

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

December 6, 2017

A Regular Meeting of the Board of Directors of Vista Irrigation District was held on Wednesday, December 6, 2017 at the offices of the District, 1391 Engineer Street, Vista, California.

**1. CALL TO ORDER**

President Miller called the meeting to order at 9:00 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; Frank Wolinski, Operations and Field Services Manager; Alisa Nichols, Management Analyst; Mark Saltz, Water Resources Specialist; Jennifer Brust, Customer Services Manager; Al Ducusin, Engineering Services Manager; Marlene Kelleher, Finance Manager; and Marian Schmidt, Administrative Assistant. General Counsel Joel Kuperberg was also present.

Other attendees: From the City of Escondido, Angela Morrow, Deputy Director of Utilities / Construction and Engineering and Chris McKinney, Director of Utilities; and retiring District employee Jose Ramirez, along with his family members and many of his coworkers.

**3. PLEDGE OF ALLEGIANCE**

Director MacKenzie led the pledge of allegiance.

**4. APPROVAL OF AGENDA**

17-12-135	<i>Upon motion by Director Vásquez, seconded by Director MacKenzie and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors approved the 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**

17-12-136 *Upon motion by Director Sanchez, seconded by Director MacKenzie and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors approved the Consent Calendar, including Resolution No. 17-46 approving disbursements.*

- A. 2018 August Board meeting dates

See staff report attached hereto. Staff recommended and the Board approved the revised Board meeting dates for August 2018.

- B. Minutes of the November 9, 2018 meeting of the Public Affairs Committee

See staff report attached hereto. Staff recommended and the Board noted and filed the minutes of the November 9, 2018 meeting of the Public Affairs Committee.

- C. Minutes of the November 13, 2018 meeting of the Warner Ranch Committee

See staff report attached hereto. Staff recommended and the Board noted and filed the minutes of the November 13, 2018 meeting of the Warner Ranch Committee.

- D. Minutes of Board of Directors meeting on November 15, 2018

The minutes of November 15, 2017 were approved as presented.

- E. Resolution ratifying check disbursements

**RESOLUTION NO. 17-46**

**BE IT RESOLVED, that the Board of Directors of Vista Irrigation District does hereby approve checks numbered 57468 through 57622 drawn on Union Bank totaling \$1,065,898.20.**

**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 6<sup>th</sup> day of December 2017.**

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**7. RESOLUTION HONORING RETIRING VISTA IRRIGATION DISTRICT EMPLOYEE JOSE RAMIREZ**

See staff report attached hereto.

General Manager Eldon Boone thanked retiring employee Jose Ramirez for his 25 years of service to the District. He commended Mr. Ramirez for the consistent friendly manner in which he's conducted himself with his coworkers and with the customers he's encountered while out in the field over the years. Operations and Field Services Manager, Frank Wolinski said a few words about Mr. Ramirez and his time with the District. He noted that Mr. Ramirez was instrumental in transforming the District's

valve maintenance program from a manual, labor-intensive task to an automated, state of the art valve exercising system, electronically inventorying nearly all of the District's valves in the process. Mr. Ramirez also worked extensively with the Engineering Department to integrate this data into the District's Geographic Information System.

Mr. Ramirez thanked the Board and his fellow employees. He said that he was thankful for his career with the District, which allowed him and his wife to raise their family and have a good life.

17-12-137     *Upon motion by Director Vasquez, seconded by Director Dorey, the Board of Directors adopted Resolution 17-47 honoring retiring Vista Irrigation District employee Jose Ramirez, by the following roll call vote:*

*AYES:             Directors Vásquez, Dorey, Sanchez, MacKenzie, and Miller*  
*NOES:             None*  
*ABSTAIN:         None*  
*ABSENT:          None*

*A copy of Resolution 17-47 is on file in the official Resolution Book of the District.*

President Miller and the rest of the Board thanked Mr. Ramirez for his service and wished him well in his retirement. President Miller presented Mr. Ramirez a framed copy of the above resolution.

A brief break was taken from 9:12 a.m. to 9:28 a.m. Upon return from break, present in the Boardroom were Don Smith, Brian Smith, Randy Whitmann, Frank Wolinski, Alisa Nichols, Mark Saltz, Jennifer Brust, Al Ducusin, and Marlene Kelleher.

## **8.        DIVISION REPORTS**

See staff report attached hereto.

Mr. Boone said that an overview of the District's Master Plan update would be presented at the January 3, 2018 Board meeting. He suggested that at that time a workshop be scheduled for the Board to have an in-depth discussion on the matter with staff and the consultants.

Mr. Boone reported that the HP Reservoir Rehabilitation Project is nearing completion with the reservoir having gone back into service on November 16. He noted that there is some minor seepage that is being monitored as the concrete dries, and some of the site work such as the fencing is still being completed. Director Vásquez commended staff for recommending the use of the design-build approach on this project, which has proven to be advantageous for the District. Mr. Boone commended Randy Whitmann and Brian Smith for their efforts on the project.

Engineering Project Manager, Randy Whitmann updated the Board on the District's mainline replacement project. He said that he has received the final design plans and specifications from KEH and Associates; after his final review, the project will be ready to go out to bid. He said that the project may be ready in January for the Board to consider authorization to begin construction. Director MacKenzie asked if lining the pipes rather than replacing them had been considered. Mr. Whitmann said that staff, with assistance from KEH, would be assessing pipe lining as an option for future replacement projects.

## **9.        CONCESSION MANAGEMENT AGREEMENT**

See staff report attached hereto.

Director of Water Resources Don Smith said that the Warner Ranch Committee met and discussed terms and conditions of the Concession Management Agreement with Lake Henshaw Resorts, Inc. twice. During the first meeting, the Committee reviewed the old agreement and made recommendations to be incorporated into the new agreement. The second Committee meeting consisted of reviewing language contained in the new agreement. Mr. Smith stated that the Committee suggested revisions to the draft language, which have been incorporated into the final document. Mr. Smith followed up on a question by the Committee about the gasoline storage by the concessionaire, noting that the fuel is stored in two 55 gallon drums and is for use by the rental crafts.

Mr. Smith said that with regard to the “put and take” hunting that was allowed by contract amendment number 8 in early 2017, there has not been much of this activity so far; however, going forward, the Concessionaire has requested to keep this this as an option. He stated that every six months the Concessionaire will decide whether to exercise the option.

Mr. Smith reviewed the status of the small water system operated by the Concessionaire. He provided clarification regarding the annual reporting requirement of all capital improvements made in the previous year by the Concessionaire. The Board discussed the provision in the agreement for the sharing of cost between the Concessionaire and the District in the event that a major, unforeseen expense should arise within the purview of the Concessionaire. The Board also discussed the status and condition of the mobile home park operated by the Concessionaire.

The Board complimented and commended staff for the work done on the new agreement, which brought together the original agreement and all of the previous amendments into one comprehensive document. Mr. Smith credited Management Analyst Alisa Nichols for undertaking the tedious task of compiling all of the documents, making the final document readable.

17-12-138	<i>Upon motion by Director Dorey, seconded by Director Vasquez and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors approved the Concession Management Agreement with Lake Henshaw Resorts, Inc. and authorized the General Manager to execute the agreement.</i>
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## 10. SAN PASQUAL UNDERGROUNDING PROJECT

See staff report attached hereto.

Don Smith provided an update regarding the San Pasqual Undergrounding Project (SPUP), a project to remove, relocate and replace about 2.5 miles of the Escondido Canal that cross the San Pasqual Indian Reservation. The project is required as part of the Indian Water Rights Settlement Implementing Agreement and must be completed by May 2023. Mr. Smith stated that while both the City of Escondido (Escondido) and the District are jointly responsible for completing the project, Escondido is responsible for managing the design and construction aspects. He noted that with the feasibility studies complete, the significant remaining tasks include acquisition of rights-of-way across private lands, project design and construction.

The Board discussed the acquisition of rights-of-way across private lands. Mr. Smith said that Escondido has had an appraisal done on the private land and will be presenting it’s findings to its City Council later this month in closed session. There are three parcels with two owners from which rights-of-way are needed for the pipeline alignment. The Board discussed the timeframe for the project in light of the deadline contained in the Implementing Agreement. Mr. Smith said that he estimates that project design will take about a year to complete once a consultant is onboard; construction will take approximately two years to complete. He stated that he believed there will be adequate time to complete

the project. The Board requested periodic updates on the project via the Division Reports; for more significant milestones, the Board requested to be updated via an informational staff report.

## **11. WATER BILL MESSAGES**

See staff report attached hereto.

Mr. Boone stated that the District uses the messaging space on its water bills (350 characters) to communicate various types of information to its customers. Topics have included information about rebate programs and incentives, water use restrictions, water rate adjustments as well as the availability of publications on the District's website. Mr. Boone said that twice a year there is a message on the bills about the District's water rate increases. The District has used the same language since 2011. Recently there was one customer who complained about the message to staff and Director MacKenzie. Mr. Boone handed out a copy of the District's current message with staff's proposed revised message below it, which was crafted with input from Director MacKenzie (attached hereto as "Exhibit A"). The Board reviewed the draft revised message, which is intended to better describe a typical customer.

The Board discussed the relevant information shown on the District's website regarding the District's rate increases and acknowledged that it too might need to be updated to describe a typical customer (e.g. meter size and water use). Director Sanchez suggested that the District's website also explain the reason for the downward pressure on the District's water rates. Director Vásquez pointed out that the message directs the customer to the District's website for details but not all customers have access to the internet. It was noted that for customers who don't have access to the internet, the message also says "please call us" for details. The Board directed staff to use the proposed message verbiage, as discussed. The Board further directed that the matter be revisited by the Board prior to the next water rate and/or service charge increase.

During the above discussion, the District's Special Counsel John Carter arrived and was seated in the audience. Out of consideration for Mr. Carter's schedule, President Miller directed that the next item be taken out of order.

## **20. CLOSED SESSION FOR CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**

President Miller adjourned the meeting to closed session at 10:36 a.m. for a conference with Legal Counsel, per Government Code section 54956.9(d)(4) to discuss anticipated litigation (one potential case). The meeting reconvened in open session at 11:15 a.m. President Miller declared that no reportable action had been taken.

A brief break was taken from 11:15 a.m. to 11:24 a.m. Upon return from break, present in the Boardroom were Marlene Kelleher, Brian Smith, and Don Smith.

## **12. NEW POSITIONS**

See staff report attached hereto.

Mr. Boone stated that staff is seeking authorization from the Board to add two new staff positions, temporarily increasing the number of District employees from 90 to 92. Mr. Boone said that the addition of these positions is related to the District's succession planning. Mr. Boone noted that as a result of reorganization within the Administration Division, the Finance Manager has assumed additional responsibilities, reducing her availability to work on other vital projects within the Finance Department. Mr. Boone said he believes it prudent to add a Finance Supervisor to the department, which would allow

the Finance Manager to work on projects such as the water rate model. He added that the District currently has two Certified Public Accountants (CPAs) on staff—himself and the Finance Manager. In the interest of succession planning, the Finance Supervisor position would also be filled by a CPA.

Mr. Boone said that staff is also recommending the addition of a District Engineer position. Mr. Boone stated that the Director of Engineering has announced his impending retirement by December 31, 2018. Staff proposes to fill this key executive management level position soon, in order to provide adequate time for the selected person to gain institutional knowledge from the incumbent and to allow for a smooth transition in the Engineering Division. The plan would be for the position of District Engineer to be filled by the incumbent until he retires, and the newly hired staff member would assume the title of Director of Engineering.

17-12-139 *Upon motion by Director MacKenzie, seconded by Director Vasquez and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors authorized the General Manager to add a District Engineer position to the Engineering Division and a Finance Supervisor position to the Finance Department.*

### 13. COMPENSATION SCHEDULE

See staff report attached hereto.

Mr. Boone explained that the California Public Employees Retirement System requires the District to adopt a Compensation Schedule each time there is a change in employee compensation. Mr. Boone said the primary reason for adopting the schedule at this time is the 3.5 percent salary adjustment that will take effect on January 1, 2018 for all employees per the new labor agreements which were adopted in November 2017. The two new positions were also added to the schedule as well as a few other minor changes.

17-12-140 *Upon motion by Director Dorey, seconded by Director Sanchez, the Board of Directors adopted Resolution 17-48 approving the Compensation Schedule effective January 1, 2018 for all employees to facilitate California Public Employees' Retirement System reporting requirements under current state pension law, by the following roll call vote:*

*AYES: Directors Vásquez, Dorey, Sanchez, MacKenzie, and Miller*  
*NOES: None*  
*ABSTAIN: None*  
*ABSENT: None*

*A copy of Resolution 17-48 is on file in the official Resolution Book of the District.*

Brian Smith left the meeting at this time.

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

See staff report attached hereto.

President Miller reported that there had not been a meeting of the San Diego County Water Authority (CWA) board since his last report. He noted that the next meeting would be the following day, at which time the board would be called upon to vote on whether to extend the term of the amended and restated agreement between the Metropolitan Water District (MWD) and CWA for the exchange of water

from 35 to 45 years. President Miller said also on the agenda would be an item for the Board to consider entering into agreement for the San Vicente Energy Storage Facility Project with either Tenaska, Inc. or with Brookfield US Generation LLC.

Mr. Boone reported that there was no Member Agencies Managers meeting to report on; however, there was a meeting for member agencies general managers only, with no CWA staff in attendance. The meeting lasted three and a half hours, and every member agency's general manager or a designee was in attendance. Mr. Boone said a lot of issues that member agencies have with CWA were discussed, including sharing of information, transparency and trust. There was also a discussion regarding MWD's Local Resource Program.

## **15. MEETINGS AND EVENTS**

See staff report attached hereto.

All five Board members reported on their attendance at the recent Association of California Water Agencies (ACWA) Conference. Director Sanchez commented that he found the directory in the conference program guide of the ACWA board members and committee chairs helpful. He said he made a concerted effort to meet as many of these people as possible. Director Sanchez said that there was a letter distributed at the ACWA Town Hall meeting from Cindy Tuck, ACWA Deputy Executive Director for Government Relations, regarding the development of a plan for a low-income water rate assistance program. He provided copies of the letter for the Board, in case they did not receive one at the conference (attached hereto as Exhibit B).

Director Dorey stated that while at the ACWA Conference he attended several sessions from the attorneys' track, which he found interesting and informative. Director Dorey reported on the meeting of the ACWA Joint Powers Insurance Authority where there was discussion regarding a potential future insurance captive. He noted that this will be a topic of more discussion in the months to come.

Director Vásquez reported that while at the ACWA Conference he attended a meeting of the Water Quality Committee, a session on the California Water Fix and the ACWA Region 10 Board meeting. Director Vásquez also reported on his attendance at the recent California Special Districts Association (CSDA) Quarterly Meeting where Keene Simonds, the new Executive Director for San Diego Local Agency Formation Commission (LAFCO), provided an update on current matters pertaining to LAFCO. Mr. Simonds noted that by the year 2050 the region's population will increase by 350,000; he advised special districts to begin planning for this increase now.

Director MacKenzie reported that while at the recent ACWA Conference, she attended a meeting of the ACWA Finance Committee. The Finance Committee decided to raise the ACWA membership dues by three percent in order to fund two new positions (a Regulatory Advocate and a Legislative Advocate).

Director MacKenzie reported that on November 1 she chaired the meeting of the Special District Leadership Foundation (SDLF) board, where changes to the SDLF scholarships programs were discussed. She noted that a scholarship was added for website design for small districts with budgets under \$500,000. Director MacKenzie reported on her attendance at a CSDA Board meeting, where the board authorized CSDA legislative staff to work on recommendations for legislation requiring districts to have websites. She reviewed changes that the SDLF Board approved to the Districts of Distinction program. She reported on her attendance at a meeting of the CSDA Finance Corporation and on an additional CSDA Board meeting the previous Thursday, where the board reviewed policy updates and conference dates for 2018.

Director MacKenzie reported a LAFCO meeting she attended the previous Monday, which included a review of the workload for the coming year. LAFCO will be starting the five year process for its Municipal Service Reviews which, in addition to cities and special districts, will be expanded to include mutual water companies and joint power authorities.

Directors Dorey and Vásquez requested to attend the Council of Water Utilities meeting in January 2018.

17-12-141 *Upon motion by Director Vásquez, seconded by Director MacKenzie 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 the Council of Water Utilities meeting in January 2018.*

**16. ITEMS FOR FUTURE AGENDAS AND/OR PRESS RELEASES**

See staff report attached hereto.

None were presented.

**17. COMMENTS BY DIRECTORS**

Director Vásquez reported on an article in the local news regarding a mountain lion and fox that were spotted recently near Lake Henshaw.

**18. COMMENTS BY GENERAL COUNSEL**

None were presented.

**19. COMMENTS BY GENERAL MANAGER**

Mr. Boone reminded the Board about the Employee Appreciation Event scheduled for noon on Tuesday, December 19, 2017.

**21. ANNUAL ORGANIZATIONAL MEETING**

President Miller presided over the Board elections for the upcoming 2018 year.

17-12-142 *Upon motion by Director Vásquez, seconded by Director MacKenzie and carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors elected Director Dorey as Board President for 2018.*

17-12-143 *Upon motion by Director Dorey, seconded by Director Sanchez and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors elected Director MacKenzie as First Vice President to preside in the absence of the President.*



17-12-144

*Upon motion by Director Dorey, seconded by Director Sanchez and unanimously carried (5 ayes: Miller, Vásquez, Dorey, Sanchez, and MacKenzie), the Board of Directors designated Lisa Soto to serve as Secretary of the Board, with Marian Schmidt and Eldon Boone designated as Assistant Secretaries of the Board. Eldon Boone was designated to serve as Treasurer, Brett Hodgkiss and Marlene Kelleher designated as Assistant Treasurers.*

Director Sanchez reported that he was not selected to serve on either of the ACWA committees to which he applied. He said that he was considering applying to the ACWA Business Development Committee and/or the ACWA Membership Committee, both of which allow an unlimited number of participants. The Board encouraged him to do so and to submit his applications as soon as possible.

## 22. ADJOURNMENT

There being no further business to come before the Board, at 12:26 p.m. President Miller adjourned the meeting.

  
Marty Miller, President

ATTEST:

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



## STAFF REPORT

**Agenda Item: 6.A**

**Board Meeting Date:** December 6, 2017  
**Prepared By:** Lisa Soto  
**Reviewed By:** Brett Hodgkiss  
**Approved By:** Eldon Boone

**SUBJECT:** 2018 AUGUST BOARD MEETING DATES

**RECOMMENDATION:** Approve the revised Board meeting dates for August 2018.

**PRIOR BOARD ACTION:**

11/15/2017 Established 2018 Board meeting dates.

**FISCAL IMPACT:** None.

**SUMMARY:** At the November 15, 2018 Board meeting, the Board established its 2018 Board meeting schedule to resolve conflicts as follows: a) reschedule the first Board meeting in July from July 4 to July 5; b) shift both meetings in October to the second and fourth Wednesdays of the month; c) schedule one Board meeting in December, on December 5; and d) set 9:00 a.m. start times for February 21, March 21, August 22, October 24, and December 5. It later came to staff's attention that the draft calendar contained an error in the month of August; the meetings were inadvertently shifted to the second and fourth Wednesdays from the first and third.

**DETAILED REPORT:** Attached are two August 2018 calendars, one showing the error that was made, and the other showing the correction. Please note that the revised August 2018 calendar shows 8:30 a.m. meeting start times, as there is no conflict with the North County Water Group meeting on either of the meeting dates.

August 2018 (showing previous error)						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	<del>8</del>	9	10	11
12	13	14	15	16	17	18
19	20	21	<del>22</del>	23	24	25
26	27	28	29	30	31	

Corrected Board meeting dates for August 2018						
August 2018						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

# Cash Disbursement Report



Payment Dates 11/03/2017 - 11/21/2017

Payment Number	Payment Date	Vendor	Description	Amount
57468	11/08/2017	Refund Check 57468	Customer Refund	44.68
57469-57471	11/08/2017	Refund Checks 57469 - 57471	Customer Refunds	1,934.18
57472	11/08/2017	ACWA/JPIA	Medical & Dental Insurance 12/2017 - Cobra	735.27
	11/08/2017		Medical & Dental Insurance 12/2017 - Cobra	69.09
	11/08/2017		Medical & Dental Insurance 12/2017 - Cobra	69.09
	11/08/2017		Medical & Dental Insurance 12/2017 - Cobra	69.09
	11/08/2017		Medical & Dental Insurance 12/2017 - Employees	159,879.03
	11/08/2017		Medical & Dental Insurance 12/2017 - Retirees	32,962.79
	11/08/2017		Medical & Dental Insurance 12/2017 - M Miller	1,731.63
	11/08/2017		Medical & Dental Insurance 12/2017 - R Vasquez	1,462.29
	11/08/2017		Medical & Dental Insurance 12/2017 - J MacKenzie	1,731.63
	11/08/2017		Medical & Dental Insurance 12/2017 - P Dorey	1,462.29
	11/08/2017		Medical & Dental Insurance 12/2017 - P Sanchez	1,731.63
57473	11/08/2017	Ironwood Plumbing	Meter Tie-Back	1,700.00
57474	11/08/2017	Allied Electronics Inc	Supplies for SCADA Panel	287.35
	11/08/2017		Exhaust Fans - Plant 9	340.96
	11/08/2017		Fans For SCADA Panel	720.22
	11/08/2017		Breakers, Terminal Blocks, Jumpers	877.47
	11/08/2017		SCADA Electrical Breakers	502.62
57475	11/08/2017	American Water Works Association	AWWA Membership Dues 2018	6,384.00
57476	11/08/2017	Association of California Water Agencies	Membership Dues 2018	22,850.00
57477	11/08/2017	AT&T	20Mbps Internet Service 09/19/17-10/18/17	1,076.10
57478	11/08/2017	Big Drip Plumbing	Meter Tie-Backs	10,750.00
57479	11/08/2017	Boot Barn Inc	Footwear Program	175.00
57480	11/08/2017	Boot World Inc	Footwear Program	164.85
57481	11/08/2017	Capital One Commercial	Costco Membership Dues 10/2017 - Rebate included	29.81
57482	11/08/2017	CDW Government Inc	Cisco Catalyst 9300 Switch (3)	16,259.32
	11/08/2017		Cisco Catalyst 9300 Expansion Module (2)	694.86
	11/08/2017		Cisco StackPower Cable (3)	215.34
	11/08/2017		Cisco StackWise 480 Cable (3)	214.50
	11/08/2017		Cisco Secondary Power Supply (3)	1,372.07
	11/08/2017		Cisco IP Based firmware with 3 years support (3)	8,761.77
	11/08/2017		Cisco SMARTNet Extended Support (3)	1,603.47
	11/08/2017		Cables	57.56
57483	11/08/2017	City Of Escondido	Escondido Canal Operating Cost 07/2017 - 09/2017	89,870.08

Payment Number	Payment Date	Vendor	Description	Amount
	11/08/2017		EVWTP OSG Expenses 07/2017-09/2017	134,826.52
57484	11/08/2017	Coast Equipment Rentals	Cement	200.26
57485	11/08/2017	Toyota San Diego	Toyota Tacoma	24,524.44
57486	11/08/2017	CSMFO	Membership Dues	110.00
57487	11/08/2017	Dan Gascon	Damage Claim Reimbursement	500.00
57488	11/08/2017	DIRECTV	DirectTV Service	78.99
57489	11/08/2017	EDCO Waste & Recycling Services Inc	Trash/Recycle 10/2017	212.05
	11/08/2017		40Yd Dumpster, Pipe Removal	1,581.49
57490	11/08/2017	Electrical Sales Inc	MCC Beaker Well 8A	841.95
57491	11/08/2017	Escondido Metal Supply	Steel for Lightbar Stand - Truck 10	112.06
57492	11/08/2017	Ferguson Waterworks	Maintenance Repair Kits (7)	1,526.33
	11/08/2017		Hydraulic Valve Repair Parts - Station 3	545.58
57493	11/08/2017	Glennie's Office Products Inc	Office Supplies	58.37
	11/08/2017		Office Supplies	75.72
	11/08/2017		Office Supplies	81.09
	11/08/2017		Office Supplies	33.99
	11/08/2017		Office Supplies	5.79
57494	11/08/2017	Grainger	Steel	110.97
	11/08/2017		Steel Wedges	221.96
	11/08/2017		Meter Accessories for Voltage Testing	138.81
57495	11/08/2017	Hawthorne Machinery Co	Retainer, Nozzle - B16	44.95
	11/08/2017		Rod End - B23	42.80
	11/08/2017		Kickout Control Parts, Teeth & Hardware	598.70
	11/08/2017		Bolts & Locknuts	92.28
57496	11/08/2017	HDR	2016 Water Master Plan 09/2017	16,366.56
57497	11/08/2017	Ingersoll Rand Co Industrial Technologies	Air Compressor Inspection & Repair	495.00
57498	11/08/2017	Kimball Midwest	Cutting/Fabrication Tools	786.98
	11/08/2017		Metal Cutter Tips	125.33
57499	11/08/2017	Lightning Messenger Express	Messenger Service 10/13/17	48.00
57500	11/08/2017	Major League Pest/Gemini Pest Control	Bee Removal (11)	935.00
57501	11/08/2017	Moodys	Dump Fees (2)	400.00
	11/08/2017		Dump Fees (2)	400.00
	11/08/2017		Dump Fee	200.00
57502	11/08/2017	North County Auto Parts	Starter - Truck 48	186.99
	11/08/2017		Filters, Wipers, Wire, Cable Tie	157.49
	11/08/2017		Belt Tensioners, Bearing Cups	(158.75)
	11/08/2017		Gloves	17.30
	11/08/2017		Starter Core - Truck 48	(19.49)
	11/08/2017		Battery Core	(14.07)
57503	11/08/2017	North County Lawnmower Inc	Weed Whacker Heads & String	122.67

Payment Number	Payment Date	Vendor	Description	Amount
57504	11/08/2017	Opto 22	Controllers (2)	2,175.43
57505	11/08/2017	O'Reilly Auto Parts	Drive up Ramp	62.77
	11/08/2017		Retainer Clip Assortment	59.52
	11/08/2017		Vac Hose Connector - Truck 5	12.96
57506	11/08/2017	Pacific Pipeline Supply	Adapter 2" Copper x MIP (40)	519.60
	11/08/2017		Fire Hydrant Spool 6x18 (6)	591.05
	11/08/2017		Fire Hydrant Spool 6x24 (6)	668.98
	11/08/2017		Fire Hydrant Spool 6x12 (12)	883.32
	11/08/2017		Adapter 6" Cast Iron POxFL (15)	925.54
	11/08/2017		Valve, Adapter, Gaskets, Pipe Restraints	1,550.36
57507	11/08/2017	Ramona Disposal Service	Trash Service 10/2017	161.10
57508	11/08/2017	Rancho Environmental Service	Tree Trimming & Debris Removal	5,300.00
	11/08/2017		Tree Removal -Finkbinder Bench	2,650.00
57509	11/08/2017	Rincon del Diablo MWD	MD Reservoir Water Service 10/2017	41.78
57510	11/08/2017	S & J Supply Company Inc	Service Saddle 8x1 C900 PVC (5)	684.86
	11/08/2017		Curb Stop 1" Flare (7)	695.46
57511	11/08/2017	San Diego Chapter-CSDA	Meeting 11/16/17 - R Vasquez	30.00
	11/08/2017		Meeting 11/16/17 - B Hodgkiss	30.00
57512	11/08/2017	San Diego Gas & Electric	Gas Use 10/2017	254.66
	11/08/2017		Electric 10/2017 - Well Field	769.92
	11/08/2017		Electrical Transmission 10/2017	3,487.84
	11/08/2017		Electric 10/2017 - T&D	88.96
	11/08/2017		Electric 10/2017 - Reservoirs	40.91
57513	11/08/2017	Sherry Thorpe	Tuition Reimbursement 11/2017	529.16
57514	11/08/2017	Shred-it USA LLC	Shredding Service	97.85
57515	11/08/2017	SiteOne Landscape Supply, LLC	PVC Pipe	5.80
	11/08/2017		PVC Telescope	304.80
	11/08/2017		PVC Pipe	10.15
57516	11/08/2017	Sonsray Machinery LLC	Coolant Hoses & Belt - F1	147.53
57517	11/08/2017	Southern Counties Lubricants, LLC	Fuel 10/16/17-10/31/17	5,976.20
57518	11/08/2017	The San Diego Union-Tribune LLC	Legal Notices	156.76
57519	11/08/2017	TS Industrial Supply	Crimper Sets (2)	771.83
	11/08/2017		Striping Paint (108)	468.26
	11/08/2017		Wire Brush (48)	109.12
	11/08/2017		Chipping Gun, Quick Coupler - Truck 30	110.67
	11/08/2017		Wire/Poly Brushes - B20	757.52
57520	11/08/2017	VG Donuts & Bakery Inc	Board Mtg 11/01/17	28.66
57521	11/08/2017	Vista Lock & Safe Co	Key, Trigger Snap	13.26
57522	11/08/2017	Vortex Industries Inc	Roll-Up Doors Bi-Annual Maintenance	863.00
57523	11/08/2017	Vulcan Materials Company and Affiliates	Cold Mix	1,998.82

Payment Number	Payment Date	Vendor	Description	Amount
57524	11/08/2017	Xerox Corporation	Xerox C7025 Maintenance 08/2017-09/2017	112.80
57525-57529	11/15/2017	Refund Checks 57525-57529	Customer Refunds	693.76
57530	11/15/2017	ABABA Bolt	Steel Rivet Nuts	42.03
57531	11/15/2017	Ironwood Plumbing	Meter Tie-Back	6,500.00
57532	11/15/2017	Aquajet Art	Stainless Steel Buoy Anchor Plates	484.88
57533	11/15/2017	Auto Specialist Warehouse	Pads - Truck 57	71.54
	11/15/2017		Rotors (2)	114.75
	11/15/2017		Pads - Truck 1	81.19
	11/15/2017		Rotors - Truck 1	205.68
57534	11/15/2017	Boot World Inc	Footwear Program (8)	1,309.45
57535	11/15/2017	California Department of Justice	Pre-employment Fingerprinting	98.00
57536	11/15/2017	Canon Solutions America, Inc	Copier Maintenance	38.56
57537	11/15/2017	CI Solutions	ID Cards	111.55
57538	11/15/2017	CDW Government Inc	HP E242 24" Monitors (6)	1,662.67
	11/15/2017		Displayport Cables	84.38
	11/15/2017		APC Replacement Battery Cartridge	252.25
57539	11/15/2017	Cecilia's Safety Service Inc	Traffic Control - Flaggers for Locating	680.00
	11/15/2017		Traffic Control - Mullen Way	1,455.00
	11/15/2017		Traffic Control - Silver Dr	3,230.00
	11/15/2017		Traffic Control - N Citrus Ave	870.00
	11/15/2017		Traffic Control - Goodwin Dr	1,275.00
57540	11/15/2017	Core & Main	Surplus Material Returned - Green Oak	(130.20)
	11/15/2017		End Caps	154.22
57541	11/15/2017	Diamond Environmental Services	Portable Restroom Service	103.93
	11/15/2017		Portable Restroom Service	84.49
57542	11/15/2017	Digital Deployment, Inc	Website Hosting, Maintenance & Support	300.00
57543	11/15/2017	Dion International Trucks Inc	High Pressure Hose - Truck 44	876.94
	11/15/2017		Seals - Truck 44	(8.15)
	11/15/2017		High Pressure Hose - Truck 44	(376.64)
	11/15/2017		High Pressure Oil Hose Kit - Truck 44	394.14
57544	11/15/2017	Drug Testing Network Inc	DOT Random Testing	285.00
57545	11/15/2017	E&M Electric and Machinery, Inc	Wonderware HMI Software for SCADA	7,779.20
57546	11/15/2017	El Camino Rental	Concrete - Plant 3	209.38
57547	11/15/2017	Employee Relations, Inc	Pre-employment Background Checks	130.20
57548	11/15/2017	Escondido Metal Supply	Steel Pipe to Fabricate Railing	1,073.84
	11/15/2017		Fabrication Material - Truck 65	734.56
57549	11/15/2017	Evoqua Water Technologies LLC	DI Bottle Service	260.97
57550	11/15/2017	Ferguson Waterworks	DFW Meter Box Lid Medium (50)	2,598.00
	11/15/2017		DFW Meter Box Lid 3.5 (50)	2,056.75
	11/15/2017		DFW Meter Box Lid Small (52)	2,983.37

Payment Number	Payment Date	Vendor	Description	Amount
	11/15/2017		DFW Meter Box Small (2)	158.05
	11/15/2017		Clamp 1x3 Repair Full Circle 1.32OD Orangeburg (5)	150.20
	11/15/2017		Corp Stop 1" Flare (19)	919.57
	11/15/2017		DFW Meter Box Small (100)	7,902.25
	11/15/2017		DFW Meter Box Lid Medium (50)	2,598.00
	11/15/2017		DFW Meter Box Lid 3.5 (100)	4,113.50
	11/15/2017		DFW Meter Box Lid Small (50)	2,868.63
	11/15/2017		Poly Meter Boxes	541.25
57551	11/15/2017	Geib Lumber Company	Nails	12.83
	11/15/2017		Lumber	10.76
57552	11/15/2017	D.H. Maintenance Services	Janitorial Service 11/2017	2,275.00
57553	11/15/2017	GLC-(CA) Vista LLC	Solar Use 10/2017	5,002.11
57554	11/15/2017	Glennie's Office Products Inc	Office Supplies	82.25
	11/15/2017		Office Supplies	52.86
	11/15/2017		Office Supplies	102.82
57555	11/15/2017	Hawthorne Machinery Co	Parts for Kickout/Leveling System - B23	341.79
	11/15/2017		Brake Switch - B6	55.85
57556	11/15/2017	Hidden Valley Pump Sys Inc	Motor Saver, Communication Module - Station 10	580.02
57557	11/15/2017	Home Depot Credit Services	Anchor Bolts	27.69
	11/15/2017		Saw Blades	52.82
	11/15/2017		Paint Rollers	19.65
	11/15/2017		Pressure Washer Rental	107.84
	11/15/2017		Pressure Washer Rental Deposit	100.00
	11/15/2017		Tools	52.96
	11/15/2017		Bulbs	(15.08)
	11/15/2017		Bucket w/Lids, Light Bulbs	39.19
	11/15/2017		Maintenance Supplies	51.73
	11/15/2017		Retaining Wall Caps & Adhesive, Rope	138.72
	11/15/2017		Cleaning Supplies	120.81
	11/15/2017		Ground Rod Driver	54.09
	11/15/2017		Electrical Supplies & Hardware	69.39
	11/15/2017		Material for HP Reservoir & Plant 3	217.39
	11/15/2017		Electrical Material	143.18
	11/15/2017		Material for Plant 3 Storage Room	70.27
	11/15/2017		Material for Plant 3 Chlorine Room	300.81
	11/15/2017		Material for Plant 3 Chlorine Room	331.65
57558	11/15/2017	Interstate Battery of San Diego Inc	Batteries - Truck 30	262.17
57559	11/15/2017	Jeff McNeal Productions	On-Hold Telephone Message	220.00
57560	11/15/2017	Joe's Paving	Paving - Hackamore Rd	14,197.80
57561	11/15/2017	KEH & Associates, Inc	Pipe Replacement Pre-design 09/17	5,515.65



Payment Number	Payment Date	Vendor	Description	Amount
57562	11/15/2017	Kimball Midwest	Drill Bits, Reamers	821.60
57563	11/15/2017	Leon Perrault Trucking & Materials	Material & Trucking 10/2017	26,600.63
57564	11/15/2017	Lightning Messenger Express	Messenger Service 10/27/17	48.00
57565	11/15/2017	Major League Pest/Gemini Pest Control	Bee Removal (11)	935.00
57566	11/15/2017	Martin Nieto	Damage Claim Reimbursement	939.25
57567	11/15/2017	Medical Eye Services	Vision Insurance 12/2017 - Cobra	14.24
	11/15/2017		Vision Insurance 12/2017 - Cobra	8.78
	11/15/2017		Vision Insurance 12/2017 - Cobra	14.24
	11/15/2017		Vision Insurance 12/2017 - Employees	1,672.10
	11/15/2017		Vision Insurance 12/2017 - M Miller	14.24
	11/15/2017		Vision Insurance 12/2017 - P Dorey	14.24
	11/15/2017		Vision Insurance 12/2017 - J MacKenzie	14.24
	11/15/2017		Vision Insurance 12/2017 - R Vazquez	14.24
	11/15/2017		Vision Insurance 12/2017 - P Sanchez	14.24
57568	11/15/2017	Mitchell Instrument Co	Electrical Safety Suit	1,149.91
	11/15/2017		Foam for Gas Detector Cases	177.36
57569	11/15/2017	Moodys	Dump Fees (2)	400.00
	11/15/2017		Dump Fees (2)	400.00
	11/15/2017		Dump Fees (2)	400.00
57570	11/15/2017	North County Auto Parts	Oil	24.55
	11/15/2017		Oil Filter - Truck 57	4.72
	11/15/2017		Oil	123.34
	11/15/2017		Transmission Filter & Fluid - Truck 57	53.94
	11/15/2017		Fuel Filter - P16	6.13
	11/15/2017		Battery - P16	122.59
	11/15/2017		Turn Rotors (2)	37.00
	11/15/2017		Torch Wrench	80.21
57571	11/15/2017	North County Pool Center Inc	Tote Deposit Return	(39.00)
	11/15/2017		Chlorine	116.62
57572	11/15/2017	One Source Distributors	Ladder System	(1,886.67)
	11/15/2017		Ladder/Safety Devices	4,904.10
57573	11/15/2017	Pacific Pipeline Supply	Companion Flange	110.98
	11/15/2017		Ball Valve (2)	230.36
	11/15/2017		Fire Hydrant	2,217.86
	11/15/2017		Meter Box w/Lids (5)	158.07
57574	11/15/2017	Parkhouse Tire Inc	Tire - Truck 22	842.97
57575	11/15/2017	Phenova Inc	Proficiency Testing Service	414.81
57576	11/15/2017	Protel Communications, Inc	Protel Phone Service	135.00
57577	11/15/2017	RC Auto & Smog	A/C Compressor Replacement	1,391.39
57578	11/15/2017	Volvo Construction Equipment & Services	Volvo Excavator	162,518.81

Payment Number	Payment Date	Vendor	Description	Amount
57579	11/15/2017	San Diego Friction Products	Stoplight Switch - Truck 3	108.06
	11/15/2017		18mm Socket	5.08
57580	11/15/2017	Spok, Inc	Pagers	29.08
57581	11/15/2017	Tegriscap Inc	Landscape Service 10/2017	1,840.00
57582	11/15/2017	TS Industrial Supply	Hose w/Reel, Cylinder Brackets - Truck 10	465.43
57583	11/15/2017	Underground Service Alert of Southern California	DigAlert New Tickets 10/2017 (346)	580.90
57584	11/15/2017	UniFirst Corporation	Uniform Service	340.13
57585	11/15/2017	Union Bank	Microsoft Excel Training	99.00
	11/15/2017		GRA Course	283.96
	11/15/2017		GRA Course	405.00
	11/15/2017		American Backflow Prevention Conference	95.00
	11/15/2017		American Backflow Prevention Conference	95.00
	11/15/2017		American Backflow Prevention Conference	95.00
	11/15/2017		ACWA Conference - R Whitmann	699.00
	11/15/2017		CRWUA Conference - M Miller	146.26
	11/15/2017		CRWUA Conference - P Sanchez	146.26
	11/15/2017		ACWA Regions 9 & 10 Event - R Vasquez	99.90
	11/15/2017		CRWUA Conference - J MacKenzie	138.00
	11/15/2017		CRWUA Conference - M Miller	138.00
	11/15/2017		CRWUA Conference - R Vasquez	146.26
	11/15/2017		CRWUA Conference - P Sanchez	168.00
	11/15/2017		CRWUA Conference - J MacKenzie	505.00
	11/15/2017		CRWUA Conference - P Sanchez	530.00
57586	11/15/2017	Utility Service Co, Inc	Fabrication/Installation of Stairs @ HB Reservoir	39,000.00
57587	11/15/2017	Vista Fence Company Inc	Fence Installation - Buena Creek Rd	8,996.00
57588	11/15/2017	Vista Firestone Brake & Smog	Tires (2) - T1	231.89
	11/15/2017		Tire, Tube, Mounting - B-12	241.64
	11/15/2017		Tires & Alignment (2) - Truck 32	333.50
57589	11/15/2017	VWR International LLC	Petri Dishes for Lab	492.77
57590	11/15/2017	Wellworth Technologies Inc	Troubleshoot Voicemail Issues	120.00
57591	11/15/2017	Xerox Corporation	Xerox C7025 Maintenance 10/2017	29.42
57592	11/21/2017	Refund Check 57592	Customer Refund	1,184.34
57593	11/21/2017	Refund Check 57593	Customer Refund	181.78
57594	11/21/2017	Asbury Environmental Services	Used Oil Filter Pickup	55.00
	11/21/2017		Used Paper Filter Pick up	85.00
57595	11/21/2017	AT&T	Damage Claim Reimbursement	1,169.72
57596	11/21/2017	City Of Escondido	Encroachment Permit	200.00
57597	11/21/2017	Coast Equipment Rentals	Dump Truck Rental	180.00
57598	11/21/2017	Core & Main	Curb Stop .75 Flare	1,687.07
	11/21/2017		PVC Coupling	(77.74)

Payment Number	Payment Date	Vendor	Description	Amount
	11/21/2017		Couplings & Sewer Pipe	77.70
57599	11/21/2017	County of San Diego	Permit Fees - Melrose Way	244.50
	11/21/2017		Permit Fees - Primrose	531.00
57600	11/21/2017	Diamond Environmental Services	Stationary & Portable Restroom Service	282.69
57601	11/21/2017	Direct Energy	Electric 10/2017 - VID	1,039.43
	11/21/2017		Electric 10/2017 - Henshaw Power Buildings/Grounds	446.84
	11/21/2017		Electric 10/2017 - Henshaw Wellfield	484.32
	11/21/2017		Electric 10/2017 - CP & T&D	30.57
	11/21/2017		Electric 10/2017 - Reservoirs	19.00
	11/21/2017		Electric 10/2017 - Stations	633.74
	11/21/2017		Electric 10/2017 - Plants	17.90
57602	11/21/2017	El Camino Rental	Concrete	162.38
57603	11/21/2017	Electrical Sales Inc	Beldon Cable	809.07
57604	11/21/2017	Ferguson Waterworks	Fire Hydrant Check Valve	25,915.05
	11/21/2017		Claval Maintenance Supplies	1,776.07
57605	11/21/2017	Geib Lumber Company	Lumber for Fire Hydrant Pads	13.67
	11/21/2017	Geib Lumber Company	Lumber for Fire Hydrant Pads	20.18
57606	11/21/2017	Golden State Graphics	Warehouse Issue Forms	785.90
57607	11/21/2017	Hach Company	Lab Supplies	633.33
	11/21/2017		Chlorine Analyzer Flow Block	62.52
	11/21/2017		Chlorine Analyzer	226.90
	11/21/2017		Sample Cells for Lab	118.79
	11/21/2017		Returned Chlorine	(847.43)
57608	11/21/2017	Horton Knox Carter & Foote LLP	Legal Services 11/2017	12,000.00
57609	11/21/2017	Inland Water Works Supply Co	Meter 100W ERT	12,827.63
57610	11/21/2017	J. Leon Construction	Concrete Work - Mustang & Oleander	4,795.00
57611	11/21/2017	KEH & Associates, Inc	Pipe Replacement Design 10/2017	11,142.03
	11/21/2017		Pipe Replacement Pre-Design 10/2017	10,744.21
57612	11/21/2017	Mark Saltz	Reimbursement - GRA Course	232.25
57613	11/21/2017	MLA General Contractor Inc	Deposit Refund	217.50
57614	11/21/2017	Moodys	Dump Fee - Yard Spoils	200.00
	11/21/2017		Dump Fee (2) - Yard Spoils	400.00
	11/21/2017		Dump Fee (4) - Spoils	800.00
57615	11/21/2017	Ramco Petroleum	Fuel 10/2017	1,420.21
57616	11/21/2017	S & J Supply Company Inc	Air Vent Enclosure	3,095.95
57617	11/21/2017	San Diego Gas & Electric	Electric 10/2017 - CP & T&D	202.48
	11/21/2017		Electric 10/2017 - Reservoirs	103.28
	11/21/2017		Electric 10/2017 - Stations	7,367.76
	11/21/2017		Electric 10/2017 - Plants	86.05
57618	11/21/2017	Sloan Electric Company	Station 10 Pump #3 Refurbishment Materials/Labor	13,015.78

Payment Number	Payment Date	Vendor	Description	Amount
57619	11/21/2017	The UPS Store 0971	Shipping 10/2017	106.50
57620	11/21/2017	TS Industrial Supply	Shut-Off Tool #85 (4)	1,138.79
	11/21/2017		Shut-Off Tool #70 (4)	1,948.50
	11/21/2017		Knee pad with Velcro (10)	153.72
	11/21/2017		Knee pad ultralight with hardshell (6)	84.44
	11/21/2017		Broom Utility Corn (10)	143.43
	11/21/2017		Broom 24" Push (13)	649.37
	11/21/2017		Shovel Round Point Straight (10)	204.59
	11/21/2017		Shovel Square Point Straight (10)	204.59
	11/21/2017		Poly Sprayer 1 gallon (3)	160.22
	11/21/2017		Cooler 3 gallon Water (3)	107.17
	11/21/2017		Striping & Marking Paint	1,430.36
	11/21/2017		Powerwasher Hose & Supplies	330.52
57621	11/21/2017	UniFirst Corporation	Uniform Services	363.94
57622	11/21/2017	Vulcan Materials Company and Affiliates	Cold Mix	2,080.49
<b>Grand Total:</b>				<b>1,065,898.20</b>



## STAFF REPORT

Agenda Item: 7

**Board Meeting Date:** December 6, 2017  
**Prepared By:** Frank Wolinski  
**Reviewed By:** Don Smith  
**Approved By:** Eldon Boone

**SUBJECT:** RESOLUTION HONORING RETIRING VISTA IRRIGATION DISTRICT EMPLOYEE JOSE RAMIREZ

**RECOMMENDATION:** Adopt Resolution No. 17-XX honoring Jose Ramirez for 25 years of service to the District and its customers.

**PRIOR BOARD ACTION:** None.

**FISCAL IMPACT:** None.

**SUMMARY:** Jose will retire as an Equipment Operator with 25 years of exemplary service to the District and its customers on December 28, 2017. The District would like to honor Jose by passing the attached resolution.

**DETAILED REPORT:** Jose started his career with the District on July 14, 1992, as a Temporary Utility Worker I. Due to his strong work ethic and demonstrated skills from his previous employment in the concrete and construction industry, Jose was hired as a Utility Worker I on January 13, 1993. During Jose's early tenure at the District, he worked under the tutelage of Jack Fisher performing pipeline locating and leak detection. Jose subsequently moved over to Construction Maintenance where he honed his equipment operating skills performing various water distribution system repairs under Leigh Coppock, and his current supervisor, Michael Bagshaw.

After receiving his Class A license and obtaining his D3 Water Distribution Operator certificate, Jose was promoted to Equipment Operator on February 23, 2001. One of Jose's initial assignments as an Equipment Operator was to work on the District's valve maintenance program, which monitors, exercises and repairs nearly 10,000 valves in the District's distribution system. In this capacity, Jose was instrumental in transforming the program from a manual, labor-intensive task to utilizing a state of the art, automated valve exercise system. During this process, Jose electronically inventoried nearly all the District's valves for characteristics such as location, number of turns, valve depth and turning torque. Jose also worked extensively with the Engineering Department to integrate this data into the District's Geographic Information System.

Jose is an effective and innovative crew leader. Throughout his career, Jose's creativity has led to the development of many specialty tools that have enabled he and his co-workers to accomplish work in a more safe and efficient manner. He has a natural desire to teach and mentor others and has trained many employees on the valve exercising truck and on obtaining their Class A driver's license. Jose has always put customers and his co-workers first, and his institutional knowledge and good-natured character will be greatly missed by all.

In his retirement, Jose and his newly retired wife, Juanita, plan on traveling and spending quality time with their two sons, Joseph and Phillip, and three daughters, Leticia, Rebecca and Alissa.

**ATTACHMENT:** Resolution No. 17-XX.

RESOLUTION NO. 17-XX

RESOLUTION OF THE BOARD OF DIRECTORS OF  
VISTA IRRIGATION DISTRICT  
HONORING JOSE RAMIREZ  
FOR 25 YEARS OF SERVICE TO THE DISTRICT

WHEREAS, Jose Ramirez, starting as a temporary Utility Worker I and progressively ascending to the position of Equipment Operator, has provided the District and its customers with 25 years of admirable service; and

WHEREAS, serving in his many capacities, Jose was charged with the installation, repair and maintenance of the District's extensive infrastructure, facilities and equipment; and

WHEREAS, Jose's integrity, dedication and strong work ethic has enabled the District to provide exemplary customer service and superior system reliability; and

WHEREAS, Jose has been a key factor with the success and growth of the District's valve maintenance program; and

WHEREAS, Jose's leadership abilities and thorough knowledge of equipment operation, leak repair techniques and the District's infrastructure will be sorely missed;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Vista Irrigation District does wish Jose Ramirez a long, healthy and prosperous retirement and expresses its appreciation for his dedication to the District and to its customers for the past twenty-five years.

PASSED AND ADOPTED by the following roll call vote of the Board of Directors of Vista Irrigation District this 6<sup>th</sup> day of December 2017.

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
Marty Miller, President

ATTEST:

\_\_\_\_\_  
Lisa Soto, Secretary  
Board of Directors  
VISTA IRRIGATION DISTRICT



## STAFF REPORT

Agenda Item: 8

Board Meeting Date:

December 6, 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.

### ENGINEERING DIVISION

#### *November*

- Mainline Replacements – Continued working on design of main replacement projects.
- The District has replaced approximately 6.5 miles of Nipponite pipe since 2002. Of the 10.2 miles of Nipponite pipe remaining in the system, replacement of 5.0 miles is currently in design and 0.7 mile is in construction.
- Master Plan Update – HDR submitted revised draft chapters / technical memorandums on the study area, water demands and projections, planning criteria, reservoir condition assessment, hydraulic model software selection, fire flow testing, and model validation; met with District staff to review initial pipeline condition assessment, CIP results, and flume out of service scenarios.
- HP Reservoir Rehabilitation – Richard Brady and Associates (Brady) began installation of site fencing; District staff filled the tank and placed back in service. See cost estimate/bid summary table attached.

#### *December*

- Mainline Replacement Projects in design (current projects): Copper Dr.\*, Delta Ln.\*, Hackamore Rd., San Luis Rey Ave. \*, HP Reservoir Pipeline Extension, Cathan Lane, Buena Village Dr., York Dr. (Pvt Rd.), Melrose Way, Pala Vista Dr., Lonsdale Ln.\*, Rosario Ln.\*, Catalina Ave.\*, Quails Trail\*, Peach Grove Lane, Buena Creek Rd., Hollyberry Drive\* (Pvt Rd.), Via Christina, Robinhood Rd., Lower Ln., Easy St., Vista Grande Dr.\*, Green Hills Way, Elevado Road.
- Mainline Replacement Projects in planning (future projects): Calle Maria, Camino Mateo, Lita Lane, 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., Oro 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.\*; continue pre-design for: Warmlands Ave.\*, Vista Grande Dr.\*, Oak Dr.\*, Camino Culbera\*, Camino Loma Verde\*, Friendly Dr.\*, Catalina Ave.\*, and San Clemente Ave./Way\*.

- City of Vista Projects – (Paseo) South Santa Fe Streetscape Improvements: Phase II along South Santa Fe Avenue from Ocean View Drive to Terrace Drive (CIP #8289); Phase III along South Santa Fe Avenue from Terrace Drive to Civic Center Drive (CIP #8291). The City anticipates beginning construction in the fall.
- Master Plan Update – HDR to revise CIP results based on staff input and continue with water supply reliability analysis; District staff to review draft chapters and provide input on pipeline condition assessment assumptions and results.
- HP Reservoir Rehabilitation – Brady to complete fencing and site restoration work.

\*Nipponite pipe

## FIELD SERVICES AND WATER RESOURCES DIVISION

### VID Water Production

October 2017

Description	Current Month Production		Average Production of Last 12 Months		Total, Fiscal Year-to-Date
	(mgd)	(af)	(mgd)	(af)	(af)
<b><i>VID's EVWTP Water Production</i></b>					
Local Water	0.45	42.70	2.83	265.56	3,172.60
SDCWA Raw Water	8.76	833.50	3.28	304.42	1,039.80
<b>Subtotal (EVWTP Water Production)</b>	<b>9.21</b>	<b>876.20</b>	<b>6.11</b>	<b>569.98</b>	<b>4,212.40</b>
Oceanside Contract Water	0.00	0.00	0.94	87.36	0.00
SDCWA Treated Water	8.69	826.40	8.21	770.35	2,770.60
<b>TOTAL WATER PRODUCTION</b>	<b>17.90</b>	<b>1,702.60</b>	<b>15.27</b>	<b>1,427.68</b>	<b>6,983.00</b>

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

#### Lake Henshaw

Storage as of November 21, 2017:	3,475 af (7% of 51,774 af capacity)
Current releases:	0 cfs
Change in storage for month of October:	1,247 af (loss)
Total releases for month of October:	1,084 af
Hydrologic year-to-date rain total:	2.03 inches (November 21, 2017)
Percent of yearly average rain:	8% (30-year average: 24.58 inches)
Percent of year-to-date average rain:	55% (30-year average through November: 3.71 in.)

#### Warner Ranch Wellfield

Number of wells running in October:	1*
Total production for month of October:	14 af*
Average depth to water table (November):	112 ft (see attached historical water table chart)
* Wellfield in maintenance/cattle water mode	



**Electrical Energy Use at VID Headquarters  
October 2017**

<b>Description</b>	<b>Current Month Production</b>	<b>Average of Last 12 Months</b>	<b>Total, Fiscal Year-to-Date</b>
	(kWh)	(kWh)	(kWh)
Solar Production (\$0.16 per kWh)	31,031	33,431	149,834
Power purchased from Direct Energy (\$0.05 per kWh)	16,648	15,004	70,001
<b>TOTAL ELECTRICAL ENERGY USE</b>	<b>47,679</b>	<b>48,436</b>	<b>219,835</b>

***November***

- Conducted final walkthrough and cleaning of the interior of HP reservoir and returned to service on November 16, 2017.
- Water Quality Calls/Incidents for November – received three discolored water calls. All three discolored water calls were related to a hit fire service.
- Attended Rincon del Diablo pre-construction meeting for the Rockhoff pump station replacement.
- Continued main line replacement of 4” and 6” AC pipe on Buena Village Drive, Cathan Lane and a private easement off of York Drive – install 1,760’ of various size PVC pipe, 10 services and one hydrant.
- Began main line replacement of various sizes of steel and Nipponite pipe on San Luis Rey Avenue - install approximately 2,300’ of various size PVC pipe, 34 services and 5 hydrants.
- Completed main line replacement of various size Nipponite and steel pipe on Copper Avenue/Delta Lane – installed 3,150’ of various size PVC pipe, 36 services and 2 hydrants.
- Coordinated inspection of Henshaw Dam by the California Department of Safety of Dams; report will be issued in 2018.

***December Projections***

- Complete upsizing of the Rincon del Diablo Municipal Water District interconnect at Caldwell siphon.
- Continue main line replacement on Buena Village Drive, Cathan Lane and a private easement off of York Drive – install 1,760’ of various size PVC pipe, 10 services and one hydrant.
- Continue main line replacement of Nipponite and steel pipe on San Luis Rey Avenue – install approximately 2,300’ of various size PVC pipe, 34 services and 5 hydrants.

**ATTACHMENTS:**

Lake Henshaw Resort, Inc., Activity Reports – September 30, 2017  
VID's Warner Wellfield - Water Table Depth vs. Monthly Wellfield Production

**ADMINISTRATION DIVISION**

***November***

- The District’s total water production for October 2017 was 1,703 acre-feet (AF) compared to 1,693 AF in 2013, representing a 1 percent increase.
- Attended Association of California Water Agencies Fall Conference.
- Attended California Special Districts Association Quarterly Meeting.
- Completed recruitment for Meter Reader Trainee. Stephen Huynh accepted the job offer for this position.

- Continued recruitment for Engineering Specialist II.
- Began recruitments for Equipment Operator and Laborer Trainee positions.
- Coordinated fire safety training for District personnel.

***December***

- Distribute materials regarding the District scholarship program to local high schools. Post an electronic copy of the application materials on the website.
- Conduct annual review of the District's Investment Policy as required by State law.
- Continue recruitments for Engineering Specialist II, Equipment Operator and Laborer Trainee positions.
- Coordinate annual Employee Appreciation Event.
- Coordinate trainings for field personnel on welding and basic electrical safety, storm water regulations and atmospheric monitors.

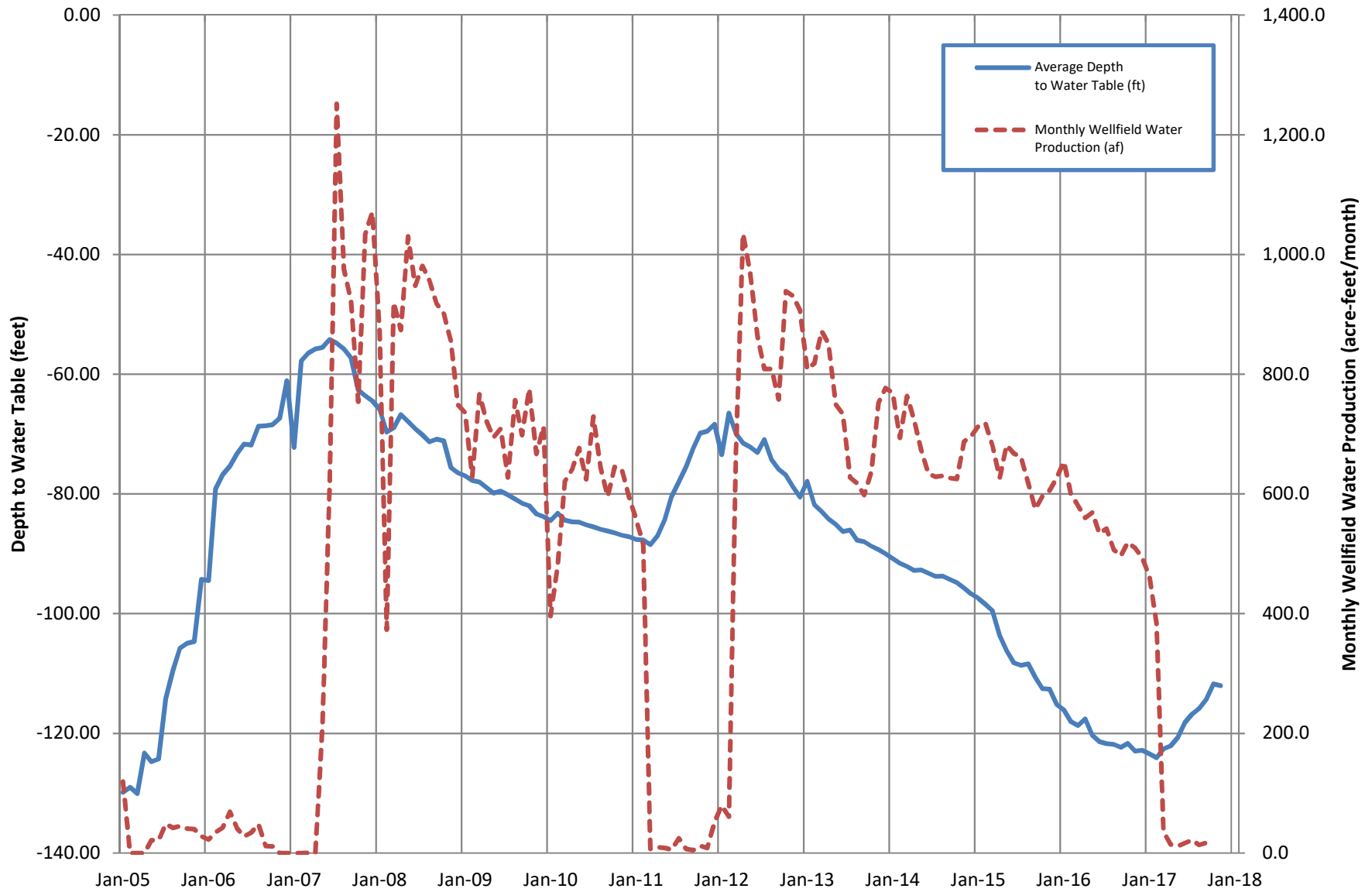


**LAKE HENSHAW RESORT, INC.  
ACTIVITY REPORT  
AS OF SEPTEMBER 30, 2017**

	2016 Sep	2016 Oct	2016 Nov	2016 Dec	2017 Jan	2017 Feb	2017 Mar	2017 Apr	2017 May	2017 Jun	2017 Jul	2017 Aug	2017 Sep	12 MO AVG
Fishing Permits	573	356	285	80	109	83	344	761	859	897	768	660	609	484
Boat Launches	2	5	2	0	0	1	3	22	30	46	23	23	5	13
Motor Boats (full day rental)	24	13	1	13	14	0	7	40	64	64	66	49	25	30
Motor Boats (half day rental)	5	9	2	0	0	0	0	14	13	13	20	11	4	7
Campground/Head Count	1,294	749	205	115	77	54	284	936	1,236	944	1,745	1,049	1,380	731
Campground/Cars, Trucks, etc.	406	347	137	17	12	15	214	263	502	325	592	444	521	282
Campground/Recreational Vehicles	9	10	19	6	0	3	6	37	21	24	9	0	15	13
Mobile Home/Spaces	62	63	64	65	65	66	68	63	69	73	80	81	88	70
M.H.P. Daily (Visitors/Head Count)	18	0	0	0	0	0	0	0	36	42	46	32	42	17
M.H.P. (Residents/Head Count)	84	89	96	98	98	99	99	97	96	113	132	133	124	106
Storage	4	2	3	6	4	7	6	3	6	6	7	4	4	5
Cabins	238	211	248	167	109	112	169	207	214	185	201	232	202	188
Hunters	0	0	0	131	78	0	0	0	0	0	0	0	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)
<b>Tank Rehab</b>			
Demo existing gunite and wire, abrasive blast wall	\$150,000	\$150,000	\$0
Extend wall footing	\$310,000	\$220,215	\$89,785
Install prestressing/seismic strand and shotcrete	\$845,300	\$880,000	(\$34,700)
Floor/wall joint mastic, backer-rod/Sikaflex, floor crack epoxy	\$160,000	\$73,750	\$86,250
<b>Abatement and Demo</b>			
Remove floor/wall mastic patch, encapsulate lead-paint	\$7,500	\$3,500	\$4,000
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	\$285,000	\$295,100	(\$10,100)
<b>Aluminum Roof</b>	\$650,000	\$497,195	\$152,805
<b>Miscellaneous Items</b>			
Special inspection services	\$12,000	\$26,500	(\$14,500)
Bonds	\$53,000	\$45,792	\$7,208
Interior SS staircase / exterior galv. staircase	\$115,000	\$229,897	(\$114,897)
Exterior painting of tank	\$30,000	\$32,452	(\$2,452)
Site office and sanitary	\$8,000	\$5,206	\$2,794
Miscellaneous Items	\$0	\$10,395	(\$10,395)
<b>Site Restoration and Yard Piping Improvements</b>			
Replace perimeter fence 750 lf and entry gate	\$28,400	\$56,545	(\$28,145)
Remove and replace perimeter asphalt 12,000 est. sf	\$100,800	\$57,550	\$43,250
Yard piping improvements	\$170,000	\$118,595	\$51,405
<b>Total (Construction Budget)</b>	<b>\$3,000,000</b>	<b>\$2,757,692</b>	<b>\$242,308</b>



**WARNER RANCH  
COMMITTEE REPORT**

**Agenda Item: 9**

**Board Meeting Date: December 6, 2017  
Prepared By: Dirs. Dorey & MacKenzie**

**SUBJECT:** CONCESSION MANAGEMENT AGREEMENT

**RECOMMENDATION:** Approve Concession Management Agreement with Lake Henshaw Resorts, Inc.

**PRIOR BOARD ACTION:** On April 5, 1995, the Board approved the Concession Management Agreement for the Lake Henshaw Recreation Area (Recreational Concession). The Recreational Concession has been amended eight (8) times, including amendments approving the purchase of all shares of Lake Henshaw Resort, Inc. by Frank and Janice Mendenhall from Al and Gwen Socin and a Trespass Sublease Agreement with My Country Club, Inc. for hunting activities on the Warner Ranch.

**FISCAL IMPACT:** The fee for the Recreational Concession is variable based on “Adjusted Gross Receipts”; the Hunting Sub-concession rent is also variable based on whether the “put and take” hunting option is exercised. Adjusted Gross Receipts, the corresponding Concession Payment and Hunting Sub-concession Rents and total income received by the District since 2006 are shown below.

<b>Calendar Year</b>	<b>Adjusted Gross Receipts</b>	<b>Concession Payment</b>	<b>Hunting Sub-concession Rent</b>	<b>Total District Income</b>
2006	\$729,351.24	\$52,117.86	N/A	\$52,117.86
2007	\$746,460.21	\$55,155.33	\$50,000	\$105,155.33
2008	\$760,319.70	\$56,561.89	\$50,000	\$106,561.89
2009	\$708,714.90	\$48,082.49	\$50,000	\$98,082.49
2010	\$689,649.26	\$44,106.32	\$60,000	\$104,106.32
2011	\$710,889.60	\$48,817.83	\$70,000	\$118,817.83
2012	\$636,555.95	\$34,157.08	\$80,000	\$114,157.08
2013	\$623,439.34	\$33,672.19	\$80,000	\$113,672.19
2014	\$630,116.47	\$31,617.38	\$80,000	\$111,617.38
2015	\$654,161.10	\$36,473.93	\$80,000	\$116,473.93
2016	\$684,479.01	\$41,911.10	\$80,000	\$121,911.10
2017*	\$568,375.24	\$42,961.61	\$110,000	\$152,961.61

\* 2017 Adjusted Gross Receipts and Concession Payment through September.

**SUMMARY:** The Recreational Concession and associated hunting sub-concession will expire on December 31, 2017. Lake Henshaw Resort, Inc. has expressed interest in continuing as the District’s Concessionaire; staff recommends entering into a new agreement with Lake Henshaw Resort, Inc., incorporating language from multiple amendments and adding new language and/or provisions as needed.

**DETAILED REPORT:** The primary activities under the existing Recreational Concession include:

1. Mobile home park
2. Campground
3. Cabin rental
4. Fishing and boating on Lake Henshaw
5. General store
6. Restaurant (Roundup Grill)
7. Public waterfowl hunting on Lake Henshaw
8. Hunting sub-concession on the Warner Ranch, including deer, turkey, dove, quail, archery deer, put and take of game birds

Other significant provisions include the Concession Fee (10% of monthly Adjusted Gross Receipts over \$35,000 but less than \$40,000; 15% over \$40,000 but less than \$50,000; and 20% over \$50,000); requirements for capital improvements and major maintenance (10% of annual Adjusted Gross Receipts over \$700,000 but less than \$800,000 and 20% over \$800,000); and the term of the agreement (original agreement was for a period of ten years with two optional five year renewal periods; proposed new term is 15 years). The proposed Concession Management Agreement makes the guided “put and take” hunting of commercially raised game birds an option; the “put and take” hunting option is exercised by paying \$15,000 on February 1 and September 1 of each year during the term of the Concession Management Agreement.

A description of the various amendments to the existing Recreational Concession is included below:

<b>Amendment Number</b>	<b>Date</b>	<b>Description</b>
1	7/3/1996	Provided “In-Lieu Rent” for restaurant operations; substituted a leach field in place of a percolation pond in required capital improvements; and modified date Concessionaire must submit audited financial statements
2	11/19/1996	Concessionaire agrees to be bound by the Construction and Operation Contract required by the California Department of Boating and Waterways for the construction of a boat launching facility at Lake Henshaw.
3	5/1/2003	Provided for the transfer of ownership of Lake Henshaw Resort, Inc. from Al and Gwen Socin to Frank and Janice Mendenhall; allowed the Concessionaire to permit third party organizations (including My Country Club members) to use District facilities within the Recreation Area under the condition that the Concessionaire would report “Imputed Income” equivalent to public usage.
4	12/27/2006	Provided a three year sub-concession agreement with My Country Club to allow turkey and rifle deer hunting within defined zones (“Hunting Lands”) on the Warner Ranch.
5	3/22/2010	Provided a short term extension of the hunting privileges described in the 4 <sup>th</sup> Amendment.
6	8/24/2010	Significant revision of Hunting sub-concession to allow dove, quail, and archery deer hunting, along with more comprehensive contractual protections; extended the term of the Concession Management Agreement and Hunting sub-concession through December 31, 2017.
7	9/12/2016	Modified timing of reporting of Adjusted Gross Receipts and Concession Payment; allowed the substitution of reviewed financial statements in place of audited financial statements.
8	1/17/2017	Allowed for the guided "put and take" hunting of commercially raised game birds.

On November 13, 2017 the Warner Ranch Committee reviewed and provided input on language contained in the draft Concession Management Agreement; the Committee’s feedback has been incorporated and recommends that the Board approve the Concession Management Agreement.

**ATTACHMENTS:**

1. Proposed Concession Management Agreement (changes from the existing Agreement shown in strikethrough/underline)
2. Hunting Calendar for Warner Ranch Hunting Sub-concession

VISTA IRRIGATION DISTRICT  
CONCESSION MANAGEMENT AGREEMENT  
LAKE HENSHAW RECREATION AREA

This agreement is made and entered as of \_\_\_\_\_, 2017, by and between the Vista Irrigation District, a special governmental district organized and existing under the laws of the State of California, hereinafter referred to as “District,” and Lake Henshaw Resort, Inc., a California corporation, hereinafter referred to as “Concessionaire”.

WITNESSETH

Whereas District owns, operates and maintains Henshaw Dam and Lake Henshaw in the County of San Diego, State of California, and certain structures and lands adjacent to said lake, for irrigation and water supply purposes; and

Whereas District has permitted public fishing, boating, hunting and camping at said reservoir and public recreation on certain lands adjacent thereto, all pursuant to applicable California law; and

Whereas District desires to enter into a concession management agreement for the operation, maintenance and capital improvement of District owned public recreation facilities and mobile home/recreational vehicle park upon and adjacent to Lake Henshaw (the “Recreation Area”) and for the conduct of limited hunting activity on other lands owned by the District (the “Hunting Lands”). The Recreation Area and the Hunting Lands are further delineated and depicted on the maps attached hereto as Attachment A, which are incorporated herein by this reference.

Now therefore in consideration of the mutual covenants, conditions and agreements herein contained, Concessionaire and District agree to the following:

1. CONCESSIONAIRE RIGHTS AND OBLIGATIONS

1.1 Concessionaire as Independent Contractor

Concessionaire in the performance of the terms and conditions of this Agreement is and shall be an independent contractor, and neither it nor any of its agents, employees or representatives are or shall be agents or employees of District.

1.2 Use of Premises

District conveys to Concessionaire the exclusive right, privilege and concession within the Recreation Area to conduct the following activities and operate the following facilities:

- a. Marina, Moorage, Docks, Boat Launch and Boating Facilities



To operate the marina, docks, boat launch and mooring facilities; to rent boats, with and without outboard motors, for operation on Lake Henshaw by the public for aquatic recreation; to issue fishing licenses, daily fishing access permits, and boating and mooring permits for privately owned boats; to sell fishing bait, fishing tackle, ~~gasoline and motor oil~~, life jackets (Coast Guard approved), and boat and motor items and other miscellaneous items in connection with said rental services; ~~and~~ to sell as a dealer small boats and motors consistent with applicable federal, state, and local laws and ordinances; and to comply with all applicable terms of the Construction and Operation Contract with the State of California Department of Boating and Waterways, dated September 16, 1996, through its expiration date of May 19, 2018.

b. Water Fowl Hunting

To issue water fowl hunting licenses and daily water fowl hunting access permits on Lake Henshaw consistent with applicable federal, state, and local laws and ordinances.

c. Food Service and Store Facilities

To operate food service and store facilities, or such other facilities as may be approved by District, and to provide, sell and/or serve hot and cold foods, alcoholic (beer and wine only) and non-alcoholic beverages, tobacco, groceries, sundries, picnic supplies, firewood, and other merchandise consistent with the terms of this Agreement.~~approved by District which is commonly sold at recreation areas in the state of California.~~

d. Entrance Gates, Parking Lots, and Picnic Areas

To operate entrance gates, parking lots, and picnic areas, and to sell vehicle parking permits.

e. Overnight Camping, Recreational Vehicle (RV) Facilities, and Cabins

To operate overnight camping facilities, to rent cabins, and to sell camping and RV (including travel trailer) site use permits.

f. Mobile Homes

To operate and maintain mobile home sites and to collect fees for use of such sites.

g. Hunting and Fishing

To conduct limited hunting activities, as described herein, on the Hunting Lands. While only the Concessionaire or approved sub-concessionaires may conduct hunting activities on the Hunting Lands, the District reserves the right to conduct non-hunting activities on those same lands. ~~In addition to the other uses authorized under the Concession Management Agreement, the Hunting Lands may be used by Concessionaire or sub-concessionaire for hunting, fishing and other uses normally incidental thereto, and for no other purpose without the prior written consent of the District.~~

h. Common Infrastructure

To operate and maintain the private roadways, and water, sewer, storm drain, and electrical and other utility infrastructure that serves any of the facilities that are part of this Agreement. Concessionaire shall provide reasonable water service to the three employee residences, office, and appurtenant facilities owned by the District in proximity to Henshaw Dam.

1.3 Additional Concessionaire Operations

Concessionaire shall not offer or allow any activities or operate any facilities in the Recreation Area or on the Hunting Lands other than those specifically provided for in this Agreement without the prior written consent of District, which may be withheld by District in its sole and absolute discretion.

1.4 Relation between Concessionaire's Use and Grazing Licenses

a. Priority of Grazing Licenses

Concessionaire understands that property owned by District which is adjacent to the Recreation Area and certain portions of the Recreation Area and Hunting Lands ~~itself that are adjacent to Lake Henshaw~~ are subject to licenses (the "Grazing Licenses") pursuant to which they are used for cattle grazing and related activities. Except as set forth in this Paragraph, which shall have priority over any conflicting provisions in the Grazing Licenses, whenever there is a conflict between the terms (including without limitation the grant of rights to use District's property) of this Agreement and the Grazing Licenses (including future modifications and renewals thereof), the terms of the Grazing Licenses shall ~~have priority~~ prevail over any conflicting or inconsistent provision of this Agreement.

b. Lake and Areas Adjacent to Lake Outside of Boat Launch and Dock Areas

- (i) Concessionaire shall have full use of Lake Henshaw for fishing and boating purposes, and shall have full use for waterfowl hunting of that portion of the Recreation Area which is north of Highway 76~~adjacent to Lake Henshaw~~ but also subject to the Grazing Licenses.
  - (ii) Concessionaire shall assure that fishermen, boaters, and hunters do not harass cattle which are present in the Recreation Area and on the Hunting Lands.
- c. Cooperation in Excluding Cattle from Boat Launch and Dock Areas
- (i) Concessionaire shall cooperate with the licensees under the Grazing Licenses in keeping cattle out of the Lake Henshaw boat launching and dock areas during periods when ~~they are busy with~~ recreational users are using or occupying such areas; but Concessionaire shall allow cattle to graze in ~~those~~such boat launching and dock areas for limited periods of time when recreational users are not using or occupying such areas and they are not busy and when doing so will not jeopardize the public safety.
  - (ii) District shall ~~assure~~use commercially reasonable efforts to cause that the licensees under the Grazing licenses to cooperate with Concessionaire in keeping cattle out of the Lake Henshaw boat launching and dock areas when ~~they are busy with~~ recreational users are using or occupying those areas, and during periods when it would be unsafe to allow ~~them~~cattle in those areas~~there~~.

## 1.5 Operation of Facilities

### a. Hours of Operation

The hours of operation for all activities conducted by Concessionaire in the Recreation Area, including the hours during which hunting, fishing, and boating are allowed in the Recreation Area, during which boats and motors are rented to the public, and during which the food service facilities, store, and office are open to the public shall be set by Concessionaire, subject to District's right, in its reasonable discretion, to require changes to such times and business hours upon reasonable notice to Concessionaire and for good cause shown.~~District approval.~~

### b. Locations of Entrance Gates and Parking, Camping, RV and Mobile Home Use Areas

Concessionaire shall not add or eliminate entrance gates or change the locations at which parking, picnicking, overnight camping, RV, or Mobile Home use are permitted from the locations at which those activities are permitted as of the date of execution of this Agreement without the express written approval of District.

c. Limitations on Use of Rental Cabins

Concessionaire ~~shall~~may rent cabins for transient habitation or recreational use only, and shall not rent cabins for permanent residential use. In operating said cabins, Concessionaire shall comply with all applicable federal, state, and local laws and ordinances, including without limitation section 6402(e) of the San Diego County Zoning Ordinance, in such a manner as to assure that none of the cabins are used as permanent residences.

d. Limitations on Use of Campground, Recreational Vehicle, and Mobile Home Park Spaces

(i) In operating the Campground and Recreational Vehicle Park, Concessionaire shall comply with all applicable federal, state, and local laws and ordinances, including without limitation section 6456 of the San Diego County Zoning Ordinance, in such a manner as to assure that the spaces are used for recreational purposes only and not for permanent residential use, and are not occupied by any person for longer than ~~is~~legally permitted.

(ii) Concessionaire shall comply with all federal, state, and local laws that regulate the operation of recreational vehicle and mobile home parks, and shall take all steps necessary to assure that all Recreational Vehicle and Mobile Home users and tenants in the Recreation Area comply with all applicable laws.

1.6 Maintenance of Facilities

a. General

(i) Concessionaire shall, at its expense, perform such ~~reasonable routine~~ maintenance and repair on all property, equipment, structures and facilities operated or used by them in its operations under this Agreement as shall reasonably be required to maintain a first rate operation, or as District in its discretion may direct. Such property as is owned or furnished by District and used by Concessionaire shall be

returned to District upon the termination of this Agreement in as good condition as when received by Concessionaire, ordinary wear and tear excepted. Concessionaire waives the benefits of California Civil Code Section 1942, et seq.

- (ii) Certain Major Maintenance and Capital Improvement Projects shall be performed as set forth in Section 3.4 herein ~~and expanded upon in Attachments B and C, attached hereto and made a part hereof.~~
- (iii) ~~Except as set forth in Section 3.5,~~ District shall not be obligated to make any improvements, alterations, additions or repairs in or upon any facility, structure, property, utility, or equipment operated or used by Concessionaire.

b. Routine Maintenance

District agrees to maintain the perimeter fencing in the Recreation Area which exists as of the date of execution of this Agreement. The Concessionaire shall be responsible for the maintenance and repair of all other systems, equipment and facilities within the Recreation Area, including but not limited to above ground electrical, propane, water and sewer systems, landscape, roadways, signs, fences (except perimeter fencing), parking areas, headwalls, culverts, drains and drainage ditches, and buildings.

c. Restrooms

Concessionaire shall ensure that all flush toilet restrooms are cleaned and serviced routinely and as-needed to maintain them in a safe, neat, clean, well-supplied, and sanitary condition. Concessionaire shall be responsible for cleaning and maintaining all portable chemical toilets within the Recreation Area. The location of portable chemical toilets shall be subject to the approval of District, and portable chemical toilets shall not be located within 100 feet of the shoreline of Lake Henshaw without the prior written consent of District, which the District may withhold in its sole and absolute discretion.

d. Trash and Litter Collection

- (i) Litter shall be removed as needed to maintain the clean appearance of the Recreation Area and all its facilities.
- (ii) Litter includes but is not limited to cigarette butts, paper and paper products, plastic and plastic products, glass bottles or glass fragments,

fishing line and other fishing apparatus, debris including cans, foil, metal articles or fragments thereof, trash, garbage, Styrofoam and any inorganic product or organic material not natural to the area.

- (iii) Concessionaire shall empty garbage containers and remove the litter and refuse from District property on a regular basis. The location of containers for the storage of litter and refuse within the Recreation Area shall be subject to District approval.

e. Invasive Species, Pests & Vermin

- (i) Concessionaire shall conduct watercraft operations on Lake Henshaw per the recommendations of the State of California or as directed by the District to prevent the introduction of aquatic invasive species to Lake Henshaw. Specifically, the Concessionaire shall inspect all watercraft, trailers, fishing tackle, hunting decoys, etc. before their use in or on Lake Henshaw and shall complete a Watercraft Inspection Report as provided by the District for each watercraft before launch. Unless a watercraft was last used in Lake Henshaw alone, as demonstrated by a Henshaw boat & trailer band, the Concessionaire shall clean the boat with a high-pressure hot water wash as recommended by California or Pacific States Marine Fisheries Commission guidelines. The Concessionaire is responsible to provide and maintain a high-pressure hot water washer in good order for such use.
- (ii) The Concessionaire will exercise best management practices to prevent the introduction of and/or limit the spread of invasive species within the Recreation Area and Hunting Lands. The Concessionaire will prohibit the transport and use of firewood from non-District lands within the Recreation area.
- ~~(i)~~(iii) The Concessionaire will exercise due diligence to eradicate or limit pests and vermin within the Recreation Area, consistent with sanitary and aesthetic standards.

e.f. Boats and Motors

Concessionaire shall be responsible for providing and maintaining boats to be used for public rentals. These shall be maintained at all times in good repair and attractive condition and shall conform to the safety regulations of Federal,

State, County and local governments. Each rental boat shall be equipped with at least one United States Coast Guard approved personal flotation device for each passenger, and the boat shall be plainly marked with the maximum weight that can be carried safely.

f.g. Landscape

- (i) Concessionaire shall be responsible for all landscape maintenance in accord with standard landscaping practices.
- (ii) Concessionaire shall immediately take such steps, including removal, to limit any and all hazards posed by trees, including closure of the affected area until the hazard can be corrected.
- (iii) Concessionaire understands that maintenance of the quality of surface and subsurface waters in and around Lake Henshaw and the Warner Ranch are paramount concerns of District; and Concessionaire shall not use any fertilizers, herbicides, poisons, chemicals or other substances, whether naturally occurring or artificially manufactured, without the prior written approval of District, (which District may withhold in its sole and absolute discretion.) as to type, quantity used, and frequency and location of application.
- (iv) Concessionaire may dispose of organic waste generated by landscaping operations within the Recreation Area with the prior approval of District. District shall not unreasonably withhold such approval so long as District determines that a use or place of use proposed by Concessionaire would have no potential to adversely impact the water in Lake Henshaw, the San Luis Rey River, or the Warner Groundwater Basin. District may require organic material to be “chipped” before being disposed of within the Recreation Area only if District provides for the chipping. District may require Concessionaire to burn organic waste if doing so would be safe and would not be in violation of any law, ordinance or regulation. If any organic waste cannot be burned and District will not allow it to be disposed of within the Recreation Area, Concessionaire shall deposit it into containers as directed by District, and District shall pay the cost of its removal from the Recreation Area.

## 1.7 Standards of Concessionaire Performance

### a. General

- (i) Concessionaire shall at all times conduct its business and operations in a safe, quiet, orderly and professional manner. Concessionaire shall provide sufficient personnel, labor, equipment, inventories, supplies, utilities, telephone service, fuel and other services, goods and commodities (except as expressly provided by District hereunder), necessary for Concessionaire's performance of the services, operation, maintenance and replacement responsibilities which it has assumed hereunder.
- (ii) Concessionaire shall exercise general supervision and control over the operation of the public boat launch ramps to assure the reasonable and safe use by the public of the marina area and each facility, structure, or improvement in the Recreation Area or on Lake Henshaw.

b. Maintenance

All buildings, structures and facilities occupied or made available for public use by Concessionaire hereunder, and the areas surrounding same, shall be maintained by Concessionaire at all times and in such a manner as to protect the public safety and to present a neat, clean, orderly, inviting and attractive appearance and in accordance with the provisions of Section 1.6.

c. Services and Goods

All services and goods offered to the public by Concessionaire shall be subject to the conditions set forth in Section 2.2 and shall be in good taste and of good quality and shall be offered in sufficient quantity and variety and at such times as are necessary to meet the reasonable demands of the visiting public. District reserves the right, in District's sole and absolute discretion, to prohibit Concessionaire from selling any specified goods or providing any specified services.

d. Personnel

Concessionaire shall employ sufficient competent personnel to operate the facilities and equipment described in Section 1 hereof and to perform the services, maintenance and capital improvements which Concessionaire agrees to provide under this agreement.

e. Employee Orientation Training Program



Concessionaire shall conduct an Orientation Program for its employees working within the Recreation Area. Such orientation shall be sufficient to enable Concessionaire's employees to address inquiries about the Recreation Area from the visiting public. It shall also include training in the operation of the Emergency Action Plan as prepared by the District~~required by the Federal Energy Regulatory Commission~~, which Emergency Action Plan training will initially be provided to Concessionaire by District. The employee Orientation Program is subject to the approval of District.

f. Sanitation, Safety and Patrol

- (i) Concessionaire shall maintain the Recreation Area in a safe and sanitary condition at all times, and shall not permit unsafe or unsanitary conditions or a public or private nuisance to develop or exist on adjacent property as a result of conditions in the Recreation Area; and Concessionaire shall operate the Recreation Area and all buildings, structures, equipment and facilities thereon, and in particular, lands immediately adjoining Lake Henshaw, in a safe, clean and sanitary condition, and in accordance with the health, sanitation, safety, water quality and water contamination laws, rules, regulations and orders of all public agencies and authorities having appropriate jurisdiction and also in conformity with rules and regulations governing the Recreation Area as from time to time are established by District.
- (ii) Concessionaire in the performance of its responsibilities, shall inform visitors as to the proper use of the Recreation Area and Hunting Lands with emphasis on safety, health, rules and regulations, and water quality, including prohibited activities and areas that are restricted from public access.

g. Licenses

Concessionaire shall, at its expense, obtain and display as required such licenses, permits or certificates as may be required and issued by all applicable governmental ~~federal, state or county~~ health, sanitation and resource authorities certifying that the business operations, community water system, equipment, facilities, products on sale and methods of preparing, serving and selling thereof, all meet current health and sanitation regulations.

h. Compliance with Laws, Rules, Regulations, and Policies

- (i) Concessionaire shall comply with all federal, state, county and other local government laws, ordinances and regulations, including such rules, regulations, and polices as may be promulgated by District in its capacity as both a governmental water agency, and as the owner of the Recreational Area and Hunting Lands. No permit, approval or consent given under this Concession Management Agreement by District shall affect or limit Concessionaire's obligations hereunder, nor shall any approvals or consents given by the District, in its capacity as a party to this Concession Management Agreement, be deemed to be approval as to compliance or conformance with any applicable governmental codes, laws, orders, rules or regulations.
  - (ii) Should District propose significant changes to District rules, regulations, or policies, these changes shall be presented to the Concessionaire for review prior to their implementation. Should District determine that these proposed changes ~~be such that they would~~ significantly affect the gross receipts ~~or ability~~ of Concessionaire or its ability to make a reasonable net profit, then District agrees to renegotiate the terms (including the amount and timing of payments) ~~agreed to set forth~~ herein.
  - (iii) Concessionaire recognizes and understands that this Agreement may create a possessory interest subject to property taxation, and Concessionaire shall pay any property taxes levied on such interest.
  - (iv) Should Concessionaire receive any citations, cease and desist orders, levies of fines, or other notices from any governmental entity or regulatory authority related to the Recreation Area or its operation, Concessionaire shall notify District immediately upon receipt. The Concessionaire shall be responsible to remedy any condition so noted and inform the District of such remedy.
- i. Non-discrimination  

To the fullest extent possible without being required to modify the facilities as they exist as of the date of execution of this Agreement, Concessionaire shall make available to the general public without discrimination as to race, creed, color, sex, sexual orientation, religion, disability, or national origin, all of the facilities and services operated or provided by them under this Agreement.
  - j. Commercial Hunting Club License Required

Concessionaire shall obtain, or require any Sub-concessionaire of the Hunting Lands to obtain, a commercial hunting club license in accordance with and as required by Sections 3240.5, et seq. of the California Fish and Game Code. Concessionaire shall furnish to the District a copy of each such commercial hunting club license, and any renewed or successor commercial hunting club license governing the Hunting Lands, prior to commencing use of the Hunting Lands. Concessionaire shall maintain, or require any Sub-concessionaire of the Hunting Lands to maintain a commercial hunting club license at all times during the term of this Concession Management Agreement.

k. Users' Conduct

Concessionaire shall not permit intoxicated, disorderly, disruptive or offensive person(s) to enter upon or occupy or use the Hunting Lands or any part thereof, and Concessionaire shall promptly eject such person(s) from the Hunting Lands and shall exert every possible effort to see that all person(s) entering upon or using the Hunting Lands shall conduct themselves in an orderly and inoffensive manner. Concessionaire shall also each Sub-concessionaire to comply with and enforce this provision.

l. Fish and ~~Game~~-Wildlife Department Requirements

Concessionaire shall comply with all laws and regulations concerning hunting as established by the California Department of Fish and ~~Game~~Wildlife, and shall require each Sub-concessionaire likewise to comply with such laws and regulations.

m. Rules and Guidelines, and Releases

Concessionaire shall comply with the rules and regulations contained in Attachment B of the Concession Management Agreement and incorporated herein by this reference. Concessionaire shall require each Sub-concessionaire and all of its members to execute District's standard Warner Ranch Guidelines and Rules in a form substantively identical to those set forth in Attachment C attached hereto and incorporated herein by this reference. Concessionaire shall require each Sub-concessionaire and all of its members to execute District's Release and Indemnification form in substantially the same form as set forth in Attachment D attached hereto and incorporated herein by this reference.

n. Limitation on Hunting Sub-concessionaire Membership

Concessionaire shall require each hunting Sub-concessionaire to limit its membership to 100 hunters who are eligible to hunt on District Property each year.

1.8 Concession Operations Subject to District Uses of Water in Lake Henshaw

a. Primary use of Lake Henshaw for Water supply

Concessionaire understands that the water of Lake Henshaw is used as an irrigation and domestic water supply and for other downstream uses, that such uses are of paramount and primary importance to District, and that the Henshaw Lake surface water levels may vary to meet these needs. Concessionaire further understands that Henshaw Dam and Lake Henshaw, the wellfield operated by District on the Warner Ranch, and part or all of the Recreation Area are subject to ~~licensing-permitting~~ and conditions which may be imposed by ~~the Federal Energy Regulatory Commission or by other~~ federal, state, or local agencies.

b. Duty to Protect Lake Henshaw and Adjacent Lands from Pollution, Contamination, and Unsanitary Conditions

(i) Concessionaire further understands and agrees that its use of the Recreation Area and Hunting Lands is subject to District's above described irrigation and domestic water supply uses and shall depend on the ability of District and Concessionaire to protect Lake Henshaw and adjacent lands from pollution, contamination and unsanitary conditions. Concessionaire, in the conduct of its business and operations hereunder, shall at all times diligently guard against the contamination or pollution of Lake Henshaw and the adjacent lands, including the Recreation Area and Hunting Lands, or the creation of unsanitary conditions therein or thereon by Concessionaire, its agents, employees, or representatives, or by the general public. Concessionaire shall keep those portions of Lake Henshaw, and the Recreation Area and Hunting Lands in which it conducts its business and operations in a safe, clean and sanitary condition and shall promptly collect, remove and dispose of, away from property of District, all rubbish, refuse and waste material accumulating from the conduct of its business or operations, including that resulting from the use of the Recreation Area facilities and/or Hunting Lands by the public. Concessionaire shall not dispose of any waste of whatever nature into Lake Henshaw or upon the adjacent watershed land and shall

use diligence to prevent such disposal by the public using the Recreation Area facilities or Hunting Lands.

- (ii) Concessionaire's obligations under this Section 1.8(b) with respect to cattle shall be limited to Concessionaire's right to remove cattle droppings from the immediate area of the launch ramp, fishing float, and boat dock, and dispose of them outside of the high water level of Lake Henshaw in a location approved by District. District will provide a site on its adjacent property for such disposal.

c. Waiver of Claims Based on Fluctuation in Water Level

Concessionaire hereby releases District and its officers, employees and agents from all claims on account of any loss or damage which Concessionaire may sustain by reason of fluctuation in the water level of Lake Henshaw; and District may at all times operate Lake Henshaw and its facilities in connection therewith as it may deem advisable. District shall not be liable to Concessionaire in any respect whatsoever if public fishing on or public use of Lake Henshaw or of the Recreation Area or Hunting Lands is prevented or limited due to Lake Henshaw surface water level fluctuations or to action of any public official, agency, board or commission.

d. Renegotiation of Terms Based on Fluctuation in Water Level

In the event that public use of the Recreation Area is diminished by acts or events beyond Concessionaire's control to the point where [District determines that](#) the Concessionaire's ability to make a reasonable net profit is unreasonably impaired, District agrees to renegotiate the terms (including the amount and timing of payments) agreed to herein. Concessionaire understands and agrees that such renegotiation shall be its sole remedy against District for losses caused by limitations on the activities which it can conduct in the Recreation Area.

1.9 Residency Requirement of Concessionaire

a. Required Residency of Manager

During the term of this Agreement, Concessionaire's manager, or other District-approved representative of Concessionaire with authority to represent Concessionaire's interests, shall reside in said Recreation Area in a location approved by District. It is understood and agreed that said residency requirement shall be solely for the purpose of Concessionaire performing the

operations, maintenance and capital improvement obligations issued hereunder, and shall be without charge to Concessionaire except for the obligations assumed hereunder regarding electrical, propane, telephone and garbage service. It is further understood and agreed that said residency requirement shall not in any way create any vested right to or interest in any District property, and said residency requirement shall cease and terminate upon the termination of this Agreement as hereinafter provided.

b. Optional Residency of Other Employees or Sub-Concessionaires

The privilege of residence may be extended in accordance with this Section, with approval of District, to additional employees or Sub-concessionaires of Concessionaire.

1.10 Signs and Advertisements

Concessionaire shall not at any time place or display any sign, placard, notice or advertisement on or about Lake Henshaw, the Recreation Area, nor the Hunting Lands, nor on public roads in proximity to these areas, unless the written approval of District is first obtained.

1.11 Promotion

Concessionaire shall, at its sole cost and expense, undertake full promotion, advertising and publicity of the Recreation Area, the Hunting Lands, and activities thereon, subject, however, to prior approval by District of any and all ~~major~~ promotional releases, brochures, scripts, advertisements, press releases, tapes or video spots, and any other means or methods of said promotion, advertising or publicity.

1.12 Utility Service

Concessionaire shall promptly pay when due all charges for utility services in connection with its operations.

1.13 Fire Protection

Concessionaire shall take all necessary precautions to prevent fire in the Recreation Area and on Hunting Lands and shall train its employees in fire prevention and containment.

1.14 Commercial Uses of Property

No commercial activities other than those specifically permitted pursuant to this Agreement shall be permitted within the Recreation Area or on Hunting Lands without the prior express written permission of District. District reserves the right to issue licenses or permits for the use of the Recreation Area and Hunting Lands to persons or entities for other uses or purposes when such activities will not interfere unreasonably with the business of Concessionaire, including but not limited to licenses and permits for the production of commercials, for taking still and motion pictures.

1.15 Hazardous Substances

Concessionaire 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(14)) or SARA (42 U.S.C. § 110211(e)) or any similar Federal, State, or local law, statute, ordinance, regulation or order, or otherwise determined by District, to be brought upon, left, used or abandoned on the Recreation Area or Hunting Lands. Notwithstanding the foregoing, Concessionaire may bring upon and use reasonable quantities of hazardous materials that are commonly used in the ordinary course of commercial activities for the operation and maintenance of commercial facilities and vehicles. All such hazardous materials, including gasoline and oil, shall be stored, handled, and dispensed in such a manner as to protect the quality of the surface and subsurface waters in and around the Recreation Area, and in compliance with all applicable federal, state and local laws, ordinances, rules and regulations.

1.16 Condition and Inspection of Recreation Area and Hunting Lands

a. Recreation Area and Hunting Lands “As-Is”

Concessionaire/Sub-Concessionaire acknowledges that the Recreation Area and Hunting Lands are being used on an “As-Is” basis, and Concessionaire/Sub-concessionaire takes and occupies the Recreation Area and Hunting Lands without reliance upon any representation by the District, or any of its officers, employees, agents or representatives, or any other person, concerning the Recreation Area and Hunting Lands, their fitness for Concessionaire’s/Sub-concessionaire’s intended use or any other particular purpose or use, their income producing history, potential or capabilities, their value, or any other promise, representation or inducement not expressly set forth in the this Agreement.

~~b. No Representation or Warranty Concerning Hunting Lands~~

~~Concessionaire/Sub-concessionaire acknowledges that neither the District nor any of its officers, employees, agents or representatives, has made any written or oral representation, promise or warranty, expressed or implied, concerning the Premises, their fitness for Concessionaire's/Sub-concessionaire's intended use or any other purpose or use, their income producing history, potential or capabilities, their value, or any other matter not expressly set forth in this Concession Management Agreement.~~

~~e.~~b. Inspection by Concessionaire/Sub-concessionaire

Concessionaire/Sub-concessionaire acknowledges that it has had the opportunity to and has inspected the Recreation Area and Hunting Lands prior to the execution of this Agreement, and that Concessionaire/Sub-concessionaire takes and occupies the Recreation Area and Hunting Lands in the condition in which they exist as of the date of this Agreement. Concessionaire stipulates that the Recreation Area and Hunting Lands are in good, clean, safe and usable condition, and fit for Concessionaire's and any Sub-concessionaire's intended use, as of the date of this Agreement.

2. DISTRICT RIGHTS AND OBLIGATIONS

2.1 Hours of Operation Subject to District Approval

a. District Right to Alter Schedule

~~For good cause shown,~~ District shall have the full right and authority, in its reasonable discretion, to determine and alter the schedule during which Lake Henshaw and the Recreation Area shall be open to public use, and Concessionaire agrees to abide by such determination without demand or liability upon District.

b. Release of Liability re Schedule

Concessionaire hereby releases District and its officers, employees and agents from all claims on account of any loss or damage which it may sustain by reason of changes required by District in the schedule of operations of any or all activities in the Recreation Area. In the event that District determines that changes in the schedule of operations in the Recreation Area required by District unreasonably impair ~~causes~~ Concessionaire's ability to make a reasonable net profit ~~to be unreasonably impaired~~, District agrees to renegotiate the terms (including the amount and timing of payments) set forth



herein. Concessionaire understands and agrees that such renegotiation shall be its sole and exclusive remedy against District for losses caused by changes in hours of operation required by District.

## 2.2 Objectionable Sales and Uses

District reserves the right to prohibit the sale, rental or use by Concessionaire of any article or item which District ~~regards~~determines, in its sole and absolute discretion, to be ~~as~~ objectionable or beyond the usual scope of merchandise or equipment deemed necessary for providing proper service to the public.

## 2.3 Competing Activities on Adjacent District Land; Patrol

### a. Competing Activities

The Recreation Area is a part of approximately 43,000 acres of contiguous land which is owned by District and known as the Warner Ranch. District shall not enter into any agreement with any third party to conduct fishing, boating, hunting, camping, or similar recreational use, or to operate a recreational vehicle park, mobile home park, restaurant, or store of the general type operated by Concessionaire on any part of the Warner Ranch without first giving Concessionaire the opportunity to enter into an agreement under identical terms to that offered to said third party.

### b. Patrol

~~It shall be the obligation of~~ District and the licensees under the Grazing Licenses ~~to~~ patrol the Warner Ranch outside of the Recreation Area to prevent~~assure that it is free from~~ trespassers and ~~that there is no~~ fishing, boating, hunting, or camping activities there. If Concessionaire observes any fishing, boating, hunting, camping or other recreational use of the Warner Ranch outside of the Recreation Area, it shall promptly report it to District or the licensees under the Grazing Licenses. However, Concessionaire shall not enter upon the Warner Ranch outside of the Recreation Area without District's consent, and shall take reasonable steps to assure that users of the Recreation Area do not enter upon the Warner Ranch outside of the Recreation Area without District's consent. The Concessionaire and its Sub-concessionaires and customers may cross portions of the Warner Ranch as necessary to access Hunting Lands during applicable hunting seasons or as allowed under this Agreement.

## 2.4 District Operating Rights and Titles

District has the following rights and titles:

a. Perform Work on or Close any Part of Lake Henshaw or the Recreation Area

- (i) The right to perform work which it determines to be necessary for the improvement, maintenance, or operation of the Recreation Area, Lake Henshaw, or any structures or facilities used in connection with Lake Henshaw or the adjacent land, or authorized for use by third parties (including telecommunication facilities). Concessionaire shall be given reasonable notice, except in the event of an emergency, prior to performance of such work.
- (ii) The right to close any part or all of Lake Henshaw, the Recreation Area, or adjacent lands to recreational or other specified uses, without penalty, when in its judgment conditions become unsafe or when it becomes necessary for water quality, water supply, or other purposes.
- (iii) In the event that District determines that the exercise of the rights set forth in Section 2.4(a) unreasonably impair Concessionaire's ability to make a reasonable profit, then District agrees to renegotiate the terms (including the amount and timing of payments) agreed to herein.

b. Enter and Inspect any Part of the Recreation Area

The right to enter and inspect all or any part of the Recreation Area at any time and for any purpose, including the right to inspect any or all of the structures, facilities and equipment used by Concessionaire in performance of its concession operations.

c. Title to Facilities and Equipment

Except as otherwise agreed in writing between Concessionaire and District, title to all facilities and equipment which are affixed to the real property in the Recreation Area or to any of the structures located therein, and to any replacements, substitutions or modifications thereof, whether purchased or installed by District or by Concessionaire, shall remain in District, and shall remain upon and within the Recreation Area and be surrendered upon termination of this Agreement whether by expiration of its term, termination or otherwise. No such facilities or equipment shall be removed from the Recreation Area by Concessionaire at any time; provided, however, that Concessionaire may temporarily remove equipment from the premises to

perform maintenance thereon after giving advance notice of such removal to District.

d. District's Reservations:

- (i) The District hereby reserves the right to grant easements and rights-of-way for pole or power lines for transmission of electricity, and easements, leases and rights-of-way for telephone, telegraph, telecommunication facility, gas, water, sewer and oil lines, for roads and highways, and for other similar uses over and across the Recreation Area and Hunting Lands at any location or locations within the Recreation Area or Hunting Lands. In the event ~~Concessionaire~~District determines that ~~the District's~~ granting or exercise of any such easement, lease, or right-of-way significantly interferes with Concessionaire's possession or use of the Recreation Area or Hunting Lands, then District agrees to renegotiate the terms (including the amount and timing of payments) agreed to herein.~~Concessionaire's only remedy shall be to terminate its hunting rights and obligations under this Agreement, upon thirty (30) days' written notice to District.~~ Concessionaire shall not interfere with any easements, licenses, or rights-of-way pertaining to or affecting the Recreation Area or the Hunting Lands.
- (ii) The District hereby reserves the right onto itself to operate, protect, replenish or conserve the surface water reservoir and the surface and groundwater supplies within the Recreation Area and Hunting Lands. Such work may be performed without incurring any liability of any nature whatsoever to Concessionaire, which hereby releases the District from, and covenants not to sue the District for, any such liability.
- (iii) The District reserves the right to remove any portion of the Recreation Area or the Hunting Lands from the scope of the Agreement at any time for water conservation and/or mitigation purposes. Concessionaire agrees not to hold the District liable for any losses or damages that may occur by reason of District's removing a portion of the Recreation Area or Hunting Lands for water conservation and/or mitigation purposes, and Concessionaire hereby releases the District from, and covenants not to sue the District for, any such action. In the event ~~Concessionaire~~District determines that its~~the District's~~ removal of any portion of the Recreation Area or the Hunting Lands from the scope of the Agreement for water conservation and/or mitigation purposes significantly interferes with

Concessionaire's possession or use of the Recreation Area or Hunting Lands, then District agrees to renegotiate the terms (including the amount and timing of payments) agreed to herein. ~~Concessionaire's only remedy shall be to terminate its hunting rights and obligations under the Agreement, upon thirty (30) days' written notice to District.~~

### 3. PAYMENTS, FEES AND LIABILITIES

#### 3.1 Security Deposit

Prior to the commencement of the term hereof, Concessionaire shall furnish to District a security deposit in the amount of \$10,000 to guarantee Concessionaire's performance of all the terms and conditions of this Agreement. Such security deposit shall be in the form of:

- a. A deposit made with District, or deposited under pledge or escrow agreement satisfactory to District, of cash, governmental obligations in bearer form, or publicly traded stocks satisfactory to District; or
- b. A surety bond issued by a company authorized to do business as a surety in the State of California; or
- c. An irrevocable letter of credit for the term of the Agreement issued in a form and by a commercial bank satisfactory to District; or
- d. A security agreement secured by real property satisfactory to District.

#### 3.2 Adjusted Gross Receipts

##### a. Definition of "Adjusted Gross Receipts"

The term "Adjusted Gross Receipts", wherever used in this Agreement, shall mean all money, property, or any other item of value, without any deductions, received by Concessionaire through the operation of the concession under this Agreement, including the "In Lieu Rent" described in section 3.2.c and Imputed Income described in section 3.2.d. ~~∴~~ Provided, however, that the words "Adjusted Gross Receipts" shall not include:

- (i) any sales or excise taxes imposed by any governmental agency;
- (ii) any portion of fishing or hunting license revenue remitted to the State of California; or

(iii) the cost of goods sold from the store in the Recreation Area; or

~~(iii)~~(iv) any hunting club membership fees paid to the Concessionaire or Sub-concessionaire for use of the Hunting Lands under the terms of this Agreement.

b. Thefts or Losses borne by Concessionaire

Any thefts or other losses of Adjusted Gross Receipts shall be borne solely by Concessionaire and shall not reduce any of the percentage payments provided for by this Agreement.

c. Accounting for Operation of Restaurant

For as long as Concessionaire or a Sub-concessionaire operates the restaurant in the Recreation Area, neither the revenues from the restaurant nor the cost of goods sold at the restaurant shall be considered in calculating Adjusted Gross Receipts. Instead, "In Lieu Rent" in the amount of \$91,100 per month shall be added to the amounts described in subsection 3.2.a to determine Adjusted Gross Receipts for ~~1996~~2018. For each year after ~~1996~~2018 for the remainder of the term of the Agreement, the amount of In Lieu Rent shall increase by \$50 per ~~month~~year, so that it is ~~\$950~~1,1050 per month in ~~2019~~1997, ~~\$1,002~~100 per month in ~~2020~~1998, etc.

d. Imputed Income Receipts

(i) Any charge or fee that is lower than that offered to members of the public for the use of facilities or activities within the Recreation area ~~that is offered to a person by virtue of their membership in a group or organization~~ (Discounted Fee) must be approved in advance in writing by the District.

~~(i)(ii) When a person utilizes an approved Discounted Fee, Unless a discounted charge or fee is approved in advance in writing by District, if, by virtue of membership in any group or organization (including but not limited to My Country Club, Inc., or any similar organization) any person is permitted to use any facilities or participate in any activities in the Recreation Area for a charge or fee which is lower than that offered to members of the public at large, the charge or fee offered to members of the public at large, not the ~~discounted charge or f~~Discounted Fee, shall be~~

utilized in the calculation of Adjusted Gross Receipts, regardless of the amount actually received by Concessionaire.

3.3 Concession Agreement Payment

a. Amount of Payment

Concessionaire shall pay to District during the entire term of this Agreement for the right to exercise the privileges herein contained, an amount equal to ten percent (10%) of all monthly Adjusted Gross Receipts over \$35,000 but less than \$40,000, 15% of all monthly Adjusted Gross Receipts over \$40,000 but less than \$50,000, and 20% of all monthly Adjusted Gross Receipts over \$50,000.

b. Timing of Payment

Payment to the District shall be made no later than thirty (30) days from receipt of invoice from the District. The payment shall be based on Adjusted Gross Receipts of the preceding calendar month and shall be paid to District at its principal office in Vista, California. In the event a payment is not made on or before the due date herein provided, Concessionaire shall pay to District a late charge on said unpaid amount at the rate of one and one half percent (1.5%) per month from and after the due date thereof until the date of payment.

c. Hunting Activities

As set forth in Attachment F to this Agreement (Sub-concessionaire Agreement for Hunting), any Sub-concessionaire shall pay to District rent for the use of the Recreation Areas and Hunting Lands for fishing and hunting purposes. The rent shall consist of a base rent, to include the spring turkey season, the rifle deer season, waterfowl, duck and goose hunting, and fishing privileges. Supplemental rents shall be assessed for dove, quail, archery deer seasons and “put and take” hunting of commercially raised game birds (generally pheasant, grouse or chukar) at times of year allowed by the California Department of Fish and Wildlife~~from January 1 through the start of the turkey hunting season and September 1 through December 31~~, based on the schedule of rents and payment dates set forth in the form Sub-concessionaire Agreement for Hunting attached hereto as Attachment F. Concessionaire and any Sub-concessionaire shall be responsible for ensuring the avoidance of all conflicts between all hunting and recreational uses, and

for coordinating the hunting uses with District and District's other lessees and licensees.

In addition, the District may allow the hunting of wild pig under this Agreement from time to time by written permission. Due to the evolving nature of wild pig distribution and population, its potential for damage to District resources, and its potential to enhance the revenue of the Concessionaire, the terms and conditions of such permission will be negotiated at the time that such permission is granted.

3.4 Concessionaire's Obligation for Major Maintenance and Capital Improvements

a. Identification of Major Maintenance and Capital Improvement Projects

For purposes of this Agreement, the phrase "Major Maintenance and/or Capital Improvement Projects" means projects which enhance or create facilities which are owned by District and are of a more permanent nature than the ordinary maintenance items described above or are projects which have been agreed upon by District and Concessionaire.

b. Major Maintenance Obligation Based on Adjusted Gross Receipts

(i) In any calendar year other than the last year of the Term the Concessionaire's Adjusted Gross Receipts exceed \$700,000, then during the following calendar year the Concessionaire shall spend at least: ten percent (10%) of the amount by which said Adjusted Gross Receipts are greater than \$700,000 and less than \$800,000 and twenty percent (20%) of the amount by which said Adjusted Gross Receipts are greater than \$800,000 (which amount shall be the Major Maintenance Obligation) on Major Maintenance or Capital Improvement Projects.

(ii) If the Concessionaire incurs a Major Maintenance Obligation during the last year of the Term, the Concessionaire shall pay to the District the amount of that Major Maintenance Obligation at the same time and under the same terms as the last month of the Concession Agreement Payment.

c. Major Maintenance/Capital Improvement ReportPlan

By January 31 of each year, Concessionaire, ~~in cooperation with District staff,~~ shall prepare an annual Major Maintenance/Capital Improvement ReportPlan of ~~proposed~~ work performed the previous each year by January 31 ~~November 30 of the following each year~~ and forward a copy to District ~~for approval,~~

~~which approval District shall not unreasonably deny.~~ The report shall describe the work performed, the dates the work was executed, the actual or expected completion date, and the resources and expenses utilized in performing the work. In years in which the Concessionaire incurs a Major Maintenance Obligation, the Major Maintenance/Capital Improvement Report shall demonstrate that the Concessionaire has met the requirements of that obligation.

d. Performance of Work on Required Major Maintenance and/or Capital Improvement Projects

(i) Except in the event of an emergency or an opportunity to perform a specific project under unusually favorable circumstances, no work which is to be paid for in whole or in part with funds which Concessionaire is required by this Agreement to spend on Major Maintenance and/or Capital Improvement Projects shall begin without District's prior written approval.

(ii) In the event there is an emergency, and it is impracticable to obtain District's written consent before beginning, Concessionaire may begin the work and thereafter seek District's written consent at its first reasonable opportunity.

(iii) All work on required Major Maintenance and/or Capital Improvement Projects shall be performed by Concessionaire using outside contractors or its own work force, as initially determined by Concessionaire, subject to District's approval, which shall not be unreasonably withheld. If Concessionaire uses its own employees, expenditures by Concessionaire for such labor for the purpose of this Agreement shall be calculated at such rate as is agreed in advance by District and Concessionaire, but in no event more than the rate normally paid to said employees by Concessionaire, plus an allowance for fringe benefits. No payment for management/supervision by Concessionaire or for use of tools or equipment owned by Concessionaire will be included.

e. Use of Additional Concessionaire Funds Encouraged

Nothing in this Agreement shall be interpreted to prohibit Concessionaire from using additional funds for Major Maintenance or Capital Improvement Projects in the Recreation Area, and District encourages Concessionaire to so use its funds.



~~3.5 — Capital Improvements by District~~

~~As soon as practicable, the District, at its own cost and expense, shall perform the maintenance and make the capital improvements in the Recreation Area which are listed below. These are the only Major Maintenance and/or Capital Improvement Projects which District is required by this Agreement to undertake. Once District has completed each of these projects, Concessionaire shall be solely responsible for ongoing maintenance.~~

3.5 Right to Terminate Agreement Because of Major Improvements, Repairs, and Replacements or Annual Adjusted Gross Receipts under \$600,000

a. Concessionaire and District Not Obligated to Incur Additional Expense

It is understood and agreed that, except as provided herein, District shall not be required to incur any cost or expense for maintenance, repair, or construction of capital improvements in the Recreation Area, and neither Concessionaire nor District shall be required to incur any cost or expense for the installation or construction of new buildings, structures or facilities or for major improvements, repairs or replacements ~~(those which~~that will cost in excess of \$50,000 ~~)per structure~~each during the term of this Agreement. However, nothing in this Agreement shall be interpreted to prohibit Concessionaire or District from using its own funds for major maintenance or capital improvements in the Recreation Area.

b. Right to Terminate Agreement

(i) In the event that major improvements, repairs or replacements ~~(those which will~~that will cost in excess of \$50,000 ~~per structure)~~each become necessary which neither Concessionaire nor District is required by this Agreement to make, which are beyond the ability of Concessionaire to make, and which District is unwilling in its sole discretion to make, either Concessionaire or District may elect to terminate this Agreement.

(ii) In the event that Concessionaire's annual Adjusted Gross Receipts are below \$600,000 for any year, District may elect to terminate this Agreement unless Concessionaire can show that the reason said Adjusted Gross Receipts were below \$600,000 was beyond the reasonable control of Concessionaire.

3.6 Concessionaire Records

a. Maintenance of Records

Concessionaire shall maintain books, records, documents, and other evidence of its operations hereunder on an accrual basis in accordance with generally accepted accounting principles.

b. District Access to Records

District and any of its duly authorized representatives shall have access to Concessionaire's books, records, documents, and other evidence of its operations hereunder, including business income tax returns and the business schedules from personal tax returns, for the purpose of inspection, audit and copying [upon reasonable notice](#) at any time during the term of this Agreement and for a period of five (5) years following the termination of this Agreement. Concessionaire shall provide proper facilities for such access and inspection.

c. Monthly Statements by Concessionaire

Concessionaire shall furnish to District, on or before the twenty-fifth (25<sup>th</sup>) day of each calendar month during the term of this Agreement, an itemized statement, broken down by revenue categories, showing the Adjusted Gross Receipts from Concessionaire's operations under this Agreement during the preceding calendar month. Such statement shall also include attendance by category.

d. Annual Reviewed Financial Statements by Concessionaire

(i) On or before February 1 of each year, Concessionaire shall submit to District a statement of Concessionaire's Adjusted Gross Receipts for the previous calendar year of operation hereunder.

(ii) On or before May 31 of each year, Concessionaire shall submit to District [Concessionaire's](#) reviewed financial statements (including an independent accountant's report thereon) for the previous calendar year of operations. Copies of any management letters issued by the Concessionaire's independent accountants shall be submitted to District within thirty (30) days of issuance. The cost of obtaining reviewed financial statements shall be borne solely by Concessionaire.

e. Additional Statistical Information

~~In addition to the documentation and information otherwise required by this Agreement to be provided to District, Concessionaire shall provide to District, within a reasonable period after request therefor, above, Concessionaire may be asked by District to provide~~ The District may request additional statistical information relating to the operations of the concession, which the Concessionaire shall provide to the District within a reasonable period of time. This may include expanded visitor information including permanent residence, age, category, number of disabled visitors, revenue reports, fishing surveys and other recreation use information. Surveys may be required from time to time to identify the number of visitors per vehicle, peak weekend use and other requested information.

f. Club or Group Members Using Facilities at Discount

Concessionaire shall maintain a separate record or account showing each occasion where, by virtue of membership in any group or organization (including but not limited to My Country Club, Inc., or any similar organization), any person is permitted to use any facilities or participate in any activities in the Recreation Area for a charge or fee which is lower than that offered to members of the public at large. The information maintained in this separate record or account shall be included as a separate category in the itemized monthly statement required by subdivision (c) of this subsection. At a minimum, each entry shall show, for each occasion where a lower fee or charge is assessed, the name of the person using the facilities or participating in the activities for which the lower fee or charge was assessed, the name of the group or organization in which such person is a member by virtue of which the lower fee or charge was assessed, a description of the facilities such person used or activities in which such person participated, the amount actually charged, and the amount of any adjustment required by Section 3.2 for purposes of calculating Adjusted Gross Income.

3.7 Fees for Use of Recreation Area and Facilities

a. Establishment and Posting of Fees

- (i) All fees for use of the Recreation Area or activities or facilities therein and all other prices and charges collected by Concessionaire from the public for its business operations under this Agreement shall be set by Concessionaire, subject to District review. Such fees, prices, and charges shall be reasonable, consistent with quantity and quality of the goods

and services provided, and consistent with those usually applied in similar public recreation areas.

- (ii) Concessionaire shall post the recreational fees in the Recreation Area at such places as may be designated by District. District shall have access to and the right to inspect the schedule of prices for all goods sold and services rendered or performed within the Recreation Area. Any price or charge determined by District in its sole and absolute discretion to be unreasonable for the services rendered or the item sold, or any portion determined by District in its sole and absolute discretion to be inadequate, shall be modified by Concessionaire promptly as directed by District. District shall give reasonable notice to Concessionaire of any required change to any price or charge, and shall require change to any price or charge only for good cause.

b. Collection of Fees

Concessionaire shall collect all fees for use of the Recreation Area or activities or facilities therein and all other prices and charges for its business operations under this Agreement.

3.8 Payment of Debts-Prohibition of Liens

Concessionaire shall promptly pay all debts incurred by Concessionaire for materials, supplies, equipment, merchandise or services used in or about or in connection with its business or operations in the Recreation Area, and the wages and salaries of all employees employed therein. Concessionaire shall permit no liens to be levied upon or to attach to any property used by Concessionaire in the performance of this Agreement. Concessionaire shall pay before delinquency all license fees, taxes and assessments imposed, levied or assessed upon Concessionaire or upon any property used by Concessionaire in the performance of this Agreement or upon Concessionaire's possessory interest therein, upon its business or activity conducted hereunder or its right to conduct same, or based upon the proceeds of such business or activity.

3.9 Indemnification and Insurance

a. Indemnification

- (i) Concessionaire acknowledges and agrees that it has the **entire** sole, exclusive and entire responsibility in the Recreation Area for any and all injury to persons or property arising out of the occupancy, use or

operation of the Recreation Area or any of the facilities or equipment therein, except for liability associated with District reservoir operations outside the scope of this Agreement, ~~or injury to District employees or independent contractors who are present in the Recreation Area solely in connection with the performance of Concessionaire's duties or contractual obligations to District.~~

- (ii) Concessionaire ~~expressly agrees to~~shall indemnify, defend and hold District, its agents, directors, officers, and employees free and harmless from and against any and all loss, liability, expense, claims, costs, suits and damages, including attorneys' fees, in any way arising out of the occupancy or use of the Hunting Lands and Recreation Area or any of the facilities or equipment therein, as provided under the terms and conditions of this Agreement by Concessionaire, except when such injury or damage is caused ~~solely~~by the sole active negligence or intentional and willful misconduct of District or its agents, directors, officers, or employees.

b. General Insurance Requirements

- (i) Insurance. Concessionaire shall carry all insurance required by Federal, State, County and local laws. Concessionaire shall procure and maintain, during the life of the Agreement, adequate worker's compensation, public liability and property damage insurance. The specific requirements for insurance as set forth in this article shall be considered minimum requirements. Concessionaire shall procure and maintain, during the life of this Agreement, such commercial general liability and automobile liability insurance necessary to protect Concessionaire and District from all claims for bodily injury, including accidental death and property damage claims arising from operations under this Agreement. District shall be named as additional primary insured on Concessionaire's policy without offset against Concessionaire's existing insurance and the certificate of insurance shall include reference to such provisions.

a. Minimum Scope of Insurance. Coverage shall be at least as broad as:

- i. Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

- ii. Insurance Services Office form number CA 0001 (Ed. 1/87) covering Automobile Liability, code 1 (any auto).
    - iii. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
  - b. Minimum Limits of Insurance. Concessionaire shall maintain limits no less than:
    - i. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage with a general aggregate limit of twice the occurrence limit in combination with umbrella insurance policy coverage of \$5,000,000.
    - ii. Automobile Liability: \$1,000,000 per accident for bodily injury, death, and property damage.
    - iii. Workers' Compensation: California Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided as required by law, with limits of not less than \$1,000,000.00 per accident or bodily injury, and \$1,000,000.00 per disease per employee. In the alternative, Concessionaire may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the California Labor Code shall be solely in the discretion of District.
  - c. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by District. At the option of District, either:
    - i. The insurer shall reduce or eliminate such deductibles or self-insured retentions as respects District, its officers, officials, employees and authorized volunteers; or
    - ii. Concessionaire shall provide a financial guarantee satisfactory to District guaranteeing payment of losses and related investigations, claim administration and defense expenses.

d. Other Insurance Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

i. District, its directors, officers, employees, and authorized volunteers are to be covered as additional insureds with respect to liability arising out of automobiles owned, leased, hired or borrowed by or on behalf of Concessionaire; and with respect to liability arising out of work or operations performed by or on behalf of Concessionaire including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to Concessionaire's insurance using ISO endorsement CG2010, CG2033, or equivalent, or as a separate owner's policy.

ii. For any claims related to this Agreement, Concessionaire's insurance coverage shall be primary insurance as respects District, its directors, officers, employees, and authorized volunteers. Any insurance or self-insurance maintained by DISTRICT, its directors, officers, employees, or authorized volunteers shall be excess of Concessionaire's insurance and shall not contribute within.

iii. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days' prior written notice by mail, has been given to District, except for non-payment of premium for which ten (10) days prior notice will be given. For purposes of this notice requirement, any adverse material change in the policy prior to its expiration shall be considered a cancellation. Concessionaire shall, upon demand of District, deliver to District all such policy or policies of insurance and the receipts for payment of premiums thereon.

a.e. Acceptability of Insurers. To be acceptable, insurers must have an A.M. Best rating of no less than A minus: VII, or equivalent, unless otherwise approved by District General Manager.

b.f. Verification of Coverage. Concessionaire shall furnish District with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the standard ACORD insurance form or on another form approved by District, provided those endorsements or policies conform to the requirements. All certificates and endorsements are to be received and approved by District. District reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications at any time.

c. Broad Form Property Insurance

- (i) Concessionaire shall take out and maintain during the life of the Agreement broad form property insurance on all concession improvements, whether owned by District or placed or constructed upon the premises by Concessionaire, in an amount equal to ~~at least ninety percent (90%) of the~~their full replacement cost and/or value thereof. Said insurance shall provide coverage for losses caused by fire, lightning, explosion, windstorm or hail, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sprinkler leakage, sinkhole collapse, volcanic action, breakage of glass, falling objects, weight of snow, ice or sleet, and water damage.
- (ii) Said policy(ies) shall contain a full replacement cost endorsement(s), including endorsements for ordinance or law (also known as “building ordinance” coverage which provides coverage for the higher costs required to bring new construction up to present day code standards) and demolition costs, naming District as the insured as to all District owned property.
- (iii) Said policy(ies) shall contain endorsements providing that District will be notified in writing at least thirty (30) days in advance of any cancellation or reduction in coverage, and that District is not liable for the payment of any premiums or assessments against the policy(ies).

d. Business Income and Extra Expense Insurance



Concessionaire shall take out and maintain during the life of the Agreement Business Income and Extra Expense Insurance to provide revenue protection during any period of reconstruction following a loss.

e. No Limitation on Liability of Concessionaire

Nothing contained in these insurance requirements shall limit the liability of Concessionaire.

f. Review of Coverage

The District shall have the right at any time to review the coverage, form, and limits of insurance required under this Agreement. If, in the sole and absolute discretion of the District, the insurance provisions herein do not provide adequate protection for the District, the District shall have the right to require Concessionaire to obtain insurance sufficient in coverage, form and limits to provide adequate protection, and Concessionaire shall promptly comply with any such requirement. The District's requirements shall not be unreasonable, but shall be adequate in the sole opinion of the District to protect against the kind and extent of risks which may exist at the time a change of insurance is required, or thereafter.

g. Concession Management Agreement Void Without Insurance

Notwithstanding any other provision herein, this Agreement shall be null and void at all times when the above-referenced certificate of insurance and insurance endorsements (and their renewal certificates and endorsements) are not on file with District.

3.10 Liability for Damage to District Property

a. In General

Concessionaire shall be liable for any and all damages to District property occurring by reason of its performance or operations under this Agreement.

b. Destruction of Buildings

In the event of destruction, loss or damage by fire or other cause of any of the District-owned buildings, improvements, structures, or facilities used by Concessionaire in connection with its operations or business hereunder for which insurance coverage has been obtained, District shall use the proceeds of such insurance to rebuild or replace any property so damaged or destroyed, up to the amount of the proceeds. District shall not be obligated to replace any

destroyed, lost or damaged property except to the extent it is covered by insurance pursuant to this Agreement, nor shall District be liable to Concessionaire for any such loss of use or damage.

c. Contamination Caused by Predecessors

Concessionaire shall not be liable for damage to District property or environmental contamination caused by operations in the Recreation Area before ~~the commencement of the term of this Agreement~~ Concessionaire commenced concession activities on the Recreation Area, including but not limited to petroleum hydrocarbon contamination caused by the operation of a gasoline station in the Recreation Area by the Warner Resort Company.

4. TERM, AMENDMENTS AND OTHER

4.1 Term

The Term of the Concession Management Agreement shall continue until and expire on December 31, 2032, unless terminated on an earlier date as provided in this Agreement. Concessionaire shall have no unilateral option to renew the term of this Agreement.

4.2 Default

a. Events of Default

The following events shall constitute events of default under this Agreement:

- (i) Concessionaire's ~~willful~~ understatement of Adjusted Gross Receipts for any period, including but not limited to failure to properly include in Adjusted Gross Receipts the full charge or fee offered to members of the public on each occasion where, by virtue of membership in any group or organization (including but not limited to My Country Club, Inc., or any similar organization), any person is permitted to use any facilities or participate in any activities in the Recreation Area for a charge or fee which is lower than that offered to members of the public at large;
- (ii) Concessionaire's failure to pay to District any of the sums required by this Agreement to be paid at the times and in the manner herein provided;

- (iii) Concessionaire's failure to operate ~~said~~this concession in accordance with the standards prescribed by District, including permitting the same to be conducted in an unlawful manner;
- (iv) Concessionaire's violation of any terms or conditions of this Agreement;
- (v) A transfer by Concessionaire of any assets ~~in fraud of~~that has the effect of defrauding creditors, or an assignment by Concessionaire for the benefit of creditors;
- (vi) The commencement of voluntary proceedings of any kind by Concessionaire under the Federal Bankruptcy Act or under any other insolvency, bankruptcy, or reorganization act, or the filing of an involuntary petition in bankruptcy by Concessionaire's creditors with the petition remaining undischarged for a period of ninety (90) days;
- (vii) The appointment of a receiver to take possession of a substantial part of Concessionaire's assets;
- (viii) The levy upon this Agreement, any property subject to this Agreement, or any property of Concessionaire which is used in the performance of or as security for this Agreement by attachment, execution, or other judicial seizure and the failure of Concessionaire to have the attachment, execution, or other seizure vacated within thirty (30) days;
- ~~(ix) Concessionaire's willful failure to disclose or to maintain a separate record or account showing each occasion where, by virtue of membership in any group or organization (including but not limited to My Country Club, Inc., or any similar organization), any person is permitted to use any facilities or participate in any activities in the Recreation Area for a charge or fee which is lower than that offered to members of the public at large.~~

b. District Rights in the Event of Default

In the event of Concessionaire's default, District may, at its option, in addition to any other remedies it may have, terminate this Agreement and forthwith take possession of the premises, including any and all District property in possession of Concessionaire, and remove any and all persons or property therefrom.

c. Notice of Default

- (i) Before any forfeiture shall be declared hereunder by reason of a curable default on the part of Concessionaire, District shall cause written notice to be given to Concessionaire specifying the particulars wherein Concessionaire is in default and demanding performance in accordance with the terms of this Agreement. If, within ten (10) days after such notice is given, Concessionaire shall have fully complied therewith, or (if such default cannot reasonably be cured within ten (10) days) Concessionaire in good faith shall have commenced the work or acts necessary to immediately and fully comply, and thenceforth shall diligently prosecute such work or acts to completion, no forfeiture by reason of such breach shall be declared hereunder; but in the event of Concessionaire's failure to immediately and fully comply with such notice, District may then declare and effect a forfeiture by reason of the default therein specified.
- (ii) District need not give the notice described above before it declares a forfeiture or exercises any other remedy it may have based on a default by Concessionaire which District determines cannot be cured.

4.3 Ownership of Concessionaire; Termination of Agreement upon Transfer of Control or Death or Disability of Mendenhalls; Personal Guaranty

a. Concessionaire to Apprise District of Ownership of Stock

Concessionaire and Owners ~~Mendenhalls~~ warrant that as of the execution of this Agreement, Concessionaire's stock is owned as follows: Frank A. Mendenhall ~~50~~34,000 shares (~~50~~34%); Janice L. Mendenhall ~~50~~33,000 shares (~~50~~33%); and Sam E. Taylor 33,000 shares (33%) (collectively, Owners). Concessionaire shall promptly advise District of any change of stock ownership, including without limitation the transfer of any shares of stock owned by any ~~present~~ shareholder and the issuance of any additional shares of stock.

b. Termination upon Transfer of Control or Death or Disability

Unless otherwise agreed by District, this Agreement and all sub-concession agreements hereunder shall immediately terminate upon the occurrence of any of the following events:

- (i) The death or permanent disability of both Frank A. and Janice L. Mendenhall;
- (ii) The transfer of more than fifty percent (50%) of the ~~outstanding~~ stock of Lake Henshaw Resort, Inc., to persons other than Frank A. or Janice L. Mendenhall;
- (iii) The loss of control of Frank A. and Janice L. Mendenhall in the operation and management of Lake Henshaw Resort, Inc.; or
- (iv) Neither Frank A. nor Janice L. Mendenhall remaining actively and continuously involved in the management of Lake Henshaw Resort, Inc., and the performance of this Agreement.

c. Personal Guaranty

The Parties acknowledge that Frank A. and Janice L. Mendenhall have personally guaranteed Concessionaire's performance hereunder, and that said personal guaranty, as set forth in Attachment E to this Agreement, is a material part of the consideration received by District hereunder.

4.4 Concessionaire's Obligations upon Default or Other Termination of Agreement

a. Surrender of Premises

Upon expiration of the term or other termination of this Agreement, Concessionaire shall quit and surrender the Recreation Area and Hunting Lands, including all real property improvements and other property of District located therein, in a good state of repair, ordinary wear and tear excepted.

b. Removal of Concessionaire's Personal Property

Upon expiration of the term or other termination of this Agreement, and if Concessionaire shall not then be in default hereunder, Concessionaire shall within thirty (30) days thereafter, remove from the Recreation Area, Hunting Lands and Lake Henshaw, in a manner satisfactory to District, all personal property belonging to Concessionaire. If Concessionaire fails to remove said personal property, District may, at its election, consider said property as abandoned, and may retain it for District's own use or dispose of it at Concessionaire's expense.

4.5 Attorneys' Fees

In the event of any dispute involving the interpretation or effect of this Agreement, or of any litigation for the interpretation, specific performance or damages for breach of this Agreement, the prevailing party shall be entitled to a judgment or award against the other in an amount equal to reasonable attorneys' fees and court costs, in addition to other remedies.

#### 4.6 Assignment and Sub-Concession Agreements

##### a. District Consent Required

Concessionaire shall not assign, transfer or sublet any of the rights or privileges given to it under this Agreement, voluntarily or involuntarily, or permit the exercise thereof by any third persons, firms or corporations, public or private, or enter into any sub-concession agreements, without the written consent of District having first been obtained. Concessionaire understands and agrees that District has the absolute right to withhold consent to a proposed assignment or sub-concession agreement for any reason or for no reason at all.

##### b. Concessionaire Remains Fully Responsible

If consent to a sub-concession agreement or assignment is given by District, Concessionaire shall be and remain fully bound and responsible hereunder for such duties and obligations as it may assign or sublicense to another.

##### c. Acceptance of Terms by Assignee

Any assignment or sub-concession agreement entered into by Concessionaire shall expressly provide for a recognition and acceptance of all of the terms of this Agreement as binding upon the assignee or Sub-concessionaire.

##### d. Approval of Sub-concessionaire for Hunting Activities

Subject to Sub-concessionaire's execution of a sublease instrument approved by the District, which expressly provides that Sub-concessionaire acknowledges and accepts all of the terms and conditions of this Concession Management Agreement (including but not limited to the provisions regarding insurance and indemnification) as binding upon it, the District hereby consents to Concessionaire subleasing the Recreation Area and Hunting Lands to My Country Club, Inc., as Sub-concessionaire, for the limited purposes of hunting, fishing and incidental activities.

#### 4.7 Limitation on Duration of Concessionaire Agreements

Concessionaire shall not enter into any agreements, grant any rights or purported rights, or incur any obligations for the use of the Recreation Area, Hunting Lands or any District property beyond the term of this Agreement; and any agreements, grants of rights or purported rights, or obligations for the use of the Recreation Area or any District property entered into, granted, or incurred by Concessionaire shall automatically terminate upon the termination of this Agreement for any reason.

4.8 Consent or Approval of District

Whenever the consent or approval of District is required by this Agreement, it shall be obtained from District's General Manager or the General Manager's designee.

4.9 Agreement in Writing

Except as expressly provided herein, this Agreement contains and embraces the entire agreement between the parties hereto, and supersedes and nullifies any and all prior or contemporaneous agreements, understandings, and representations and statements, oral and written, between the parties. No modification, waiver, amendment, discharge, or change of this Agreement shall be valid unless the same is in writing and signed by the parties against whom enforcement of such modification, waiver, amendment, discharge, or change is or may be sought.

4.10 Partial Invalidity

If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be void or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

4.11 Captions

The various captions, headings, and numbers in this Agreement and the grouping of provisions of this Agreement into separate sections and paragraphs are for the purpose of convenience only and shall not be considered a part of the Agreement.

4.12 Time of Essence

Time shall be of the essence in the performance of this Agreement.

4.13 Notices

a. Notice by Certified Mail

All notices herein provided to be given, or which may be given by either party to the other shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid, and addressed as follows:

To Concessionaire:

Frank A. or Janice L. Mendenhall  
Lake Henshaw Resort, Inc.  
P.O. Box 261  
Santa Ysabel, CA 92070

To District:

General Manager  
Vista Irrigation District  
1391 Engineer Street  
Vista, CA 92081-8840

Either or both of said addresses may be changed at any time by written notice given by one party to the other as hereinabove provided.

b. Notice by Personal Service

Nothing herein contained shall preclude the giving of any such notice by personal service.



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

As approved to form:

VISTA IRRIGATION DISTRICT

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

By: \_\_\_\_\_  
General Manager

CONCESSIONAIRE  
Lake Henshaw Resort, Inc.

By: \_\_\_\_\_

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

By: \_\_\_\_\_

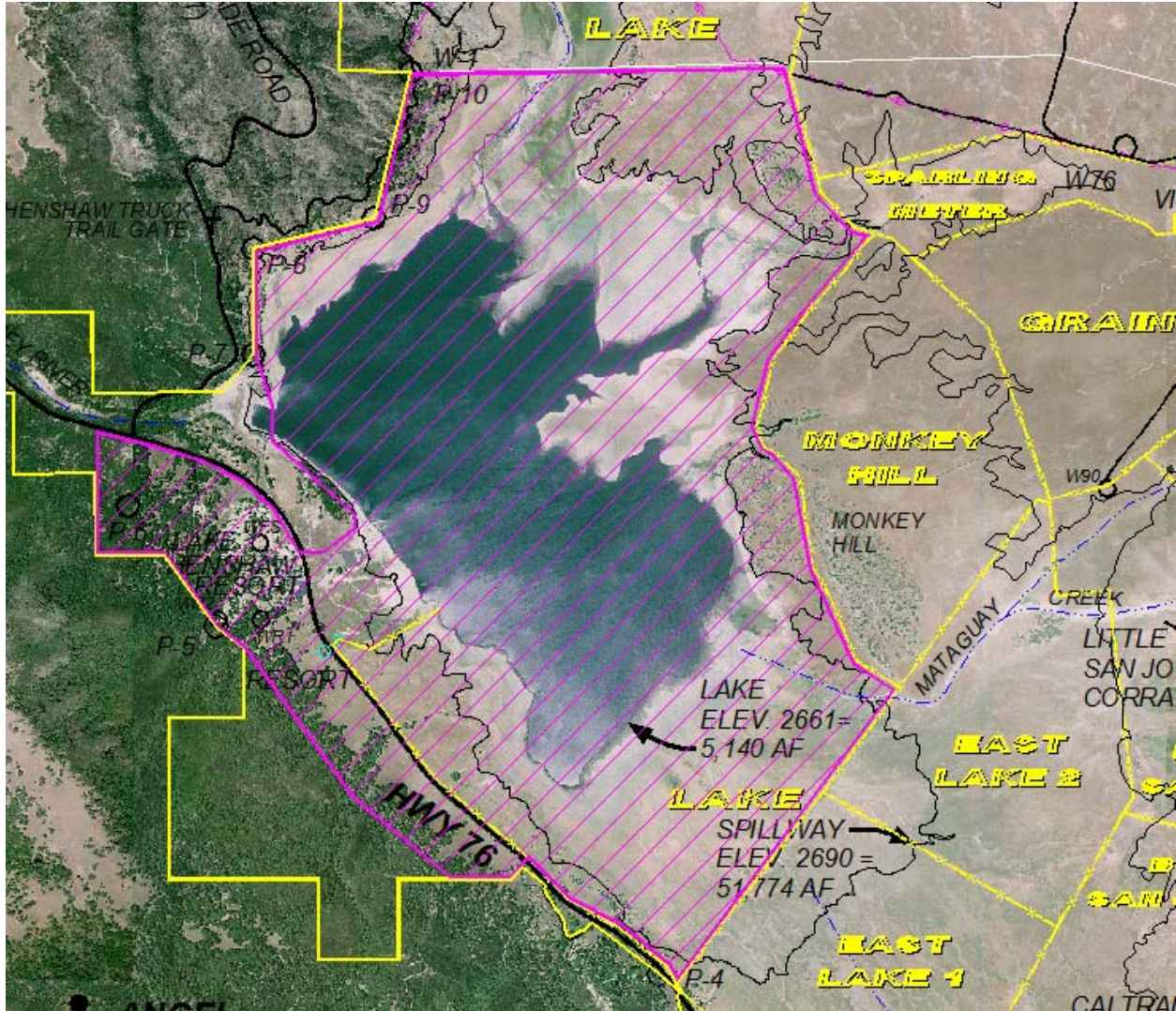
Title: \_\_\_\_\_

**Attachment A**  
**Concession Management Agreement Maps**

## Concession Management Agreement Maps

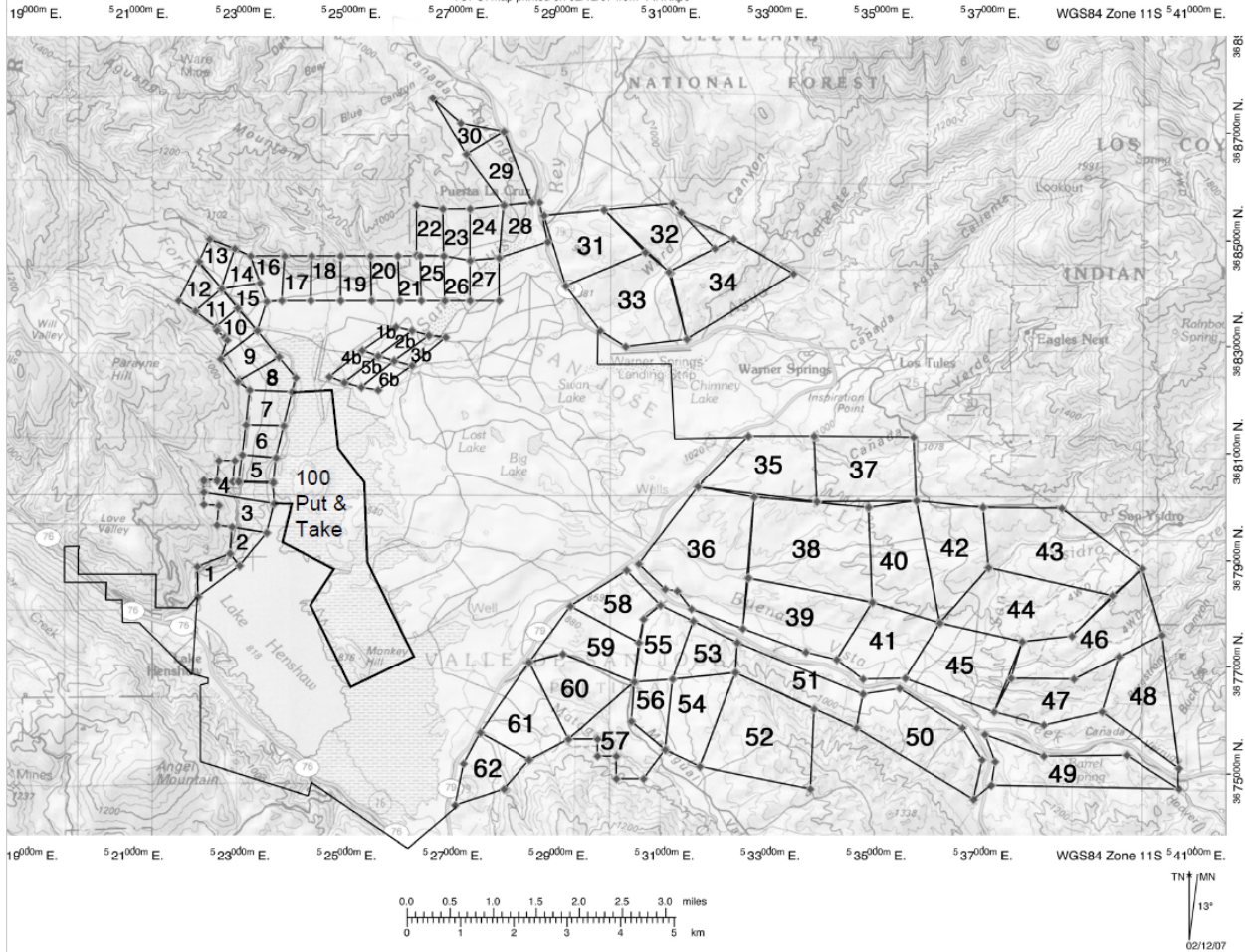
### Map of Recreation Area

The Recreation Area is indicated by the magenta hatched area on the figure below:



## Map of Hunting Lands

The Hunting Lands are comprised of the all the numbered hunting zones indicated on the map below:



**Attachment B**  
**My Country Club**  
**Rules and Regulations**

## My Country Club Rules and Regulations

My Country Club, Inc. is a privately owned Corporation that is engaged in business of operating a private recreation club. My Country Club, Inc. arranges trespass leases for its members to enter private lands. My country Club, Inc. is licensed by the Department of Fish and ~~Game~~Wildlife; members must obey all Fish and Game laws.

In order to ensure compliance with all appropriate rules, regulations and lease terms, each member is required to complete this application. This application set forth the rules that each member is required to abide by.

I, \_\_\_\_\_, prospective member of My Country Club, Inc., agree that if I am accepted as a member of My Country Club, Inc., I will abide by the following rules:

1. Safety, common sense and courtesy will be the #1 rule of My Country Club, Inc.
2. I will treat my fellow members with respect. Conduct, which is objectionable, dangerous, or detrimental to lessee or lesser, may result (at the sole option of My Country Club, Inc.) in loss of membership.
3. I will display the appropriate club decal and picture identification when entering lands operated by My Country Club, Inc., and present both my membership and picture identification when asked by and My Country Club, Inc. representative.
4. I will not operate my vehicle off of any marked roads.
5. I will park my vehicle in marked areas only.
6. I will submit a copy of my current automobile insurance to My Country Club, Inc., for any and all vehicles I intend to use on My Country ~~Cl~~ub, Inc. properties, prior to using the properties. I will keep a copy of current proof of insurance in my vehicle(s), and will present it upon requires of any My Country Club, Inc. representative.

No off road vehicles are allowed on to properties.

I will make the appropriate reservation(s) prior to using the land(s) operated by My Country Club, Inc. I understand that reservations are available one (1) month in advance, only, and are available on a first come first served basis.

7. Camping limits could be in affect during busy seasons, so all members can enjoy.
8. I will leave gates open or closed, as I found them. Each gate that I open I will immediately close aAfter passing.
9. I will camp only in designatedd areas.
10. Drinking and driving are not allowed. No one under the influence of ~~illegal~~controlled substances allowed.
11. NO ILLEGAL SUBSTANCE (S) ALLOWED ON THE PROPERTIES.
12. No handling of firearms allowed during or after consuming alcohol or controlled substances. Anyone breaking this rule will immediately forfeit membership.

13. Due to extreme fire danger, I will not permit, or start, an open fire. I am allowed to use a GAS BARBECUE grill only, and the barbecue grill must be at least two (2) feet off the ground, in an area clear of vegetation, for fire clearance.
14. Smoking is permitted only in automobiles and/or green areas only. No cigarette butts will be left on the ground.
15. I will bring my own drinking and use water onto the properties with me. I understand that water on properties, including water in the springs, tanks, troughs, pipelines, is untreated, and it's quality is uncertain.
16. I will not swim in the ponds located on property operated by My Country Club, Inc.
17. I will obey all County, State and Federal laws including all California Fish and Game laws, while enjoying my membership with My Country Club, Inc.
18. I will handle my hunting equipment in a safe and courteous manner at all times. No bullet, shot or arrows will be launched in such a manner to leave property boundaries. I will not bring any guns into the designated archery areas.
19. Currently, due to insurance requirement, no tree stands are allowed.
20. My Country Club, Inc.'s Herd Management policies` will regulate taking of game. To continue to provide quality hunting. Herd Management Policies will be revised, as management determines appropriate.
21. Currently, one animal male per large-game species, turkey bag limit is per Fish and Game regulations, this is per membership (individual or family), per year.
22. I will recognize that the designated Caretaker will resolve problems in the field and I agree to abide by his/her decision in the field.
23. I will adhere to any request by the landowner.
24. I will take all measures necessary to protect any livestock using the properties.
25. I understand that my membership only allows for me to enter the lands operated by My Country Club, Inc., and that if I want to bring a quest I must get special permission to do so. Guests are only able to go to the properties, no hunting is allowed by any guest.
26. I will report the taking of any big game to the caretaker or the following My Country Club, Inc. phone number: 760-782-3503 or 760-782-3502.
27. I understand that all membership dues must be paid before I am allowed to use the facilities of My Country Club, Inc.
28. All Dogs must be under the control of their handler at all times.
29. I will not divert or stop the water flow to lakes or streams.
30. I will not litter. I will remove all material refuse and litter I deposit. Everything I bring in, I am responsible to take out. To every reasonable extent, including but not limited to shell casings. I will leave the land in the condition I found it.
31. My Country Club, Inc. advocates a "catch and Release" or "Catch and Eat" policy for all fish caught.

32. I will use "Catch and Release" only on all Bass caught, and on all ponds so designated. I understand that some ponds will be designated as Lunkers ponds, and Catch and Release will be required for all fish caught in those ponds.
33. All non-Catch and Release designated ponds have a five (5) fish, per species, "in possession" limit, per individual membership or ten (10) fish, per species, "in-possession" limit, per family membership. This includes, but is not limited to Catfish, Bluegill, and Crappie.
34. Memberships are for one-year minimum.
35. Family membership is member and spouse and their dependent children under 18 years of age.
36. I agree to indemnify and hold harmless any Landowners, My Country Club, Inc. it's Officers, affiliates, and family members from any liability arising out any association or inferred association, or use, or misuse, intended or otherwise, including negligence on the part of My Country Club, Inc., with my membership. This does not apply to the sole negligence of My Country Club, Inc.
37. I agree to indemnify and hold harmless any Landowners, My Country Club, Inc. it's Officers, affiliates, and family members for property closures or lands lost due to governmental actions, lawsuits or other actions.
38. Members have no right beyond use of recreation land. My Country Club, Inc., has the right to terminate any membership at its sole discretion, at any time, without cause. Any monies paid in advance will be refunded. Any infraction of these rules and regulation may, at the sole discretion of My Country club, Inc. result in the immediate revocation of my membership.
39. No disturbing or collecting any archeological, historical, natural or cultural artifacts, or destroying their sites.
40. No cutting or gathering of firewood.
41. All hunting to be done on foot. No hunting from any vehicle.
42. No shooting into, around, or near domestic livestock. Your ammunition must not disturb domestic livestock.
43. When using any property leased from the Vista Irrigation District, I will sign and carry with me a current copy of the District's "Guidelines for use of the Warner Ranch" and follow both its general intent and specific rules, in addition to any rules set forth herein. Where these rules are contradictory, the rules and guidelines set forth in the Vista Irrigation District's Guidelines shall take precedence.

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SIGNATURE

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DATE



**Attachment C**

**Vista Irrigation District**  
**Rules and Guidelines for Use of the**  
**Warner Ranch**

January 2018

**To: Members of *My Country Club, Inc.***

**Subject: Rules and Guidelines for Use of the Warner Ranch**

The Vista Irrigation District Board of Directors welcomes you to the Warner Ranch and hopes you have a safe and pleasant stay while you are here. The Board has authorized *My Country Club, Inc.* to conduct hunting operations on parts of the 43,000 acre Warner Ranch subject to its successful coexistence with other activities that are vital to the mission of the District. Please take a few minutes to familiarize yourself with our missions and requirements as outlined below in order to assure that *My Country Club, Inc.* enjoys continued access to some of the most pristine and beautiful land in San Diego County. **Note that you must sign and retain a copy of these Rules and Guidelines while you are on District Lands.**

### **General Guidelines**

1. The Warner Ranch is a working ranch. It supports water production, grazing activities and other uses, and may have a variety of District employees, lessees, ranch hands, military personnel and utility workers on the grounds at any given time. Please conduct your activities at all times to assure the safety of these personnel, their livestock and equipment, and your fellow club members.
2. The Warner Ranch has many neighbors. These include private land holders who may access their land across District lands as well as major interests such as the Boy Scouts of America (Camp Mataguay), the Department of the Navy (Remote Training Site, Warner Springs) and two Indian Reservations (Los Coyotes and Santa Ysabel). The District values the good relationships we enjoy with our neighbors and asks that you respect their property, sense of peace, and safety.
3. The Warner Ranch is a beautiful preserve, abundant in wildlife, scenic vistas, archeological artifacts and rare and endangered species. While we are proud to share these resources with you, we take our stewardship responsibility seriously. The District believes that responsible, well managed hunting is consistent with this responsibility, but requires your conscientious cooperation to be successful.

### **Specific Rules**

1. All entrants onto District property must sign and file with *My Country Club* an “*Assumption of the Risk, Waiver, Release, and Indemnification for Hunting and Associated Activities on the Warner Ranch*”.
2. All entrants onto District property shall comply with any specific directions given to them by District employees or *My Country Club* representatives.
3. Club members shall check in and check out each day with *My Country Club* personnel at the Lake Henshaw Resort. Report all shots made and game taken when you check out.
4. No camping. Hunters may leave public roads no earlier than 4:30 am and must leave private roads no later than ½ hour after dusk.

Rules and Guidelines for Use of the Warner Ranch

January 2018

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5. Place the identification cone furnished by *My Country Club* on the roof of all vehicles traveling on private roads or parked on District property. We recommend that you remove this cone while traveling on public roads so that it does not blow off your vehicle.
6. Keep vehicles on established roads only. Drive safely and do not exceed 25 mph on any of the District's private roads. Park within 10 feet of the traveled road, near your designated hunting area, and park in such a manner that the road remains completely unobstructed. ***Be aware that cattle may damage unattended vehicles*** – we recommend that you park in a pasture not occupied by grazing cattle and monitor the movement of cattle throughout the day.
7. No target practice. Firearms will only be fired with a reasonable expectation of taking a legal game animal.
8. Tree stands are not allowed. Do not disturb earth or vegetation to create hunting blinds.
9. Please exercise a pack-in pack-out ethic. Remove all temporary blinds, litter and evidence of usage, including shell casings.
10. No open flames, no wood gathering.
11. Please use portable toilets when convenient. Otherwise, use a digging tool to bury human waste 7-inches deep, 100 feet from water or dry stream bed.
12. Do not disturb or collect Indian or other historical artifacts, vegetation, rocks, minerals or non-game animals.
13. Leave all gates in the condition you find them (whether open, closed, or locked).
14. Keep dogs under the strict control of their handler at all times. Due to a pervasive problem with wild and abandoned dogs and their harassment of cattle, unattended dogs run the risk of being shot. Bring dogs onto the ranch only at your own risk.
15. Report all damage and all unusual or dangerous conditions to *My Country Club* personnel upon checkout (or earlier when a threat to people or property is discovered). Please report all incidents of trespassing immediately. *My Country Club* phone number: 760-782-3503 or 760-782-3502.
16. Keep a signed copy of these Rules and Guidelines with you at all times while on the Warner Ranch and be prepared to show them and proof of *My Country Club* membership to anyone who asks to see them.
17. Club members shall adhere to all applicable laws and all other membership rules as established by *My Country Club, Inc.* When Club rules are in conflict with those stated in these “Rules and Guidelines for Use of the Warner Ranch”, these Rules and Guidelines shall take precedence.

I have read and understand these Rules and Guidelines and agree to follow them.

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Signed

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Date

## **Attachment D**

# **Assumption of the Risk, Waiver, Release, and Indemnification for Hunting and Associated Activities on the Warner Ranch**

## **Assumption of the Risk, Waiver, Release, and Indemnification for Hunting and Associated Activities on the Warner Ranch**

The undersigned ("User") desires to enter upon real property (the "Warner Ranch") owned by the Vista Irrigation District ("District") to engage in hunting and associated activities and, in consideration of receiving permission, User enters into, acknowledges, and agrees as follows:

1. **ASSUMPTION OF RISK.** User is aware of the inherent risks of injury, death, and property damage involved in hunting and associated activities, including, without limitation, risks due to: the use and/or misuse of firearms and other weapons; road hazards on private roads that may or may not be maintained, marked, or signed; wild animals (including deer, cougar, venomous snakes and poisonous or stinging insects); domestic animals (including bulls and other cattle and the damage they may inflict to persons, automobiles, or other property); active and abandoned wells, equipment, structures, fencing or implements; ticks; poison oak; wildfire; weather related conditions; and other hazards; and the negligence of third parties, including other hunters, whether or not they have obtained permission to use the Warner Ranch. User is aware of the risks of injury, death, and property damage that may result from, among other causes, the active or passive negligence of District and its officers, directors, employees, agents, lessees and guests (collectively, "Released Parties"), including, without limitation, the risk of negligent instruction or supervision. User is voluntarily engaged in hunting and associated activities with knowledge of the risks of injury, death, property damage, and other risks, and assumes any and all known and unknown risks of injury, death, and property damage that may result from hunting and associated activities.

2. **WAIVER AND RELEASE OF LIABILITY AND COVENANT NOT TO SUE.** User waives, releases and covenants not to sue Released Parties, or any of them, from and for any and all liability to User and User's principals, employees, agents, representatives, guardians, successors, assigns, heirs, children, and next of kin for all liability, claims, damage, or demands for personal injury, death or property damage, arising from or related to this Contract or to hunting and associated activities, whether the injury, death, or property damage occurs on or off the Warner Ranch. This release includes, without limitation, any personal injury, death, or property damage caused by the active or passive negligence of any of the Released Parties or any third party. User bears sole responsibility for any loss. User acknowledges that he or she has read, understands and voluntarily waives any rights that User may have under California Civil Code §1542, which provides: "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release which, if known by him or her must have materially affected the settlement with the debtor."

3. **INDEMNIFICATION.** User shall, to the fullest extent permitted by law, indemnify and hold each of the Released Parties harmless from and against all liability, claims, damages, losses, expenses and other costs (including costs of defense, expert costs, and attorneys fees in defending against all claims incurred by Released Parties by an attorney reasonably selected by the Released Parties) for injury to all persons and property, whomsoever, whatsoever, and wheresoever, including, without limitation, to User and all other persons both on or off the Warner Ranch, and the property of such persons including the loss of use thereof, arising out of, resulting from or in any manner connected with hunting and associated activities. User's indemnity obligations and Released Parties freedom from liability shall apply regardless of whether or not the claimed loss, damage or injury is caused in part by any act or omission, including the negligence, of a party indemnified hereunder, and further provided that in the event of claims or liability arising in part from the gross negligence or willful misconduct of a party indemnified hereunder, liability shall be determined on the basis of principles of comparative fault.

4. **KNOWING AND VOLUNTARY EXECUTION.** User acknowledges that he/she has carefully read this Contract, understands its contents, and understands that this Contract includes an assumption of the risk of the Released Parties' negligence, a release of their liability, and a responsibility for their indemnification. User acknowledges that the District is materially relying on this waiver and is allowing User to engage in hunting and associated activities on the Warner Ranch.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature of User)

\_\_\_\_\_  
(Printed name of User)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature of Legal Guardian, if User is a Minor)

\_\_\_\_\_  
(Mailing address)

**Attachment E**  
**Personal Guaranty**

## PERSONAL GUARANTY

This Guaranty is made and entered into at Vista, California, this \_\_\_\_ day of December, 2017, by and between Vista Irrigation District, a special governmental district organized and existing under the laws of the State of California (“District”), and Frank A. Mendenhall and Janice L. Mendenhall (“Guarantors”).

1. Basis for Guaranty.

For valuable consideration, as a material inducement to and in consideration of District entering into an agreement entitled “Concession Management Agreement” (“Agreement”) with Lake Henshaw Resort, Inc., a California corporation (“Concessionaire,” of which Guarantors are the owner more than fifty percent (50%) of the outstanding stock), pursuant to which District has granted to Concessionaire the right to conduct certain activities and operate certain facilities on real property owned by the District in the vicinity of Lake Henshaw Dam and Reservoir in San Diego County, California, ~~under the supervision and control of Guarantors~~, Guarantors unconditionally guaranty and promise to District, for the benefit of District, that the “Obligor” as defined below shall perform all provisions of the Agreement which was entered into on, between District and Concessionaire, as said agreement has been and may be amended from time to time that Obligor is to perform. For the purposes of this Agreement, the term “Guarantors” refers to Frank A. Mendenhall and Janice L. Mendenhall individually and collectively

2. Definition of Obligor.

For purposes of this Guaranty and the obligations and liabilities of Guarantors, the term “Obligor” shall be deemed to include, in addition to Concessionaire, any and all agents, licensees, franchisees, department operators, tenants, subtenants, assignees, and others directly or indirectly involved in the performance of Concessionaire’s obligations under the Agreement, or conducting any other activities subject to the Agreement.

3. Guaranty.

Guarantors absolutely and unconditionally, guarantee to District the timely payment of all amounts that Obligor may at any time owe under the Agreement, and under any extensions, renewals, or modifications of the Agreement. Guarantors further guarantee to District the full, faithful, and timely performance by Obligor of the Agreement, and of any extensions, renewals, or modifications of the Agreement. If Obligor shall default at any time in the payment of any sum due or in the performance of any covenant or obligation to be performed under the Agreement, then Guarantors, at Guarantors’ sole expense, shall on demand by District fully and promptly pay all sums to be paid and perform all other covenants and obligations to be performed by Obligor pursuant to the Agreement. In addition, Guarantors shall, on demand by District, pay to District all sums due to District, including, without limitation, all interest on past due obligations of Obligor, costs advanced by District, damages, and all expenses (including, without limitation, court costs and reasonable attorneys’ fees) that may arise in consequence of Obligor’s default.

4. Joint and Several Obligations.

If this Guaranty is signed, or if the obligations of Obligor are otherwise guaranteed, by more than one party, their obligations shall be joint and several, and the release or limitation of liability of any one or more of the Guarantors shall not release or limit the liability of any other Guarantors.

5. Independent Obligations.

Guarantors’ obligations are independent of and may exceed Obligor’s obligations. If Obligor defaults under the Agreement, District may proceed immediately against any or all Guarantors or Obligor, or any combination of them, or District may enforce against any or all Guarantors or Obligor, or any combination of them, any rights that it has under the Agreement or pursuant to applicable laws. If the Agreement terminates and District has any rights it can enforce against Obligor after termination, District

## PERSONAL GUARANTY

Concessionaire Management Agreement for Lake Henshaw Recreation Area

Frank A. and Janice L. Mendenhall

Page 2

may enforce those rights against either or both Guarantors without giving prior notice to Obligor or Guarantors, and without making any demand on any of them.

A separate action or actions may be brought and prosecuted against Guarantors whether or not action is brought against Obligor or any other guarantor, and whether or not Obligor or any other guarantor is joined in any such action or actions. Guarantors may be joined in any action or proceeding commenced by District against Obligor arising out of, in connection with, or based upon the Agreement. Guarantors waive any right to (i) require District to proceed against Obligor or any other person or entity or pursue any other remedy in Obligor's power; (ii) complain of delay in the enforcement of District's rights under the Agreement; and (iii) require District to proceed against or exhaust any security held from Obligor or any Guarantor. Guarantors further waive all demands upon and notices to Obligor and to Guarantor, including, without limitation, demands for performance, notices of nonperformance, notices of nonpayment, and notices of acceptance of this Guaranty.

### 6. Waivers.

a. Guarantors authorize District, without notice or demand and without affecting Guarantors' liability under this Guaranty, to:

- i. Consent to any extensions, accelerations, or other changes in the time for any payment provided for in the Agreement, or consent to any other alteration of any covenant, term, or condition of the Agreement in any respect, whether done expressly or by course of conduct, and to consent to the assignment or reassignment of the Agreement or to the entry into any modification of the Agreement;
- ii. Take and hold security for any payment provided for in the Agreement or for the performance of any covenant, term, or condition of the Agreement, or exchange, waive, or release any security; and
- iii. Apply ~~this~~ the security referenced in Section 6(a)(ii) and direct the order or manner of its sale as District may determine.

b. Guarantors expressly waive all rights under California Civil Code §§ 2819, 2845, 2849, and 2850, and any and all statutes and laws of similar import or effect.

c. Notwithstanding any termination, renewal, extension or holding over of the Agreement, this Guaranty shall continue until all of the covenants and obligations on the part of Obligor to be performed have been fully and completely performed by Obligor and Guarantors shall not be released of any obligation or liability under this Guaranty so long as there is any claim against Obligor arising out of the Agreement that has not been settled or discharged in full.

### 7. No Reporting Duty.

Guarantors assume full responsibility for keeping fully informed of the financial condition of Obligor and all other circumstances affecting Obligor's ability to perform Obligor's obligations under the Agreement, and agree that District will have no duty to report to Guarantors any information that District receives about Obligor's financial condition or any circumstances bearing on Obligor's ability to perform such obligations.

### 8. Continuing Guaranty.

This Guaranty shall remain in full force notwithstanding the appointment of a receiver to take possession of all or substantially all of the assets of Obligor, or an assignment by Obligor for the benefit of creditors, or any action taken or suffered by Obligor under any insolvency, bankruptcy, reorganization, moratorium, or other debtor relief act or statute, whether now existing or later amended or enacted, or the disaffirmance of the Agreement in any action or otherwise. Guarantors waive any defense arising by



PERSONAL GUARANTY

Concessionaire Management Agreement for Lake Henshaw Recreation Area

Frank A. and Janice L. Mendenhall

Page 3

reason of any disability or other defense of Obligor or by reason of the cessation from any cause whatsoever of Obligor's liability.

9. Limitation on Guarantors' Right of Subrogation.

Until all Obligor's obligations to District have been discharged in full, Guarantors shall have no right of subrogation, and waive any right to enforce any remedy which Guarantors now have or may hereafter have against Obligor, and waive any benefit of, and any right to participate in any security now or hereafter held by Obligor.

10. Subordination of Obligor's Indebtedness to Guarantors.

Any indebtedness of Obligor now or hereafter held by Guarantors, or any of them, is hereby subordinated to the obligations of Obligor to District, and such indebtedness of Obligor to Guarantors, if District so requests, shall be collected, enforced, and received by Guarantors as trustees for District and be paid over to District on account of the indebtedness of Obligor to District but without reducing or affecting in any manner the liability of Guarantors under the other provisions of this Guaranty.

11. Successors and Assigns.

This Guaranty shall be binding upon Guarantors and Guarantors' heirs, administrators, personal and legal representatives, successors, and assigns, and shall inure to the benefit of District and District's successors and assigns. District may, without notice, assign this Guaranty, the Agreement, or any or all of the sums payable under the Agreement, in whole or in part. If District assigns or otherwise disposes of its interest in the Agreement, "District" shall mean District's successor(s).

12. Attorneys' Fees.

In the event of any dispute involving the interpretation or effect of this Guaranty, or of any litigation, arbitration, or other proceeding for the interpretation, specific performance or damages for breach of this Guaranty, the prevailing party shall be entitled to a judgment or award against the other in an amount equal to all of its reasonable attorneys' fees and all other costs and expenses so incurred, (including those costs, such as expert witness fees, which are not ordinarily allowable by statute) in addition to other remedies.

13. Severance.

If any of the provisions of this Guaranty shall contravene or be held invalid under the laws of any jurisdiction, this Guaranty shall be construed as if it did not contain those provisions, and the rights and obligations of the parties shall be construed and enforced accordingly.

14. Counterparts.

This Agreement may be signed in counterparts with the same effect as if the signatures to each counterpart were upon a single instrument, and all such counterparts together shall be deemed an original of this Agreement. For purposes of this Agreement, a facsimile copy of a party's signature shall be sufficient to bind such party.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Frank A. Mendenhall

\_\_\_\_\_  
Date

\_\_\_\_\_  
Janice L. Mendenhall

**Attachment F**  
**Sub-Concession Agreement for Hunting**

## Sub-Concession Agreement for Hunting Lake Henshaw Recreation Area

This sub-concession agreement is made this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by and between MY COUNTRY CLUB, INC., a California corporation, hereinafter called “Sub-concessionaire”, ~~and~~ LAKE HENSHAW RESORT INC., a California corporation, hereinafter called “Concessionaire,” and VISTA IRRIGATION DISTRICT, a special governmental district organized and operating under the laws of the State of California (“District”).

### RECITALS

- A. District owns a large parcel of land in unincorporated San Diego County, California, known and the “Warner Ranch. District has entered into a Concession Management Agreement with Concessionaire for the use of a—portions of the Warner Ranch designated therein as the “Recreation Area” and “Hunting Lands”, which Concession Management Agreement is attached hereto as Exhibit “A” and incorporated herein by this reference. District has also entered into a series of “grazing licenses” over the Hunting Lands and for portions of the Warner Ranch adjacent to the Recreation Area. Concessionaire has ~~a first right of refusal from District~~ the right under the Concession Agreement, for all camping, hunting, and fishing rights within the Warner Ranch, and the District has the right under the grazing licenses to allow Concessionaire to conduct camping, hunting, and fishing activities throughout the Warner Ranch.
- B. Concessionaire and Sub-concessionaire wish to enter into an Sub-concessionaire Agreement for hunting (hereinafter referred to as “Sub-concessionaire Agreement”) incorporating herein by reference all of the terms of the Concession Management Agreement so that Sub-concessionaire is bound to all terms of the Concession Management Agreement to the same extent that Concessionaire is bound to District.
- C. Sub-concessionaire is in the business of operating a private recreational club and proposes to enter into a Sub-concessionaire Agreement so its members may enter the lands of District and Concessionaire subject to rules, regulations, and sub-concession terms set forth in this document.
- D. Concessionaire desires to allow Sub-concessionaire to use all of the above-described property being operated by Concessionaire under the terms of the Concession Management Agreement.

THEREFORE, Concessionaire and Sub-concessionaire agree as follows:

#### Demise and Description of Property

- 1. Sub-concessionaire hereby hires from Concessionaire, on and subject to the terms, conditions, and covenants hereinafter set forth, the property, hereinafter referred to as the “Hunting Lands,” located in San Diego County, California, described as follows: the Lake Henshaw Recreation Area in San Diego County, California 92070. Sub-

concessionaire hereby expressly assumes and is bound to all terms of the Concession Management Agreement to the same extent that Concessionaire is bound to District.

The Hunting Lands are referred to and depicted in the Concession Management Agreement as the “Hunting Lands,” and such depiction is incorporated herein by reference. District has approximately 43,000 acres which belong to it and comprise the Hunting Lands, and a portion of that is subject to a series of grazing licenses. District and/or Concessionaire will advise Sub-concessionaire of the terms of each of those grazing licenses so that Sub-concessionaire’s seasonal access to the Hunting Lands by way of this Sub-concessionaire Agreement will not conflict with the grazing licenses.

The parties acknowledge that District is a party to this Agreement only for purposes of enforcing its right to rent and to enforce the provisions of the Concession Management Agreement against Sub-concessionaire. The parties acknowledge and agree that District shall have no liability for any acts or omissions of Concessionaire or Sub-concessionaire under this Agreement, and that Concessionaire and Sub-concessionaire shall indemnify, defend and hold District harmless for any such actual or claimed liabilities in accordance with the indemnity provisions of the Concession Management Agreement.

#### Term

2. The term of this Sub-concessionaire Agreement shall continue until and expire concurrently with the Concession Management Agreement unless this Sub-concessionaire Agreement expires or is terminated prior to such date.~~provided, however, that this Sub-concessionaire Agreement shall sooner terminate by surrender, forfeiture, or other of either the Concession Management Agreement or this Sub-concessionaire Agreement.~~

#### Rent

3. (A.) Sub-concessionaire shall pay to District as rent for use of the Hunting Lands an annual rent as indicated below. The rent shall consist of a base rent, to include the spring turkey season, the rifle deer season, waterfowl, duck and goose hunting, and fishing privileges. Supplemental rents shall be assessed for dove, quail and archery deer seasons. Half of the base rent ~~and half of the supplemental rent for the “put and take” hunting of commercially raised game birds~~ shall be paid not later than February 1 and the second half of the base rent plus all applicable supplemental rents shall be paid not later than September 1. The Sub-concessionaire shall exercise its option to engage in the “put and take” hunting of commercially raised game birds by paying half of the supplemental rent for that option not later than February 1 (for the period, subject to Fish and Game Laws, February 1 through the following August 30) and the other half of the supplemental rent not later than September 1 (for the period, subject to Fish and Game Laws, September 1 through the following January 31) of each year that this Agreement is in effect.

(B.) Schedule of Annual Rents

Base Rent	Dove	Quail	Archery Deer	“Put & Take” of Game Birds <u>Option</u>	Total Rent
\$60,000	\$9,000	\$9,000	\$2,000	\$30,000	\$110,000

In addition, the District may allow the hunting of wild pig under the Concession Management Agreement from time to time by written permission. Due to the evolving nature of wild pig distribution and population, its potential for damage to District resources, and its potential to enhance the revenue of the Concessionaire, the terms and conditions of such permission will be negotiated at the time that such permission is granted.

#### Use of Premises

4. The Hunting Lands shall be used by Sub-concessionaire for hunting, fishing, and for uses normally incident thereto and for no other purpose. The parties intend limited participants in limited areas. Hunting for water fowl, duck, and goose shall be limited to Lake Henshaw. Fishing is on Lake Henshaw. Hunting of dove, quail, and archery deer on the bull pasture, steer pasture, and Mataguay area. Turkey and rifle deer hunting shall be conducted on the entire Hunting Lands. Guided “put and take” hunting of commercially raised game birds (generally pheasant, grouse or chukar) at times of year allowed by the California Department of Fish and Wildlife~~from January 1 through the start of the spring turkey hunting season and September 1 through December 31~~ shall generally be conducted in the following pastures: 1) northern and eastern shores of Lake; 2) North Lake; 3) Monkey Hill; 4) Bull; ~~45~~ 5) Steer; ~~56~~ 6) Ranchita 1 & 2; ~~67~~ 7) Windmill; and ~~78~~ 8) Mataguay 1 & 2. District reserves the right to limit hunting use from season to season based on good wild life management practices or health and safety issues. The Sub-concessionaire shall maintain District approved hunting zones for each hunting season and shall limit deer and turkey hunting to a single hunting party per day within each hunting zone. Hunting shall be restricted to the legal hunting season, but shall not exceed a single five week season per year for deer and turkey, each. Any limitation in use imposed by District will result in a reasonable rent reduction arrived at through good faith and fair dealing negotiations between the parties. Rent may be increased if additional hunting and fishing species are added. No rights or uses other than those specifically conferred by this agreement shall be extended to the Sub-concessionaire. All other provisions of the Concession Management Agreement shall remain intact.

#### Obligations of Sub-concessionaire

5. (A) Sub-concessionaire hereby expressly assumes and agrees to perform all the obligations and covenants required by the Concession Management Agreement to be kept or performed by Concessionaire as Concessionaire therein, except that the obligation and covenant to pay rent to the District required by the Concession Management Agreement shall be considered performed by Sub-concessionaire to the extent and in the amount rent is paid to District in accordance with Paragraph 3 of this sublease. District ~~is an intended third party beneficiary with~~ has the express right to enforce against

Sub-concessionaire any of the terms of the Concession Management Agreement. Sub-concessionaire agrees to abide by all changes in use conditions imposed by District.

(B) Sub-concessionaire shall name District as an additionally named insured in a commercial general liability insurance policy in an amount not less than one million dollars (\$1,000,000.00) for a single incident and two million dollars (\$2,000,000.00) for a combined limit, in combination with an umbrella insurance policy with liability coverage with a \$5,000,000 limit. The Sub-concessionaire shall, to the fullest extent permitted by law, defend, indemnify and hold harmless the Concessionaire and the District, and their respective directors, officers, employees, and authorized volunteers from any and all liabilities, claims, losses, damages, and costs (including attorneys' fees and costs of defense) resulting from any and all activities arising out of the Sub-concessionaire's (including any and all members of My Country Club, Inc., and any other of its invitees) use of the premises as provided in this agreement.

(C) Sub-concessionaire shall comply with the rules and regulations contained in the Concession Management Agreement as Attachment B, and shall require all of its members and guests to execute District's standard Warner Ranch Guidelines and Rules, and Release and Indemnification form in a form substantively identical to those set forth in Attachments C and D of the Concession Management Agreement.

(D) Sub-concessionaire covenants and agrees to pay the rent herein reserved, use the Hunting Lands for the purpose of hunting, fishing, and uses normally incident thereto, and to surrender the Hunting Lands on expiration or earlier termination of the term hereof in as good condition as they now are, reasonable wear and tear excepted.

(E) Sub-concessionaire shall defend, indemnify and hold harmless District from any litigation involving an environmental or regulatory challenge to the hunting and fishing uses allowed by this agreement. Sub-concessionaire may terminate this agreement should Sub-concessionaire determine in its sole opinion that environmental applications, compliances, and/or litigation is not economically feasible.

(F) Sub-concessionaire will be required to perform the following functions in oversight of the hunting and fishing operations for Concessionaire:

1. Zone the ranch using GPS coordinate into viable hunting zones.
2. Log name, location, and date of each member's use.
3. Issue a combination for the specific gate for that area.
4. Issue a cone for the top of each member's vehicle, similar to the ones used by car dealerships, for easy visual identification by District employees and cowboys.

5. Require members to only drive on existing roads and park parallel on them. All hunting will be done on foot.
6. Require members to display placards in windows and show wallet sized membership cards if asked.
7. Control of access by changing the combination on locks.
8. Daily patrol during hunting seasons when hunters are present, enforcing all rules and guidelines set forth in the then current versions of Attachments B and C of the Concession Management Agreement.
9. Comply with all rules and regulations of state and federal agencies including Fish and Game and all other applicable laws.
10. The Sub-concessionaire understands that the Hunting Lands shall be used concurrently by the Sub-concessionaire, the District and other authorized users, and that the long term success of the Sub-concessionaire's operations requires cooperation among all parties. The Sub-concessionaire shall provide all such cooperation as required.
11. The Sub-concessionaire shall maintain daily records, by hunting zone, of:
  - a) Names of hunters;
  - b) Names of guests;
  - c) Number of shots fired;
  - d) Description of game taken;
  - e) Comments about unusual events or observations (i.e. trespassers noted, damage observed, etc.)
12. Provide a guide to accompany hunters at all times while on District property for "put and take" hunting of game birds.

(G) Sub-concessionaire will be required to prepare an annual assessment of the size and health of the local deer herd, with recommendations for limitations and requirements for deer take. This annual report shall be prepared by a Certified Wildlife Biologist or other professional as approved by the District and shall be submitted to the District not later than the opening of deer season. The Sub-concessionaire shall be responsible to enforce the report's recommendations upon its hunting membership.

(H) Sub-concessionaire shall limit its membership to 100 hunters who are eligible to hunt on District Property each year. "Put and take" game bird hunters are not required to be members of the Sub-concessionaire's hunt club, but shall be subject to all its rules and regulations.

#### Termination

6. This Agreement, or any individual activity that may comprise the Supplemental Rent payments, may be terminated by the District upon thirty (30) days written notice with or without cause and rent (or corresponding Supplemental Rent) shall be prorated for the remaining term. In addition, the District retains the right to immediately suspend all hunting or fishing activities, at its sole discretion, for health and safety reasons or as reasonably necessary to protect the public good.

Executed at Escondido, California, on the day and year first above written.

SUB-CONCESSIONAIRE

CONCESSIONAIRE

\_\_\_\_\_  
My Country Club, Inc.

\_\_\_\_\_  
Lake Henshaw Resort, Inc.

**ACCEPTANCE OF SUB-CONCESSION AGREEMENT FOR HUNTING**

District, as owner, accepts this Sub-concession Agreement and shall have the right to enforce any terms of this Sub-concession Agreement against Sub-concessionaire.

DISTRICT

\_\_\_\_\_  
Eldon Boone, General Manager  
Vista Irrigation District



## Typical Hunting Calendar for Warner Ranch Hunting Sub-concession

	January	February	March	April	May	June	July	August	September	October	November	December
<b>Turkey</b>												
<b>Deer (rifle)</b>												
<b>Duck (lake only)</b>												
<b>Dove</b>												
<b>Quail</b>												
<b>Deer (archery)</b>												
<b>Put &amp; Take Game Bird</b>												

**Notes:**

- 1) Actual Hunting seasons change each year as established by the California Department of Fish and Wildlife; Concessionaire may elect to shorten season within the allowable seasons shown above.
- 2) The base hunting sub-concession rent is comprised of first three rows of calendar (turkey, rifle deer, and duck). All other hunts are supplemental rents.



## STAFF REPORT

Agenda Item: 10

<b>Board Meeting Date:</b>	<b>December 6, 2017</b>
<b>Prepared By:</b>	<b>Don Smith</b>
<b>Reviewed By:</b>	<b>Brett Hodgkiss</b>
<b>Approved By:</b>	<b>Eldon Boone</b>

**SUBJECT:** SAN PASQUAL UNDERGROUNDING PROJECT

**RECOMMENDATION:** Receive update on the status of the San Pasqual Undergrounding Project.

**PRIOR BOARD ACTION:** The Board received a status report on the San Pasqual Undergrounding Project (SPUP) on October 21, 2009. On January 6, 2016, the Board authorized the General Manager to pay half the cost of the environmental and feasibility studies associated with the San Pasqual Undergrounding Project. On September 7, 2016, the Board received an informational report including the key findings of the Draft Environmental Assessment/Mitigated Negative Declaration (EA/MND).

**FISCAL IMPACT:** The current estimate of the cost for the engineering and construction of the SPUP is \$28 million, to be split equally by the City and the District.

**SUMMARY:** The SPUP is a project to remove, relocate and replace about 2.5 miles of the Escondido Canal that cross the San Pasqual Indian Reservation (see Figure 2-2, attached). The project is required to be completed by May 17, 2023. While both the City of Escondido (City) and the District are jointly responsible to complete the project, the City is responsible for managing the design and construction of the SPUP.

Feasibility studies for the project have been performed, and the SPUP EA/MND has been certified by the City and the Bureau of Indian Affairs. Significant remaining tasks include:

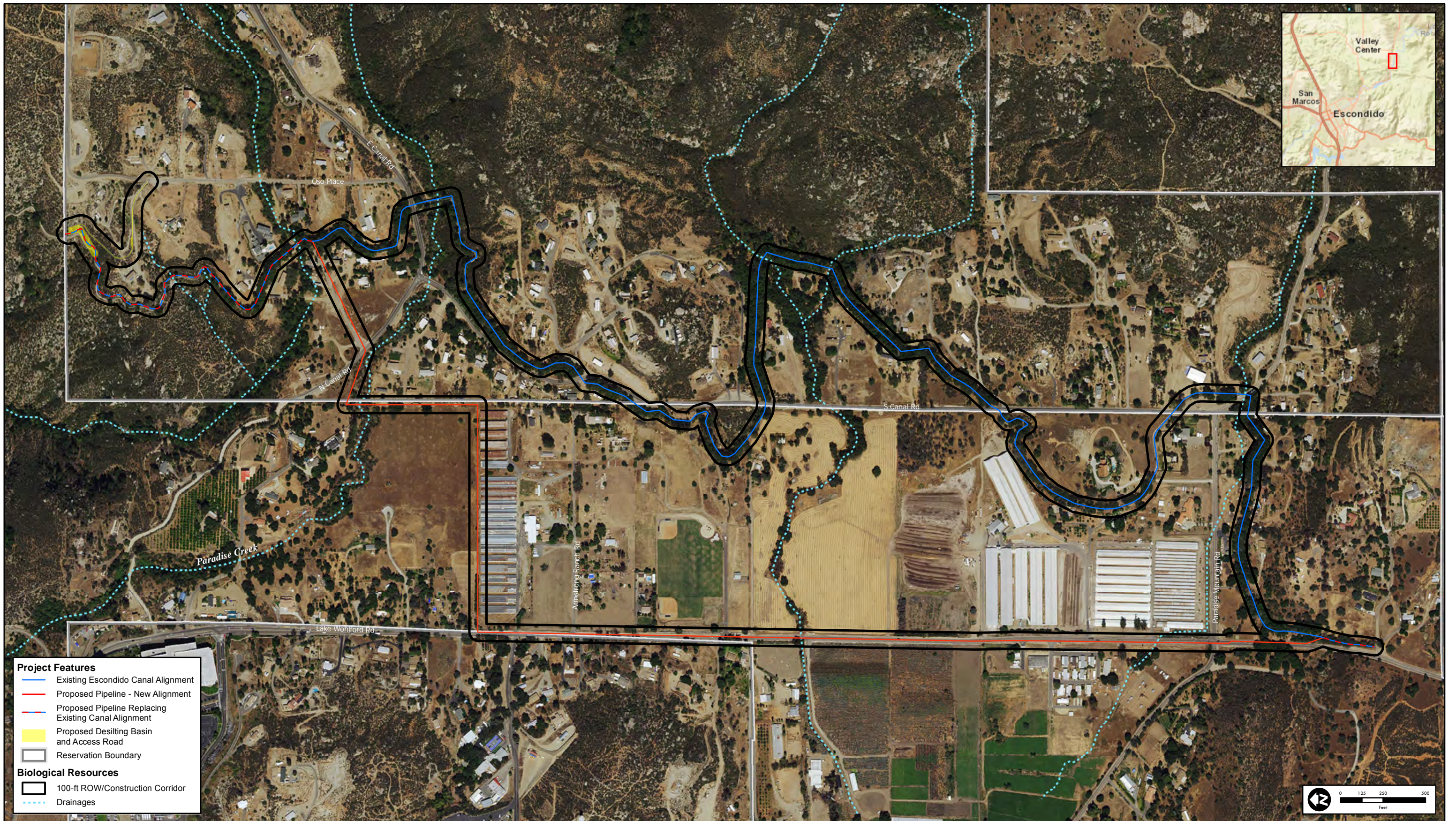
- Acquisition of rights-of-way across private lands
- Project design and the preparation of Construction Documents
- Construction

**DETAILED REPORT:** The SPUP is a requirement of the San Luis Rey Indian Water Rights Settlement Agreement (Settlement Agreement) which became effective on May 17, 2017. Per the terms of the Settlement Agreement, the SPUP must be completed within six years of the effective date to avoid the assessment of \$1,000 per day charge for non-completion.

Current efforts are focused on obtaining private rights-of-way and preparing a request for proposal for the project design. The City has had an appraisal prepared to determine the value of the pipeline easement needed to cross the three private parcels. One of those private parcels is held in fee title by the San Pasqual Band of Mission Indians (San Pasqual); the City and the District have made a proposal to San Pasqual for obtaining the needed easement and are awaiting a response. The City is securing needed authority to make an offer for all needed easements.

City staff has been invited to the Board meeting to answer questions.

**ATTACHMENT:** Figure 2-2–Overview of Proposed Project, from Environmental Assessment / Mitigated Negative Declaration (August 2016)



**Project Features**

- Existing Escondido Canal Alignment
- Proposed Pipeline - New Alignment
- Proposed Pipeline Replacing Existing Canal Alignment
- Proposed Desilting Basin and Access Road
- Reservation Boundary

**Biological Resources**

- 100-ft ROW/Construction Corridor
- Drainages

**Figure 2-2**  
**Overview of the Proposed Project**  
 100049195 2016 San Pasqual Undergrounding Project



Sources: Esri, Atkins

7/21/2016 BELA7036 \\SUSDDA1101\data\Clients\Escondido\100049195 VID SPUP ENV EA MND\GIS\data\Figure2-2\_Overview\_of\_Proposed\_Action.mxd



## STAFF REPORT

Agenda Item: 11

**Board Meeting Date:** December 6, 2017  
**Prepared By:** Brett Hodgkiss  
**Approved By:** Eldon Boone

SUBJECT: WATER BILL MESSAGES

RECOMMENDATION: Receive informational report on water bill messages.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: None.

SUMMARY: The District uses messages on water bills to communicate various types of information to its customers. Water bill message topics have included information on rebate programs and incentives, water use restrictions, water rate adjustments as well as the availability of publications on its website (e.g. annual report, Consumer Confidence Report, etc.). Different messages are included on the water bills throughout the year.

DETAILED REPORT: The District includes messages on water bills to notify customers in advance of water rate adjustments. In January 2011, the Board discussed the contents of the water rate adjustment message, expressing concern that it didn't adequately communicate the impact of an increase on customers. Staff suggested adding language to the message that gave the percentage increase for a typical residential customer (3/4" meter and average water use for that size meter) and asking them to contact the District for additional information; the Board concurred and revised the message to contain the aforementioned new language. The District has been using the revised water rate adjustment message that includes a percentage increase on a water bill for a typical customer twice a year for nearly seven years.

Recently, Director MacKenzie spoke with a customer about the District's water rate adjustment message. The customer expressed confusion as their bill change was not representative of a typical residential customer. The customer's water usage increased 27% on the water bill reflecting the adjusted water rates, which resulted in a substantially larger increase than the typical residential bill increase that the water bill message reported. This is the first time a customer has expressed confusion or concern with the water bill message that the District has been using since 2011.

Below is the 2018 San Diego County Water Authority pass-through increase message which will begin running on water bills mailed after January 1, 2018.

Your next bill will reflect an increase to the water usage charge for the cost of purchasing water from the San Diego County Water Authority. You will also see an increase in the Emergency Storage Fee. A typical residential bill will increase by 1.2%. Please call us or visit [www.vidwater.org](http://www.vidwater.org) for details on the rate schedule effective 3/1/18.

It is important to note that the bill message's length is constrained (350 characters) by the District's utility billing system, Tyler Technologies, and the space allotted for the message cannot be enlarged to accommodate additional text. In fact, the above message was shortened to fit in the allotted message space. Any additions to the above message would require that some of existing text be deleted.

Your next bill will reflect an increase to the water usage charge for the cost of purchasing water from the San Diego County Water Authority. You will also see an increase in the Emergency Storage Fee. A typical residential bill will increase by 1.2%. Please call us or visit [www.vidwater.org](http://www.vidwater.org) for details on the rate schedule effective 3/1/18.

343 characters with spaces

Your next bill will reflect increases to both the water usage charge and the Emergency Storage Fee as a result of increased costs from the San Diego County Water Authority. A typical residential bill (3/4" meter and 24 units/bi-monthly billing) will increase by 1.2%. Please call us or visit [vidwater.org](http://vidwater.org) for details; rate schedule effective 3/1/18.

349 characters with spaces



## STAFF REPORT

Agenda Item: 12

**Board Meeting Date:** December 6, 2017  
**Prepared By:** Brett Hodgkiss  
**Approved By:** Eldon Boone

SUBJECT: NEW POSITIONS

RECOMMENDATION: Authorize the General Manager to add a District Engineer position to the Engineering Division and a Finance Supervisor position to the Finance Department.

PRIOR BOARD ACTION: None.

FISCAL IMPACT: The financial impact of adding the two positions would be as follows: District Engineer - \$169,233 to \$205,704 annually plus benefits; Finance Supervisor - \$99,932 to \$121,466 annually plus benefits.

SUMMARY: As the result of reorganization within the Administration Division, the Finance Manager has assumed supervising and overseeing the purchasing and warehouse functions, greatly reducing her availability to work on projects, such as maintenance of the water rate model and cost of water study update, once handled by the Financial Analyst position which was eliminated as part of fiscal year 2017 budget process. Staff proposes to add a Finance Supervisor position to the Finance Department to assist with supervising department staff as well as working on finance and accounting related projects and tasks.

The Director of Engineering has announced that he will retire by December 31, 2018. As part of its succession planning process, staff proposes to fill this key executive management level position January 1, 2018 to provide adequate time for the selected person to gain institutional knowledge from the incumbent and allow for a smooth transition for division personnel. In order to do so, staff also proposes to create the position of District Engineer, which would be filled by the incumbent until he retires; this position would report to the General Manager and be responsible for special engineering related projects.

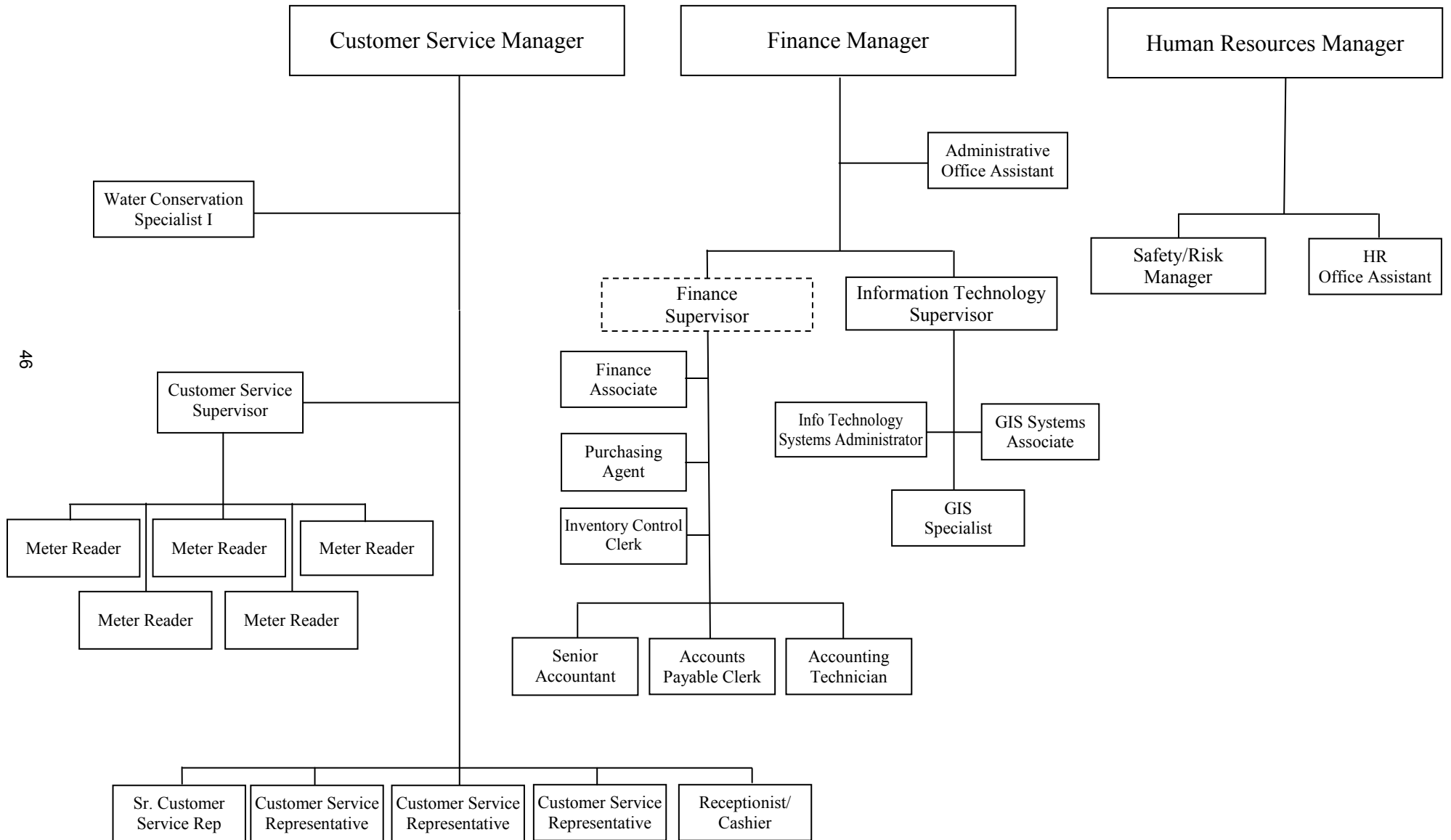
DETAILED REPORT: The District has continued to reorganize staffing that has resulted in fewer positions in the Administration Division and additional responsibilities being taken on by existing management staff. The supervisory and oversight responsibilities for the District's purchasing and warehouse functions previously handled by the Administrative Services Manager as well as a number of tasks previously performed by the Financial Analyst position are now carried out by the Finance Manager. Both the Administrative Services Manager and Financial Analyst positions have been eliminated. As a result of this downsizing and consolidation, the Finance Manager has assumed a greater role in the District purchasing and warehouse functions as well as maintenance of key financial models leaving her with less time available to work on day to day finance related tasks. Efforts have been made to shift some tasks to other staff members in the Finance Department, which has helped; however, the more time consuming and complicated functions once managed by the two eliminated positions remain the responsibility of the Finance Manager. Staff recommends adding the Finance Supervisor position to assist the Finance Manager with supervising department staff and finance and accounting related projects and tasks.

Over the years, the District has used succession planning to fill key positions, especially at the executive management level, which has provided continuity and stability for the organization. With a long-time member of the executive management team, Director of Engineering, set to retire in 2018, staff proposes to fill this position early to allow the new person to learn and gain institutional knowledge from the incumbent, ensuring a smooth transition for the Engineering Division. To allow the Director of Engineering

position to be filled in advance of the incumbent's retirement, a temporary position is needed to support this transition. Staff proposes adding the position of District Engineer, who will report to the General Manager and be responsible for special projects, to the Engineering Division. The incumbent will fill the new position until he retires, at which time the position will be eliminated.

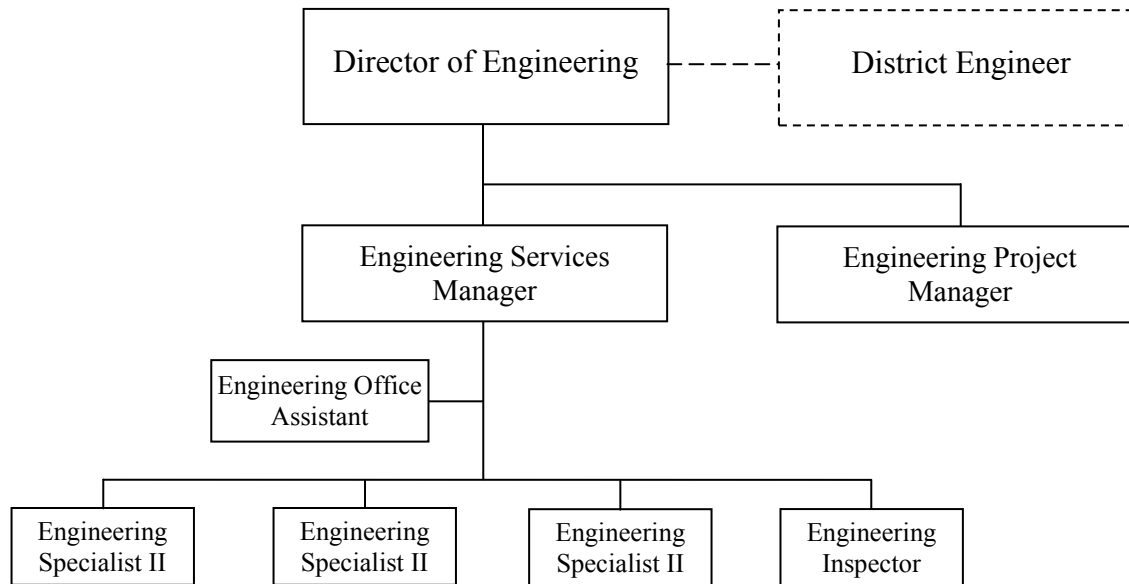
ATTACHMENTS: Finance Department and Engineering Division organization charts with proposed new positions shown in dashed outlines.

# Customer Service, Finance, and Human Resources Departments





# Engineering Division





## STAFF REPORT

Agenda Item: 13

**Board Meeting Date:** December 6, 2017  
**Prepared By:** Phil Zamora  
**Reviewed By:** Brett Hodgkiss  
**Approved By:** Eldon Boone

SUBJECT: COMPENSATION SCHEDULE

RECOMMENDATION: Adopt Resolution No. 17-XX approving the Compensation Schedule effective January 1, 2018 for all employees to facilitate California Public Employees' Retirement System reporting requirements under current state pension law.

PRIOR BOARD ACTION: On December 7, 2016, the Board approved a Compensation Schedule effective January 1, 2017 for all employees to facilitate California Public Employees' Retirement System (CalPERS) reporting requirements under state pension law. The Board adopted revisions to the Compensation Schedule on June 21, 2017 and November 15, 2017.

FISCAL IMPACT: The 2018 Compensation Schedule will increase annual labor costs by approximately \$480,000.

SUMMARY: CalPERS retirement law requires that the governing body of all public agencies approve a salary schedule and any revisions thereto for all employees in an open public forum.

DETAILED REPORT: The California Code of Regulations (CCR) at Section 570.5 requires public agencies to make duly adopted and approved pay schedules publicly available prior to CalPERS including the compensation as a part of the members retirement benefit. CCR Section 570.5 requires that the employee pay rate be limited to the amount listed on a pay schedule that has been duly approved and adopted by the employer's governing body in accordance with the requirements of applicable public meeting laws.

In November 2017, the Board approved a Memorandum of Agreement (MOA) with the Teamsters Union, and established terms and conditions of employment for unrepresented employees, for a four year term beginning on January 1, 2018 and ending on December 31, 2021. The economic terms that were negotiated with the new employee agreements included a salary range adjustment effective January 1, 2018 of three and one half percent (3.5%).

In addition to the salary adjustment previously described, several other changes to the compensation schedule are being proposed.

1. The job title of Engineering Specialist I has been added to provide the District with greater flexibility when recruiting to fill vacancies. Recently adopted compensation schedules only included the job title of Engineering Specialist II.
2. Pending Board approval, two new positions, District Engineer and Finance Supervisor, have been added.
3. The pay rate for the Director of Engineering has been decreased, reflecting a change in job duties and responsibilities. This change is contingent upon the Board's approval of the new District Engineer position.
4. The Human Resources/Safety Secretary job title has been deleted; this position was eliminated when incumbent was promoted to Human Resources Office Assistant.

These changes will result in maximum staffing levels increasing from 90 to 92 positions.

ATTACHMENT: Resolution No. 17-XX approving a revision to the Compensation Schedule.

RESOLUTION NO. 17-XX

RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
VISTA IRRIGATION DISTRICT APPROVING THE  
COMPENSATION SCHEDULE EFFECTIVE JANUARY 1, 2018

WHEREAS, the Vista Irrigation District's negotiation team completed meet and confer labor negotiations for 2018, 2019, 2020 and 2021 salaries and benefits as set forth in various Memorandum of Agreement for represented employees and a Resolution for unrepresented employees; and

WHEREAS, the District has previously negotiated and the Board has previously approved in each of these labor agreements certain adjustments to salary for each of the four years of the contract term; and

WHEREAS, California Code of Regulations (CCR) Section 570.5 requires public agencies to have a pay schedule duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meeting laws in order for CalPERS to consider pay as "compensation earnable" for purposes of calculating a member's retirement benefit.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Vista Irrigation District does hereby approve and adopt the Compensation Schedule as set forth in the attached "Exhibit A", incorporated herein by reference.

BE IT FURTHER RESOLVED that the Board of Directors has authorized execution of documents by the General Manager, Assistant General Manager, and Human Resources Manager that may be required to carry out this Resolution.

PASSED AND ADOPTED by the Board of Directors this 6th day of December 2017, by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Marty Miller, President

ATTEST:

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Lisa Soto, Secretary  
Board of Directors  
Vista Irrigation District

# EXHIBIT A

## Vista Irrigation District COMPENSATION SCHEDULE Effective January 1, 2018

Job Title	Range - Monthly	Non-Exempt	Exempt
Accounting Technician	\$6,013 - \$7,308	X	
Accounts Payable Clerk	\$4,510 - \$5,482	X	
Administrative Assistant	\$5,675 - \$6,899	X	
Administrative Secretary	\$4,720 - \$5,737	X	
Administrative Office Assistant	\$5,020 - \$6,102	X	
Construction Worker ( <i>New Series</i> )	\$4,510 - \$5,482	X	
Construction Worker ( <i>Terminal</i> )	\$4,720 - \$5,737	X	
Customer Service Representative ( <i>New Series</i> )	\$4,510 - \$5,482	X	
Customer Service Representative ( <i>Terminal</i> )	\$4,720 - \$5,737	X	
Engineering Inspector	\$6,807 - \$8,274	X	
Engineering Office Assistant	\$4,720 - \$5,737	X	
Engineering Specialist I	\$6,361 - \$7,732	X	
Engineering Specialist II	\$6,807 - \$8,274	X	
Equipment Mechanic	\$5,427 - \$6,596	X	
Equipment Operator	\$5,427 - \$6,596	X	
Executive Assistant/Board Secretary	\$6,807 - \$8,274	X	
Facilities Locator	\$5,020 - \$6,102	X	
Facilities Office Assistant	\$4,720 - \$5,737	X	
Facilities Worker	\$5,427 - \$6,596	X	
Finance Associate	\$6,807 - \$8,723	X	
Financial Analyst	\$6,807 - \$8,274	X	
GIS Specialist	\$6,361 - \$7,732	X	
GIS Systems Associate	\$7,176 - \$8,723	X	
Heavy Equipment Operator	\$5,675 - \$6,899	X	
Human Resources Office Assistant	\$5,020 - \$6,102	X	
Information Technology System Administrator	\$7,176 - \$8,723	X	
Information Technology Specialist	\$6,807 - \$8,274	X	
Inventory Control Clerk	\$4,510 - \$5,482	X	
Laborer ( <i>New Series</i> )	\$4,091 - \$4,972	X	
Laborer ( <i>Terminal</i> )	\$4,510 - \$5,482	X	
Laborer Trainee	\$3,896 - \$4,736	X	
Maintenance Worker	\$4,510 - \$5,482	X	
Management Analyst	\$7,176 - \$8,723	X	
Meter Reader	\$3,896 - \$4,736	X	
Meter Reader Trainee	\$3,710 - \$4,510	X	
Meter Repair Technician	\$4,720 - \$5,737	X	
Purchasing Agent	\$6,361 - \$7,732	X	
Receptionist/Cashier	\$4,510 - \$5,482	X	
Senior Accountant	\$7,176 - \$8,723	X	
Senior Construction Worker	\$6,361 - \$7,732	X	
Senior Customer Service Representative	\$5,020 - \$6,102	X	
Senior Equipment Mechanic	\$6,361 - \$7,732	X	
Senior Facilities Worker	\$6,361 - \$7,732	X	
System Controls Technician I	\$6,361 - \$7,732	X	
System Controls Technician II	\$6,807 - \$8,274	X	
System Controls Technician III	\$7,176 - \$8,723	X	
System Operator I	\$5,675 - \$6,899	X	
System Operator II	\$6,013 - \$7,308	X	

# EXHIBIT A

## Vista Irrigation District COMPENSATION SCHEDULE Effective January 1, 2018

<b>Job Title</b>	<b>Range - Monthly</b>	<b>Non-Exempt</b>	<b>Exempt</b>
Water Conservation Specialist I	\$6,361 - \$7,732	X	
Water Conservation Specialist II	\$6,807 - \$8,274	X	
Water Quality Operator I	\$5,675 - \$6,899	X	
Water Quality Operator II	\$6,013 - \$7,308	X	
Water Quality Operator III	\$6,361 - \$7,732	X	
Water Resources Aide	\$5,020 - \$6,102	X	
Water Resources Office Assistant	\$4,720 - \$5,737	X	
Water Resources Specialist	\$7,176 - \$8,723	X	
Welder/Equipment Operator	\$6,013 - \$7,308	X	
Welder Helper	\$5,427 - \$6,596	X	
Welder I	\$5,675 - \$6,899	X	
Welder II	\$6,013 - \$7,308	X	
Assistant General Manager	\$14,103 - \$17,142		X
Construction Supervisor	\$8,328 - \$10,122		X
Customer Service Manager	\$9,968 - \$12,710		X
Customer Service Supervisor	\$6,629 - \$8,058		X
Director of Engineering (New)	\$13,769 - \$16,737		X
Director of Water Resources	\$13,769 - \$16,737		X
District Engineer (Terminal)	\$14,103 - \$17,142		X
Engineering Project Manager	\$11,083 - \$13,472		X
Engineering Services Manager	\$10,457 - \$12,710		X
Facilities Supervisor	\$8,328 - \$10,122		X
Finance Manager	\$11,083 - \$13,472		X
Finance Supervisor (New)	\$8,328 - \$10,122		X
General Manager	\$20,527 - \$20,527		X
Human Resources Manager	\$11,083 - \$13,472		X
Information Technology Supervisor	\$8,328 - \$10,122		X
Operations and Field Services Manager	\$11,597 - \$14,097		X
Safety/Risk Manager	\$9,968 - \$12,116		X
System Controls Supervisor	\$8,328 - \$10,122		X
Water Distribution Supervisor	\$8,328 - \$10,122		X
Water Resources Manager	\$10,457 - \$12,710		X
Water Resources Engineer	\$9,490 - \$11,536		X
Water Resources Supervisor	\$6,629 - \$8,058		X
Board of Director (per meeting)	\$200 - \$200		



**Agenda Item: 14**

**STAFF REPORT**

**Board Meeting Date: December 6, 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.



**Agenda Item:15.A**

**STAFF REPORT**

**Board Meeting Date: December 6, 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.



Bringing  
Water  
Together

Sent via ELECTRONIC MAIL to Mary.Yang@waterboards.ca.gov

August 25, 2017

Ms. Mary Yang  
Environmental Scientist  
Division of Drinking Water  
State Water Resources Control Board  
1001 I Street  
Sacramento, CA 95814

**Re: Program Scenarios: Association of California Water Agencies' Comments regarding the Development of a Plan for a Low-Income Water Rate Assistance Program [AB 401, Dodd, 2015 Implementation]**

Dear Ms. Yang:

The Association of California Water Agencies (ACWA) appreciates the opportunity to comment regarding the State Water Resources Control Board's (State Water Board's or SWRCB's) development of a plan for the funding and implementation of a Low-Income Water Rate Assistance (LIWRA) Program (the Plan), as required by AB 401 (Dodd, 2015). ACWA represents over 440 public water agencies that collectively supply over 90% of the water delivered in California for domestic, agricultural, and business uses.

ACWA recognizes the importance of water affordability. At the same time, our members must make water management work on the ground. As recognized by now Senator Dodd, the development of the Plan requires collaboration with stakeholders to make sure it will work and not result in unintended consequences.

1. **Governor Brown's Signing Message: Governor Brown wrote that the AB 401 Plan will provide a path for "modest, additional steps." The plan scenarios currently being analyzed by State Water Board staff would not be "modest, additional steps."**

In his signing message for AB 401 dated October 9, 2015, Governor Brown wrote the following:

While the plan called for in this bill will provide for modest, additional steps, we already know that Proposition 218 serves as the biggest impediment to public water systems being able to establish low-income rate assistance programs. Proposition 218 similarly serves as an obstacle to thoughtful, sustainable water conservation pricing and necessary flood and stormwater system improvements. My administration will work with the Legislature and stakeholders next year to address these problems, while maintaining rate payer protections. [Emphasis added.]



Currently, State Water Board staff is evaluating four scenarios. All **four of the scenarios currently being evaluated would include a water service subsidy for approximately 34 percent of the households in California.** This high percentage is based on a 200 percent of the federal poverty level eligibility threshold. As discussed in Comment 7, AB 401 authorizes the State Water Board to consider income levels less than a 200 percent threshold. While ACWA wants to be constructive in this area, **we do not see a subsidy for one-third of California households as a “modest step.”**

Further, one of the funding mechanisms that the State Water Board staff is talking about is a tax on water that would range from \$277 million per year to \$619 million per year depending on the scenario (not including administrative costs). **We do not see the use of a tax on water as a “modest, additional step.”** As commented on below, ACWA is concerned that a tax on water would work against the affordability of water.

- 2. Incremental Approach: The State Water Board should take an incremental approach such as incorporating pilot projects into the Plan and ramping up implementation over time.**

As commented on below, different scenarios could have unintended consequences. Local water agencies are of all different sizes and have different water supplies, budgets and staffing levels. ACWA suggests that the State Water Board take an incremental approach. The Plan should begin with pilot projects which are aimed at learning before a new and untested approach is implemented statewide. This would help avoid unintended consequences. A rushed and simplistic approach could backfire against effective water management and needed local investments in water infrastructure.

- 3. Process: “Collaboration”: AB 401 requires the State Water Board to develop the Plan “in collaboration” with relevant stakeholders. One stakeholder meeting with the public water agency community is not sufficient to fulfill that requirement. “In collaboration with” means to “work jointly” on the development of the Plan with all relevant stakeholders.**

This summer, State Water Board staff held a series of public meetings regarding plan development. ACWA appreciates the holding of the public meetings. We also appreciate the opportunity to provide written comments at this time.

In ACWA’s February 6, 2017 comment letter, we noted that subdivision (b) of Section 189.5 of the California Water Code requires the State Water Board to develop the plan “in collaboration (...) with relevant stakeholders.” We commented that **“Collaboration involves meetings where SWRCB staff and stakeholders roll up their sleeves and jointly work through issues.”** During the public meetings this summer, ACWA members and ACWA commented that a collaborative stakeholder process is needed to comply with the law.

Various State laws require the holding of public meetings. For example, Proposition 1 of 2014 required state agencies to conduct three public meetings to consider public comments prior to finalizing the project solicitation and evaluation guidelines. (See subdivision (b) of California Water Code Section 79706.)

Requiring “collaboration” is different than requiring the holding of public meetings. Under the plain meaning rule of statutory interpretation, in order for legislative intent to be given effect, a statute should be construed with due regard for the ordinary meaning of the language. Merriam-Webster’s Dictionary defines “collaborate” as “to **work jointly** with others or together especially in an intellectual endeavor.”<sup>1</sup> We appreciate that State Water Board staff has agreed to hold a stakeholder meeting with water stakeholders at the end of the month. However, to “work jointly” on the development of the Plan will take more than one stakeholder meeting. It will need to be an iterative process with staff and stakeholders sharing information and working together.

The Plan is not required to be completed until January 1, 2018, and the report is not due until February 1, 2018. Having been given the time, ACWA urges the State Water Board to use it to fulfill the requirement for collaboration.

4. **Process: Participants: ACWA suggests the combination of small and large group stakeholder meetings.**

State Water Board staff has now scheduled one water stakeholder meeting. ACWA appreciates staff’s outreach to the general public in the form of the public meetings and the scheduling of a stakeholder meeting. However, one meeting is not sufficient to allow State Water Board staff and water stakeholders to “work jointly” to develop the plan. Further, the meeting is by invitation only – with invitations going to a relatively small number of stakeholders. ACWA suggests that if the State Water Board wants to use the smaller group meetings, and we do see merit to that, there should also be larger meetings held where water stakeholder participation is more inclusive and provides for representation of agencies of all sizes, as well as from all of the regions in the state. Statewide plans should include a statewide perspective.

5. **Process: Draft Plan Review: State Water Board staff should release the draft Plan to stakeholders for their final review and comments prior to completion of the final Plan.**

Under AB 401, the State Water Board is required to complete the Plan by January 1, 2018. In the spirit of collaboration, State Water Board staff should commit to releasing a draft Plan to stakeholders ahead of this deadline to ensure adequate time for review and comment on the draft prior to completion of the final version and submittal to the Legislature.

6. **Needs Assessment: The best solutions are based on a good understanding of the problem. There does not appear to be any needs assessment supporting the development of the Plan.**

In ACWA’s February 6, 2017 comment letter, we noted that “if the SWRCB, the water community and other stakeholders can reach alignment on what ‘affordable’ means, how the scope of need should be determined and what that need is, there will be a solid foundation for engagement on other issues in this program.” We echo that comment in this letter for the August 25 comment deadline. This topic needs to be a major discussion item in the stakeholder meetings that need to be held.

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<sup>1</sup> Merriam-Webster, Inc. <https://www.merriam-webster.com/dictionary/collaboration>. July 6, 2017.

**7. Appropriate Thresholds (Sensitivity Analysis): The State Water Board should evaluate the pros and cons of different income eligibility thresholds.**

All four of the potential scenarios that the State Water Board staff has presented to date are based on providing a benefit to households that are at or below 200 percent of the Federal Poverty Guideline Level. AB 401 defines "low income" as "a household with income that is equal to or no greater than 200 hundred percent of the federal poverty guideline." (See subdivision (f)(2) of Water Code Section 189.5.) This definition allows the State Water Board to use a threshold that is lower than 200 percent. So the State Water Board can evaluate more than one threshold. Because this program could result in less affordable water for those just above whatever threshold is used, the Board should conduct a sensitivity analysis and really evaluate the effect of the program with, and the pros and cons of, different thresholds (such as 100 percent and 150 percent).

**8. Scenarios: Transparency: ACWA again requests that State Water Board staff make available to the public all of the information provided by UCLA relative to AB 401 implementation.**

In ACWA's February 6, 2017 comment letter, we requested that State Water Board staff make available to the public all of the information provided by UCLA relative to AB 401 implementation. We assume that UCLA has provided more information than the Power Point presentations. At ACWA's conference in May, staff indicated that they would post the UCLA data. To date, the UCLA information has not been posted. ACWA reiterates the comment again here requesting that all information provided by UCLA be made available in a timely fashion to the public and posted on the State Water Board's website.

**9. Scenarios: Benefit Calculation: Use of a volumetric approach in the benefit calculation should be consistent with the scope of California's Human Right to Water.**

In the program scenarios currently under consideration, the proposed benefit is based on a percentage of the customer's expenditure on 12 hundred cubic feet (ccf) of water. For a household of four people, 12 ccf per month is equivalent to approximately 300 gallons for daily household usage or 75 gallons per capita per day. As explained below, ACWA suggests that the volume should be 8.82 ccf.

The Human Right to Water statute addresses water for human consumption, cooking and sanitary purposes. (See subdivision (a) of California Water Code Section 106.3.) The LIWRA benefit should be consistent with those three purposes (as opposed to providing a subsidy for watering of landscape, for example). If one assumes 55 gallons per day for those indoor purposes, it translates to 8.82 ccf in a month for a household of four.

**10. Scenarios: Affordability/Spiral Effect: The State Water Board should be cognizant of the potential "spiral effect."**

The communities that local water agencies serve vary greatly across the State and across regions. As was raised at the ACWA Conference in May, a large part of a community may be below the selected income eligibility threshold, but a large part of the community may be just above that threshold. In such instances, what effect does this program have for those who are

just above the threshold? As water rates increase, the program could lead to a financial burden that falls on a progressively diminishing subset of ratepayers. ACWA suggests that the State Water Board be aware of this “spiral effect” issue as it develops the AB 401 Plan. A robust sensitivity analysis, as mentioned above, would help the State Water Board and stakeholders work through this issue.

**11. Scenarios: Funding Sources: ACWA opposes a tax (public goods charge) on water to fund low income water rate assistance.**

ACWA opposes a tax on water as a funding mechanism for a LIWRA program. ACWA believes that it is not good policy to tax something that is essential to life. Putting a tax on water would also work against affordability. A tax on water is regressive and has more of an impact on those who have lower incomes. Putting a tax on the water for 2/3 of households to subsidize part of water costs for 1/3 of the households is not a “modest step” as referenced by the Governor in his signing message.

**12. Eligibility Verification: Eligibility verification is important and should be conducted in an efficient manner.**

Making sure that customers qualify for discounts is important. However, water agencies generally do not have income information for customers. Information from existing federal and state welfare programs should be used as opposed to having the state or local agencies duplicate those existing efforts. The stakeholder process should further explore options for this topic.

**13. Cost Sensitivity: As the State Water Board implements the Human Right to Water and develops the Plan, ACWA urges the State Water Board to be sensitive to how regulatory actions affect the cost of water and thereby water affordability.**

AB 401 requires the State Water Board to include in the Plan a set of best practices for cost-savings at water utilities which can help keep rates down. Of course, one thing that the recent, historic drought confirmed was the importance of the investments that local water agencies and their customers have been making over the past decades in drought-resilient supplies. Caution is needed in this area.

We also request that the State Water Board be sensitive to the fact that regulatory actions that affect public water systems costs implicitly affect the affordability of water for consumption, cooking and sanitary purposes.

**14. Legal Issues: State Water Board staff should make publicly available any legal analysis from UC Berkeley regarding AB 401 implementation.**

ACWA requests that staff make publicly available in a timely fashion, on the State Water Board website, any legal analysis from UC Berkeley for the AB 401 program. We understand that State Water Board staff had asked the Wheeler Water Institute at the UC Berkeley School of Law to analyze legal issues for AB 401 implementation.

**15. Existing Programs: ACWA recommends that the Plan build on the experience of existing programs.**

ACWA recommends that the State Water Board research the experience and practices of other social service programs at the local, state, federal and nonprofit level to ensure that funding for the LIWRA program is used in the most efficient manner. We note that the CalFresh program currently enrolls only 11% of the State's population, reinforcing both our concerns that the proposed LIWRA program scope may overreach at the outset and our recommendation to proceed with LIWRA incrementally at a more limited pilot scale to learn by experience.

Existing LIWRA programs implemented by water retailers should be allowed to continue under this phased approach, while the State focuses initially on the lowest income households not being served by an existing program. We would also ask the State Water Board to recognize that there are numerous barriers to enrollment for eligible households. Finally, self-certification for eligibility without verification should not be allowed as that would inflate program costs with non-eligible participants.

ACWA appreciates the State Water Board's consideration of these comments. I am available to answer questions at (916) 441-4545 or [cindy@acwa.com](mailto:cindy@acwa.com).

Sincerely,

*Cindy Tuck*

Cindy Tuck  
Deputy Executive Director for Government Relations

cc: The Honorable Felicia Marcus, Chair, SWRCB  
The Honorable Steven Moore, Vice Chair, SWRCB  
The Honorable Tam M. Doduc, Member, SWRCB  
The Honorable Dorene D'Adamo, Member, SWRCB  
The Honorable E. Joaquin Esquivel, Member, SWRCB  
Mr. Gordon Burns, Undersecretary, CalEPA  
Ms. Eileen Sobeck, Executive Director, SWRCB  
Mr. Michael Lauffer, Chief Counsel, SWRCB  
Mr. Eric Oppenheimer, Chief Deputy Director, SWRCB  
Mr. Erik Ekdahl, Director, Office of Research, Planning & Performance, SWRCB  
Mr. Max Gomberg, Climate and Conservation Manager, SWRCB



**STAFF REPORT**

**Agenda Item: 15.B**

**Board Meeting Date:** December 6, 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.

	<b>SCHEDULE OF UPCOMING MEETINGS AND EVENTS</b>	<b>ATTENDEES</b>
<b>1</b>	<b>Legislative Roundtable (SDCWA)</b> <i>Dec. 12, 2017 – 9:00-11:00 a.m. – San Diego County Water Authority</i> <i>RSVP required</i>	Vasquez (R)
<b>2</b>	<b>Colorado River Water Users Association (CRWUA)</b> <i>Dec. 13-15, 2017 – Caesars Palace, Las Vegas</i> <i>Registration deadline: None</i>	MacKenzie (R,A,H) Sanchez (R,A,H) Miller (R,A,H) Vásquez (T)
<b>3 *</b>	<b>Council of Water Utilities Meeting</b> <i>(No meeting in December)</i>	
<b>4</b>	<b>Sexual Harassment Prevention Training AB 1661</b> <i>Jan. 8, 2018 – 9:00 a.m. – 12:00 p.m., VID Board Room</i> <i>Reservation deadline: None</i>	Miller Dorey MacKenzie Vásquez Sanchez
<b>5</b>	<b>Colorado River Aqueduct System (SDCWA/MWD)</b> <i>Jan. 19-20, 2018 – Meet at SDCWA</i> <i>Reservation deadline: First come, first serve</i>	
<b>6</b>	<b>Hoover Dam &amp; Colorado River Aqueduct System (SDCWA/MWD)</b> <i>Feb. 2-3, 2018 – Meet at SDCWA</i> <i>Reservation deadline: First come, first serve</i>	Sanchez
<b>7</b>	<b>Special District Leadership Academy (CSDA)</b> <i>Feb. 4-7, 2018 – Embassy Suites, La Quinta</i> <i>Registration deadline: 1/5/18</i>	
<b>8</b>	<b>Urban Water Institute’s Spring Water Conference</b> <i>Feb. 7-9, 2018 – Hilton Palm Springs Hotel</i> <i>Registration deadline: 1/25/18</i>	
<b>9</b>	<b>AB 1234 Ethics Compliance Training (CSDA)</b> <i>Feb. 12, 2018 – 9:00 a.m. – 1:00 p.m. - Vista Irrigation District</i> <i>Registration deadline: 2/1/18</i>	
<b>10</b>	<b>CSDA Quarterly Dinner Meeting</b> <i>Feb. 15, 2018 – 6:00-9:00 p.m. – The Butcher Shop Steakhouse, Kearny Mesa</i> <i>Reservation deadline: 2/8/18</i>	
<b>11</b>	<b>State Water Project/Bay Delta Project (SDCWA/MWD)</b> <i>Mar. 2-3, 2018 – Meet at SDCWA</i> <i>Reservation unavailable at this time</i>	
<b>12</b>	<b>Colorado River Aqueduct System (SDCWA/MWD)</b> <i>Mar. 17-18, 2018 – Meet at SDCWA</i> <i>Reservation unavailable at this time</i>	

	<b>SCHEDULE OF UPCOMING MEETINGS AND EVENTS</b>	<b>ATTENDEES</b>
<b>13</b>	<b>California Water Policy Conference 27</b> <i>Mar. 22-23, 2018 – UC Davis Conference Center</i> <i>Registration deadline: None</i>	
<b>14</b>	<b>Colorado River Aqueduct System (SDCWA/MWD)</b> <i>Mar. 24-25, 2018 – Meet at SDCWA</i> <i>Reservation unavailable at this time</i>	
<b>15</b>	<b>Special District Leadership Academy (CSDA)</b> <i>Apr. 15-18, 2018 – Embassy Suites Monterey Bay – Seaside</i> <i>Registration deadline: 3/16/18</i>	
<b>16</b>	<b>ACWA Spring Conference</b> <i>May 8-11, 2018 – Sacramento</i> <i>Registration deadline: TBD</i>	
<b>17</b>	<b>CSDA Quarterly Dinner Meeting</b> <i>May. 17, 2018 – 6:00-9:00 p.m. – The Butcher Shop Steakhouse, Kearny Mesa</i> <i>Reservation deadline: 5/10/18</i>	
<b>18</b>	<b>Special District Legislative Days (CSDA)</b> <i>May 22-23, 2018 – Sacramento</i> <i>Registration deadline: TBD</i>	
<b>19</b>	<b>General Manager Leadership Summit (CSDA)</b> <i>June 24-26, 2018 – Resort at Squaw Creek, Olympic Valley</i> <i>Registration deadline: 5/25/18</i>	
<b>20</b>	<b>Special District Leadership Academy (CSDA)</b> <i>July 8-11, 2018 – Embassy Suites Napa Valley, Napa</i> <i>Registration deadline: 6/8/18</i>	
<b>21</b>	<b>CSDA Quarterly Dinner Meeting</b> <i>Aug. 16, 2018 – 6:00-9:00 p.m. – The Butcher Shop Steakhouse, Kearny Mesa</i> <i>Reservation deadline: 8/9/18</i>	
<b>22</b>	<b>CSDA Annual Conference</b> <i>Sept. 24-27, 2018 – Palm Springs</i> <i>Registration deadline: TBD</i>	
<b>23</b>	<b>CSDA Quarterly Dinner Meeting</b> <i>Nov. 15, 2018 – 6:00-9:00 p.m. – The Butcher Shop Steakhouse, Kearny Mesa</i> <i>Reservation deadline: 11/8/18</i>	
<b>24</b>	<b>ACWA Fall Conference</b> <i>Nov. 27-30, 2018 – San Diego</i> <i>Registration deadline: TBD</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: December 6, 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:*

- Property on Pipeline Drive
- Master Plan update
- Committee appointments
- JPIA Liability Insurance
- District headquarters courtyard modification
- CalPERS actuarial report
- Weese treatment plant agreement amendment





**Agenda Item: 17**

**STAFF REPORT**

**Board Meeting Date: December 6, 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: 18**

**STAFF REPORT**

**Board Meeting Date: December 6, 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: 19**

**STAFF REPORT**

**Board Meeting Date: December 6, 2017**  
**Prepared By: Eldon Boone**

SUBJECT: COMMENTS BY GENERAL MANAGER

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



**Agenda Item: 20**

**STAFF REPORT**

**Board Meeting Date: December 6, 2017**  
**Prepared By: Eldon Boone**

SUBJECT: CLOSED SESSION FOR CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Anticipated Litigation per Government Code section 54956.9(d)(4): One potential case.



**STAFF REPORT**

**Agenda Item: 21**

<b>Board Meeting Date:</b>	<b>December 6, 2017</b>
<b>Prepared By:</b>	<b>Lisa Soto</b>
<b>Reviewed By:</b>	<b>Brett Hodgkiss</b>
<b>Approved By:</b>	<b>Eldon Boone</b>

SUBJECT: ANNUAL ORGANIZATIONAL MEETING

RECOMMENDATION: Conduct annual organizational meeting and appoint officers.

PRIOR BOARD ACTION: The District’s last organizational meeting was on December 7, 2016.

FISCAL IMPACT: None.

SUMMARY: Per section 21375 of the California Water Code, Boards may reorganize (including election of President per section 21376) after the first Friday in December. According to Section 1.5.5.A of the District’s Rules and Regulations, the President and First Vice President of the Board shall each serve a one-year term and shall be elected to such term by the members of the Board at the last meeting of the prior calendar year, provided that in an election year the meeting occurs after any newly elected members are sworn-in. The President shall preside over meetings of the Board of Directors. The First Vice President shall assume the duties of the President in his or her absence. The remaining directors shall serve equally as Vice Presidents for the same term.

DETAILED REPORT: The Board’s practice has been to appoint officers at one meeting and then follow up with committee and other appointments at a subsequent meeting to allow time for the incoming President to deliberate regarding the appointments. Staff will prepare a staff report for the first meeting in January for the District committee assignments and selection of representatives to outside organizations. For the convenience of the Board, listings of current Board President, First Vice President and Vice Presidents, Committees, and outside organization appointments as well as staff’s recommendations regarding the appointments of Secretary, Assistant Secretaries, Treasurer and Assistant Treasurers for 2018 have been included in this staff report.

The following is a list of the current President, First Vice President and Vice Presidents:

President	Marty Miller
First Vice President	Paul Dorey
Vice Presidents	Jo MacKenzie, Richard Vásquez, and Patrick Sanchez

Staff’s recommendation for Secretary, Assistant Secretaries, Treasurer and Assistant Treasurers for 2018:

Secretary	Lisa Soto
Assistant Secretaries	Marian Schmidt; Eldon Boone
Treasurer	Eldon Boone
Assistant Treasurers	Marlene Kelleher; Brett Hodgkiss

ATTACHMENT: 2017 Committees and Outside Organizations Appointments

## STANDING COMMITTEES FOR 2017:

### **Water Sustainability**

Vásquez, Chair; and Sanchez

*Programs related to water conservation and maintenance of current water sources. Development by VID and/or our supplier(s) of new sources such as desal, brackish water, and recycled water. Does not include Lake Henshaw and the Warner Ranch.*

### **Fiscal Policy**

Miller, Chair; and Dorey

*District budget and finances, including rates.*

### **Warner Ranch**

Dorey, Chair; and MacKenzie

*Contracts, leases, historical assets, environmental issues, long-range planning, and relations with neighboring property owners.*

### **Public Affairs**

Vásquez, Chair; and Dorey

*Public outreach on water conservation and legislation, and public education on major water issues.*

## OUTSIDE ORGANIZATIONS FOR 2017

### **San Luis Rey Watershed Council**

Dorey; Alternate-Jessica Sherwood

*A partnership of local landowners, agricultural growers, Native American bands, community and environmental organizations, government agencies and special districts with ties to this watershed. The Council's primary goal is to develop and implement a comprehensive resource management plan for the San Luis Rey River and its tributaries.*

### **ACWA/JPIA**

Dorey; Alternate-Eldon Boone

*The insurance pool formed by ACWA member agencies; VID obtains liability, property and workers compensation insurance through ACWA/JPIA.*

### **Southern California Water Committee**

Dorey; Alternate-Vásquez

*A nonprofit, nonpartisan, public education partnership dedicated to informing Southern Californians about our water needs and our state's water resources; a cooperative effort of business, government, water agencies, agriculture, and public interests.*

### **Groundwater Resources Association**

Dorey; Alternate-Vásquez

*Dedicated to resources management that protects and improves groundwater through education and technical leadership.*