and participating in pilot studies that may result in better science and innovative solutions.

While the Staff Report and SED include important information on the proposed beneficial uses, sources of mercury, pathways for bioaccumulation of mercury, human and wildlife exposure, and public health impacts, there remain a significant number of data and information gaps in all of these areas that requires further research and pilot programs. Furthermore, as previously noted, the Board is in the process of developing a Reservoir Policy, which is currently undefined and has not been adequately addressed in the SED or the Staff Report. Indeed, in some places the Staff Report implies that the Reservoir Policy may be superseded by the Provisions and at the same time suggests that it will proceed as an independent program. The lack of available scientific information is resulting in the inability of the State Water Board to propose a realistic solution, and the development of extremely stringent mercury standards that are unlikely to be attainable. As a result, the proposed Provisions will result in a significant number of waterbodies that are listed as impaired with no real possibility of achieving water quality objectives (WQOs) while at the same time potentially creating avoidable conflicts over in-stream flows and who bears responsibility for "clean up" of impairment that no water agency played a role in creating. Moreover, our member agency and dischargers may face stringent and costly requirements which are not likely to result in a measurable reduction in fish tissue mercury concentrations. If requirements associated with the beneficial uses, WQOs, or impaired water body listings

interfere with the primary purpose and use of the reservoirs which is to supply a safe and reliable water supply, this may drive the water agencies to restrict public access to agency owned local reservoirs, eliminating important beneficial uses such as fishing.

We request that the State Board take a measured and phased approach to establishing and defining the WQOs for mercury, while taking a proactive approach that can meaningfully address the mercury problem, which includes the following:

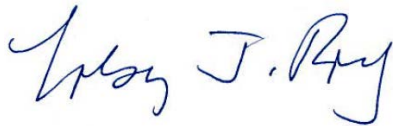
1. Adopt statewide narrative WQOs for tribal subsistence fishing and wildlife protection. Numeric WQOs should not be adopted until additional studies are conducted and site specific information is gathered. Both tribal subsistence fishing and subsistence fishing WQOs should be based on actual waterbody specific fishing patterns. For wildlife WQOs, additional bioaccumulation studies are needed to understand the relationship between water column concentrations and bioaccumulation in reservoirs, and mercury impacts to different wildlife species. Numeric WQOs could still be set locally by the Regional Water Boards based on site specific data.
2. Adopt a fish tissue methylmercury WQO of 0.3 mg/kg consistent with the EPA National Criterion with an intent to revisit that standard in five to ten years when more information is available. This WQO will protect both human health and wildlife.
3. Develop a comprehensive outreach plan to the public on fish consumption through collaboration with OEHHA, DFW, and reservoir owners and managers to ensure public health protection.
4. Incorporate mercury standards in discharge permits for the most significant contributors of mercury such as mines.
5. Collaborate with the California Air Resources Board to develop a proactive approach to reducing mercury contamination through air deposition.
6. Implement a research plan in collaboration with other state agencies, water suppliers and dischargers which includes pilot studies on mercury control approaches including but not limited to: fisheries management that minimizes the number of large sized trophic level 4 fish, reservoir management, beneficial construction and operation of wetlands, and minimization of further mercury pollution.
7. Provide additional objective criteria in the Provisions to guide the currently unrestricted designation actions of the Regional Boards with regard to future designation of beneficial uses and WQOs. Specifically, the Provisions should be

Jeanine Townsend
February 17, 2017
Page 4

amended to ensure the Board and future Regional Board designation decisions that:
(a) comply with Water Code Sections 13241, 13241 and 40 C.F.R., Section 131.3(e)
and (b) only designate new beneficial uses upon a showing that such uses currently
and actively exist in the watershed where the use is proposed.

Thank you for consideration of our comments. Please contact Lesley Dobalian with any
questions at (858) 522-6747.

Sincerely,

A handwritten signature in blue ink that reads "Toby J. Roy". The signature is written in a cursive style with a large initial 'T' and 'R'.

Toby Roy, Water Resources Manager

Sent via Electronic Mail to: commentletters@waterboards.ca.gov

Attachment: Table of Comments

San Diego County Water Authority
Comments on Proposed Mercury Provisions and Tribal and Subsistence Fishing Beneficial Uses

Topic	Issue or Concern	Comment
Beneficial Uses and WQOs	The Staff Report and Substitute Environmental Documentation (SED) does not provide an adequate analysis of potential impacts of adopting the proposed beneficial uses and water quality objectives (WQOs) on water rights and water supply. The tribal beneficial uses could potentially be based on any historical tribal use regardless of current conditions.	The SED should analyze potential direct and indirect impacts of designating the Tribal Tradition and Culture and Tribal Subsistence Fishing (T-SUB) beneficial uses on different waterbody types at a programmatic level. It should consider potential impacts to water supply and water rights that could result if historical practices are in a conflict with current water operations and infrastructure. It should also evaluate whether implementing the proposed WQOs will result in potential direct and indirect impacts to water supply and reservoir operations.
Tribal Subsistence Fishing WQO	The statewide numeric Tribal Subsistence Fishing WQO is based on fishing data primarily associated with tribes in northern California. The report used had limited data on tribal fishing patterns in southern California and no data from San Diego County.	Due to limited statewide data, the Tribal Subsistence Fishing WQO should be narrative rather than numeric, to support development of waterbody specific criteria based on actual fishing patterns. We support the statement contained in the SED on page 93 that states that EPA “strongly believes that States and authorized Tribes should develop criteria, on a site specific basis, that provide additional protection appropriate for highly exposed populations”. There is no evidence that the proposed numeric WQO is appropriate for San Diego, so it should not be established for statewide application.
Insignificant Discharge Exception	Water column thresholds are proposed to be implemented for municipal wastewater and industrial discharges. Provisions allow an exception for effluent limitations for insignificant discharges, at the discretion of the Regional Board.	Revise the SED to include examples of the types of discharges that may use this exception, such as for drinking water system discharges, non-potable recycled water use, potable reuse projects, and live stream discharges where there is no identified impairment.

San Diego County Water Authority
Comments on Proposed Mercury Provisions and Tribal and Subsistence Fishing Beneficial Uses

Topic	Issue or Concern	Comment
<p>Phased Approach and WQOs</p>	<p>The State Board's proposed Implementation Plan is unlikely to achieve the proposed WQOs, especially in reservoirs and lakes where the primary source of mercury is air deposition. The proposed mercury WQO for sport fishing of 0.2 mg/kg methylmercury in fish tissue will result in a significant increase in listings of impaired waterbodies with no reasonable ability to establish TMDLs to achieve this WQO in the foreseeable future. The EPA has established a National Criterion of 0.3 mg/kg to protect human health, which also provides wildlife protection.</p>	<p>WQOs should be established using a phased approach that relies on EPA's National Criterion of 0.3 mg/kg methylmercury. This approach will protect human health as well as wildlife.</p> <p>The SED identifies this option for establishing the sport fishing WQO to protect human health (Option 4 on page 96). The fish consumption rate associated with this criterion translates to a more readily achievable WQO and allows time for waterbody specific studies to establish accurate fish consumption patterns. The Regional Boards may adopt more stringent mercury WQOs for waterbodies if appropriate based on site specific data.</p> <p>A phased approach is also appropriate for the wildlife WQOs and Tribal Subsistence Fishing WQO, due to the considerable uncertainty associated with the proposed numeric WQOs. The EPA National Criterion will provide wildlife protection while studies are conducted to establish WQOs with more certainty. This option should be analyzed in the SED.</p> <p>The phased approach could also include a program to collaborate to reduce atmospheric deposition, reduce public health exposure and explore other pilot studies to reduce methylation or remove larger fish with higher mercury concentrations.</p>
<p>Nutrient Control</p>	<p>Higher nutrient loading to lakes and reservoirs increases anoxic conditions near the sediment-water interface that promotes mercury methylation and increases the potential for bioaccumulation in fish.</p>	<p>The SED should identify methods to control nutrient runoff from the watershed to reduce bioaccumulation. Reducing nutrient runoff from the watershed will also help prevent eutrophication.</p>

San Diego County Water Authority
Comments on Proposed Mercury Provisions and Tribal and Subsistence Fishing Beneficial Uses

Topic	Issue or Concern	Comment
Atmospheric Deposition	Global atmospheric deposition is the primary source of mercury in reservoirs in San Diego County. The proposed Implementation Plan will do little to address atmospheric deposition of mercury in reservoirs.	Implementation should include a commitment by the SWRCB to develop a plan to work with EPA and the California Air Resources Board to control mercury emissions from atmospheric deposition.
Public Health Exposure Reduction Program	The Staff Report does not provide a plan to protect public health through education and outreach.	Implementation should include a commitment by the SWRCB to work with the California Department of Fish and Wildlife, the Office of Health Hazard Assessment, and the Department of Public Health on a public health exposure reduction program. This program could also include the removal of larger fish with higher mercury concentrations from the waterbodies.
Constructed Wetlands	The proposed required design features to reduce methylation could be onerous for permitting wetlands. Constructed wetlands provide multiple benefits including treatment to improve water quality. Although the SED discusses the potential for wetlands to act as a sink for methylmercury, and for seasonal wetlands to general methylmercury, it provides minimal discussion on the potential benefits of constructed wetlands in removing mercury from the environment.	The Provisions should not create an unreasonable hurdle for permitting wetlands projects. The SED should include the benefits of constructed wetlands in improving water quality and removing mercury from the environment. The State Board should support and encourage additional research on the benefits of wetlands as it relates to methyl mercury and other toxic contaminants.
Dredging Projects	Dredging requirements could create an impediment to dredging reservoirs, which could be needed for management of water quality and reduced methylation in reservoirs.	The Provisions should not create an unreasonable hurdle for permitting dredging projects.
Reservoir Program	<p>The SED does not adequately address the proposed Reservoir Program because it has not been developed. The established WQOs have the potential to create future mandates associated with water supply reservoirs which are unknown at this time.</p> <p>Some of our member agencies have raised concerns about the age and validity of mercury data utilized for proposed</p>	<p>The SED is inadequate because it does not address impacts to reservoir operations and management that may result from any impaired waterbody listings or requirements intended to achieve WQOs. This information should be analyzed in the SED.</p> <p>The Provisions, and the SED should provide additional information on the future implementation of the Reservoir</p>

San Diego County Water Authority
Comments on Proposed Mercury Provisions and Tribal and Subsistence Fishing Beneficial Uses

Topic	Issue or Concern	Comment
	<p>impairment listings under the Board’s Reservoir Policy. Additionally, data used to make the proposed listings is from 2010 or earlier.</p> <p>Some of our member agencies are concerned that Regional Boards may, as part of Mercury Minimization Programs Imposed on Non-Point Sources of mercury pollution, seek to impose WDRs or WDR Waivers (as seemingly endorsed by Section IV.D.5 of the Provisions) by mandating costly BMPs that have the undesired effect of preventing runoff or tributary flows from entering a reservoir (thereby reducing local water supply).</p>	<p>Policy and whether the Reservoir Policy is superseded by the Provisions. Additionally, the Reservoir Policy (and/or the Provisions) should provide for a transparent and standardized policy for fish tissue sampling that ensures future 303(d) listings are premised upon current reservoir conditions.</p> <p>Under normal reservoir operations, we would like to be clear that reservoir operators are not dischargers. In addition, we ask that you revise the Provisions at Section IV.D.5 to clarify that the Regional Boards shall not impose requirements on dischargers that result in reduced flows into the reservoir or interfere with an agency’s water rights without the agreement of the water supplier.</p>
In Stream Flow and Fish Quantity Requirements	Absent direction to the contrary in the Staff Report and/or the Provisions, the proposed new beneficial uses are likely to result in the development of flow and fish quantity WQOs with the potential to frustrate current operation of reservoirs for water supply and the exercise of long established water rights. See, Staff Report at p. 110 (“The State Water Board may develop a flow objective if the flow objective is necessary for the reasonable protection of a beneficial use.”)	The Provisions should clarify that new beneficial uses and objectives should be implemented in a manner as to provide the least amount of interference with exercise of existing water rights and performance of reservoir operations.



1391 Engineer Street • Vista • California 92081-8840
Phone: (760) 597-3100 • Fax: (760) 598-8757
www.vidwater.org

Board of Directors

Marty Miller, *President*
Paul E. Dorey
Jo MacKenzie
Randy L. Reznicek
Richard L. Vásquez

Administrative Staff

Eldon L. Boone
General Manager / Treasurer
Brett L. Hodgkiss
Assistant General Manager
Lisa R. Soto
Board Secretary
Joel D. Kuperberg
General Counsel

February 17, 2017

The Honorable Felicia Marcus, Chair
And Members of the State Water
Resources Control Board
c/o Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

Re: Comment Letter – Beneficial

Dear Ms. Marcus and Members of the Board:

Thank you for the opportunity to comment on the State Water Resources Control Board (“Board”) Draft Staff Report, including the Substitute Environmental Documentation for Part 2 of the Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and Estuaries of California – Tribal and Subsistence Fishing Beneficial Uses and Mercury Provisions, issued on January 3, 2017 (“Staff Report”), regarding the Board’s regulatory initiative to regulate mercury levels in California water-bodies (hereinafter “Mercury Policy”).

Vista Irrigation District (VID) writes to ask that the Board review and consider the attached comment letter and recommendation table (collectively “Letter”) prepared by the San Diego County Water Authority (“SDCWA”) on the Staff Report and Mercury Policy. The Letter incorporates input provided by VID and other SDCWA member agencies. VID requests that the Board make the revisions and clarifications requested in the Letter, which is attached hereto. VID hereby incorporates by reference into this comment letter, and asserts as if separately stated herein, all of the contents of the attached SDCWA Letter.

Again, thank you for the opportunity to comment.

Sincerely,

Eldon Boone
General Manager

Appendix A. ~~Proposed Provisions for Draft Part 2 of the Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and Estuaries of California—Tribal and Subsistence Fishing Beneficial Uses~~

~~Draft~~Revised Draft Final Part 2 of the Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and Estuaries of California—Tribal and Subsistence Fishing Beneficial Uses and Mercury Provisions

Contents

II. BENEFICIAL USES	3
III. WATER QUALITY OBJECTIVES	4
D. Mercury.....	4
1. Applicability.....	4
2. Mercury Water Quality Objectives	4
a. Sport Fish Water Quality Objective.....	5
b. Tribal Subsistence Fishing Water Quality Objective	6
c. Subsistence Fishing Water Quality Objective	6
d. Prey Fish Water Quality Objective	7
e. California Least Tern Prey Fish Water Quality Objective	7
3. Interaction of Mercury Water Quality Objectives with Basin Plans.....	7
IV. IMPLEMENTATION OF WATER QUALITY OBJECTIVES	8
D. Mercury.....	8
1. General Applicability of the Mercury Implementation Provisions	8
2. Municipal Wastewater and Industrial Discharges	9
a. Applicability	9
b. Water Column Translations	9
c. Determining Whether A Discharge Requires an Effluent Limitation for Mercury.....	11
d. Methods, Routine Monitoring, and Compliance Schedules.....	13
e. Exceptions to the Reasonable Potential Analysis	14
3. Storm Water Discharges	15
a. Applicability	15
b. Municipal Separate Storm Sewer Systems.....	15
c. Industrial Activities.....	16
4. Mine Site Remediation.....	16
5. Nonpoint Source Discharges	17
6. Dredging Activities	17
7. Wetland Projects.....	17
ATTACHMENT A. GLOSSARY.....	18
ATTACHMENT B. MERCURY PREY FISH DECISION DIAGRAM	21
ATTACHMENT C. FISH TROPHIC LEVEL CLASSIFICATIONS.....	22
ATTACHMENT D. WATERS PROTECTED BY THE MERCURY CALIFORNIA LEAST TERN PREY FISH WATER QUALITY OBJECTIVE	23

[The entirety of the following text, except the italicized annotations, is proposed to be adopted as Part 2 of the Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and

Appendix A: ~~Draft~~~~Revised~~ ~~Draft~~ ~~Final~~ Part 2 of the Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and Estuaries of California—Tribal and Subsistence Fishing Beneficial Uses and Mercury Provisions (April 21, 2017)

II. BENEFICIAL USES

[Proposed text to be added to Chapter II (Beneficial Uses) of the Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and Estuaries of California (ISWEBE Plan).]

The A Regional Water Quality Control Boards (Regional Water Boards) shall use the beneficial uses and abbreviations listed below, to the extent ~~it defines~~ such activities are defined in a water quality control plan after *[insert effective date of Part 2]*.

For the State Water Resources Control Board (State Water Board) or the Regional Water Boards to~~To~~ designate the Tribal Tradition and Culture or Tribal Subsistence Fishing beneficial uses in a water quality control plan for a particular waterbody segment and time(s) of year, a CALIFORNIA NATIVE AMERICAN TRIBE² must confirm the designation is appropriate. ~~No confirmation is required to designate the Subsistence Fishing beneficial use in a water quality control plan.~~

The Tribal Subsistence Fishing and Subsistence Fishing beneficial uses, and the consumption of fish and shellfish component of the Tribal Tradition and Culture beneficial use, relate to the risks to human health from the consumption of noncommercial fish or shellfish. The two subsistence fishing beneficial uses normally involve ~~assume a~~ higher rates^s of consumption of fish or shellfish than those that protected under the Commercial and Sport Fishing and the Tribal Tradition and Culture beneficial uses. The functions^s of the Tribal Tradition and Culture, Tribal Subsistence Fishing, and Subsistence Fishing beneficial uses are is not to protect or enhance fish populations or aquatic habitats. Fish populations and aquatic habitats are protected and enhanced by other beneficial uses, including but not limited to, Fish Spawning, Migration of Aquatic Organisms, Aquaculture, Warm Freshwater Habitat, and Cold Freshwater Habitat, that are designed to support aquatic habitats for the reproduction or development of fish.

- 1) Tribal Tradition and Culture (CUL): Uses of water that support the cultural, spiritual, ceremonial, or traditional rights or LIFEWAYS of CALIFORNIA NATIVE AMERICAN TRIBES~~California Native American Tribes~~, including, but not limited to: navigation, ceremonies, or fishing, gathering, or consumption of natural aquatic resources, including fish, shellfish, vegetation, and materials.

¹ The State Water Board intends to amend the Water Quality Control Plan for Enclosed Bays and Estuaries of California to create the Water Quality Control Plan for Inland Surface Waters, Enclosed Bays, and Estuaries of California Plan (ISWEBE Plan). The State Water Board intends that Part 2 will be incorporated into the ISWEBE Plan, upon the ISWEBE Plan's adoption.

² Terms in "all cap" font (excepting the beneficial use abbreviations) are defined in Attachment A (Glossary).

- 2) Tribal Subsistence Fishing (T-SUB): Uses of water involving the non-commercial catching or gathering of natural aquatic resources, including fish and shellfish, for consumption by individuals, households, or communities of California Native American Tribes to meet **minimal** needs for sustenance.
- 3) Subsistence Fishing (SUB): Uses of water involving the non-commercial catching or gathering of natural aquatic resources, including fish and shellfish, for consumption by individuals, households, or communities, to meet **minimal** needs for sustenance.

III. WATER QUALITY OBJECTIVES

[Proposed text to be added to Chapter III (Water Quality Objectives) of the ISWEBE Plan.]

D. Mercury

1. Applicability

Chapter III.D.2 establishes water quality objectives for the reasonable protection of people and wildlife that consume fish and apply to all the inland surface waters, enclosed bays and estuaries of the State that have the applicable beneficial uses. The water quality objectives that protect people who consume fish apply to waters with the COMM, CUL, T-SUB, and SUB₃ beneficial uses. The water quality objectives that protect wildlife that consume fish apply to waters with WILD, MAR, RARE, WARM, COLD, EST, and SAL beneficial uses.⁴

2. Mercury Water Quality Objectives

Chapter III.D.2 contains five **numeric**-mercury fish tissue water quality objectives, which are formulated for one or more of the applicable beneficial uses, depending on the consumption pattern (which includes consumption rate, fish size, and species) by individuals and wildlife. Additionally, different sizes and species of fish contained at a water body will, in some cases, affect whether a particular water quality objective may be utilized to evaluate whether one or more beneficial uses are supported. Therefore, the fish in a particular water body would dictate which water quality objective(s) must be evaluated to ensure all the applicable wildlife beneficial uses are supported, as discussed below and illustrated in the flow chart in Attachment B. For any of the mercury fish tissue water quality objectives, measurements of total mercury concentrations in fish tissue may be substituted for methylmercury concentrations in fish tissue.

³ The water quality objective applicable to the SUB beneficial use (see **Section-Chapter** III.D.2.c) also applies to the Subsistence Fishing (FISH) beneficial use contained in the North Coast Regional Water Quality Control Board's water quality control plan. (Water Quality Control Plan for the North Coast (May 2011), p. 2-3.00.)

⁴ Any explicit reference in the MERCURY PROVISIONS to the WILD and MAR beneficial uses shall hereinafter include the WARM, COLD, EST, and SAL beneficial uses.

a. Sport Fish Water Quality Objective

1) Application of the Sport Fish Water Quality Objective

The Sport Fish Water Quality Objective for mercury applies to waters with the beneficial uses of COMM, CUL⁵, WILD, and MAR. ~~However, in some circumstances (i.e., depending on whether TROPHIC LEVEL 3⁶ or TROPHIC LEVEL 4 fish are in the water body), with respect to the WILD and MAR beneficial uses, additional water quality objectives also need to be utilized to evaluate whether consumption of fish by all wildlife species is supported (see below discussion).~~

With respect to the WILD and MAR beneficial uses, the Sport Fish Water Quality Objective may be used to evaluate whether all species are supported only when applied to TROPHIC LEVEL 4 fish, except with respect to the California least tern (as discussed in Chapter III.D.2.e). If the objective is measured using TROPHIC LEVEL 3 fish, protection of all wildlife species within the WILD and MAR beneficial uses is not ensured. Therefore, if TROPHIC LEVEL 3 fish are used, then the Prey Fish Water Quality Objective (as described in Chapter III.D.2.d) shall be used, but if the water body is habitat for California least tern, then the California Least Tern Prey Fish Objective (as described in Chapter III.D.2.e) shall be used. However, if the Sport Fish Water Quality Objective is exceeded when applied to TROPHIC LEVEL 3 fish, that is sufficient evidence to indicate that the Prey Fish Water Quality Objective or, if applicable, the California Least Tern Prey Fish Objective is also exceeded without having to measure the two latter objectives (see flow chart in Attachment B).

2) Sport Fish Water Quality Objective

The Sport Fish Water Quality Objective is: The average methylmercury concentrations shall not exceed 0.2 milligrams per kilogram (mg/kg) fish tissue within a ~~calendar~~ CALENDAR YEAR⁶. The water quality objective applies to the WET WEIGHT concentration in skinless fillet in TROPHIC LEVEL 3 or TROPHIC LEVEL 4 fish, whichever is the HIGHEST TROPHIC LEVEL FISH in the water body. Freshwater TROPHIC LEVEL 3 fish are between 150 to 500 millimeters (mm) in total length and TROPHIC LEVEL 4 fish are between 200 to 500 mm in total length, except for sizes specified in Attachment C, or as additionally limited in size in accordance with the LEGAL SIZE LIMIT for the species caught. Estuarine fish shall be within the LEGAL SIZE LIMIT and greater than 150 mm, or as otherwise specified in Attachment C.

⁵If site-specific studies indicate a consumption pattern under the CUL beneficial use higher than the consumption rate used for the objective to support the COMM beneficial use, then the Regional Water Board should consider adopting a site-specific objective to protect consumption of fish under the CUL beneficial use.

⁶ Any explicit reference in the MERCURY PROVISIONS to “CALENDAR YEAR” means a fixed period of twelve CALENDAR MONTHS (i.e., the period of months would not be moving or rolling).

b. Tribal Subsistence Fishing Water Quality Objective

1) Application of the Tribal Subsistence Fishing Water Quality Objective

The Tribal Subsistence Fishing Water Quality Objective applies to waters with the T-SUB beneficial use.

2) Tribal Subsistence Fishing Water Quality Objective

The Tribal Subsistence Fishing Water Quality Objective is: The average methylmercury concentrations shall not exceed 0.04 mg/kg fish tissue within a ~~calendar~~ ~~year~~ **CALENDAR YEAR**. The objective applies to the WET WEIGHT concentration in skinless fillet from a mixture of 70 percent TROPHIC LEVEL 3 fish and 30 percent TROPHIC LEVEL 4 fish as detailed in Attachment C.

c. Subsistence Fishing Water Quality Objective

1) Application of the Subsistence Fishing Water Quality Objective

The Subsistence Fishing Water Quality Objective applies to waters with the SUB beneficial use or to waters with the FISH beneficial use (see footnote 2).

2) Subsistence Fishing Water Quality Objective

The Subsistence Fishing Water Quality Objective is: Waters with the Subsistence Fishing (SUB) beneficial use shall be maintained free of mercury at concentrations which accumulate in fish and cause adverse biological, reproductive, or neurological effects in people.

The fish consumption rate used to evaluate this objective shall be derived from water body- and population-specific data and information on the subsistence fishers' rate and form (e.g. whole, fillet with skin, skinless fillet) of fish consumption.⁷

When a water quality control plan designates a water body or water body segment with the Subsistence Fishing (SUB) beneficial use, development of a region-wide or site-specific numeric fish tissue mercury water quality objective is recommended to account for the wide variation of consumption rate and fish species encompassed by the SUB beneficial use.

⁷ U.S. EPA recommended national subsistence fishing consumption rate of 142 grams per day (4 to 5 meals per week) shall be used to translate the narrative objective unless a site-specific numeric water quality objective is developed or an external peer-reviewed consumption study uses a different methodology to translate the narrative water quality objective.

d. Prey Fish Water Quality Objective

1) Application of the Prey Fish Water Quality Objective

The Prey Fish Water Quality Objective applies to waters with the WILD **and/or** MAR beneficial uses. However, the objective does not apply to water body segments where the California Least Tern Prey Fish Water Quality Objective applies (see Chapter III.D.2.e). As discussed in Chapter III.D.2.a, it is not necessary to measure the Prey Fish Water Quality Objective if the Sport Fish Water Quality Objective applies to the same water body and is evaluated using TROPHIC LEVEL 4 fish. However, if the Sport Fish Water Quality Objective is exceeded when applied to TROPHIC LEVEL 3 fish, that is sufficient evidence to indicate that the Prey Fish Water Quality Objective is also exceeded without having to measure the latter objective (see flow chart in Attachment B).

2) Prey Fish Water Quality Objective

The Prey Fish Water Quality Objective is: The average methylmercury concentrations shall not exceed 0.05 mg/kg in WET WEIGHT whole fish tissue of any species between 50 to 150 mm in total length during the breeding season. The breeding season is February 1 through July 31, unless site-specific information indicates another appropriate breeding period.

e. California Least Tern Prey Fish Water Quality Objective

1) Application of the California Least Tern Prey Fish Water Quality Objective

The California Least Tern Prey Fish Water Quality Objective applies to water with the WILD, MAR, **and/or** RARE beneficial uses at water bodies where the least tern or least tern habitat exists, including but not limited to the water bodies identified in Attachment D.

2) California Least Tern Prey Fish Water Quality Objective

The California Least Tern Prey Fish Water Quality Objective is: The average methylmercury concentrations shall not exceed 0.03 mg/kg fish tissue from April 1 through August 31. The objective applies to the WET WEIGHT concentration in whole fish less than 50 mm total length.

3. Interaction of Mercury Water Quality Objectives with Basin Plans

The MERCURY WATER QUALITY OBJECTIVES do not supersede any site-specific numeric mercury water quality objectives established in a Basin Plan, except (i) the freshwater mercury water quality objective for chronic effects to aquatic life (0.025 µg/L) established in the San Francisco Bay Basin Water Quality Control Plan (Table 3-4, and corresponding note); and (ii) the total body burden of 0.5 µg/g wet weight established for the mercury water quality objective

for aquatic organisms in the Water Quality Control Plan for the Central Coastal Basin (see note accompanying Table 3-5).

IV. IMPLEMENTATION OF WATER QUALITY OBJECTIVES

[Proposed text to be added to Chapter IV (Implementation of Water Quality Objectives) of the ISWEBE Plan.]

D. Mercury

1. General Applicability of the Mercury Implementation Provisions

The implementation provisions of Chapter IV.D shall be implemented through NPDES permits issued pursuant to section 402 of the Clean Water Act, water quality certifications issued pursuant to section 401 of the Clean Water Act, waste discharge requirements (WDRs), and waivers of WDRs, where any of the MERCURY WATER QUALITY OBJECTIVES apply. The implementation provisions pertaining to a particular beneficial use ([Chapter IV.D.2](#)) do not apply to dischargers that discharge to receiving waters for which a mercury or methylmercury total maximum daily load (TMDL) is established pertaining to the same beneficial use or uses⁸ Such “receiving waters” are those for which a mercury or methylmercury TMDL is approved and does not include upstream water bodies, even if the TMDL contains waste load allocations for the dischargers to the upstream water bodies to be implemented as effluent limitations to achieve the downstream water quality standard. For such upstream dischargers, the implementation provisions of Chapter IV.D apply. In the case where both the TMDL and application of the procedure at Chapter IV.D.2.c require an effluent limitation, then the more stringent requirement shall apply to the discharge.

EXISTING MERCURY TMDLs which examine and address the water quality problems associated with mercury that adversely affect the COMM, WILD, or RARE beneficial uses are in effect for numerous water bodies throughout the State. Such TMDLs identify sources of mercury which may include but are not limited to runoff from historic mines, urban runoff, wastewater discharges, atmospheric deposition, natural erosion, and resuspension of historic deposits of mercury-laden sediment.

⁸ ~~Such “receiving waters” are those for which a mercury or methylmercury TMDL is approved and does not include upstream water bodies even if the TMDL contains waste load allocations for the dischargers to the upstream water bodies to be implemented as effluent limitations to achieve the downstream water quality standard. For such upstream dischargers, the implementation provisions of Chapter IV.D apply. In the case where both the TMDL and application of the procedure at Chapter IV.D.2.c requires an effluent limitation, then the more stringent requirement shall apply to the discharge.~~

A Regional Water Board may adopt a new mercury TMDL for CUL, T-SUB, or SUB that substantially relies on the assumptions, technical and scientific basis, and requirements of an EXISTING MERCURY TMDL, if the analyses and assumptions underlying the EXISTING MERCURY TMDL remain valid. In such circumstances, the new mercury TMDL may effectively include the same actions of the EXISTING MERCURY TMDL with the exception of including a longer period of time to ensure the water quality objective associated with the CUL, T-SUB, or SUB beneficial use is attained.

2. Municipal Wastewater and Industrial Discharges

a. Applicability

Chapter IV.D.2 applies to dischargers issued individual non-STORM WATER National Pollutant Discharge Elimination System (NPDES) permits. The PERMITTING AUTHORITY shall incorporate the following requirements, as applicable, into NPDES permits during every permit issuance or renewal.

b. Water Column Translations

Because the Mercury Water Quality Objectives (Chapter III.D) are fish tissue based and not water column based, fish tissue based water quality objectives were converted to water column values (denoted as “C”) to be used for reasonable potential analysis and development of effluent limitations. The applicable value of C that corresponds with the water body/beneficial use designations in Table 1 shall be used to determine a discharger’s REASONABLE POTENTIAL and any applicable effluent limitation (see Chapter IV.D.2.c). The PERMITTING AUTHORITY shall use its best judgement to assign the most appropriate water body type (in Table 1) based on the receiving water’s potential for methylation during the period of discharge(s). Alternatively, a site-specific water column concentration value for C can be developed as described in Chapter IV.D.2.b.1, below.

Table 1. Values for C (water column concentration) based on water-body type and beneficial use.

Beneficial Use of the Receiving Water	COMM, CUL, WILD, MAR, RARE	COMM, CUL, WILD, MAR, RARE	COMM, CUL, T-SUB, WILD, MAR, RARE	T-SUB	T-SUB	SUB
Water body type	Flowing water bodies (generally, rivers, creeks, and streams, <u>and waters with tidal mixing</u>)	Slow moving water bodies** (generally, lagoons, <u>closed estuaries</u> , and marshes)	Lakes and reservoirs	Flowing water bodies (generally, rivers, creeks, and streams, <u>and waters with tidal mixing</u>)	Slow moving water bodies** (generally, lagoons, <u>closed estuaries</u> , and marshes)	Any
Value for "C"	12 ng/L total mercury	4 ng/L total mercury	Case-by-case*	4 ng/L total mercury	1 ng/L total mercury	Case-by-case*

*The PERMITTING AUTHORITY shall calculate C from the water quality objective, and may use available data, including U.S. EPA’s recommended national bioaccumulation factors and chemical translators.

**Slow moving water bodies are stationary or relatively still water bodies that are expected to have higher potential to methylate mercury than flowing water bodies.

1) Site-Specific Water Column Translations

The PERMITTING AUTHORITY may develop a site-specific water column concentration value (C) by utilizing a site-specific BIOACCUMULATION FACTOR, linear regression model⁸, or peer-reviewed model, derived from a study of the receiving water downstream of the discharge. The study must consider seasonal variation including, at a minimum, ~~include~~ data from three separate time points. Data collected at each time point must all be collected on the same day from within the same vicinity and must include a minimum of: 1) four total mercury water column samples, 2) four dissolved methylmercury water column samples, and 3) ten mercury fish tissue samples. The fish tissue samples shall be from TROPHIC LEVEL 4 FISH, but if TROPHIC LEVEL 4 FISH are not the HIGHEST TROPHIC LEVEL FISH in the water body, then the samples shall be from the size of fish that corresponds with the Prey Fish Water Quality Objective or

⁸ The linear regression analysis is a fish tissue based analysis that directly correlates water-body specific mercury fish tissue concentration to mercury water column concentrations.

California Least Tern Prey Fish Water Quality Objective, whichever is applicable (see Chapter III.D.2). The sampling time points shall be at least 90 days apart. If TROPHIC LEVEL 4 FISH are not the HIGHEST TROPHIC LEVEL FISH in the water body, then two of the sampling time points shall occur during the breeding season for the applicable water quality objective. A site-specific BIOACCUMULATION FACTOR shall be calculated as the mean methylmercury tissue concentration in one trophic level divided by the mean methylmercury concentration in water. Multiple bioaccumulation factors from different time points or different species shall be combined using a geometric mean. To derive water column concentration in the form of total mercury, a chemical translator must also be used to convert from methylmercury to total mercury.⁹

c. Determining Whether A Discharge Requires an Effluent Limitation for Mercury

1) Reasonable Potential Analysis

A PERMITTING AUTHORITY is required to apply section 1.3 of the State Water ~~Resources~~ **Control** Board's Policy for Implementation of Toxics Standards for Inland Surface Waters, Enclosed Bays, and Estuaries of California (generally referred to as the SIP) (pages 5-8), to determine whether a discharge has REASONABLE POTENTIAL, in which case the permit must contain a water quality-based effluent limitation.

To determine REASONABLE POTENTIAL, the PERMITTING AUTHORITY shall apply Steps 1-8 of section 1.3 of the SIP, as modified by the following:

Step 1: Replace Step 1 of the SIP with the following: Identify the applicable water column concentration (C) for the lowest (most stringent) mercury water quality objective applicable to the receiving water in accordance with Chapter IV.D.2.b.

Step 3: Replace Step 3 of the SIP with the following: Determine the mercury concentration for the effluent using the highest observed annual average effluent mercury concentration. The annual average shall be calculated as an arithmetic mean of all effluent mercury samples during a CALENDAR YEAR. For any sample reported as below the detection limit, one half of the detection limit shall be used to calculate the arithmetic mean. For any sample reported as below the quantitation limit and above the detection limit, the estimated concentration shall be used to calculate the arithmetic mean. The annual average concentration is used to account for the long-term nature of the methylmercury bioaccumulation process, which may not otherwise be reflected using the maximum concentration as required by the SIP.

Step 4: Apply as set forth in the SIP, but utilize the annual average mercury concentration from Step 3 (rather than an MEC) to compare to the C from Step 1.

⁹ See U.S. EPA, Water Quality Criteria for the Protection of Human Health: Methylmercury (EPA-823-R-01-001, Jan. 2001), app. A, pp. A-19 to A-25 (describes the chemical translators and provides national translators to convert from methylmercury to total mercury).

Step 5: Apply as set forth in the SIP, but replace the determination of the “maximum” ambient background concentration for mercury (denoted as B in the SIP), with the highest observed annual average ambient background concentration. The annual average shall be calculated as an arithmetic mean, as described in Section 1.4.3.2 of the SIP, except if the arithmetic mean is below the detection limit, then one half of the detection limit shall be used, using all ambient background total mercury samples collected during a CALENDAR YEAR.

Step 6: Replace Step 6 of the SIP with the following: A water quality-based effluent limitation is not required unless the highest observed annual effluent mercury concentration is greater than C. However, if B is greater than C, and mercury is detected in the effluent, effluent monitoring is required. Regardless as to whether B is greater or less than C, and whether mercury is detected in the effluent, proceed to Step 7 of the SIP.

2) Calculation of the Effluent Limitations

If, upon the completion of applying the REASONABLE POTENTIAL analysis set forth in Chapter IV.D.2.c.1, a water quality based effluent limitation is required, then the PERMITTING AUTHORITY shall calculate the effluent limitation ~~by applying section 1.4 of the SIP,~~ as follows:

~~The If part B of section 1.4 of the SIP applies, the~~ PERMITTING AUTHORITY shall apply Steps 1-7 contained in part B of section 1.4 of the SIP as modified by the following Chapter IV.D.2.c.2.i, below. If, however, an EXISTING MERCURY TMDL is in effect for the applicable water body that implements a water quality objective other than one of the MERCURY WATER QUALITY OBJECTIVES, as applicable, for CUL, T-SUB, or SUB, the PERMITTING AUTHORITY may apply Chapter IV.D.2.c.2.ii, below.

i. Steps 1 through 7

Step 1: Replace Step 1 of the SIP with the following: Use the same value for C as used for the REASONABLE POTENTIAL analysis in Chapter IV.D.2.c.1, Step 1, rather than the applicable fish tissue mercury water quality objective. If data are insufficient to calculate the effluent limitation, the ~~RWQCB~~ PERMITTING AUTHORITY shall establish interim requirements in accordance with section 2.2.2 of the SIP.

Step 2: Apply as set forth in the SIP, except the ambient background concentration (referred to as B in the SIP) shall be calculated as an arithmetic mean as described in Section 1.4.3.2 of the SIP. ~~Dilution shall be prohibited if the mercury concentration in fish tissue from fish in the receiving water exceeds the applicable MERCURY WATER QUALITY OBJECTIVES.~~ A dilution credit should be denied if the mercury concentration in fish tissue from fish in the receiving water exceeds the applicable MERCURY WATER QUALITY OBJECTIVES and other information indicates a lack of assimilative capacity, including the hydraulics of the water body, potential for bioaccumulation, or other pertinent factors.

Steps 3-5: Skip Steps 3-5.

Step 6: Apply as set forth in the SIP but set the effluent limitation as an average of the total mercury concentration in a CALENDAR YEAR~~annual average of total mercury (rather than a monthly average)~~ equal to the effluent concentration allowance (ECA) (from Step 2).

Step 7: Skip Step 7.

ii. Existing mercury TMDL

If the discharger is assigned a waste load allocation by the EXISTING MERCURY TMDL, the interim effluent limitation and final effluent limitation may be established as follows:

Interim effluent limitations. If the discharger demonstrates that the discharger is not immediately able to achieve compliance with the effluent limitation calculated by applying Chapter IV.D.2.c.2.i, above, the interim effluent limitation may be based on the requirements of the applicable waste load allocation in the EXISTING MERCURY TMDL applicable to the discharger, so long as: (a) the discharger is subject to a time schedule to complete FEASIBLE tasks to control mercury, if any, in addition to those currently underway, including the development of a proposed schedule for future source control tasks, and (b) the discharger makes a commitment to support, participate in, and expedite the development of a TMDL to implement any of the MERCURY WATER QUALITY OBJECTIVES and associated beneficial uses (CUL, T-SUB, SUB) (i.e., referred to herein as the new mercury TMDL). The time schedule to complete the additional tasks shall be specified in the permit and shall reflect a realistic assessment of the shortest practicable time required to perform each task.

The interim effluent limitation may apply until the new mercury TMDL is in effect, provided the new mercury TMDL is in effect within ten years from the effective date of the first permit that included the interim effluent limitation.

Final effluent limitations. If no new mercury TMDL is in effect within ten years from the effective date of the first permit that included the interim effluent limitation, the final effluent limitation shall be calculated in accordance with Chapter IV.D.2.c.2.i and shall take effect ten years from the effective date of the first permit that included the interim effluent limitation. If a new mercury TMDL is in effect within ten years from the effective date of the first permit that included the interim effluent limitation, the final effluent limitation shall be based on the applicable waste load allocation assigned to the discharger by the new mercury TMDL for the water quality standard under evaluation.

d. Methods, Routine Monitoring, and Compliance Schedules

- 1) Methods. For monitoring total mercury in effluent, the discharger shall use any U.S. EPA-approved method that has a quantitation limit lower than the effluent limitation. For monitoring receiving water, the discharger shall use any U.S. EPA-approved method that

has a quantitation limit lower than 0.5 ng/L for total mercury, and lower than 0.06 ng/L for methylmercury.

- 2) Routine Monitoring. The following are the minimum monitoring requirements for dischargers assigned an effluent limitation, but the PERMITTING AUTHORITY may require dischargers to conduct additional monitoring. The rationale for requiring additional mercury monitoring must be documented in the NPDES fact sheet or equivalent document.
 - i. Dischargers with mercury effluent limitations that are authorized to discharge at a rate equal to or greater than five million gallons per day are required to conduct routine total mercury monitoring in the effluent at a frequency no less than once each CALENDAR QUARTER for the duration of the permit.
 - ii. Dischargers with mercury effluent limitations that are authorized to discharge at a rate less than five million gallons per day are required to conduct routine total mercury monitoring in the effluent at a frequency no less than once each year for the duration of the permit.
 - iii. Dischargers without mercury effluent limitations are required to conduct total mercury monitoring in the effluent at a frequency of no less than once per permit ~~cycle~~term.
- 3) Compliance Determination. The annual average mercury concentration in the effluent shall be calculated as an arithmetic mean of all mercury effluent samples collected during a CALENDAR YEAR. For any sample reported as below the detection limit, one half of the detection limit shall be used to calculate the arithmetic mean. For any sample reported as below the quantitation limit and above the detection limit, the estimated concentration shall be used to calculate the arithmetic mean.
- 4) Compliance Schedule. The PERMITTING AUTHORITY may include a compliance schedule in NPDES permits to achieve the mercury effluent limitation in accordance with the Policy for Compliance Schedules in National Pollutant Discharge Elimination System Permits (State Water Board Resolution No. 2008-0025). The compliance schedule may be consistent with Chapter IV.D.2.c.2.ii, if applicable.

e. Exceptions to the Reasonable Potential Analysis

- 1) Small Disadvantaged Communities. The PERMITTING AUTHORITY is authorized to exempt POTWs only serving SMALL DISADVANTAGED COMMUNITIES from some or all of the provisions of Chapter IV.D.2-~~e~~ if the PERMITTING AUTHORITY makes a finding that the discharge will have no REASONABLE POTENTIAL¹⁰ with respect the

¹⁰ The PERMITTING AUTHORITY is not required to follow the prescriptive requirements of Chapter IV.D.2.c to make a finding that the discharge has no REASONABLE POTENTIAL.

applicable MERCURY WATER QUALITY OBJECTIVES. For POTWs only serving SMALL DISADVANTAGED COMMUNITIES that do not have an effluent discharge prior to permit issuance or renewal that is representative of the quality of the proposed discharge, the PERMITTING AUTHORITY is authorized to make this determination and exempt the POTW only after the first year of effluent discharge.

If exempt, the PERMITTING AUTHORITY shall have the discretion to assign routine monitoring as necessary. Routine monitoring schedules for POTWs only serving SMALL DISADVANTAGED COMMUNITIES shall not exceed the applicable frequency specified in Chapter IV.D.2.d.2 for the discharger's authorized rate of discharge.

- 2) Insignificant Discharges. The PERMITTING AUTHORITY is authorized to exempt certain dischargers from some or all of the provisions of Chapter IV.D.2 if the PERMITTING AUTHORITY makes a finding that the discharge will have no REASONABLE POTENTIAL¹¹ with respect to the applicable MERCURY WATER QUALITY OBJECTIVES.

If exempt, the PERMITTING AUTHORITY shall have the discretion to assign routine monitoring as necessary. Routine monitoring schedules for INSIGNIFICANT DISCHARGES shall not exceed the applicable frequency specified in Chapter IV.D.2.d.2 for the discharger's authorized rate of discharge.

- 3) Intake Water. The PERMITTING AUTHORITY is authorized to exempt a facility from some or all of the provisions of Chapter IV.D.2 if the PERMITTING AUTHORITY makes a finding that the sole source of the mercury in the effluent is shown to be from intake water from surface water and the facility discharges to the source water body.

3. Storm Water Discharges

a. Applicability

Chapter IV.D.3 applies to storm water dischargers regulated under general and individual NPDES STORM WATER permits issued pursuant to Clean Water Act section 402, subsection (p). The PERMITTING AUTHORITY shall include the requirements in Chapter IV.D.3.b in individual and general NPDES STORM WATER permits when adopting or re-issuing the permits.

b. Municipal Separate Storm Sewer Systems

- 1) Phase I and Phase II MUNICIPAL SEPARATE STORM SEWER SYSTEMS (MS4s) permits shall include a combination of the following mercury pollution prevention and

¹¹ See footnote 10.

pollution control measures to reduce total mercury or methylmercury discharges:¹² All of the following control measures are required, except, at the discretion of the PERMITTING AUTHORITY, additional measure(s) may be substituted for one or more measures if the substituted measure(s) would provide an equivalent level of control or prevent total mercury or methylmercury pollution. If the PERMITTING AUTHORITY substitutes other measures, the justification shall be documented in the permit fact sheet or equivalent document. The effort involved in each of the required measures shall be proportional to the size and population of the MS4.

- i. Thermometer exchange programs and fluorescent lamp recycling programs, or enhancement of household hazardous waste collection programs to better address mercury-containing waste products (potentially including thermometers and other gauges, batteries, fluorescent and other lamps, switches, relays, sensors and thermostats).
 - ii. Public education and outreach on disposal of household mercury-containing products and use of non-mercury containing alternatives.
 - iii. Education of auto dismantlers on how to remove, store, and dispose of mercury switches in autos.
 - iv. Survey of use, handling, and disposal of mercury-containing products used by the MS4 discharger agencies and development of a policy and time schedule for eliminating the use of mercury containing products by the discharger.
- 2) The PERMITTING AUTHORITY may include best management practices to control erosion in MS4 permits. However, the MS4 permit shall contain best management practices for AREAS WITH ELEVATED MERCURY CONCENTRATIONS.

c. Industrial Activities

Upon reissuance, the State Water Board shall revise the existing Numeric Action Level (NAL) for total mercury in the NPDES General Permit for Storm Water Discharges Associated with Industrial Activities (Industrial General Permit) from 1400 ng/L to 300 ng/L or lower.

4. Mine Site Remediation

The PERMITTING AUTHORITY shall require dischargers to implement erosion and sediment control measures to prevent or control mercury in discharges when adopting, re-issuing, or modifying WDRs or waivers of WDRs for dischargers subject to the requirements of Title 27 of

¹² On the effective date of the MERCURY WATER QUALITY OBJECTIVES, the Phase I and Phase II MS4 permits require pollution prevention and control measures (but not explicitly for mercury), which already may encompass one or more actions identified in Chapter IV.D.3.b.

the California Code of Regulations, section 22510 (closure and post-closure of mining sites), from land where mercury was mined or mercury was used during ore processing.

5. Nonpoint Source Discharges

The PERMITTING AUTHORITY has discretion under existing law to require dischargers to implement erosion and sediment control measures in WDRs or waivers of WDRs, and should consider requiring such measures in AREAS WITH ELEVATED MERCURY CONCENTRATIONS when adopting, re-issuing, or modifying a WDRs or waiver of WDRs.

6. Dredging Activities

The PERMITTING AUTHORITY has discretion under existing law to require dischargers to implement total mercury monitoring and procedures to control the disturbance and discharge of mercury-contaminated material during dredging and disposal of dredged material, and should consider requiring such measures in AREAS WITH ELEVATED MERCURY CONCENTRATIONS when adopting, re-issuing, or modifying a water quality certification, WDRs, or waiver of WDRs.

7. Wetland Projects

The PERMITTING AUTHORITY has discretion under existing law to require project applicants that establish (create) or restore wetlands to include design features or management measures to reduce the production of methylmercury in the wetland, including minimizing the wetting and drying of soil by keeping the wetland flooded and sediment control measures to reduce the transport of total mercury or methylmercury out of the wetland, and should consider requiring such measures in AREAS WITH ELEVATED MERCURY CONCENTRATIONS, when adopting, re-issuing, or modifying water quality certifications, WDRs, or waivers of WDRs.

Attachment A. Glossary

AREAS WITH ELEVATED MERCURY CONCENTRATIONS: Areas with elevated mercury concentrations include the following areas:

- 1) Areas located in the Coast Range mountains with naturally mercury-enriched soil or sediments with total mercury concentrations of 1 mg/kg or higher;
- 2) Areas located in an industrial area with soil or sediments with total mercury concentrations of 1 mg/kg or higher;
- 3) Areas located within historic mercury, silver, or gold mine tailings;
- 4) Areas located within historic hydraulic gold mining pits in the Sierra Nevada mountain range.
- 5) Any other area(s) determined **and documented** by the PERMITTING AUTHORITY in the applicable order.

BIOACCUMULATION: A process in which an organism's body burden of a pollutant exceeds that of its surrounding environment as a result of chemical uptake through all routes of chemical exposure: dietary and dermal absorption and transport across the respiratory surface.

BIOACCUMULATION FACTOR: The ratio of the concentration of a contaminant in the tissue of the organism to the concentration of the contaminant in the surrounding ambient water (see BIOACCUMULATION). A bioaccumulation factor (BAF) can be used to estimate the concentration of the chemical in water (C_{water}) that corresponds to concentration of chemical in fish tissue (C_{tissue}) using the following equation:

$$BAF = \frac{C_{tissue}}{C_{water}}$$

CALENDAR MONTH: A period of time from a day of one month to the corresponding day of the next month if such exists, or if not to the last day of the next month (e.g., from January 3 to February 3 or from January 31 to February 29).

CALENDAR QUARTER: A period of time defined as three ~~successive~~ consecutive calendar months.

CALENDAR YEAR: A period of time defined as twelve consecutive CALENDAR MONTHS.

CALIFORNIA NATIVE AMERICAN TRIBE (S): A federally-recognized California tribal government listed on the most recent notice of the Federal Register or a non-federally recognized California tribal government on the California Tribal Consultation List maintained by the California Native American Heritage Commission.

EXISTING MERCURY TMDL: A total maximum daily load for mercury approved by U.S. EPA for a COMM, WILD, or RARE beneficial use.

FEASIBLE: Capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors.

HIGHEST TROPHIC LEVEL FISH: Either TROPHIC LEVEL 3 or TROPHIC LEVEL 4 fish, whichever is the highest trophic level in the water body that is caught during monitoring, assessment, or other studies, that meet applicable quality assurance requirements.

INSIGNIFICANT DISCHARGES: NPDES discharges that are determined to be a very low threat to water quality by the PERMITTING AUTHORITY.

LEGAL SIZE LIMIT: The size limits of fish species for recreational fishing, established by title 14, California Code of Regulations sections 5.00 through 5.95.

LIFEWAYS: Any customs, practices, or art of a CALIFORNIA NATIVE AMERICAN TRIBE.

MERCURY WATER QUALITY OBJECTIVES: The fish tissue mercury water quality objectives set forth in Chapter III.D.2.

MERCURY PROVISIONS: The MERCURY WATER QUALITY OBJECTIVES and the implementation of those water quality objectives contained in Chapters III and IV, respectively.

MUNICIPAL SEPARATE STORM SEWER SYSTEM (MS4s): Same meaning as set forth in 40 Code of Federal Regulations, section 122.26(b)(8).

PERMITTING AUTHORITY: The State Water Board or Regional Water Board, whichever issues the permit or water quality certification.

PUBLICLY OWNED TREATMENT WORKS (POTWs): Facilities owned by a state or municipality that store, treat, recycle, and reclaim municipal sewage or industrial wastes of a liquid nature.

REASONABLE POTENTIAL: A designation used for a waste discharge that is projected or calculated to cause or contribute to an excursion above a water quality standard.

SMALL DISADVANTAGED COMMUNITIES: Municipalities with populations of 20,000 persons or less, or a reasonably isolated and divisible segment of a larger municipality encompassing 20,000 persons or less, with an annual median household income that is less than 80 percent of the statewide annual median household income.

STORM WATER: Same meaning as set forth in 40 Code of Federal Regulations section 122.26(b)(13).

TROPHIC LEVEL 3 FISH (TL3): Fish that consume mainly zooplankton, benthic invertebrates, and small, phytoplankton-dependent fish. Species include rainbow and brook trout, blue gill, sunfishes, suckers, and bullhead. Examples are shown in Attachment C.

TROPHIC LEVEL 4 FISH (TL4): Fish that consume TROPHIC LEVEL 3 fish and other aquatic organisms. Species include largemouth, smallmouth, spotted, and striped bass; brown and lake trout; catfish, and Sacramento pikeminnow. Examples are shown in Attachment C.

WET WEIGHT: Wet weight is part of the format for expressing the concentration of methylmercury in fish tissue. The mercury water quality objectives are expressed as a mass of methylmercury per mass of fresh or “wet” fish tissue. Concentrations expressed as methylmercury in dry weight of fish are not equivalent and must be converted to concentration on a wet weight basis if being compared with the objectives and targets.

Attachment B. Mercury Prey Fish Decision Diagram

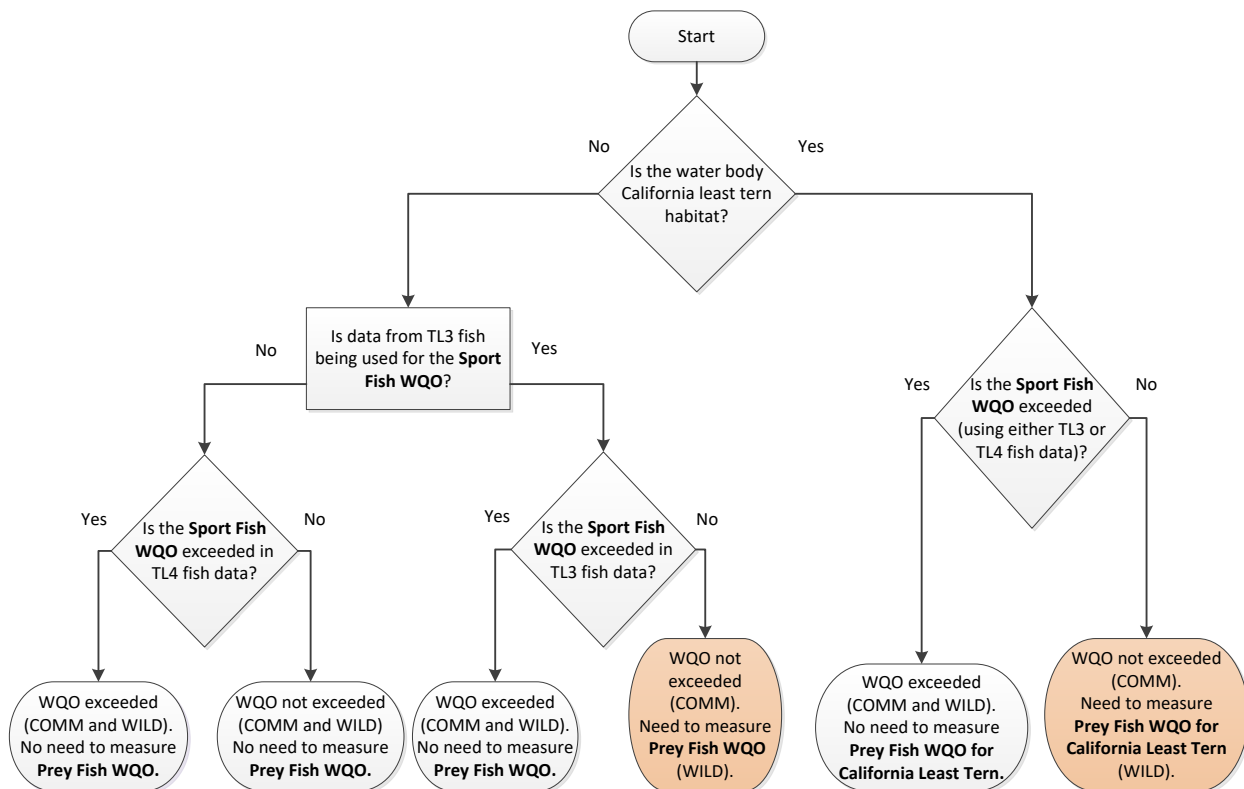


Figure B-1. Determining the need for application of mercury prey fish water quality objectives.

In some water bodies, the Sport Fish Water Quality Objective will not be sufficient to ensure wildlife beneficial uses are protected and one of the prey fish objectives needs to be measured (orange ovals, see also Chapter III.D.2.a.1). This decision depends on whether data from TROPIC LEVEL 3 (TL3) or TROPIC LEVEL 4 (TL4) fish are used and other factors as shown in the diagram. The wildlife-related beneficial uses are noted as WILD (Wildlife Habitat) in this diagram, but the applicable use may be Marine Habitat (MAR) or others. The Sport Fish Water Quality Objective protects beneficial use of Commercial and Sport Fishing (COMM) as well as Tribal Tradition and Culture (CUL) and wildlife beneficial uses. See Chapter III.D.2 for full details.

Attachment C. Fish Trophic Level Classifications

Table C-1 and Table C-2 show trophic level classifications for common species and sizes for comparison with the Sport Fish Water Quality Objective, the Tribal Subsistence Fishing Water Quality Objective, and the Subsistence Fishing Water Quality Objective. These tables do not include all possible species.

Table C-1. Freshwater trophic level classifications

Freshwater Fish Trophic Levels	
TROPIC LEVEL 4	TROPIC LEVEL 3
Unless other size is noted, fish must be within the LEGAL SIZE LIMIT and 200 to 500 mm total length	Unless other size is noted, fish must be within the LEGAL SIZE LIMIT and 150 to 500 mm total length
Black Crappie	Black Bullhead
Brown Trout	Bluegill
Channel Catfish	Brook trout
Lake Trout	Brown Bullhead
Largemouth Bass	Chinook salmon*
Sacramento Pikeminnow	Common Carp
Smallmouth Bass	Crayfish (> 30 mm)
Spotted Bass	Kokanee
Striped Bass	Pumpkinseed
White Catfish	Rainbow Trout
White sturgeon*	Redear Sunfish
	Sacramento Sucker
	Tule Perch
*Acceptable if longer than 500 mm, as long as within the LEGAL SIZE LIMIT	

Table C-2. Marine and estuarine trophic level classifications

Marine/Estuarine Fish Trophic Levels	
TROPIC LEVEL 4	TROPIC LEVEL 3
Unless size is noted, fish must be within the LEGAL SIZE LIMIT longer than 150 mm total length	Unless size is noted, fish must be within the LEGAL SIZE LIMIT and longer than 150 mm total length
Barred Sand Bass*	Black Perch
Gopher Rockfish*, and various other rockfish*, except Blue Rockfish	Blue Rockfish*
Kelp Bass*	Chub Mackerel
Leopard Shark	Opaleye
Spotted Sand Bass*	Pile Perch
Striped Bass	Rainbow Surfperch
Yellowfin Croaker*	Striped Mullet
	Shiner Surfperch
*Basses (Serranidae), Rockfish (Sebastidae), and Croaker (Sciaenidae) shall be within the LEGAL SIZE LIMIT and 150 to 500 mm total length for comparison with Sport Fish Water Quality Objective	

Attachment D. Waters Protected by the Mercury California Least Tern Prey Fish Water Quality Objective

Table B-1. Applicable waters for the California Least Tern Prey Fish Water Quality Objective

RB*	MA**	County	U.S. FWS Site Name	Applicable Inland Surfaces Waters, Enclosed Bays and Estuaries
2	A	Alameda	Alameda Naval Air Station	A water quality objective that is protective of California least tern has already been adopted for Lower San Francisco Bay
		Alameda	Alvarado Salt Ponds	
		Alameda	Oakland Airport	
		San Mateo	Bair Island	Bair Island Marsh
3	B	San Luis Obispo	Pismo Beach	Pismo Creek Estuary, Pismo Creek, Arroyo Grande Estuary, Arroyo Grande Creek, downstream (Oceano Lagoon, Meadow Creek, Pismo Marsh (Lake), Los Berros Creek), Big Pocket Lakes (Dune Lakes)
		San Luis Obispo	Oso Flaco Lake	Oso Flaco Lake, Oso Flaco Creek
3	C	Santa Barbara	Santa Maria River	Santa Maria Estuary, Santa Maria River (except Corralitos Canyon Creek, Sisquoc River, downstream), Orcutt Creek
3	D	Santa Barbara	San Antonio Creek	San Antonio Creek, San Antonio Creek Estuary
		Santa Barbara	Purisima Point (North, South)	None (only ocean waters)
		Santa Barbara	Santa Ynez River	Santa Ynez River Estuary, Santa Ynez River, downstream
4	E	Ventura	Santa Clara River	Santa Clara River Estuary, Santa Clara River Reach 1,
4	F	Ventura	Ormond Beach	Ormond Beach Wetlands
		Ventura	Mugu Lagoon	Calleguags Creek Reach 1 (also called Mugu Lagoon)
4	G	Los Angeles	Venice Beach	Ballona lagoon, Marina Del Rey (except Harbor),
		Los Angeles	Playa del Rey	Ballona Wetlands, Ballona Creek Estuary
4	H	Los Angeles	Terminal Island	Los Angeles/Long Beach Inner Harbor, Los Angeles/Long Beach Outer Harbor
		Los Angeles	San Gabriel River	Alamitos Bay: Los Cerritos Wetlands, San Gabriel Estuary, Los Cerritos Channel Estuary, Long Beach Marina
4	I	Los Angeles	Cerritos Lagoon	
		Los Angeles	Costa Del Sol	
8	J	Orange	Anaheim Bay	Anaheim Bay
		Orange	Surfside Beach	Anaheim Bay
8	K	Orange	Bolsa Chica (North, South)	Bolsa Bay, Bolsa Chica Ecological Reserve
8	L	Orange	Huntington Beach	Santa Ana River Salt Marsh, Tidal Prism of Santa Ana River (to within 1000' of Victoria Street) and Newport Slough
8	M	Orange	Upper Newport Bay	Upper Newport Bay

Table B-1. Applicable waters for the California Least Tern Prey Fish Water Quality Objective

RB*	MA**	County	U.S. FWS Site Name	Applicable Inland Surfaces Waters, Enclosed Bays and Estuaries
9	N	San Diego	San Mateo Creek	San Mateo Creek Mouth
		San Diego	Aliso Creek	Aliso Canyon (in San Onofre Creek Watershed. Not in Orange County)
		San Diego	Santa Margarita River	Santa Margarita Lagoon
9	O	San Diego	Buena Vista Lagoon	Buena Vista Creek
9	P	San Diego	Agua Hedionda Lagoon	Agua Hedionda Lagoon
9	Q	San Diego	Batiquitos Lagoon	Batiquitos Lagoon
9	R	San Diego	San Elijo Lagoon	San Elijo Lagoon
9	S	San Diego	San Dieguito Lagoon	San Dieguito Lagoon
		San Diego	Whispering Palms Encinitas	None (no longer suitable habitat)
9	T	San Diego	Los Penasquitos Lagoon	Los Penasquitos Lagoon
9	U	San Diego	FAA Island	Mission Bay
		San Diego	North Fiesta Island	Mission Bay
		San Diego	Stony Point	Mission Bay
		San Diego	South Sea World Drive	Mission Bay, San Diego River Estuary
		San Diego	Clover Leaf	Mission Bay, San Diego River Estuary
9	V	San Diego	Naval Training Center	San Diego Bay
		San Diego	San Diego Int. Airport	San Diego Bay
		San Diego	Chula Vista Wildlife Reserve	San Diego Bay
		San Diego	Sweetwater River	Sweetwater River, Hydrologic Unit Basin Number 9.21, San Diego Bay
		San Diego	North Island	San Diego Bay
		San Diego	Delta Beach	San Diego Bay
		San Diego	Coronado Cays	San Diego Bay
		San Diego	Saltworks	San Diego Bay
9	W	San Diego	Tijuana River Mouth	Tijuana River Estuary

* Regional Water ~~Quality Control~~ Board

**US FWS California least tern coastal management areas (US FWS 2006).



STAFF REPORT

Board Meeting Date: May 3, 2017
Prepared By: Brett Hodgkiss
Approved By: Eldon Boone

SUBJECT: ASSEMBLY BILL 892

RECOMMENDATION: Authorize the General Manager to submit a letter of support for Assembly Bill 892 if deemed appropriate.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: None.

SUMMARY: In March 2017, the District received an email from the San Luis Rey Indian Water Authority asking that the District consider supporting (at future date) Assembly Bill 892 (AB 892) and Senate Bill 750 (SB 750). The latter measure was considered a companion bill to AB 892; however, it was amended in April 2017 to address matters relating to the vehicle code, and as such, is no longer being considered for support. AB 892 would authorize, rather than require upon the satisfaction of certain conditions, water districts to provide water service to all Indian tribes whose lands are owned by the tribe.

DETAILED REPORT: Existing law permits a water district to acquire and distribute water for the beneficial use of the district's customers. Existing law also, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district.

AB892 would authorize, rather than require, a district to provide water service at substantially the same terms applicable to district customers to an Indian tribe's lands that are not within the district as if the lands had been fully annexed into the district and into other public agencies, such as a water wholesaler, as required for the provision of water service. The bill would apply this authorization to all Indian tribes whose lands are owned by the tribe. AB 892, as written, does not conflict with the terms and conditions of the San Luis Rey Indian Water Rights Settlement.

According to San Diego County Water Authority (Water Authority) staff, the Sycuan Band of the Kumeyaay Nation (Sycuan) has raised objections to the proposed changes that AB 892 would make to the statutory language that Sycuan was able to achieve through the passage of AB 2470, which was written to narrowly apply to a situation involving water service to the Sycuan tribal lands by either Padre Dam Municipal Water District or Otay Water District. Sycuan has requested that the author retract the changes proposed in AB 892 and create a new Water Code section in which to insert the proposed language. As of the writing of this report, the bill has not been amended to address the aforementioned objections.

The Association of California Water Agencies and California Special Districts Association have each taken a "watch" position on this bill.

ATTACHMENT: Assembly Bill 892 text

AMENDED IN ASSEMBLY MARCH 23, 2017

CALIFORNIA LEGISLATURE—2017—18 REGULAR SESSION

ASSEMBLY BILL

No. 892

Introduced by Assembly Member Waldron

February 16, 2017

~~An act to amend Section 6075 of the Water Code, relating to water.~~
An act to amend Section 71611.5 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 892, as amended, Waldron. ~~Department of Water Resources: supervision: dams and reservoirs.~~ *Municipal water districts: water service: Indian tribes.*

Existing law, the Municipal Water District Law of 1911, provides for the formation of municipal water districts and grants to those districts specified powers. Existing law permits a district to acquire, control, distribute, store, spread, sink, treat, purify, recycle, recapture, and salvage any water for the beneficial use of the district, its inhabitants, or the owners of rights to water in the district. Existing law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed.

This bill would authorize, rather than require, a district to provide this service of water. The bill would apply this authorization to all Indian tribes whose lands are owned by the tribe.

~~Existing law establishes the Department of Water Resources and prescribes the powers and responsibilities of the department with regard to the construction and operation of water storage facilities in the state. Existing law requires the department, under the police power of the~~

state, to supervise the construction, enlargement, alteration, repair, maintenance, operation, and removal of dams and reservoirs for the protection of life and property.

This bill would make a nonsubstantive change in that law governing the duties of the department with respect to dams and reservoirs.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 71611.5 of the Water Code is amended
2 to read:

3 71611.5. Notwithstanding any other law:

4 (a) Upon the request of an Indian tribe and the satisfaction of
5 the conditions stated in subdivision (b), a district ~~shall~~ *may* provide
6 service of water at substantially the same terms applicable to the
7 customers of the district to an Indian tribe’s lands that are not
8 within a district as if the lands had been fully annexed into the
9 district and into any other public agencies required for the provision
10 of water service if the Indian tribe’s lands ~~meet all of the following~~
11 ~~requirements:~~ *are owned by the tribe.*

12 ~~(1) The lands were owned by the tribe on January 1, 2016.~~

13 ~~(2) The lands are contiguous with at least two districts.~~

14 ~~(3) The lands lie within the special study area of at least one~~
15 ~~district.~~

16 ~~(4) At least 70 percent of the Indian tribe’s total Indian lands~~
17 ~~are currently within the boundaries of one or more districts.~~

18 (b) Before a district provides service of water pursuant to this
19 section, the Indian tribe shall satisfy all of the following conditions:

20 (1) The Indian tribe complies with all federal and tribal laws.

21 (2) The Indian tribe acquires all federal and tribal approvals
22 necessary for the applicable district to provide water service to the
23 tribal lands on substantially the same terms applicable to customers
24 of the district.

25 (3) The Indian tribe ~~shall~~ *accepts*, by ~~agreement~~ ~~accept~~
26 *agreement*, all terms of, and payments to (including service
27 payments), the district and any public agency providing water to
28 said district, as if the Indian tribe’s lands were fully annexed into
29 the district and into the service area of any other public agency,
30 which terms and payments are also a condition of continued service

1 by a district and by any public agency providing water to said
2 district.

3 (c) If a district provides service of water to an Indian tribe's
4 lands pursuant to this section, the service areas of the district and
5 of any public agencies providing water to the district are deemed
6 for all purposes to include the Indian tribe's lands for the longest
7 of the following periods of time:

8 (1) The time service of water is provided by the district to the
9 Indian tribe.

10 (2) The time moneys are owed by the Indian tribe to the district
11 for the service of water.

12 (3) The term of any agreement between the district and the
13 Indian tribe.

14 ~~SECTION 1. Section 6075 of the Water Code is amended to~~
15 ~~read:~~

16 ~~6075. The department, under the police power of the state,~~
17 ~~shall supervise the construction, enlargement, alteration, repair,~~
18 ~~maintenance, operation, and removal of dams and reservoirs for~~
19 ~~the protection of life and property as described in this part.~~

**STIPULATION REGARDING
DECEMBER 5, 2014, IMPLEMENTING AGREEMENT**

Pursuant to the San Luis Rey Indian Water Rights Settlement Act of 1988 (Public Law Number 100-675, 102 Stat. 4000), an agreement—known as the Implementing Agreement—was entered into on December 5, 2014, by: the Vista Irrigation District; the City of Escondido, California (on its own behalf and as successor to the Escondido Mutual Water Company); the San Luis Rey River Indian Water Authority; and the La Jolla, Rincon, San Pasqual, Pauma, and Pala Bands of Mission Indians. These entities are hereafter collectively referred to as the Parties, and the Implementing Agreement is referred to hereafter as the Agreement.

The Agreement provides in Article 4.A that for the Agreement to become effective, the United States District Court for the Southern District of California (hereafter referred to as the district court) must make certain findings “in open court.” The Agreement also identifies (in Article 27.C.1-8) an individual from each Party who is authorized to make certain representations “in open court.”

The Parties to the Agreement hereby stipulate, through their undersigned counsel: 1) that notwithstanding anything in the Agreement, nothing need be done in open court in order for that agreement to become effective, and 2) that condition (iii) in Article 4.A of the Agreement has been satisfied by the district court’s April 26, 2017, order approving the stipulation that the Parties and the United States filed on January 19, 2017, in *Rincon Band of Mission Indians et al. v. City of Escondido et al.*, No. 69-cv-00217-WQH-KSC (S.D. Cal.).

SAN LUIS REY INDIAN WATER AUTHORITY

By: _____ Date: _____

LA JOLLA BAND OF MISSION INDIANS

By: _____ Date: _____

RINCON BAND OF MISSION INDIANS

By: _____ Date: _____

SAN PASQUAL BAND OF MISSION INDIANS

By: _____ Date: _____

LA JOLLA BAND OF MISSION INDIANS

By: _____

Date: _____

PAUMA BAND OF MISSION INDIANS

By: _____

Date: _____

PALA BAND OF MISSION INDIANS

By: _____

Date: _____

CITY OF ESCONDIDO

By: _____

Date: _____

VISTA IRRIGATION DISTRICT

By: _____

Date: _____



STAFF REPORT

Board Meeting Date: May 3, 2017
Prepared By: Don Smith
Approved By: Eldon Boone

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

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

Outline of Settlement Issues

Complete:

- Settlement Agreement
- Implementing Agreement
- Office of Management and Budget Certification – Sec. 3605(b) of Water Infrastructure Improvements for the Nation Act
- Existing Indian and Federal Rights-of-Way for the Local Water System
- New Escondido-VID Agreement
- Final Disposition of US District Court Cases
[Final judgment issued 4/21/17; findings of fact and order issued 4/26/17.]

Pending:

- Requirement of Settlement Parties to appear in open court
[This requirement of Implementing Agreement is proposed to be satisfied by a stipulation among the Settlement Parties.]
- FERC Conduit Exemption and License Surrender Order
[Conditional Order issued and can become a final order after US District Court issues judgment and approves settlement. Once the Final Order is issued, the Settlement and Implementing Agreements become effective.]
- Rights-of-Way for the San Pasqual Undergrounding Project
[Recordings not complete; modifications sent to Bureau of Indian Affairs on 2/13/17.]
- Assignment of Forman Deeds
[Draft is being reviewed by Indian Bands. VID Board action required to assign right to enforce rights and interests granted under the Forman Deeds to the Indian Bands and/or the San Luis Rey Indian Water Authority.]



Agenda Item: 12

STAFF REPORT

Board Meeting Date: May 3, 2017
Prepared By: Eldon Boone

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

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



**SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING
APRIL 27, 2017**

- 9- 1. Construction contract for San Vicente Dam inclinometer installation.
The Board authorized the General Manager to award a construction contract to Crux Subsurface, Inc., in the amount of \$175,135 for the San Vicente inclinometer installation project.
- 9- 2. Professional services contract with Pure Technologies U.S. Inc. for acoustic fiber optic cable monitoring services on Pipelines 3, 4, 5 and the Crossover Pipeline.
The Board authorized the General Manager to award a professional services contract to Pure Technologies U.S. Inc. for acoustic fiber optic cable monitoring services in the amount of \$2,319,814 for two years, from July 1, 2017 through June 30, 2019, with an option to extend the contract for an additional three years.
- 9- 3. Miramar Pump Station Rehabilitation project.
The Board authorized the General Manager to accept the Miramar Pump Station Rehabilitation project as complete, record the Notice of Completion, and release funds held in retention to Kiewit Infrastructure West Co. following expiration of the retention period; and, authorized the General Manager to execute the Reimbursement Agreement between San Diego County Water Authority and City of San Diego for design, construction, ownership, operation, and maintenance of San Diego 27 Flow Control Facility in the amount of \$400,000.
- 9- 4. San Vicente Energy Storage Facility Study.
The Board approved issuing a Request for Proposal, to all full-service teams, for potential implementation of the San Vicente Energy Storage Facility Study.
- 9- 5. Funding of low-flow meter installation at Skinner Water Treatment Plant to reduce the minimum treated water delivery from Metropolitan Water District.
The Board authorized the General Manager to fund the installation of a low-flow meter at the Skinner Water Treatment Plant in an amount not to exceed \$2,630,360.
- 9- 6. Adopt bill positions.
 - A) The Board adopted a position of Support if Amended on AB 798 (Garcia), relating to Salton Sea restoration.
 - B) The Board adopted a position of Support if Amended on AB 1587 (Levine), relating to quagga mussels.
 - C) The Board adopted a position of Oppose Unless Amended on AB 1667 (Friedman), relating to agricultural water management plans.



San Diego County Water Authority

- D) The Board adopted a position of Oppose Unless Amended on AB 1668 (Friedman), relating to drought contingency planning.
 - E) The Board adopted a position of Oppose on AB 1669 (Friedman), relating to long-term water use efficiency standards.
 - F) The Board adopted a position of Support if Amended on SB 615 (Hueso), relating to Salton Sea restoration.
 - G) The Board adopted a position of Oppose on Proposed Budget Trailer Bill RN 17-12268, relating to long-term water use standards.
 - H) The Board adopted a position of Oppose Unless Amended on Proposed Budget Trailer Bill RN 17-09926, relating to drought contingency planning.
- 9- 7. Co-sponsor AB 968 (Rubio) and AB 1654 (Rubio).
The Board co-sponsored and adopted a position of Support on AB 968 (Rubio), relating to long-term water use efficiency standards and performance measures and co-sponsored and adopted a position of Support on AB 1654 (Rubio), relating to drought contingency plans.
- 9- 8. Adopt position on AB 885 (Rubio).
The Board adopted a position of Oppose Unless Amended on AB 885 (Rubio), relating to lead testing.
- 9- 9. Resolution for the Second San Diego Aqueduct Moosa Canyon Crossing Erosion Control Project.
The Board adopted Resolution No. 2017-06 that found that the project will not have a significant effect on the environment; adopted the Final Mitigated Negative Declaration; adopted the Mitigation Monitoring and Reporting Program; approved the Second San Diego Aqueduct Moosa Canyon Crossing Erosion Control Project; and authorized filing a Notice of Determination.
- 9-10. Amend agreement for Consulting Services with Laing Strategic Communications.
The Board amended the agreement with Laing Strategic Communications for continued consulting services to the Water Authority through June 30, 2018, by \$36,000, for a period of 12 additional months, and increasing total contract funding to an amount not to exceed \$157,000.
- 9-11. Amend agreement for Consulting Services with SCN Strategies.
The Board amended the agreement with SCN Strategies for continued consulting services to the Water Authority through June 30, 2018 by \$150,000, for a period of 12 additional months, and increasing total contract funding to an amount not to exceed \$1,139,050.



- 9-12. Adopt a Resolution Supporting the Association of California Water Agencies' Policy Statement on Bay Delta Flow Requirements.
The Board adopted Resolution No. 2017-07 in Support of the Association of California Water Agencies' (ACWA) Policy Statement on Bay Delta Flow Requirements.
- 9-13. Anticipated Litigation.
The Board approved direction to engage counsel and to initiate an action, and the action, the defendants, and the other particulars shall, once formally commenced, be disclosed to any person upon inquiry, unless to do so would jeopardize the agency's ability to effectuate service of process on one or more unserved parties, or that to do so would jeopardize its ability to conclude existing settlement negotiations to its advantage.
- 9-14. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the monthly Treasurer's Report.
- 9-15. Approve the extension of the Bank of Tokyo liquidity facility supporting the Water Authority's Commercial Paper Series 8.
The Board approved the extension of the Bank of Tokyo liquidity facility agreement and adopted Resolution 2017-08 authorizing the amendment of the Bank of Tokyo agreement.



STAFF REPORT

Agenda Item: 13.A

Board Meeting Date: May 3, 2017
Prepared By: Lisa Soto
Approved By: Eldon Boone

SUBJECT: REPORTS ON MEETINGS AND EVENTS ATTENDED BY DIRECTORS

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



STAFF REPORT

Agenda Item: 13.B

Board Meeting Date: May 3, 2017
Prepared By: Marian Schmidt
Approved By: Eldon Boone

SUBJECT: SCHEDULE OF UPCOMING MEETINGS AND EVENTS

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

	SCHEDULE OF UPCOMING MEETINGS AND EVENTS	ATTENDEES
1	ACWA Spring Conference May 9-12, 2017 – Monterey Marriott and Portola Hotel, Monterey Registration deadline: 5/9/17	MacKenzie (R,A,H) Dorey (R,A,H) Sanchez (R,A,H) Vásquez (R,A,H)
2 *	Council of Water Utilities Meeting May 16, 2017 – 7:15 a.m., Stoneridge Country Club, Poway Reservation deadline: 5/11/17	
3	Special Districts Legislative Days (CSDA) May 16-17, 2017 – The Grand Events Center, Sacramento Registration deadline: 5/5/17	MacKenzie (R)
4 *	CSDA Quarterly Dinner Meeting May 18, 2017 – 6:00-9:00 p.m. – The Butcher Shop Steakhouse, Kearny Mesa Reservation deadline: 5/11/17	MacKenzie Vásquez
5	Santa Ana River Watershed Conference (Water Education Foundation) May 25, 2017 – Ontario Convention Center Registration deadline: 5/21/17	Vásquez (H)
6	Required Harassment Prevention for Staff/Board Webinar (CSDA) June 6, 2017 – 10:00 a.m. – 12:00 p.m. Registration deadline: 5/26/17	
7	Bay Delta Tour Field Trip (Water Education Foundation) June 14-16, 2017 – Sacramento International Airport Reservation deadline: 5/31/17	
8 *	Council of Water Utilities Meeting June 20, 2017 – 7:15 a.m., Stoneridge Country Club, Poway Reservation deadline: 6/15/17	
9	California Water Summit (Infocast) June 20-22, 2017 – Embassy Suites by Hilton Sacramento Riverfront Promenade Reservation deadline: 5/5/17	
10	Law of the Colorado River (Water Law Institute) June 22-23, 2017 – Caesars Palace, Las Vegas Registration deadline: None	
11	Special District Leadership Academy Conference (CSDA) July 9-12, 2017– Embassy Suites Napa Valley, Napa Registration deadline: 6/30/17	Sanchez (H)
12 *	Council of Water Utilities Meeting July 18, 2017 – 7:15 a.m., Stoneridge Country Club, Poway Reservation deadline: 7/13/17	
13	Water Reclamation and Reuse Conference (International Water Association) July 23-27, 2017 – Long Beach Registration deadline: 7/10/17	

14	How to Communicate Effectively Using Online Tools Webinar (CSDA) <i>July 27, 2017 – 10:00 a.m. – 11:00 a.m.</i> <i>Registration deadline: 7/24/17</i>	
15 *	Council of Water Utilities Meeting <i>Aug. 15, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 8/10/17</i>	
16	Urban Water Institute's Annual Water Conference <i>Aug. 16-18, 2017 – Hilton San Diego Resort</i> <i>Registration deadline: 8/2/17</i>	
17 *	CSDA Quarterly Dinner Meeting <i>Aug. 17, 2017 – 6:00-9:00 p.m. – The Butcher Shop Steakhouse, Kearny Mesa</i> <i>Reservation deadline: 8/10/17</i>	MacKenzie
18	Staying in Compliance: Understand Special District Laws (CSDA) <i>Aug. 24, 2017 – Oxnard Harbor District, Port Hueneme</i> <i>Registration deadline: 8/18/17</i>	
19	Legislative Round Up Webinar (CSDA) <i>Aug. 31, 2017 – 10:00 a.m. – 12:00 p.m.</i> <i>Registration deadline: 8/25/17</i>	MacKenzie (R)
20 *	Council of Water Utilities Meeting <i>Sept. 19, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 9/14/17</i>	
21	CSDA Annual Conference <i>Sept. 25-28, 2017 – Marriott and Monterey Conference Center, Monterey</i> <i>Registration deadline: 9/8/17</i>	MacKenzie (H) Sanchez (H)
22	Groundwater Resources Annual Conference & Meeting <i>Oct. 3-4, 2017 – Hilton Arden West, Sacramento</i> <i>Registration deadline: TBD</i>	
23	Northern California Tour Field Trip (Water Education Foundation) <i>Oct. 11-13, 2017 – Sacramento International Airport</i> <i>Reservation deadline: 9/27/17</i>	
24 *	Council of Water Utilities Meeting <i>Oct. 17, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 10/12/17</i>	
25	San Joaquin River Restoration Tour Field Trip (Water Education Foundation) <i>Nov. 1-2, 2017 – Fresno</i> <i>Reservation deadline: 10/18/17</i>	
26	Required Ethics AB1234 Compliance Training Webinar (CSDA) <i>Nov. 8, 2017 – 10:00 a.m. – 12:00 p.m.</i> <i>Registration deadline: 10/27/17</i>	
27 *	CSDA Quarterly Dinner Meeting <i>Nov. 16, 2017 – 6:00-9:00 p.m. – The Butcher Shop Steakhouse, Kearny Mesa</i> <i>Reservation deadline: 11/9/17</i>	
28 *	Council of Water Utilities Meeting <i>Nov. 21, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 11/16/17</i>	
29	ACWA Fall Conference <i>Nov. 28-Dec. 1, 2017 – Anaheim Marriott Hotel</i> <i>Registration deadline: TBD</i>	
30 *	Council of Water Utilities Meeting <i>Dec. 19, 2017 – 7:15 a.m., Stoneridge Country Club, Poway</i> <i>Reservation deadline: 12/14/17</i>	

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

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

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



STAFF REPORT

Board Meeting Date: May 3, 2017
Prepared By: Lisa Soto

SUBJECT: ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES

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

Staff-generated list of tentative items for future agendas:

- General Manager performance evaluation
- SDG&E easement rights on Warner Ranch
- Grazing licenses on Warner Ranch
- Puerta La Cruz Conservation Camp lease
- Groundwater Assessment proposals
- Appraisal of property on Pipeline Drive



Agenda Item: 15

STAFF REPORT

Board Meeting Date: May 3, 2017
Prepared By: Lisa Soto

SUBJECT: COMMENTS BY DIRECTORS

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



Agenda Item: 16

STAFF REPORT

Board Meeting Date: May 3, 2017
Prepared By: Eldon Boone

SUBJECT: COMMENTS BY GENERAL COUNSEL

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



Agenda Item: 17

STAFF REPORT

Board Meeting Date:

May 3, 2017

Prepared By:

Eldon Boone

SUBJECT: COMMENTS BY GENERAL MANAGER

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