



**SANTA CLARITA VALLEY WATER AGENCY  
REGULAR BOARD MEETING AGENDA  
27234 BOUQUET CANYON ROAD  
SANTA CLARITA, CA 91350  
RIO VISTA WATER TREATMENT PLANT BOARDROOM  
TUESDAY, DECEMBER 4, 2018 AT 6:30 PM**

**6:00 PM DISCOVERY ROOM OPEN TO PUBLIC**  
Dinner for Directors and staff in the Discovery Room  
There will be no discussion of Agency business taking place prior to the  
Call to Order at 6:30 PM.

**OPEN SESSION BEGINS AT 6:30 PM**

1. **CALL TO ORDER**
2. **PLEDGE OF ALLEGIANCE**
3. **PUBLIC COMMENTS** – Members of the public may comment as to items not on the Agenda at this time. Members of the public wishing to comment on items covered in this Agenda may do so now or prior to each item as they arise. Please complete and return a comment request form to the Agency Board Secretary. (Comments may, at the discretion of the Board's presiding officer, be limited to three minutes for each speaker.) Members of the public wishing to comment on items covered in Closed Session before they are considered by the Board must request to make comment at the commencement of the meeting at 6:30 PM.
4. **APPROVAL OF THE AGENDA**
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**11. PRESIDENT’S REPORT**

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12.1.	November 27-30, 2018 ACWA Fall Conference – President Cooper, Vice President Kelly and Directors Atkins, Campbell, E. Colley, K. Colley, Efstathiou, DiPrimio, Gladbach, Martin, McMillan and Plambeck	
12.2.	Other AB 1234 Reports	

**13. DIRECTORS REPORT**

**14. DIRECTORS REQUEST FOR APPROVAL TO ATTEND UPCOMING CONFERENCES/EVENTS**

**15. REQUEST FOR FUTURE AGENDA ITEMS**

**16. ADJOURNMENT**

- \* Indicates Attachment
- ◆ Indicates Handout

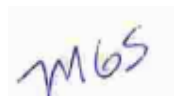
**Note: The Board reserves the right to discuss or take action or both on all of the above agenda items.**

### NOTICES

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning (661) 297-1600, or writing to Santa Clarita Valley Water Agency at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Santa Clarita Valley Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, California 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on November 28, 2018.



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DRAFT

ITEM NO.  
5.1

Minutes of the Regular Meeting of the Board of Directors of the Santa Clarita Valley Water Agency – November 20, 2018

A regular meeting of the Board of Directors of the Santa Clarita Valley Water Agency was held at the Santa Clarita Valley Water Agency, 27234 Bouquet Canyon Road, Santa Clarita, CA 91350, at 6:30 PM on Tuesday, November 20, 2018. A copy of the Agenda is inserted in the Minute Book of the Agency preceding these minutes.

DIRECTORS PRESENT: B. J. Atkins, Tom Campbell, Ed Colley, Kathy Colley, William Cooper, Robert DiPrimio (arrived at 7:06 PM), Dean Efstathiou (arrived at 7:23 PM), Jerry Gladbach, Maria Gutzeit, R. J. Kelly, Gary Martin, Jacque McMillan, Dan Mortensen and Lynne Plambeck were in attendance.

DIRECTORS ABSENT: None.

Also present: Matthew Stone, General Manager; Joe Byrne and Tom Bunn, General Counsel; April Jacobs, Board Secretary; Steve Cole, Assistant General Manager; Eric Campbell, Chief Financial and Administrative Officer; Rochelle Patterson, Director of Finance and Administration; Dirk Marks, Director of Water Resources; Ari Mantis, Human Resources/Risk Management Supervisor; Jenny Joo, Human Resources Analyst; Jeff Herbert, Senior IT Technician; Kathie Martin, Public Information Officer; Brian Thomas, Executive Director for the Finance JPA; Terri Bell, Temporary Administrative Assistant; Joe Ortiz, Best Best and Krieger; and members of the public.

President Cooper called the meeting to order at 6:33 PM. A quorum was present.

Upon motion of Director Gladbach, seconded by Director Campbell and carried, the Agenda was approved by the following voice votes (Item 4):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Not Present
Director Efstathiou	Not Present	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Yes
Director Mortensen	Yes	Director Plambeck	Yes

Upon motion of Director K. Colley, seconded by Director Atkins and carried, the Board approved the Consent Calendar including Resolution No. SCV-70 by the following electronic votes (Item 5):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Not Present
Director Efstathiou	Not Present	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Yes
Director Mortensen	Yes	Director Plambeck	Yes

**RESOLUTION NO. SCV-70**

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SANTA CLARITA VALLEY WATER AGENCY  
HONORING TIMOTHY H. QUINN EXECUTIVE DIRECTOR OF THE ASSOCIATION OF  
CALIFORNIA WATER AGENCIES FOR HIS DISTINGUISHED SERVICE**

**WHEREAS**, the Board of Directors of the Santa Clarita Valley Water Agency find it appropriate to honor Timothy H. Quinn for his many years of dedicated service to California Water issues; and

**WHEREAS**, Mr. Quinn has over thirty years of service in the California water industry, with the last eleven and half years as the ACWA Executive Director; and

**WHEREAS**, Mr. Quinn began his career in water at the Metropolitan Water District of Southern California, conducting the first reliability assessments of Southern California Water supply reliability; and

**WHEREAS**, Mr. Quinn in 1994 he became the Deputy General Manager of the Metropolitan Water District of Southern California and represented the district on numerous state and federal water issues; and

**WHEREAS**, Mr. Quinn played a key role in developing the California Legislature's historic 2009 comprehensive water package, which adopted the policy of coequal goals and set first ever conservation standards; and

**WHEREAS**, Mr. Quinn led the efforts to raise \$6 million and implementation of the California Water Crisis education campaign; and

**WHEREAS**, Mr. Quinn helped to trigger development of the statewide, Comprehensive Action Plan adopted by the Brown Administration; and

**WHEREAS**, Mr. Quinn has been a leader in many events that have transformed California Water Management, including passage of the Sustainable Groundwater Management Act of 2014 and enactment of Proposition 1, the \$7.5 Billion general obligation water bond overwhelmingly approved by California voters in November of 2014; and

**WHEREAS**, Mr. Quinn headed the ACWA efforts on drought preparedness and long term conservation policies; and

**WHEREAS**, Mr. Quinn led ACWA efforts to improve forest management and was the founding director of California Forest Watershed Alliance.

**NOW THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Santa Clarita Valley Water Agency do hereby express to Timothy H. Quinn their utmost appreciation for his years of dedicated, outstanding service and significant contributions to the water industry.

**RESOLVED FURTHER** that a duly authenticated copy of this resolution be delivered to Timothy H. Quinn as an expression of the Agency's appreciation and respect.

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Upon motion of Director Campbell, seconded by Vice President Kelly and carried, the Board approved Resolution No. SCV-71 authorizing the General Manager to execute the Delta Conveyance Financing Authority Joint Powers Agreement by the following electronic votes (Item 6.1):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Yes
Director Efstathiou	Not Present	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Yes
Director Mortensen	Yes	Director Plambeck	No

### RESOLUTION NO. SCV-71

#### RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CLARITA VALLEY WATER AGENCY AUTHORIZING THE EXECUTION AND DELIVERY OF THE DELTA CONVEYANCE FINANCE AUTHORITY JOINT POWERS AGREEMENT

**WHEREAS**, the California WaterFix (CWF) is a critical component of the California Water Action Plan, the State of California's blueprint for "a sustainable and resilient future"; and

**WHEREAS**, the CWF is essential to protecting and assuring the California State Water Project's (SWP) future reliability by addressing the Delta's ecosystem and levee system which are increasingly vulnerable to earthquakes, flooding, saltwater intrusion, climate change, and environmental degradation; and

**WHEREAS**, on July 21, 2017, the California Department of Water Resources (DWR), acting as Lead Agency, certified the final environmental analysis for the CWF and signed the Notice of Determination thereby approving CWF as the proposed project under the California Environmental Quality Act (DWR Approval); and

**WHEREAS**, on June 5, 2018, the Santa Clarita Valley Water Agency (SCV Water) Board of Directors passed Resolution No. SCV-42, thereby acting as a responsible agency, and resolved that having considered DWR's certified Final EIR and the impacts of the project as disclosed and analyzed in the Final EIR, the SCV Water Board, adopted DWR's Finding of Fact with respect to each potentially significant impact of the project, adopted a Statement of Overriding Considerations in view of potentially significant and unavoidable impacts, adopted the Mitigation Monitoring and Reporting Program, and authorized participation in California WaterFix and authorized the General Manager to negotiate, execute and deliver a Gap Funding agreement with DWR; and

**WHEREAS**, subsequently certain other state water contractors entered into a Delta Conveyance Finance Authority Joint Powers Agreement (the "Joint Powers Agreement"), dated July 3, 2018, pursuant to which the Delta Conveyance Finance Authority (the "Finance JPA") was created; and

**WHEREAS**, the Agency is a 2.35% participant in the State Water Project as it relates to CWF (the "Agency Share"); and

**WHEREAS**, the Agency has determined to become a member of the Finance JPA.

**NOW THEREFORE BE IT RESOLVED**, the Board of Directors of the Santa Clarita Valley Water Agency hereby finds, determines, declares and resolves as follows:

1. The Board of Directors hereby approves the form of the Joint Powers Agreement attached hereto as Exhibit A and authorizes the General Manager to execute and deliver the Joint Powers Agreement to the Finance JPA. Matthew G. Stone is hereby appointed to serve on the Board of Directors of the Finance JPA.
2. Pursuant to Section 15(a) of the Joint Powers Agreement and Section 4 thereof, the Agency confirms its intention to commit to supporting bonds issued by the Finance JPA.
3. The Agency shall not enter into any bond support agreement or installment sale agreement to support Finance JPA bonds (a) in excess of the Agency Share of CWF costs, and (b) without prior approval by this Board of Directors of the form of a bond support agreement and an installment sale agreement in form and substance acceptable to the Agency.
4. The Board finds that the approval of the Agreement: (1) further implements the Board's previous CEQA determinations and does not change the nature or description of WaterFix, such that no further environmental review is required under the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines § 15162; and (2) alternatively, is the mere creation of a governmental entity (i.e., the Delta Conveyance Finance Authority), which is an "organizational or administrative" government activity that does not propose, approve, or otherwise authorize any activities that may "result in direct or indirect physical changes in the environment," such that the execution of the Agreement is not a CEQA "project" subject to review under State CEQA Guidelines § 15378 (b)(5).
5. This resolution shall take effect immediately.

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Upon motion of Director DiPrimio, seconded by Director Gladbach and carried, the Board approved contracts with Best Best and Krieger, LLP and Lagerlof, Senecal, Gosney & Kruse, LLP by the following electronic votes (Item 7):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	No	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Yes
Director Efstathiou	Yes	Director Gladbach	No
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Yes
Director Mortensen	Yes	Director Plambeck	Yes



Upon motion of Director DiPrimio, seconded by Director Gladbach and carried, the Board approved an increase in the General Manager's salary from \$21,167 per month to \$22,648.69 per month, annual salary increased to 271,784.28, which is a 7% percent increase effective December 28, 2018 by the following electronic votes (Item 8):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	No	Director K. Colley	No
President Cooper	Yes	Director DiPrimio	Yes
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	No
Director Martin	Yes	Director McMillan	Yes
Director Mortensen	Yes	Director Plambeck	No

Upon motion of Director Martin, seconded by Director Gladbach and carried, the Board approved Vice President Kelly's request to sit on the CSDA Audit Committee by the following electronic votes (Item 9):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	No	Director K. Colley	No
President Cooper	Yes	Director DiPrimio	Yes
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Yes
Director Mortensen	Yes	Director Plambeck	Yes

Upon motion of Director Atkins, seconded by Director DiPrimio and carried, the Board approved Director Gladbach to continue as a representative for SCV Water on the National Water Resources Association Board of Directors by the following electronic votes (Item 9.1):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Yes
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Yes
Director Mortensen	Yes	Director Plambeck	Yes

Upon motion of Director McMillan, seconded by Director Gladbach and carried, the Board approved Director Martin's request to be considered for the CSDA Professional Development Committee and Member Services Committee by the following electronic votes (Item 9.2):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	No	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Yes
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Yes
Director Mortensen	Yes	Director Plambeck	Yes

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**AB 1234 Reports (Item 13):**

A written report was submitted by Director Plambeck.

Director Gladbach reported that he attended the NWRA Annual Conference held in San Diego on November 7-9, 2018 and attended the ACWA Board meeting in Sacramento on November 16, 2018.

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Upon motion of Director Gladbach, seconded by Director E. Colley and carried, the Board went into Closed Session at 8:44 PM to discuss the items listed on the Agenda by the following electronic votes (Item 15):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Yes
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Yes
Director Mortensen	Yes	Director Plambeck	Yes

Upon motion of Director Atkins, seconded by Director Gladbach and carried, the Board voted to come out of Closed Session at 10:46 PM by the following electronic votes:

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Yes
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Yes
Director Mortensen	Yes	Director Plambeck	Yes

President Cooper reconvened the Open Session at 10:46 PM.

Tom Bunn, Esq., reported that regarding Item 15.2, Conference with Legal Counsel – Anticipated Litigation – Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9, Claim of Paul Halushka Against Santa Clarita Valley Water Agency, Date of Claim September 26, 2018, the Board rejected the claim by motion of Director Atkins, seconded by Director Gladbach and carried, by the following voice votes (Item 16).

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Yes
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Yes
Director Mortensen	Yes	Director Plambeck	Yes

There were no other actions taken in Closed Session that were reportable under the Ralph M. Brown Act (Item 16).

Upon motion of Director Gladbach, seconded by Vice President Kelly and carried, the meeting was adjourned at 10:50 PM in honor of Russell G. Behrens by the following electronic votes (Item 19):

Director Atkins	Yes	Director Campbell	Yes
Director E. Colley	Yes	Director K. Colley	Yes
President Cooper	Yes	Director DiPrimio	Yes
Director Efstathiou	Yes	Director Gladbach	Yes
Vice President Gutzeit	Yes	Vice President Kelly	Yes
Director Martin	Yes	Director McMillan	Yes
Director Mortensen	Yes	Director Plambeck	Yes

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April Jacobs, Board Secretary

ATTEST:

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President of the Board

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## BOARD MEMORANDUM

**DATE:** November 16, 2018  
**TO:** Board of Directors  
**FROM:** Steve Cole  
Assistant General Manager  
**SUBJECT:** Approve Moving Current Legislative Advocacy Consultant Contracts to Month-to-Month Through June 30, 2019

### SUMMARY

Historically, legislative advocacy contracts were prepared for one year terms, and extensions offered for one year at a time. All three current contracts expire on December 31, 2018. The Public Outreach and Legislation Committee recommends moving the contracts to a month-to-month term at the current rates. This action will allow us time to finalize our next steps, as we further develop our legislative affairs role and seek a more strategic approach in our advocacy efforts.

As the FY 2018/19 Budget anticipates legislative advocacy contracts continuing at their current rates through the end of this FY, it is suggested that the month-to-month terms expire June 30, 2019. We anticipate bringing a recommendation to the Public Outreach and Legislation Committee in January 2019.

### DISCUSSION

This action will include the following contracts. All have expressed agreement to the proposal.

- California Advocates
- Anchor Consulting
- Poole and Shaffery

On November 14, 2018, the Public Outreach and Legislation Committee considered staff's recommendation to approve moving the current legislative advocacy contracts to month to month through June 30, 2019.

### FINANCIAL CONSIDERATIONS

None. The FY 2018/19 Budget anticipates legislative advocacy contracts continuing at their current rates through the end of this FY.

### RECOMMENDATION

The Public Outreach and Legislation Committee recommends the Board of Directors approve moving the current legislative advocacy contracts to month-to-month through June 30, 2019.

MBS

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## BOARD MEMORANDUM

**DATE:** November 20, 2018  
**TO:** Board of Directors  
**FROM:** Rochelle Patterson *RP*  
Director of Finance and Administration  
**SUBJECT:** Approve Receiving and Filing NCWD December 31, 2017 Financial Statements

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### SUMMARY

To review Newhall County Water District's (NCWD) December 31, 2017 Financial Statement prepared by Leaf & Cole, LLP.

### DISCUSSION

The December 31, 2017 Financial Statement is meant to give the reader a narrative overview and analysis of NCWD's financial performance during the period of July 1, 2017 to December 31, 2017.

The auditors gave the report an unmodified opinion, which is termed a clean opinion and is the highest opinion achieved. An unmodified opinion is the auditor's judgment that he has no reservation as to the fairness of presentation of NCWD's Financial Statement and their conformity with Generally Accepted Accounting Principles (GAAP). In the auditor's opinion, NCWD has presented fairly its financial position, results of operations, and changes in cash flows.

The draft report is attached.

On November 19, 2018, the Finance and Administration Committee considered staff's recommendation to receive and file the Newhall County Water District Financial Statement for the period July 1, 2017 to December 31, 2017.

### FINANCIAL CONSIDERATIONS

None.

### RECOMMENDATION

The Finance and Administration Committee recommends that the Board of Directors receive and file the attached Newhall County Water District Financial Statement for the period of July 1, 2017 to December 31, 2017.

RP

Attachment

*MBS*

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**NEWHALL COUNTY WATER DISTRICT**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

DRAFT



*Leaf & Cole, LLP*  
*Certified Public Accountants*

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**NEWHALL COUNTY WATER DISTRICT  
FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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Leaf & Cole, LLP  
Certified Public Accountants  
A Partnership of Professional Corporations

## Independent Auditor's Report

To the Board of Directors  
Newhall County Water District  
Post Office Box 220970  
Santa Clarita, California 91322

### Report on Financial Statements

We have audited the accompanying financial statements of Newhall County Water District, which comprise the statement of net position as of December 31, 2017, and the related statements of revenues, expenses, and changes in net position and cash flows for the period from July 1, 2017 to December 31, 2017, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Controller General of the United States and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Newhall County Water District, as of December 31, 2017, and the changes in financial position and cash flows for the period from July 1, 2017 to December 31, 2017 in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

**Change in Accounting Principle**

As described in Note 11 to the financial statements, the District changed its method of accounting and financial reporting for postemployment benefits other than pensions in order to conform with “Governmental Accounting Standards Board Statement No 75, Accounting and Financial Reporting for Postemployment Benefit Other Than Pensions”. Our opinion is not modified with respect to this matter.

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that management’s discussion and analysis and the required supplementary information on pages 40 to 44 as identified in the accompanying table of contents be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September \_\_, 2018, on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

San Diego, California  
September \_\_, 2018

## MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Newhall County Water District (District), we offer readers of the District's financial statements this narrative overview and analysis of the District's financial performance for the period from July 1, 2017 to December 31, 2017. Please read it in conjunction with the District's financial statements that follow Management's Discussion and Analysis.

### The District

Newhall County Water District headquarters is located in the City of Santa Clarita within the northwest region of Los Angeles County and is blessed with all the beauties and amenities of a large city with a small-town charm. The District was formed on January 13, 1953 and is currently one of four water purveyors in the area. Water is received from two sources, District owned groundwater wells and the State Water Project (SWP) via the areas wholesaler.

The District boundaries encompass approximately 37-square miles in portions of the City of Santa Clarita and Los Angeles County. The District provides treated water to areas of Newhall, Canyon Country (Pinetree), Valencia (Tesoro), and Castaic. Today, the District provides treated water to nearly 9,800 metered customers through more than 150 miles of transmission and distribution pipeline, 22 above ground steel reservoirs, 15 booster pump stations, and 11 active groundwater wells.

### Financial Highlights

- The District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the period by \$83.4 million (net position). Of this amount, \$6.6 million (unrestricted net position) may be used to meet the District's ongoing obligations to its customers and creditors.
- The District's total net position increased by \$1.2 million during the period from July 1, 2017 to December 31, 2017. This is attributable in part to the reduction of current liabilities and long-term debt obligations.
- The District's operating revenues were \$8 million for the period from July 1, 2017 to December 31, 2017.
- The District's total expenses were \$7.3 million for the period from July 1, 2017 to December 31, 2017.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements, which are comprised of the following: 1) Statement of Net Position, 2) Statement of Revenues, Expenses and Changes in Net Position, 3) Statement of Cash Flows, and 4) Notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

The *Statement of Net Position* presents information on all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or weakening. However, one must consider other nonfinancial factors such as changes in economic or environment conditions, population growth, and new or changed government legislation.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how the District's net position changed during the most recent period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The *Statement of Cash Flows* presents information on cash receipts and payments for the period. From this statement, the reader can obtain comparative information on the sources and uses of the District's cash.

The *Notes to the Financial Statements* provide additional information that is essential to fully understand the data supplied in each of the specific financial statements listed above.

### Financial Analysis

As noted earlier, the net position may serve over time as a useful indicator of an entity's financial strength. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$83.4 million as of December 31, 2017.

By far, the largest portion of the District's net position, \$76.7 million (92%), reflects its net investment in capital assets, less any related debt used to acquire those assets still outstanding. The District uses these capital assets to provide services to customers; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

There were no major additions to capital assets during the period from July 1, 2017 to December 31, 2017.

### Statements of Net Position

	December 31, 2017
<b>Assets</b>	
Current and Other Assets	\$ 11,788,317
Capital Assets	80,691,676
Total Assets	92,479,993
<b>Deferred Outflows of Resources</b>	
Deferred Amount on Refunding	6,213
Deferred Outflows	995,640
Total Deferred Outflows of Resources	1,001,853
<b>Liabilities</b>	
Non-Current Liabilities	6,546,518
Current Liabilities	3,303,951
Total Liabilities	9,850,469
<b>Deferred Inflows of Resources</b>	
Deferred Inflows	270,607
<b>Net Position</b>	
Net Investment in Capital Assets	76,724,489
Unrestricted	6,636,281
Total Net Position	\$ 83,360,770



## MANAGEMENT'S DISCUSSION AND ANALYSIS

Unrestricted net position (which represents the residual balance of total net position after the elimination of net investment in capital assets) increased by \$482 thousand from \$6.2 million at June 30, 2017 to \$6.7 million at December 31, 2017.

### Statements of Revenues, Expenses, and Changes in Net Position

	December 31, 2017
Water Sales	\$ 7,979,956
Taxes and Assessments	314,379
Other Nonoperating Income	63,551
Other Operating Revenues	53,515
Investment Income	50,174
Total Revenues	8,461,575
General and Administrative	2,060,064
Source of Supply Depreciation	1,720,306
Expense Pumping Plant	1,695,119
Other	720,580
Transmission and Distribution	326,894
Customer Accounts	267,821
Water Treatment	233,097
Interest Expense	225,873
	68,693
Total Expenses	7,318,447
Income Before Capital Contributions	1,143,128
Capital Contributions	73,322
Change in Net Position	1,216,450
Net Position at Beginning of Year	82,144,320
Net Position at End of Year	\$ 83,360,770

Total revenues of \$8,461,575 were offset by \$7,318,447 in operating and nonoperating expenses.

The District received \$73,322 in Capital Contributions from the period from July 1, 2017 to December 31, 2017 due in part to the services installed for the Walnut Park Cottages. It is expected that Capital Contributions will continue to fluctuate.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### *Capital Assets and Debt Administration*

#### **Capital Assets**

The District's capital assets for the period ended December 31, 2017, totaled \$81 million (net of accumulated depreciation).

#### **Capital Assets**

	<u>December 31, 2017</u>
Water System	\$ 99,686,865
General Plant	13,444,799
Land	9,808,489
Construction in Progress	1,885,942
Organization Costs	40,486
Depreciation	(44,174,905)
	<u>\$ 80,691,676</u>

#### **Noncurrent Liabilities**

At December 31, 2017, the District had \$6.5 million in noncurrent liabilities, net of current position.

Additional information on the District's noncurrent liabilities can be found in Note 6 of the Notes to Financial Statements. Noncurrent liabilities consist of the following:

#### **Noncurrent Liabilities**

	<u>December 31, 2017</u>
Installment Notes Payable	\$ 2,833,582
Net Pension Liability	3,316,991
Net OBEB Liability	277,233
Compensated Absences	118,712
Total Noncurrent Liabilities	<u>\$ 6,546,518</u>

*Fiscal Year 2018 Budget*

#### **Economic Factors**

The Districts long-standing commitment to living within our means through both good and bad times has enabled the District to maneuver through the past drought without major impacts on the District customers. It should be clearly understood we have not been immune to its effects. The District continues to evaluate the way we do business and engage our employees to help find innovative and effective ways of serving our customers.

On June 15, 2015, the District adopted changes to the water rate, based on the updated Report of Revenue Requirements and Water Rates, to become effective July 1, 2015. The rate study took into account a 14% reduction in commodity sales and developed a Water Revenue Adjustment Factor (WRAF) as a means to mitigate potential fluctuations in water commodity revenues due to additional conservation. The District adopted Resolution 2015-5 that allows the District to make adjustments to recover any shortage of revenue due to inflation attributed to fluctuations in real demand and to create a balancing account. The WRAF was implemented at the beginning of FY 2017.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Based on current trends, the District is projecting little growth in FY 2018/19. In addition, the District has assumed customers (as a whole) will continue to respond to the District's messages of conservation and efficient use of water and reduce consumption by 25% (from 2013 consumption). The District has already met and exceeded the conservation mandates as required in SBx7-7.

Looking ahead, the District will continue to monitor and make appropriate adjustments to ensure the organization's financial integrity is maintained, while continuing to meet its obligation to provide a safe and reliable water supply.

### **Financial**

Challenging fluctuations in weather continue to impact local and State communities. Southern California has seen its share of highs and lows. The annual budget was presented nearly nine years after the most challenging period in District history. Like many who were affected by the downturn in the housing market and the increasing cost of goods and supplies, the District has had to adjust its budget to accommodate changing economic conditions. The most recent recession helped prepare the District to react quickly to changes. We have endured nine years of belt tightening and cost containment and will continue to do more through this period of drought and financial instability. We believe we emerged with an annual budget which meets the needs of our customers. It sets our spending and staffing to affordable and sustainable levels while maintaining a high level of service quality.

Our success as an organization is vastly enhanced by the practices and policies put in place by the Board of Directors to ensure the strength and stability of the District. We are fully confident that with these policies and practices, supported by dedicated and talented staff, we will achieve continued success as an organization and thus assure the well-being of the people we serve.

Management is unaware of any other conditions that could have a material impact on the District's current financial position or operating results.

### **FUTURE OF WATER GOVERNANCE IN THE REGION**

The District has been working with Castaic Lake Water Agency (CLWA) for more than two years to settle litigation and create a new water governance structure. This process led to legislation (SB 634 – Wilk) that was signed into law on October 15, 2017 and created the Santa Clarita Valley Water Agency – a new water agency for the region.

The purpose of this new agency is to begin to unify and modernize water governance in the Santa Clarita Valley. Currently, in addition to the District, three other water retailers and one wholesale agency compose a patchwork of water providers that can lead to redundancies, service inefficiencies, conflict, excess costs and reduced economies of scale that limit optimized water management in the region. The new agency consolidated on January 1, 2018.

According to a comprehensive Governance & Finance Study (Study), the new agency would save costs – upwards of \$14 million in its first 10 years. It would enhance service by integrating currently disparate systems. It would create economies of scale to ensure the development of new water supplies, including a regional recycled water system. It would create a new, modernized water governance structure that is California Voting Rights Act-compliant and provides an equal voice for all corners of the Santa Clarita Valley.

**NEWHALL COUNTY WATER DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2017**

As reported in the Study, the District anticipated limited short-term costs in both its FY 2017 and FY 2018 budgets. These costs are far less than the anticipated litigation that would have advanced if the District and CLWA had not reached compromise. Overall, the new agency will save the District significant amounts in both the short- and long-term.

This financial report is designed to provide a general overview of the Newhall County Water District's finances for the Board of Directors, customers, taxpayers, creditors and other interest parties. Questions concerning any of the information provided in the report or requests for additional information should be addressed to the District's Financial Department, PO Box 220970, Santa Clarita, CA 91322-0970.

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**NEWHALL COUNTY WATER DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2017**

**ASSETS**

**Current Assets:** (Notes 1 and 2)

Cash and cash equivalents	\$	6,580,484
Investments		2,240,000
Accounts receivable, net		1,477,261
Taxes receivable		59,751
Accounts receivable - other		185,674
Accrued interest receivable		24,818
Inventory		794,392
Prepaid expenses		217,717
Total Current Assets		11,580,097

**Noncurrent Assets:**

**Restricted Assets:** (Notes 1, 2 and 3)

Cash and cash equivalents		208,220
Total Restricted Assets		208,220

**Capital Assets:** (Notes 1 and 4)

Nondepreciable		11,694,431
Depreciable, net of accumulated depreciation		68,997,245
Total Capital Assets, net		80,691,676

Total Noncurrent Assets		80,899,896
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<b>TOTAL ASSETS</b>		92,479,993
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**DEFERRED OUTFLOWS OF RESOURCES:** (Notes 1, 6, 7 and 8)

Deferred amount on refunding		6,213
Deferred outflows related to OPEB contributions		78,125
Deferred outflows related to OPEB		19,002
Deferred outflows related to pension contributions		148,353
Deferred outflows related to pension		750,160
Total Deferred Outflows of Resources		1,001,853

(Continued)

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

**NEWHALL COUNTY WATER DISTRICT  
STATEMENT OF NET POSITION (CONTINUED)  
DECEMBER 31, 2017**

**LIABILITIES**

**Current Liabilities:** (Notes 1, 5 and 6)

Accounts payable	\$	585,527
Accrued expenses and other liabilities		18,483
Accrued interest payable		23,664
Deposits		208,220
Unearned revenue		1,253,840
Current portion of installment notes payable		1,139,818
Current portion of compensated absences payable		74,399
Total Current Liabilities		3,303,951

**Noncurrent Liabilities:** (Notes 1, 6 and 8)

**Long-Term Debt:**

Installment notes payable, net of current portion		2,833,582
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**Other Noncurrent Liabilities:**

Net pension liability		3,316,991
Net OPEB liability		277,233
Compensated absences payable, net of current portion		118,712
Total Other Noncurrent Liabilities		3,712,936

Total Noncurrent Liabilities		6,546,518
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Total Liabilities		9,850,469
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**Deferred Inflows of Resources:** (Notes 1 and 8)

Deferred inflows related to pensions		270,607
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**Commitments and Contingencies** (Notes 7, 8 and 9)

**NET POSITION:**

Net investment in capital assets		76,724,489
Unrestricted		6,636,281
Total Net Position	\$	83,360,770

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

**NEWHALL COUNTY WATER DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE PERIOD FROM JULY 1, 2017 TO DECEMBER 31, 2017**

**Operating Revenues:**

Water sales	\$ 7,979,956
Other operating revenues	53,515
Total Operating Revenues	8,033,471

**Operating Expenses:**

General and administrative	2,060,064
Source of supply	1,720,306
Depreciation	1,695,119
Pumping plant	720,580
Other	326,894
Transmission and distribution	267,821
Customer accounts	233,097
Water treatment	225,873
Total Operating Expenses	7,249,754

Operating Income	783,717
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**Nonoperating Revenues (Expenses):**

Taxes and assessments	314,379
Other nonoperating revenue	63,551
Investment income	50,174
Interest expense	(68,693)
Total Nonoperating Revenues (Expenses)	359,411

Income Before Capital Contributions	1,143,128
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Capital Contributions	73,322
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Change in Net Position	1,216,450
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Net Position at Beginning of Period (Note 11)	82,144,320
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<b>NET POSITION AT END OF PERIOD</b>	<b>\$ 83,360,770</b>
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The accompanying notes are an integral part of the financial statements.

**NEWHALL COUNTY WATER DISTRICT  
STATEMENT OF CASH FLOWS  
FOR THE PERIOD FROM JULY 1, 2017 TO DECEMBER 31, 2017**

**Cash Flow From Operating Activities:**

Cash received from customers	\$ 8,607,729
Cash payments to suppliers for goods and services	(4,409,473)
Cash payments to employees for services	(1,057,315)
Other operating cash receipts	63,551
Net Cash Provided by Operating Activities	3,204,492

**Cash Flow From Noncapital and Related Financing Activities:**

Receipts from taxes and assessments	267,991
Net Cash Provided by Noncapital and Related Financing Activities	267,991

**Cash Flows From Capital and Related Financing Activities:**

Acquisition and construction of capital assets	(1,405,477)
Principal paid on installment notes payable	(870,789)
Interest paid on installment notes payable	(70,973)
Capital contributions	73,322
Net Cash Used in Capital and Related Financing Activities	(2,273,917)

**Cash Flows From Investing Activities:**

Investment income	44,818
Net Cash Provided by Investing Activities	44,818

Net Increase in Cash and Cash Equivalents	1,243,384
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Cash and Cash Equivalents at Beginning of Period	5,545,320
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<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>\$ 6,788,704</b>
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(Continued)

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



**NEWHALL COUNTY WATER DISTRICT  
STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE PERIOD FROM JULY 1, 2017 TO DECEMBER 31, 2017**

**Reconciliation of Operating Income to Net Cash**

**Provided by Operating Activities**

Operating income \$ 783,717

**Adjustments to reconcile operating income**

**to net cash provided by operating activities:**

Depreciation 1,695,119

Other nonoperating cash receipts 63,551

**(Increase) Decrease In:**

Accounts receivable, net 176,381

Accounts receivable - other 76,758

Inventory (65,732)

Prepaid expenses (152,965)

Deferred outflows related to OPEB contributions 1,719

Deferred outflows related to OPEB (19,002)

Deferred outflows related to pension contributions 120,061

Deferred outflows related to pension (310,840)

**Increase (Decrease) In:**

Accounts payable 29,359

Accrued expenses and other liabilities (36,923)

Deposits 12,874

Unearned revenue 308,245

Net OPEB liability 37,382

Net pension liability 576,273

Compensated absences payable (34,591)

Deferred inflows related to pensions (56,894)

Net Cash Provided by Operating Activities \$ 3,204,492

**Cash and Cash Equivalents - Financial Statement Classification:**

Cash and cash equivalents \$ 6,580,484

Restricted cash and cash equivalents 208,220

Total Cash and Cash Equivalents 6,788,704

**Supplemental Disclosures of Cash Flow Information**

Amortization of deferred amount on refunding \$ 6,212

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

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 1 - Organization and Significant Accounting Policies:**

The Newhall County Water District (the “District”) was organized in January 1953 under provisions of the California Water District Law. Improvement District No. 1 and Improvement Districts 2-S and 2-W were annexed by the District. The District is governed by a Board of Directors made up of five members elected by the qualified voters of the District. The purpose of the District is to finance, construct, operate and maintain a water system to serve properties within the District’s boundaries.

The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Cod. Sec. 2100 “Defining the Financial Reporting Entity”. The District is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the District appoints a voting majority of the component unit’s board, or because the component unit will provide a financial benefit or impose a financial burden on the District. The District has no component units.

On October 15, 2017, the Governor of the State of California signed into law SB-634, which reorganized Castaic Lake Water Agency and Newhall County Water District to create Santa Clarita Valley Water Agency effective January 1, 2018.

**Significant Accounting Policies**

A summary of the District’s significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

**Method of Accounting**

The District utilizes accounting principles appropriate for an enterprise fund to record its activities. Accordingly, the statements of net position and the statements of revenues, expenses and changes in net position have been prepared using the economic resources measurement focus and the accrual basis of accounting.

The District has not elected to apply the option allowed in GASB Cod. Sec. P80.103 “Proprietary Fund Accounting and Financial Reporting” and as a consequence will continue to apply GASB Statements and Interpretations.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 1 - Organization and Significant Accounting Policies: (Continued)**

**Significant Accounting Policies (Continued)**

**Revenue Recognition**

The District recognizes revenues from water sales and other operating revenues when they are earned. Operating activities generally result from providing services and producing and delivering goods. As such, the District considers fees received from water sales and other operating revenues to be operating revenues. Taxes and assessments are recognized as revenue based upon amounts reported to the District by the County of Los Angeles, net of an allowance for estimated uncollectible taxes.

**Investments**

Investments are stated at their fair value, which represents the quoted or stated market value. Investments that are not traded on a market, such as investments in external pools, are valued based on the stated fair value as represented by the external pool.

**Allowance for Doubtful Accounts**

Bad debts are recognized on the allowance method based on historical experience and management's evaluation of outstanding receivables. The allowance for doubtful accounts receivables totaled \$3,598 at December 31, 2017.

**Taxes and Assessments**

Property taxes and assessments are billed by the County of Los Angeles to property owners. The District's property tax calendar for the fiscal year ended June 30, 2017 was as follows:

Lien Date:	January 1
Levy Date:	July 1
Due Date:	First Installment - November 1 Second Installment - February 1
Delinquent Date:	First Installment - December 10 Second Installment - April 10

Management believes that taxes receivable of \$59,751 were fully collectible; therefore no allowance for doubtful taxes receivable was recorded at December 31, 2017.

**Inventory**

Inventory consists primarily of materials used in the construction and maintenance of capital assets and is valued at a moving weighted average cost.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 1 - Organization and Significant Accounting Policies: (Continued)**

**Significant Accounting Policies (Continued)**

**Capital Assets**

Capital assets purchased or acquired with a cost exceeding \$5,000 and an estimated useful life of more than one year are reported at historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Donated capital assets, donated works of art and similar items, and capital assets received in service concession agreements are reported at acquisition value. Depreciation is calculated on the straight-line method over the following estimated useful lives:

Transmission and distribution	14 - 61 years
General plant	4 - 88 years
Organization costs	30 - 33 years

Depreciation totaled \$1,695,119 for the period ended December 31, 2017.

**Interest**

The District incurred interest charges on long-term debt. No interest was capitalized as a cost of construction for the period ended December 31, 2017.

**Compensated Absences**

Accumulated and unpaid vacation and sick leave totaling \$193,111 is accrued when incurred and included in noncurrent liabilities, net of current portion, at December 31, 2017.

**Deferred Outflows of Resources and Deferred Inflows of Resources**

Deferred outflows of resources and deferred inflows of resources are defined as a consumption of net assets by the District that is applicable to a future period and an acquisition of net assets by the District that is applicable to a future reporting period respectively. Deferred outflows of resources include a deferred amount on refunding. Deferred outflows of resources and deferred inflows of resources related to OPEB and pensions are more fully described in Notes 7 and 8, respectively.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 1 - Organization and Significant Accounting Policies: (Continued)**

**Significant Accounting Policies (Continued)**

**Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District pays an annual premium for commercial insurance covering general liability, automobile, real and personal property, cyber liability, employee dishonesty, excess liability and notification and credit monitoring. The general liability coverage limits are \$1,000,000 per occurrence and \$3,000,000 in aggregate with a \$5,000 deductible. Automobile coverage is \$1,000,000 with a \$5,000 deductible. Real and personal property is covered up to \$32,147,642 with a \$1,000 deductible per occurrence. Employee dishonesty coverage limits are \$250,000 per occurrence with a \$1,000 deductible. Excess liability coverage is \$5,000,000 in excess of underlying coverage limits. In addition, the District carries commercial insurance for all other risks of loss including workers compensation and employee health and life insurance. The District also carries pollution and remediation legal liability coverage with a \$1,000,000 limit each loss and in aggregate with a \$25,000 retention for each loss.

The District purchased earthquake and flood insurance with coverage limits of \$10,000,000 per occurrence and in the annual aggregate, with an earthquake deductible of 15% per unit of insurance including time element business income, extra expense and rental value. The minimum deductible for earthquake and flood insurance is \$50,000 and a \$25,000 deductible for all other perils. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**Postemployment Benefits (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Other Postemployment Benefit Programs of the Newhall County Water District (OPEB Plan), the assets of which are held by the California Employers' Retiree Benefit Trust (CERBT), and additions to/deductions from the OPEB Plan's fiduciary net position have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and fiduciary net position information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	July 1, 2015
Measurement Date	December 31, 2016
Measurement Period	June 30, 2016 to December 31, 2016

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 1 - Organization and Significant Accounting Policies: (Continued)**

**Significant Accounting Policies (Continued)**

**Pensions**

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

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Measurement Period	June 30, 2016 to June 30, 2017

**Fair Value Measurements**

Fair value accounting standards define fair value, establish a framework for measuring fair value, outline a fair value hierarchy based on inputs used to measure fair value and enhance disclosure requirements for fair value measurements. The fair value hierarchy distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Level 1 or 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

- Level 1 inputs are quoted prices in active markets for identical investments that the investment manager has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the investment, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the investment.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 1 - Organization and Significant Accounting Policies: (Continued)**

**Significant Accounting Policies (Continued)**

**Fair Value Measurements (Continued)**

The District's statement of financial position includes the following financial instruments that are required to be measured at fair value on a recurring basis:

- Negotiable certificates of deposit are considered Level 2 assets and are reported at the fair value reported by the counter-party.
- Investments in the California Local Agency Investment Fund (LAIF) are considered Level 2 assets and are reported at the fair value of the underlying assets as provided LAIF.

**Economic Dependency**

The District purchases more than 50% of its water from the Castaic Lake Water Agency. Interruption of this source would impact the District negatively.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows the District considers all investment instruments purchased with a maturity of three months or less to be cash.

**Subsequent Events**

The District has evaluated events and transactions for potential recognition and disclosure through September \_\_, 2018, which is the date the financial statements were available for issuance, and concluded that there were no events or transactions that needed to be disclosed except as disclosed in Note 12.

**Reclassifications**

The District has reclassified certain prior year information to conform with the current year presentation.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 2 - Cash and Investments:**

**Investments Authorized by the California Government Code and the District's Investment Policy**

The table below identifies the investment types that are authorized for the District by the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provision of the California Government Code or the District's investment policy:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Quality Requirements</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
State Obligations	5 years	None	None
CA. Local Agency Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Bankers Acceptances	180 days	40%	None
Commercial Paper	270 days	25%	A1
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20%	None
Medium-Term Notes	5 years	30%	A Rating
Mutual Funds	N/A	20%	Multiple
Money Market Mutual Funds	N/A	20%	Multiple
Collateralized Bank Deposits	5 years	None	None
Mortgage Pass-Through Securities	5 years	20%	AA Rating
Time Deposits	5 years	None	None
California Local Agency Investment Fund (LAIF)	N/A	None	None
County Pooled Investments	N/A	None	None

The District's Investment Policy is more restrictive than the California Government Code in the following ways:

- The District shall not invest any funds covered by this investment policy in inverse floaters, range notes, interest only strips derived from mortgage pools or any investment that may result in a zero interest accrued if held to maturity.



**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 2 - Cash and Investments: (Continued)**

**Investments Authorized by the California Government Code and the District's Investment Policy (Continued)**

Cash and investments held by the District were comprised of the following at December 31, 2017:

	Maturity in Years		Total
	One Year or Less	1 - 5 years	
Cash on hand	\$ 1,175	\$ -	\$ 1,175
Deposits with financial institutions	1,589,785	-	1,589,785
California Local Agency Investment Fund	5,197,744	-	5,197,744
Investments:			
Negotiable Certificates of Deposit	200,000	2,040,000	2,240,000
Total Cash and Investments	\$ 6,988,704	\$ 2,040,000	\$ 9,028,704
Financial Statement Classification:			
Current:			
Cash and cash equivalents			\$ 6,580,484
Investments			2,240,000
Restricted:			
Cash and cash equivalents			208,220
Total Cash and Investments			\$ 9,028,704

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing over time as necessary to provide the cash flows and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments (including investments held by the bond trustee) to market interest rate fluctuations is provided in the previous table that shows the distribution of the District's investments by maturity at June 30, 2017.

**Disclosures Relating to Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of the year end for each investment type.

	<u>Rating as of Year End Standard &amp; Poors</u>
California Local Agency Investment Fund	Not Rated
Negotiable Certificates of Deposit	Not Rated

The District's investment policy does not address credit risk for the above investments.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 2 - Cash and Investments: (Continued)**

**Concentration of Credit Risk**

Concentration of credit is the risk of loss attributed to the magnitude of the District's investment in a single issue.

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of December 31, 2017 the District had no investments (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total District investments.

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counter-party (e.g., broker-dealer) the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

At December 31, 2017, none of the District's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts. At December 31, 2017, no District investments were held by the same broker-dealer (counterparty) that was used by the District to buy the securities. In addition, certain financial institutions used by the District participate in the certificates of deposit account registry service in an effort to further reduce custodial credit risk.

**Investment in State Investment Pool**

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

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 2 - Cash and Investments: (Continued)**

**Investment in State Investment Pool (Continued)**

The statements of cash flows have been prepared by considering all investment instruments purchased with a maturity of three months or less to be cash equivalents. Following is a detail at December 31, 2017:

California Local Agency Investment Fund	\$ 5,197,744
Deposits with financial institutions	1,589,785
Cash on hand	1,175
	\$ 6,788,704

**Note 3 - Restricted Assets:**

Restricted assets were provided by, and are to be used for, the following at December 31, 2017:

<u>Funding Source</u>	<u>Use</u>	
Receipts from customers	Deposits	\$ 208,220

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as necessary.

**Note 4 - Capital Assets:**

Capital assets consist of the following at December 31, 2017:

	Balance at June 30, 2017	Additions	Deletions	Balance at December 31, 2017
<b>Capital Assets Not Being Depreciated:</b>				
Land, franchises, and water rights	\$ 9,808,489	\$ -	\$ -	\$ 9,808,489
Construction in progress	480,465	1,405,477	-	1,885,942
Total Capital Assets Not Being Depreciated	10,288,954	1,405,477	-	11,694,431
<b>Capital Assets Being Depreciated:</b>				
Transmission and distribution	99,686,865	-	-	99,686,865
General plant	13,658,140	-	(213,341)	13,444,799
Organization costs	40,486	-	-	40,486
Total Capital Assets Being Depreciated	113,385,491	-	(213,341)	113,172,150
<b>Less Accumulated Depreciation For:</b>				
Transmission and distribution	(37,462,793)	(1,309,045)	-	(38,771,838)
General plant	(5,204,318)	(385,443)	213,341	(5,376,420)
Organization costs	(26,016)	(631)	-	(26,647)
Total Accumulated Depreciation	(42,693,127)	(1,695,119)	213,341	(44,174,905)
Net Capital Assets Being Depreciated	70,692,364	(1,695,119)	-	68,997,245
<b>Net Capital Assets</b>	\$ 80,981,318	\$ (289,642)	\$ -	\$ 80,691,676

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 5 - Unearned Revenue:**

Unearned revenue consists of unearned connection fees and other contract related costs for the installation of services and other infrastructure. Unearned revenue totaled \$1,253,840 at December 31, 2017.

**Note 6 - Noncurrent Liabilities:**

Noncurrent liabilities consist of the following at December 31, 2017:

	Balance at June 30, 2017	Additions	Deletions	Balance at December 31, 2017	Current Portion
<b><u>Long-Term Debt:</u></b>					
Installment Notes Payable:					
Municipal Leasing Associates:					
2007	\$ 3,027,640	\$ -	\$ (181,490)	\$ 2,846,150	\$ 371,188
2009	563,748	-	(67,562)	496,186	137,566
Municipal Finance Corporation:					
2012	1,252,801	-	(621,737)	631,064	631,064
Total Long-Term Debt	<u>4,844,189</u>	<u>-</u>	<u>(870,789)</u>	<u>3,973,400</u>	<u>1,139,818</u>
<b><u>Other Noncurrent Liabilities:</u></b>					
Net pension liability	2,740,718	1,003,753	(427,480)	3,316,991	-
Net OPEB liability	239,851	141,963	(104,581)	277,233	-
Compensated absences	227,702	129,370	(163,961)	193,111	74,399
Total Other Noncurrent Liabilities	<u>3,208,271</u>	<u>1,275,086</u>	<u>(696,022)</u>	<u>3,787,335</u>	<u>74,399</u>
Total Noncurrent Liabilities	<u>\$ 8,052,460</u>	<u>\$ 1,275,086</u>	<u>\$ (1,566,811)</u>	<u>\$ 7,760,735</u>	<u>\$ 1,214,217</u>

Debt service requirements on the installment notes payable are as follows:

Years Ended December 31,	Principal				Interest			
	MLA 2007	MLA 2009	MFC 2012	Total	MLA 2007	MLA 2009	MFC 2012	Total
2018	\$ 371,188	\$ 137,566	\$ 631,064	\$ 1,139,818	\$ 82,621	\$ 11,088	\$ 9,466	\$ 103,175
2019	382,407	140,887	-	523,294	71,402	7,767	-	79,169
2020	393,965	144,288	-	538,253	59,844	4,365	-	64,209
2021	405,873	73,445	-	479,318	47,936	881	-	48,817
2022	418,140	-	-	418,140	35,669	-	-	35,669
2023	430,779	-	-	430,779	23,031	-	-	23,031
2024	443,798	-	-	443,798	10,010	-	-	10,010
Total	<u>\$ 2,846,150</u>	<u>\$ 496,186</u>	<u>\$ 631,064</u>	<u>\$ 3,973,400</u>	<u>\$ 330,513</u>	<u>\$ 24,101</u>	<u>\$ 9,466</u>	<u>\$ 364,080</u>

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 6 - Noncurrent Liabilities: (Continued)**

**Municipal Leasing Associates, Inc. (2007)**

On October 18, 2007, the District entered into an Installment Sale Agreement with Municipal Leasing Associates, Inc. (MLA). MLA provided \$5,500,000 for the purpose of financing the cost of the District's project. The Installment Sale Agreement was amended on October 26, 2012. The original 4.5% installment note was payable over twenty years in semi-annual installments of principal and interest of \$209,976. The amended Installment Sale Agreement is payable in semi-annual installments of \$226,905 of principal and interest at 3% payable in April and October each year and matures October 2024. The Installment Sale Agreement had an outstanding balance of \$2,846,150 at December 31, 2017.

The District covenants that it shall fix, prescribe, revise and collect rates, fees and charges for the services and facilities furnished by the Water System during each fiscal year (which, together with existing unencumbered cash which is lawfully available to the District) are at least equal to 115% of the aggregate amount of the installment payments and all principal of the interest on the prior parity obligations and any additional parity obligations as they become due and payable during such fiscal year.

**Municipal Leasing Associates, Inc. (2009)**

On April 1, 2009, the District entered into an Installment Sale Agreement with MLA. MLA provided \$2,000,000 for the purpose of financing costs related to the construction of a new administrative facility. The Installment Sale Agreement was amended June 8, 2016. The original 4.65% installment note was payable over 20 years in semi-annual installments of principal and interest of \$77,342. The Amended Installment Sale Agreement is payable in semi-annual installments of \$74,320 of principal and interest at 2.4% payable in June and December each year and matures June 2021. The Installment Sale Agreement had an outstanding balance of \$496,186 at December 31, 2017.

The District covenants that it shall fix, prescribe, revise and collect rates, fees and charges for the services and facilities furnished by the Water System which, together with existing unencumbered cash which are lawfully available to the District are at least equal to 115% of the aggregate amount of parity obligations coming due and payable during the fiscal year.

**Municipal Finance Corporation (2012)**

On December 15, 2011, the District entered into an installment sale agreement with Municipal Finance Corporation (MFC). MFC provided \$6,986,579 for the purpose of a current refunding of the G.E. Government Finance 2003 note payable and the City National Bank note payable, resulting in defeasance of debt. The liability for the two notes has been removed from long-term debt. The MFC 2012 note is payable over six years in semi-annual installments of principal and interest of \$640,530 payable in August and February each year. The note bears interest at 3.0%. The installment sale agreement had an outstanding balance of \$631,064 at December 31, 2017.

The District covenants that it shall fix, prescribe, revise and collect rates, fees and charges for the services and facilities furnished by the Water System which, together with existing unencumbered cash (which are lawfully available to the District) are at least equal to 115% of the aggregate amount of parity obligations coming due and payable during the fiscal period.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 6 - Noncurrent Liabilities: (Continued)**

**Municipal Finance Corporation (2012) (Continued)**

Although the refunding resulted in a deferred amount on refunding of \$20,991, the deferred amount on refunding from the previous current refunding of the City National Bank note at the time of the refunding was \$250,712. This resulted in a total deferred amount on refunding of \$271,703. The District in effect reduced its aggregate debt service payments by approximately \$263,718 over the next six years and obtained an economic gain (difference between the present values of the old and the new debt service payments) of approximately \$213,161. The deferred amount on refunding is being amortized over the remaining life of the refunded debt. The amortization expense totaled \$6,212 for the period ended December 31, 2017 and is included in interest expense. The deferred amount on refunding was \$6,213 at December 31, 2017 and is recognized as a deferred outflow of resources in the statements of net position.

**Note 7 - Other Postemployment Benefits:**

**General Information About the OPEB Plan**

**Plan Description** - The Newhall County Water District has established the Other Postemployment Benefits Programs of the Newhall County Water District (OPEB Plan), an agent multiple-employer defined benefit retiree healthcare plan. The OPEB Plan provides employees hired before November 1, 2009 that retire with the District at age 55 or older and have 10 or more years of service with the District with 100% of the medical and dental plan premiums for their lifetime. Dependent coverage may be purchased at the retiree's expense. Coverage and benefits end at the retiree's death.

**Employees Covered** - As of the December 31, 2016 measurement date, the following current and former employees were covered by the benefit terms under the OPEB Plan.:

Active employees	\$	28
Inactive employees or beneficiaries currently receiving benefit payments		6
Inactive employees entitled to but not yet receiving benefit payments		-
	\$	34

**Contributions** - The District has been and continues to prefund its OPEB liability, contributing 100% or more of the actuarial determined contributions each year. For the period from July 1, 2017 to December 31, 2017, the District's cash contributions were \$20,266 in payments to the trust and the estimated implied subsidy was \$3,310 resulting in total payments of \$23,576. The District has joined the California Employers' Retiree Benefit Trust (CERBT), an OPEB trust administrator and affiliate program of CalPERS, for the purpose of prefunding obligations for past services.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 7 - Other Postemployment Benefits: (Continued)**

**Net OPEB Liability**

The District's net OPEB liability was measured as of December 31, 2016 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated July 1, 2015 that was rolled forward to determine the December 31, 2017 total OPEB liability, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal Cost, Level Percent of Pay																				
Actuarial Assumptions:																					
Discount Rate	7.28%																				
Inflation	2.75%																				
Salary Increases	3.25%																				
Investment Rate of Return	7.28%																				
Mortality Rate	Derived using CalPERS' Membership Data for all funds																				
Pre-Retirement Turnover	Derived using CalPERS' Membership Data for all funds																				
Healthcare Trend Rate	Medical plan premiums and claims costs by age are assumed to increase once each year. Increases over the prior year's levels are assumed to be effective on the date shown below:																				
	<table border="0" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center; border-bottom: 1px solid black;">Effective January 1</th> <th style="text-align: center; border-bottom: 1px solid black;">Premium Increase</th> <th style="text-align: center; border-bottom: 1px solid black;">Effective January 1</th> <th style="text-align: center; border-bottom: 1px solid black;">Premium Increase</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2016</td> <td style="text-align: center;">Actual</td> <td style="text-align: center;">2020</td> <td style="text-align: center;">6.00%</td> </tr> <tr> <td style="text-align: center;">2017</td> <td style="text-align: center;">7.50%</td> <td style="text-align: center;">2021</td> <td style="text-align: center;">5.50%</td> </tr> <tr> <td style="text-align: center;">2018</td> <td style="text-align: center;">7.00%</td> <td style="text-align: center;">2022</td> <td style="text-align: center;">5.00%</td> </tr> <tr> <td style="text-align: center;">2019</td> <td style="text-align: center;">6.50%</td> <td style="text-align: center;">2023 &amp; Later</td> <td style="text-align: center;">4.50%</td> </tr> </tbody> </table>	Effective January 1	Premium Increase	Effective January 1	Premium Increase	2016	Actual	2020	6.00%	2017	7.50%	2021	5.50%	2018	7.00%	2022	5.00%	2019	6.50%	2023 & Later	4.50%
Effective January 1	Premium Increase	Effective January 1	Premium Increase																		
2016	Actual	2020	6.00%																		
2017	7.50%	2021	5.50%																		
2018	7.00%	2022	5.00%																		
2019	6.50%	2023 & Later	4.50%																		

Dental premiums are assumed to increase by 3.50% annually.

Demographic actuarial assumptions used in this valuation are based on the 2014 experience study of the California Public Employees Retirement System using data from 1997 to 2011, except for (a) point retirement dates used for 3 employees and (b) a different basis used to project future mortality improvements. Mortality rates used were those published by CalPERS, adjusted to back out 20 years of Scale BB to central year 2008, then projected as described below:

Mortality Improvement	MacLeod Watts Scale 2014 applied generationally
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The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 7 - Other Postemployment Benefits: (Continued)**

**Net OPEB Liability (Continued)**

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equities	57.00%	5.25%
Global Debt Securities	27.00%	2.25%
REITs	8.00%	4.50%
Inflation Assets	5.00%	1.25%
Commodities	3.00%	1.25%
Total	<u>100.00%</u>	

**Discount Rate**

The discount rate used to measure the total OPEB liability was 7.28 percent. The projection of cash flows used to determine the discount rate assumed that the District will continue to prefund its OPEB liability, contributing 100% or more of the actuarial determined contribution each year. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return of OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Changes in the OPEB Liability**

The changes in the net OPEB liability for the OPEB Plan are as follows:

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(c) = (a) - (b)</u>
Balance at June 30, 2017	\$ 2,505,359	\$ 2,265,508	\$ 239,851
Changes recognized for the measurement period:			
Service cost	29,994	-	29,994
Interest	90,248	-	90,248
Investment experience	-	(21,114)	21,114
Contributions - employer	-	23,576	(23,576)
Net investment income	-	81,005	(81,005)
Benefit payments	(23,576)	(23,576)	-
Administrative expense	-	(607)	607
Net Changes	<u>96,666</u>	<u>59,284</u>	<u>37,382</u>
Balance at December 31, 2017	<u>\$ 2,602,025</u>	<u>\$ 2,324,792</u>	<u>\$ 277,233</u>



**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 7 - Other Postemployment Benefits: (Continued)**

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate**

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage-point higher than the current discount rate:

	1% Decrease (6.28%)	Current Discount Rate (7.28%)	1% Increase (8.28%)
Net OPEB liability (asset)	\$ <u>738,770</u>	\$ <u>277,233</u>	\$ <u>(95,650)</u>

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	1% Decrease (6.5% Decreasing to 3.5%) for the Years 2023 and Thereafter	Current Healthcare Cost Trend Rates (7.5% Decreasing to 4.5%) for Years 2023 and Thereafter	1% Increase (8.5% Decreasing to 5.5%) for the Years 2023 and Thereafter
Net OPEB liability (asset)	\$ <u>(205,862)</u>	\$ <u>277,233</u>	\$ <u>989,137</u>

**OPEB Plan Fiduciary Net Position**

The California Public Employees' Retirement System's California Employers' Retirement Benefit Trust (CERBT) issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained from the California Public Employees' Retirement System, CERBT, Post Office Box 942703, Sacramento, California 94429-2703.

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 7 - Other Postemployment Benefits: (Continued)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on OPEB plan investments	5 Years
All other amounts	Expected Average Remaining Service Lifetime (EARSL) (3.2 Years at June 30, 2017)

For the period from July 1, 2017 to December 31, 2017, the District recognized OPEB expense of \$42,363. As of December 31, 2017, the District reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB contributions subsequent to measurement date	\$ 78,125	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on OPEB plan investments	19,002	-
Total	<u>\$ 97,127</u>	<u>\$ -</u>

The \$78,125 reported as deferred outflows of resources related to contributions subsequent to the December 31, 2016 measurement date will be recognized as a reduction of the net OPEB liability during year ended December 31, 2018. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

<u>Fiscal Year Ended June 30</u>	<u>Deferred Outflows/(Inflows) Of Resources</u>
January 2018 through June 30, 2018	\$ 2,112
2019	4,223
2020	4,223
2021	4,223
2022	4,221
Total	<u>\$ 19,002</u>

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 8 - Defined Benefit Pension Plan:**

**General Information About the Pension Plan**

**Plan Description** - All qualified permanent and probationary employees are eligible to participate in the Miscellaneous Plan of the Newhall County Water District, (All Plans) a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. The Plan's provisions and benefits in effect at December 31, 2017, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or After January 1, 2013
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50 - 55	52 - 62
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.00%	6.25%
Required employer contribution rates	8.921%	6.533%

**Contribution Description** - Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS annual actuarial process. The Plans actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2017 (measurement date), the active employee contribution rate is for employees hired prior to January 1, 2013 is 7.0% of annual payroll with the District paying 1.336% of that amount, and the employer's contribution rate is 8.921% of annual payroll, or 12.634% including the unfunded liability. The active employee contribution rate for those employees hired on or after January 1, 2013 is 6.25% of annual pay, and the average employer contribution rate is 6.533% of annual payroll, or 6.862% including the unfunded liability. Employer contribution rates may change if plan contracts are amended. It is the responsibility of the employer to make necessary accounting adjustments to reflect the impact due to any employer paid member contributions or situations where members are paying a portion of the employer contribution.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 8 - Defined Benefit Pension Plan: (Continued)**

**General Information About the Pension Plan (Continued)**

The District's contribution to the Plan for the period ended Decemebr 31, 2017 were as follows:

Contributions - Employer	\$ <u>110,264</u>
Contributions - Employee (Paid by Employer)	\$ <u>17,615</u>

**Actuarial Methods and Assumptions Used to Determine Total Pension Liability**

For the measurement period ending June 30, 2017 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2016 total pension liability determined in the June 30, 2016 actuarial valuation. The December 31, 2017 total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' membership data for all funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

All other actuarial assumptions used in the June 30, 2016 valuation were based on the results of a January 2014 actuarial experience study for the fiscal years 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

**Change of Assumptions**

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate was changed from 7.65% as of the June 30, 2016 measurement date to 7.15% as of the June 30, 2017 measurement date.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 8 - Defined Benefit Pension Plan: (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 7.15%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the test revealed that the assets would not run out. Therefore, the current 7.15% discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.15% is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained on CalPERS' website under the GASB 68 section.

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

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

The table below reflects long-term expected real rate of return by asset class.

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Real Return Years 1 - 10</u>	<u>Real Return Years 11+</u>
Global Equity	47.00%	4.90%	5.38%
Fixed Income	19.00%	0.80%	2.27%
Private Equity	12.00%	6.60%	6.63%
Real Estate	11.00%	2.80%	5.21%
Inflation Assets	6.00%	0.60%	1.39%
Infrastructure and Forestland	3.00%	3.90%	5.36%
Liquidity	2.00%	(0.40%)	(0.90%)
	<u>100.00%</u>		

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 8 - Defined Benefit Pension Plan: (Continued)**

**Allocation of Net Pension Liability and Pension Expense to Individual Employers**

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Pension (b)	Net Pension Liability (c) = (a) - (b)
Balance at June 30, 2016	\$ 12,753,176	\$ 10,012,458	\$ 2,740,718
Balance at June 30, 2017	14,615,100	11,298,109	3,316,991
Net Changes During 2016 - 2017	<u>\$ 1,861,924</u>	<u>\$ 1,285,651</u>	<u>\$ 576,273</u>

The net pension liability of the plan is measured as of December 31, 2017, and the total pension liability for the plan used to calculate the net pension liabilities was determined by an actuarial valuation of June 30, 2016 rolled forward to June 30, 2017 using standard update procedures. The proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the plan as of June 30, 2017 and December 31, 2017 was as follows:

	Miscellaneous
Proportion - June 30, 2016	0.088580%
Proportion - June 30, 2017	0.091250%
Change - Increase (Decrease)	<u>0.002670%</u>

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the Plan as of the Measurement Date, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

	Discount Rate -1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate +1% (8.15%)
Plan's Net Pension Liability	\$ <u>5,327,252</u>	\$ <u>3,316,991</u>	\$ <u>1,652,056</u>

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 8 - Defined Benefit Pension Plan: (Continued)**

**Amortization of Deferred Outflows and Deferred Inflows of Resources**

Under GASB 68, actuarial gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred inflows and deferred outflows to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investment	5 year straight-line amortization
All other amounts	Straight-line amortization over the expected remaining service lifetime (EARSL) of all members that are provided with pensions (active, inactive, and retired) as of the beginning of the measurement period

The Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments is amortized over a five-year period on a straight-line basis. One-fifth is recognized in pension expense during the measurement period, and the remaining Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments at the measurement date is to be amortized over the remaining four-year period. The Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments in the schedule of Collective Pension Amounts represents the unamortized balance relating to the current measurement period and the prior measurement period on a net basis.

Deferred outflows of resources and deferred inflows of resources relating to Differences Between Expected and Actual Experience, Changes of Assumptions and employer-specific amounts should be amortized over the EARSL of members provided with pensions through the Plan. The EARSL for the Plan for the June 30, 2017 measurement date is 3.8 years, which was obtained by dividing the total service years by the total number of participants (active, inactive, and retired) in the Plan. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 8 - Defined Benefit Pension Plan: (Continued)**

**Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions**

For the period ended December 31, 2017, the District recognized a pension expense of \$476,953 for the Plan. As of December 31, 2017, the District reports deferred outflows of resources and deferred inflows of resources related to pensions as follows:

	Deferred Outflow of Resources	Deferred Inflows of Resources
Pension contributions subsequent to the measurement date	\$ 148,353	\$ -
Differences between actual contributions made and proportionate share of contributions	-	205,103
Differences between expected and actual experience	-	65,504
Changes of assumptions	563,354	-
Net difference between projected and actual earnings on pension plan investments	137,924	-
Adjustment due to difference in proportions	48,882	-
Total	\$ 898,513	\$ 270,607

The \$148,353 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the period ended December 31, 2017. Other amounts reported as deferred outflows and deferred inflows of resources in the previous chart will be recognized in future pension expense as follows:

Measurement Year Ended June 30	Deferred Outflows/(Inflows) of Resources
January 2018 through June 30, 2018	\$ -
2019	31,084
2020	332,521
2021	197,838
2022	(81,889)
Total	\$ 479,554

**Note 9 - Contingencies:**

In the opinion of District counsel and management, the District had no material claims which would require loss provision in the financial statements at December 31, 2017.



**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 10 - New Governmental Accounting Standards:**

**GASB No. 75**

In June 2015, the Government Accounting Standards Board issued Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions”. This Statement is effective for financial statements for fiscal years beginning after June 15, 2017. Earlier application is encouraged. The effects of this pronouncement on the financial statements of the District are more fully described in Note 11.

**GASB No. 81**

In March 2016, the Governmental Accounting Standards Board issued Statement No. 81, “Irrevocable Split-Interest Agreements”. The requirements of this Pronouncement are effective for financial statements for period beginning after December 15, 2016, and should be applied retroactively. Earlier application is encouraged. This pronouncement did not have a material effect on the financial statements of the District in the period of implementation.

**GASB No. 82**

In March 2016, the Governmental Accounting Standards Board issued Statement No. 82, “Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73”. The requirements of this Pronouncement are effective for reporting periods beginning after June 15, 2016, except for the requirements of this Statement for the selection of assumptions in a circumstance in which an employer’s pension liability is measured as of a date other than the employer’s most recent fiscal year-end. In that circumstance, the requirements for the selection of assumptions are effective for that employer in the first reporting period in which the measurement date of the pension liability is on or after June 15, 2017. Earlier application is encouraged. This pronouncement did not have a material effect on the financial statements of the District in the period of implementation.

**GASB No. 83**

In November 2016, the Governmental Accounting Standards Board issued Statement No. 83 “ Certain Asset Retirement Obligations”. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier Application is encouraged. The District has not determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

**GASB No. 84**

In January 2017, the Governmental Accounting Standards Board issued Statement No. 84 “Fiduciary Activities”. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier Application is encouraged. The District has not determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 10 - New Governmental Accounting Standards: (Continued)**

**GASB No. 85**

In March 2017, the Governmental Accounting Standards Board issued Statement No. 85 “Omnibus 2017”. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. This pronouncement did not have a material effect on the financial statements of the District in the period of implementation.

**GASB No. 86**

In May 2017, the Governmental Accounting Standards Board issued Statement No. 86 “Certain Debt Extinguishment Issues”. The requirements of this Statement are effective for reporting periods beginning after December 15, 2017. Earlier Application is encouraged. The District has not determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

**GASB No. 87**

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87 “Leases”. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. The District has not determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

**GASB No. 88**

In April 2018, the Governmental Accounting Standards Board issued Statement No. 88 “Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements”. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. The District has not yet determined the effects of this pronouncement on the financial statements of the District in the year of implementation.

**Note 11- Change in Accounting Principle:**

Effective July 1, 2017, the District changed its method of accounting for other postemployment benefits other than pensions and the related OPEB expense as well any deferred inflows and deferred outflows of resources in order to conform with Governmental Accounting Standards Board Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions”.

**NEWHALL COUNTY WATER DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Note 11- Change in Accounting Principle: (Continued)**

This statement requires the liability of employers and nonemployer contributing entities to employees for defined benefit OPEB (net OPEB liability) to be measured as the portion of the present value of projected benefit payments to be provided to current active and inactive employees that is attributed to those employees past periods of service (total OPEB liability), less the amount of the OPEB plan's fiduciary net position. As a result, the District recorded the following net OPEB obligation and deferred outflow of resources resulting in a reduction in net position reported at June 30, 2017:

Net OPEB obligation	\$ (239,851)
Deferred outflows related to OPEB contributions	79,844
Net Effect of a Change in Accounting Principle	<u>(160,007)</u>
 Net Position as Originally Stated	 <u>82,304,327</u>
 Net Position as Restated	 <u>\$ 82,144,320</u>

**Note 12 - Subsequent Event:**

On October 15, 2017, the Governor of the State of California signed into law SB-634, which reorganized Castaic Lake Water Agency and Newhall County Water District to create Santa Clarita Valley Water Agency (New Agency). The agreement creating this New Agency will be effective January 1, 2018.

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**NEWHALL COUNTY WATER DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE PERIOD FROM JULY 1, 2017 TO DECEMBER 31, 2017**

**SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS  
LAST TEN YEARS \***

	<u>2018</u>
<b>Total OPEB Liability</b>	
Service cost	\$ 29,994
Interest	90,248
Change of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments	<u>(23,576)</u>
<b>Net Change in Total OPEB Liability</b>	96,666
<b>Total OPEB Liability - Beginning</b>	<u>2,505,359</u>
<b>Total OPEB Liability - Ending (a)</b>	<u><u>\$ 2,602,025</u></u>
<b>Plan Fiduciary Net Position</b>	
Contributions - Employer	\$ 23,576
Net investment income	59,891
Benefit payments	(23,576)
Administrative expense	<u>(607)</u>
<b>Net Change in Plan Fiduciary Net Position</b>	59,284
<b>Plan Fiduciary Net Position - Beginning</b>	<u>2,265,508</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u><u>\$ 2,324,792</u></u>
District's Net OPEB Liability - Ending (a) - (b)	<u><u>\$ 277,233</u></u>
<b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</b>	89.35%
Covered-Employee Payroll	\$ 1,130,833
District's Net OPEB Liability as a Percentage of Covered-Employee Payroll	24.52%

**Notes to Schedules:**

Changes in assumptions - None

\* Fiscal year 2018 was the first year of implementation. The District must eventually disclose a 10-year history of the schedule of changes in net OPEB liability and related ratios.

**NEWHALL COUNTY WATER DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE PERIOD FROM JULY 1, 2017 TO DECEMBER 31, 2017**

**SCHEDULE OF OPEB CONTRIBUTIONS  
LAST TEN YEARS\***

	<u>2018</u>
Actuarial Determined Contribution (ADC)	\$ 35,264
Contributions in Relation to the Actuarially Determined Contribution	<u>21,857</u>
Contribution Deficiency (Excess)	<u>\$ 13,407</u>
 Covered-Employee Payroll	 <u>\$ 1,060,763</u>
 Contributions as a Percentage of Covered- Employee Payroll	 2.06%

**Notes to Schedules:**

The ADC developed for the District’s short fiscal year ending December 31, 2017 was determined and presented in the July 2015 Actuarial Valuation report. Expected contributions, relative to the ADC, for the fiscal year ending December 31, 2017 are shown above.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry age
Amortization Method	Level percentage of payroll
Amortization Period	Closed
Asset Valuation Method	Market Value
Inflation	2.75 percent
Investment Rate of Return	7.28% per annum. Assumes investing in California Employers’ Retiree Benefit Trust asset allocation strategy 1.
Healthcare Cost Trend Rates	7.5 percent initial, decreasing an ultimate rate of 4.5 percent for the years 2023 and thereafter
Salary Increase	3.25% per year

**NEWHALL COUNTY WATER DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE PERIOD FROM JULY 1, 2017 TO DECEMBER 31, 2017**

**SCHEDULE OF OPEB CONTRIBUTIONS (CONTINUED)  
LAST TEN YEARS\***

**Noes to Schedules: (Continued)**

Valuation Date: (Continued)

Retirement Age

Coverage is available for employees hired before November 1, 2009 that retire with the District at age 55 or older and have 10 or more years of service with the District.

Mortality

Demographic actuarial assumptions used in this valuation are based on the 2014 experience study of the California Public Employees Retirement System using data from 1997 to 2011, except for (a) point retirement dates used for 3 employees and (b) a different basis used to project future mortality improvements. Rates for selected age and service are shown below and on the following pages. Mortality rates used were those published by CalPERS, adjusted to back out 20 years of Scale BB to central year 2008, then projected as described below:

Mortality Improvement    MacLeod Watts Scale 2014 applied generationally

\* Fiscal year 2018 was the first year of implementation. The District must eventually disclose a 10-year history of the contributing investment return, and payroll schedules.

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**NEWHALL COUNTY WATER DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE PERIOD FROM JULY 1, 2017 TO DECEMBER 31, 2017**

**SCHEDULE OF PLAN'S PROPORTIONATE SHARE OF NET PENSION LIANILITY  
LAST TEN YEARS\***

	Measurement Date <u>June 30, 2017</u>	Measurement Date <u>June 30, 2016</u>	Measurement Date <u>June 30, 2015</u>	Measurement Date <u>June 30, 2014</u>
Proportion of the Collective Net Pension Liability	0.091250%	0.088580%	0.072096%	0.075913%
Proportionate Share of the Collective Net Pension Liability	3,316,991	2,740,718	1,977,917	1,876,184
Covered-Employee Payroll	2,276,893	2,581,137	2,376,060	2,372,536
Proportionate Share of the Collective Net Pension Liability as Percentage of Covered-Employee Payroll	145.68%	106.18%	83.24%	79.08%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.30%	78.51%	84.27%	84.71%

**Notes to Schedules:**

**Benefit Changes** - The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (aka Golden Handshakes).

**Changes in Assumptions** - The discount rate was changed from 7.65 percent as of the June 30, 2016 measurement date to 7.15 percent as of the June 30, 2017 measurement date.

\*Fiscal year 2015 was the first year of implementation, therefore only four years are shown.

**NEWHALL COUNTY WATER DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE PERIOD FROM JULY 1, 2017 TO DECEMBER 31, 2017**

**SCHEDULE OF PLAN'S CONTRIBUTIONS  
LAST TEN YEARS\***

	Period From July 1, 2017 To December 31, 2017	Fiscal Year 2016 - 2017	Fiscal Year 2015 - 2016	Fiscal Year 2014 - 2015
Actuarial Determined Contribution	\$ 148,353	\$ 268,414	\$ 246,839	\$ 224,036
Contributions in Relation to the Actuarially Determined Contributions	<u>148,353</u>	<u>268,414</u>	<u>246,839</u>	<u>224,036</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	<u>\$ N/A</u>	<u>\$ 2,276,893</u>	<u>\$ 2,581,137</u>	<u>\$ 2,376,060</u>
Contributions as a Percentage of Covered-Employee Payroll	N/A	11.79%	9.56%	9.43%

**Notes to Schedules:**

Fiscal Year End Valuation Date	Period from July 1, 2017 to December 31, 2017 June 30, 2016	June 30, 2017 June 30, 2014	June 30, 2016 June 30, 2013	June 30, 2015 June 30, 2012
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Methods and assumptions used to determine contribution rates:

	Entry Age Level Percent of Payroll Market Value	Entry Age Level Percent of Payroll Market Value	Entry Age Level Percent of Payroll Market Value	Entry Age Level Percent of Payroll Market Value
Actuarial Cost Method	3.30% to 14.20% depending on Age, Service, and type of employment	3.30% to 14.20% depending on Age, Service, and type of employment	3.30% to 14.20% depending on Age, Service, and type of employment	3.30% to 14.20% depending on Age, Service, and type of employment
Amortization Method	7.15%	7.50%	7.50%	7.50%
Asset Valuation Method	3.30% to 14.20% depending on Age, Service, and type of employment	3.30% to 14.20% depending on Age, Service, and type of employment	3.30% to 14.20% depending on Age, Service, and type of employment	3.30% to 14.20% depending on Age, Service, and type of employment
Discount Rate	2.75%	2.75%	2.75%	2.75%
Projected Salary Increase	3.00%	3.00%	3.00%	3.00%
Inflation	A merit scale varying by duration of employment coupled with an assumed annual production inflation growth of 0.25%	A merit scale varying by duration of employment coupled with an assumed annual production inflation growth of 0.25%	A merit scale varying by duration of employment coupled with an assumed annual production inflation growth of 0.25%	A merit scale varying by duration of employment coupled with an assumed annual production inflation growth of 0.25%
Payroll Growth				
Individual Salary Growth				

\*Fiscal year 2015 was the first year of implementation; therefore, only four years are shown.





Leaf & Cole, LLP  
Certified Public Accountants  
A Partnership of Professional Corporations

**Independent Auditor's Report on Internal Control  
Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements  
Performed in Accordance With *Government Auditing Standards***

To the Board of Directors  
Newhall County Water District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Newhall County Water District, as of and for the six month period ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Newhall County Water District's basic financial statements, and have issued our report thereon dated September \_\_, 2018.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Newhall County Water District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Newhall County Water District's internal control. Accordingly, we do not express an opinion on the effectiveness of Newhall County Water District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this selection and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Newhall County Water District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

San Diego, California  
September \_\_, 2018

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ITEM NO.  
5.4

# Monthly Financial Report

## SEPTEMBER 2018

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# Statements of Revenues and Expenses

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**Santa Clarita Water Agency - Regional  
Statement of Revenues and Expenses  
For the 3rd Period Ending 9.30.18**

(in \$000)

	(A)		(B)		(C)	
	Actual	Budget	Actual	Budget	Variance	
(1)	\$2,405	\$2,243	\$162			
(2)	25	175	(150)			
(3)	\$2,430	2,418	12			
						<b>Operating Revenues</b>
						Water Sales
						Other
						Total Revenue
						<b>Operating Expense</b>
(4)	131	180	(49)			Management
(5)	417	418	(1)			Administration
(6)	138	119	19			Engineering
(7)	203	275	(72)			Maintenance
(8)	74	86	(12)			Water Quality & Regulatory Affairs
(9)	264	444	(180)			Water Resources
(10)	1,011	419	592			Water Treatment Operations
(11)	\$2,238	\$1,941	\$297			<b>Total Operating Expense</b>
(12)	\$192	\$477	(\$285)			<b>Operating Revenue Over/(Under) Operating Expenses</b>

	(D) Actual	(E) Year-to-Date		(F) Variance
		Budget		
	\$7,472	\$6,916		\$556
	1	522		(521)
	\$7,473	\$7,438		\$35
	293	541		(248)
	1,146	1,252		(106)
	279	358		(79)
	485	827		(342)
	206	257		(51)
	1,697	2,763		(1,066)
	1,311	1,255		56
	5,417	\$7,253		(\$1,836)
	\$2,056	\$185		\$1,871

**Santa Clarita Water Agency - Retail  
Statement of Revenues and Expenses  
For the 3rd Period Ending 9.30.18**

(in \$000)

	(A)		(B)		(C)		(D)	(E)		(F)
	Actual	Budget	Actual	Budget	Actual	Budget		Actual	Budget	
(1)	\$8,668	\$8,308	\$360				\$26,330	\$24,670	\$1,660	(1)
(2)	136	114	22				393	339	54	(2)
(3)	<u>\$8,804</u>	<u>\$8,422</u>	<u>\$382</u>				<u>\$26,723</u>	<u>\$25,009</u>	<u>\$1,714</u>	(3)
	<b>Operating Revenues</b>									
(4)	2,459	2,297	162				7,667	6,734	933	(4)
(5)	847	705	142				2,545	2,104	441	(5)
(6)	128	234	(106)				544	705	(161)	(6)
(7)	437	616	(180)				1,575	1,851	(277)	(7)
(8)	194	266	(72)				641	803	(162)	(8)
(9)	53	135	(82)				132	401	(269)	(9)
(10)	<u>564</u>	<u>808</u>	<u>(244)</u>				<u>1,758</u>	<u>2,420</u>	<u>(662)</u>	(10)
(11)	<u>4,681</u>	<u>5,061</u>	<u>(380)</u>				<u>\$14,861</u>	<u>\$15,018</u>	<u>(\$157)</u>	(11)
(12)	<u>\$4,123</u>	<u>\$3,361</u>	<u>\$762</u>				<u>\$11,862</u>	<u>\$9,991</u>	<u>\$1,871</u>	(12)
	<b>Nonoperating Revenue and Expenses</b>									
(13)	131	98	33				433	295	138	(13)
(14)	(552)	(555)	3				(1,660)	(1,666)	6	(14)
(15)	<u>(421)</u>	<u>(457)</u>	<u>36</u>				<u>(1,227)</u>	<u>(1,371)</u>	<u>144</u>	(15)
(16)	<u>\$3,702</u>	<u>\$2,904</u>	<u>\$798</u>				<u>\$10,635</u>	<u>\$8,620</u>	<u>\$2,015</u>	(16)
(17)	<u>\$3,702</u>	<u>\$2,904</u>	<u>\$798</u>				<u>\$10,635</u>	<u>\$8,620</u>	<u>\$2,015</u>	(17)
	<b>Total Change in Net Assets</b>									



# Investment Reports

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**Regional Division**  
Cash and Investment Summary  
9/30/18

	BALANCE	% OF TOTAL	AVERAGE REMAINING LIFE DAYS	WGHTD. AVG. YIELD
<b><u>Agency Funds</u></b>				
Cash & Sweep Account	\$ 1,939,058	1.26%	-	1.945%
LAIF *	29,609,705	19.37%	-	2.063%
LACPIF	25,773,148	16.87%	-	1.890%
Federal Agencies	78,500,000	51.39%	791	1.578%
Total Agency	<u>135,821,911</u>			
<b><u>Capital Improvement Project Funds</u></b>				
Cash & Sweep Account	\$ 1,414,250	0.93%	-	1.945%
LAIF	5,551,547	3.63%	-	2.063%
Federal Agencies	10,000,000	6.55%	706	2.006%
Total CIP	<u>16,965,797</u>			
<b>Total Cash and Investment</b>	<u>\$ 152,787,708</u>	<u>100.00%</u>		1.778%

\* Regional division's LAIF investments include SCWD pass through investment of \$13,593,462. SCWD also shows this amount on their division's monthly investment report.

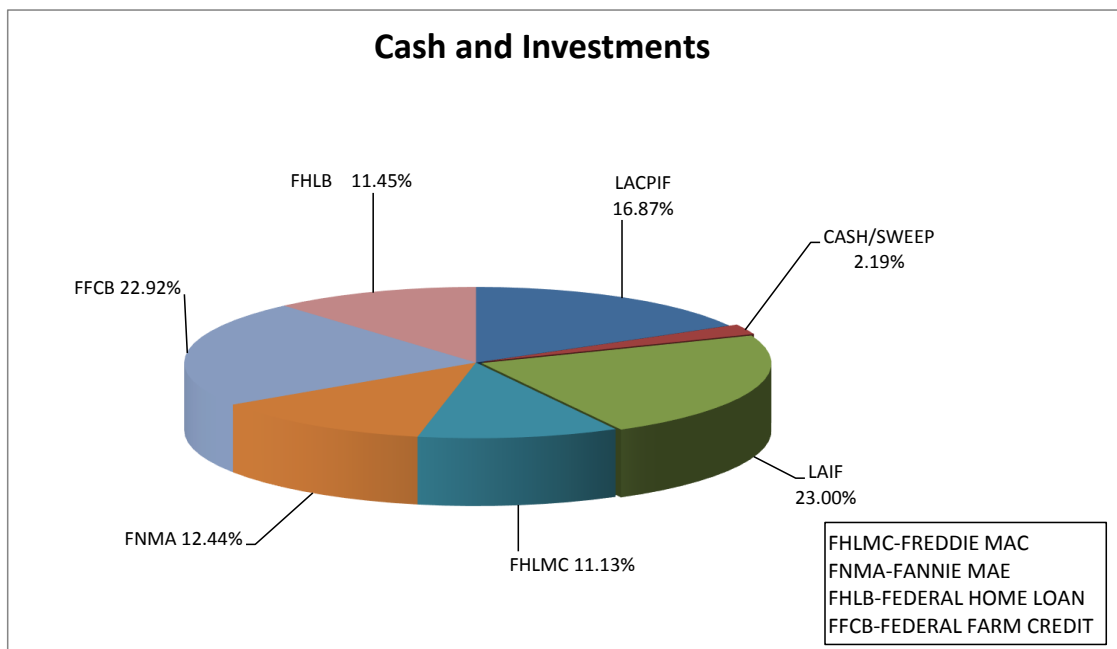
I certify that all investment actions executed since the last investment report have been made in full compliance with the Investment Policy as adopted by the Board of Directors, and that the Agency will meet its expenditure obligations for the next 6 months as required by Government Code Section 53646(b)(2) and (3), respectively.



Rochelle Patterson  
Director of Finance and Administration/Treasurer



Amy Aguer  
Controller



9/30/18

**Regional Division General Funds Invested:**

<u>Description</u>	<u>Par Value</u>	<u>Rate</u>	<u>Yield</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Life Days</u>	<u>Rem. Days</u>	<u>Average Interest</u>	
<b>Federal Government Agency Investment Portfolio</b>									
FFCB	5,000,000	1.030%	1.030%	07/05/16	04/05/19	1004	187	51,500	#
FHLB	5,000,000	1.200%	1.200%	10/31/16	10/11/19	1075	376	60,000	#
FFCB	5,000,000	1.300%	1.300%	05/25/16	11/25/19	1279	421	65,000	#
FFCB	2,500,000	1.240%	1.240%	07/13/16	01/13/20	1279	470	31,000	#
FHLB	5,000,000	1.450%	1.450%	03/30/16	03/30/20	1461	547	72,500	#
FFCB	5,000,000	1.470%	1.470%	06/29/16	06/29/20	1461	638	73,500	#
FNMA	6,000,000	1.500%	1.500%	06/30/16	09/29/20	1552	730	90,000	#
FHLMC	5,000,000	1.750%	1.750%	04/26/17	10/26/20	1279	757	87,500	#
FNMA	8,000,000	1.750%	1.750%	10/30/15	10/29/20	1826	760	140,000	#
FFCB	5,000,000	1.350%	1.350%	11/02/16	11/02/20	1461	764	67,500	#
FFCB	5,000,000	1.440%	1.440%	07/16/16	01/19/21	1648	842	72,000	#
FHLMC	2,000,000	2.900%	2.900%	07/30/18	07/30/21	1096	1034	58,000	#
FNMA	5,000,000	1.550%	1.550%	08/24/16	08/24/21	1826	1059	77,500	#
FHLMC	5,000,000	2.000%	2.000%	04/27/17	04/27/22	1826	1305	100,000	#
FHLMC	5,000,000	2.100%	2.100%	04/27/17	04/27/22	1826	1305	105,000	#
FHLB	5,000,000	1.750%	1.750%	09/29/17	09/29/22	1826	1460	87,500	#

\$ 78,500,000

12655 1,238,500

Weighted Avg Yield 1.578%

Avg Remaining Life 791 Days

**Regional Division CIP Funds Invested:**

<u>Description</u>	<u>Par Value</u>	<u>Rate</u>	<u>Yield</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Life Days</u>	<u>Rem. Days</u>	<u>Average Interest</u>	
<b>Federal Government Agency Investment Portfolio</b>									
FFCB	5,000,000	1.360%	1.360%	06/20/16	02/18/20	1338	506	68,000	#
FFCB	2,500,000	2.625%	2.625%	04/30/18	08/03/20	826	673	65,625	#
FHLB	2,500,000	2.680%	2.680%	04/30/18	04/26/21	1092	939	67,000	#

\$ 10,000,000

3256 2118 200,625

Weighted Avg Yield 2.006%

Avg Remaining Life 706 Days

# Callable  
Cash & Sweep Account, LAIF, and LACPIF are liquid investments.

Newhall Water Division  
 Cash and Investment Summary  
 As of September 30, 2018

<b>Operating and Reserve Funds</b>	Balance	Percent of Total	Average Remaining Life Days	Weighted Avg. Yield
Checking Account	\$ 1,309,074	11.83%		n/a
LAIF	7,513,836	67.92%		2.16%
UBS Certificates of Deposit	2,240,000	20.25%	723	2.08%
<b>Total</b>	<b>\$ 11,062,910</b>	<b>100.00%</b>		

<b>Total Cash and Investment</b>	<b>\$ 11,062,910</b>	<b>100.0%</b>		
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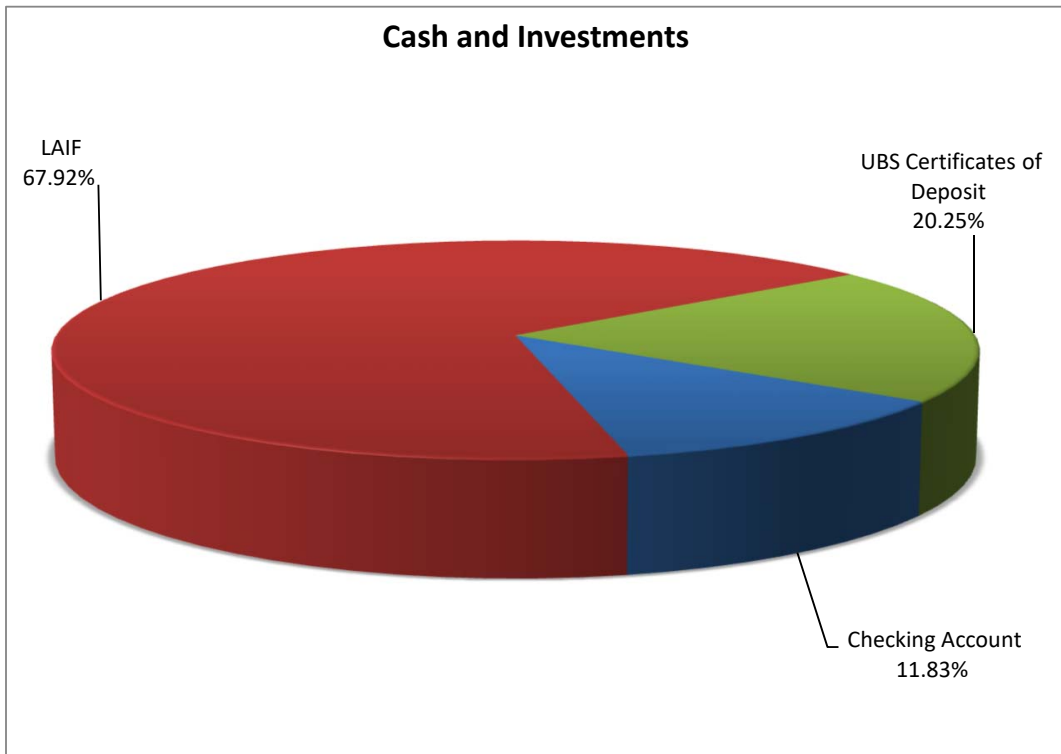


Rochelle Patterson  
 Director of Finance and Administration/Treasurer



Amy Aguer  
 Controller

I certify that the investments of the Newhall Water Division are in compliance with the Investment Policy as adopted by the Board of Directors, and that the Division has the ability to meet the expenditure requirements for the next 6 months.



NEWHALL WATER DIVISION  
As of September 30, 2018

<u>Description</u>	<u>Rate</u>	<u>Yield</u>	<u>Market Value</u>
Mission Valley Bank Checking Account	N/A	N/A	\$ 1,309,074
Local Agency Investment Fund (LAIF)	2.16%	2.16%	7,513,836
			<b><u>\$ 8,822,910</u></b>

<u>Description</u>	<u>Par</u>	<u>Rate</u>	<u>Yield</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Average Remaining Days</u>	<u>Average Interest</u>
<u>UBS Certificates of Deposit</u>							
Bank of Baroda NY US	200,000	2.05%	2.05%	10/28/13	11/13/18	44	4,100
Barclays Bank DE US	240,000	2.05%	2.05%	07/11/14	07/16/19	289	4,920
Comenity Bank DE US	200,000	2.15%	2.15%	10/23/14	10/29/19	394	4,300
Capital One Bank VA US	100,000	1.90%	1.90%	10/29/15	11/04/19	400	1,900
BMW Bank UT US	200,000	2.19%	2.19%	10/29/15	10/16/20	381	4,380
American Express C UT US	200,000	2.25%	2.25%	10/29/15	11/04/20	400	4,500
Capital One Bank VA US	200,000	2.14%	2.14%	10/29/15	03/31/21	912	4,280
World's Foremost B NE US	200,000	1.81%	1.81%	03/24/16	03/31/21	912	3,620
JP Morgan Chase Bank DE US	100,000	1.75%	1.75%	09/26/16	09/30/21	1,095	1,750
Wells Fargo Bank NA SD US	200,000	1.81%	1.81%	10/27/16	11/02/21	1,128	3,620
State Bank of India NY US	200,000	2.25%	2.25%	01/30/17	02/09/22	1,227	4,500
Goldman Sachs Bank NY US	200,000	2.36%	2.36%	10/24/17	11/01/22	1,492	4,720
	<b><u>\$ 2,240,000</u></b>					<b><u>723</u></b>	<b><u>\$ 46,590</u></b>

**NCWD Total Cash and Investments**

Santa Clarita Water Division  
Cash and Investment Summary  
As of September 30, 2018

<b>SCWD*</b>	Balance	Percent of Total	Maximum Concentration Allowed	Average Remaining Life Days	Weighted Avg. Yield
Retail Division Cash and Sweep	\$ 5,007,079	10.8%	n/a		1.95%
Wells Fargo Government I 1751 MMF	400,650	0.8%	10%		1.83%
FNMA Bond	3,000,000	6.5%	100%	561	1.52%
FFCB Bond	6,250,000	13.5%	100%	964	2.32%
FHLB Bond	5,000,000	10.8%	100%	926	1.83%
FMCC Bond	4,500,000	9.7%	100%	919	2.52%
Wells Fargo Bank Note	1,000,000	2.2%	100%	267	1.75%
California State Taxable Municipal Bond	1,500,000	3.2%	30%	763	2.30%
United States Treasury bill	500,000	1.1%	n/a	319	2.30%
LAIF	13,593,462	29.4%	State Max		2.06%
Wells Fargo Certificates of Deposit	5,550,000	12.0%	30%	582	1.96%
<b>Total</b>	<b>\$ 46,301,191</b>	<b>100.00%</b>			

**Total Cash and Investment\*\*                    \$ 46,301,191                    100.0%**

\* See SCWD Portfolio on next page for detailed descriptions.

\*\* Total for SCWD includes estimated \$2,663,751 in refundable Developer Deposits.

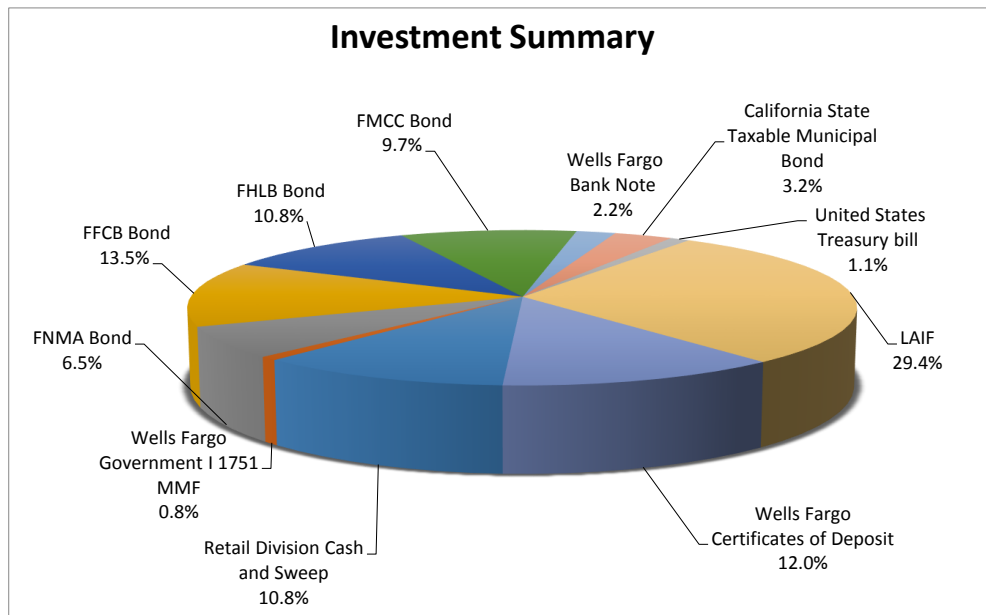
I certify that the investments of the Santa Clarita Water Division are in compliance with the Investment Policy as adopted by the Board of Directors, and that the Division has the ability to meet the expenditure requirements for the next 6 months.



Rochelle Patterson  
Director of Finance and Administration/Treasurer



Elizabeth Ooms-Graziano  
Retail Administrative Officer



Santa Clarita Water Division  
Cash and Investment Summary  
As of September 30, 2018

<u>Description</u>	<u>Balance</u>	<u>Rate</u>	<u>Yield</u>
Cash and Sweep (Cash in Bank)	\$ 5,007,079	1.95%	1.95%
Local Agency Investment Fund (LAIF)	13,593,462	2.06%	2.06%
Wells Fargo Government I 1751 Money Market Fund (MMF)	400,650	1.83%	1.83%
	<u><b>\$ 19,001,191</b></u>		

<u>Description</u>	<u>Par</u>	<u>Rate</u>	<u>Yield</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Life Days</u>	<u>Remaining Days</u>	<u>Average Interest</u>
<u>Federal Government Agency Investment Portfolio</u>								
Federal Farm Credit Bank <sup>†</sup> (FFCB)	1,000,000	1.03%	1.03%	07/05/16	04/05/19	1,004	187	10,300
Federal Farm Credit Bank <sup>†</sup> (FFCB)	1,000,000	1.14%	1.14%	07/07/16	10/07/19	1,187	372	11,400
Fannie Mae <sup>†</sup> (FNMA)	1,000,000	1.30%	1.30%	05/25/16	11/25/19	1,279	421	13,000
Fannie Mae <sup>†</sup> (FNMA)	1,000,000	1.50%	1.50%	12/16/16	03/16/20	1,186	533	15,000
Federal Home Loan Bank <sup>†</sup> (FHLB)	2,000,000	1.75%	1.75%	01/30/17	07/30/20	1,277	669	35,000
Freddie Mac (FHLMC)	1,000,000	2.70%	2.70%	09/21/18	09/21/20	731	722	27,000
Fannie Mae <sup>†</sup> (FNMA)	1,000,000	1.75%	1.75%	12/28/16	09/28/20	1,370	729	17,500
Federal Home Loan Bank <sup>†</sup> (FHLB)	1,500,000	1.38%	1.38%	07/13/16	10/13/20	1,553	744	20,625
Freddie Mac (FHLMC)	1,500,000	2.13%	2.13%	12/29/17	06/29/21	1,278	1,003	31,875
Freddie Mac (FHLMC)	2,000,000	2.73%	2.73%	04/06/18	07/27/21	1,208	1,031	54,600
Federal Farm Credit Bank <sup>†</sup> (FFCB)	2,000,000	2.87%	2.87%	05/16/18	11/15/21	1,279	1,142	57,400
Federal Farm Credit Bank <sup>†</sup> (FFCB)	1,250,000	3.12%	3.12%	06/27/18	06/27/22	1,461	1,366	39,000
Federal Home Loan Bank <sup>†</sup> (FHLB)	1,500,000	2.38%	2.38%	12/14/17	12/13/22	1,825	1,535	35,625
Federal Farm Credit Bank <sup>†</sup> (FFCB)	1,000,000	2.66%	2.66%	01/30/18	01/30/23	1,826	1,583	26,600
	<u><b>\$ 18,750,000</b></u>						<u><b>860</b></u>	<u><b>\$ 28,209</b></u>

<sup>†</sup> Callable

<u>Description</u>	<u>Par</u>	<u>Rate</u>	<u>Yield</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Life Days</u>	<u>Remaining Days</u>	<u>Average Interest</u>
Wells Fargo Bank Note	\$ 1,000,000	1.75%	1.75%	12/9/2016	5/24/2019	896	267	\$ 17,500
	<u><b>\$ 1,000,000</b></u>						<u><b>267</b></u>	<u><b>\$ 17,500</b></u>

<u>Description</u>	<u>Par</u>	<u>Rate</u>	<u>Yield</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Life Days</u>	<u>Remaining Days</u>	<u>Average Interest</u>
California State Taxable Municipal Bond	\$ 1,500,000	2.30%	2.30%	1/29/2018	10/1/2020	976	763	\$ 34,500
	<u><b>\$ 1,500,000</b></u>						<u><b>763</b></u>	<u><b>\$ 34,500</b></u>

<u>Description</u>	<u>Par</u>	<u>Disc. Rate</u>	<u>Yield</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Life Days</u>	<u>Remaining Days</u>	<u>Average Interest</u>
United States Treasury Bill	\$ 500,000	2.30%	2.37%	8/28/2018	8/15/2019	352	319	\$ 11,500
	<u><b>\$ 500,000</b></u>						<u><b>319</b></u>	<u><b>\$ 11,500</b></u>

Note: Cash and Sweep, LAIF and Wells Fargo Money Market Fund are liquid investments.



<u>Description</u>	<u>Par</u>	<u>Rate</u>	<u>Yield</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Life Days</u>	<u>Remaining Days</u>	<u>Average Interest</u>
<u>Wells Fargo Certificates of Deposit</u>								
GE Capital Bank	250,000	1.90%	1.90%	10/17/14	10/17/18	1,461	17	4,750
Republic Bank & Trust	250,000	1.80%	1.80%	10/22/14	10/22/18	1,461	22	4,500
First Sentry Bank	250,000	1.50%	1.50%	10/24/14	10/24/18	1,461	24	3,750
Investors Bank	250,000	1.35%	1.35%	12/16/16	12/17/18	731	78	3,375
Enerbank	250,000	1.70%	1.70%	12/18/14	12/18/18	1,461	79	4,250
Third Federal Savings & Loan	250,000	1.65%	1.65%	03/28/14	12/28/18	1,736	89	4,125
Sallie Mae Bank Interest	250,000	1.45%	1.45%	02/03/16	02/04/19	1,097	127	3,625
Private Bank & Trust Co Chicago	250,000	1.10%	1.10%	05/20/16	05/20/19	1,095	232	2,750
BMW Bank NY	50,000	1.95%	1.95%	06/20/14	06/20/19	1,826	263	975
Discover Bank	250,000	2.00%	2.00%	07/02/14	07/02/19	1,826	275	5,000
Centennial Bank Conway	250,000	1.20%	1.20%	05/20/16	11/20/19	1,279	416	3,000
Everbank/Jacksonville FL	250,000	1.45%	1.45%	12/09/16	12/09/19	1,095	435	3,625
American Exp Centurion	50,000	2.20%	2.20%	12/11/14	12/11/19	1,853	437	1,100
Capital One Bank, NA	50,000	2.30%	2.30%	07/23/15	07/29/20	1,833	668	1,150
Capital One Bank USA, NA	250,000	1.85%	1.85%	12/07/16	12/07/20	1,461	799	4,625
Mercantil Commercebank	250,000	1.90%	1.90%	12/16/16	12/16/20	1,461	808	4,750
Ally Bank	250,000	2.15%	2.15%	12/21/17	12/21/20	1,096	813	5,375
Morgan Stanley Bank	250,000	2.15%	2.15%	12/21/17	12/21/20	1,096	813	5,375
Merrick Bank	250,000	2.25%	2.25%	01/30/18	01/29/21	1,095	852	5,625
Eagle Bank	250,000	2.85%	2.85%	09/07/18	03/08/21	926	903	7,125
First Internet Bank	250,000	2.20%	2.20%	12/18/17	12/17/21	1,460	1,174	5,500
BMO Harris Bank	250,000	2.80%	2.80%	04/13/18	04/13/22	1,461	1,291	7,000
JP Morgan Chase Bank	150,000	2.85%	2.85%	04/17/18	04/17/22	1,461	1,295	4,275
American Express Bank FSB	250,000	2.35%	2.35%	05/03/17	05/03/22	1,845	1,311	5,875
Citibank	250,000	3.00%	3.00%	05/16/18	05/23/22	1,468	1,331	7,500
	<b>\$ 5,550,000</b>						<b>582</b>	<b>\$ 109,000</b>
<b>SCWD Total Cash and Investments</b>	<b>\$ 46,301,191</b>							

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**Santa Clarita Valley Water Agency  
Valencia Water Division  
As of September 30, 2018  
Investment Report**

	<b>Current Balance</b>	<b>Percent of Total</b>	<b>Average Remaining Life Days</b>	<b>Weighted Average Yield</b>
Wells Fargo Cash and Sweep	\$7,171,176	52.5%	n/a	0.25%
Certificates of Deposit	\$2,800,000	20.5%	454	2.45%
Commercial Paper	\$3,000,000	22.0%	109	2.34%
Corporate Bond	\$692,034	5.1%	218	0.52%
<b>Total Cash and Investment</b>	<b><u>\$13,663,210</u></b>	<b><u>100.0%</u></b>		

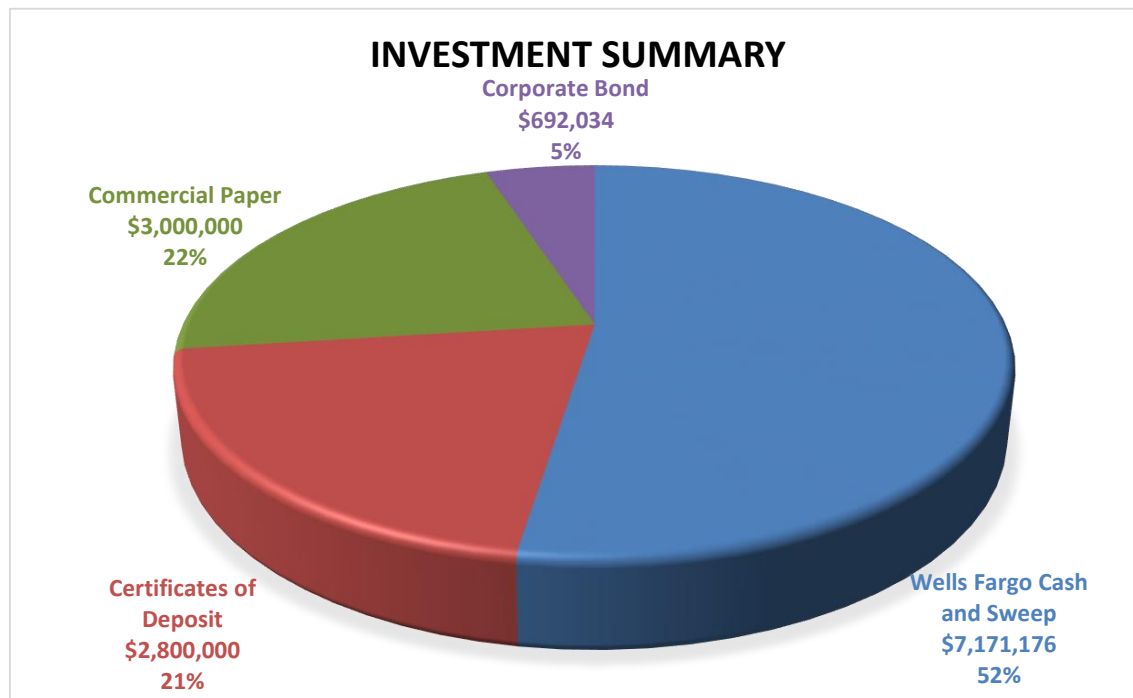
I certify that the investments of the Valencia Water Division are in compliance with the Investment Policy as adopted by the Board of Directors, and that the Division has the ability to meet the expenditure requirement for the next 6 months.



Rochelle Patterson  
Director of Finance and Administration, Treasurer



Kim Grass  
Accounting Manager



**Valencia Water Division  
As of September 30, 2018**

<u>Description</u>	<u>Rate</u>	<u>Yield</u>					<u>Market Value</u>	
Wells Fargo Cash and Sweep	0.25%	0.25%					\$7,171,176	
<u>Description</u>	<u>Par</u>	<u>Rate</u>	<u>Yield</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Life Days</u>	<u>Remaining Days</u>	<u>Average Interest</u>
							9/30/2018	
<b>Certificates of Deposit</b>								
FIFTH THIRD BANK	250,000.00	1.950%	1.950%	5/23/2018	11/23/2018	184	54	4,875
GOLDMAN SACHS BANK USA	50,000.00	1.700%	1.700%	12/18/2015	12/18/2018	1096	79	850
NEW YORK COMMUNITY BANK	250,000.00	2.050%	2.050%	5/25/2018	2/25/2019	276	148	5,125
FIRST DAKOTA NATIONAL BA	250,000.00	2.100%	2.100%	6/15/2018	3/15/2019	273	166	5,250
EAST-WEST BANK	250,000.00	2.300%	2.300%	6/29/2018	6/28/2019	364	271	5,750
MERCHANTS & MANUF BANK	250,000.00	2.250%	2.250%	7/11/2018	7/11/2019	365	284	5,625
MORGAN STANLEY PVT BANK	250,000.00	2.450%	2.450%	9/27/2018	9/27/2019	365	362	6,125
FRANKLIN SYNERGY BANK 2.5	250,000.00	2.500%	2.500%	9/26/2018	11/26/2019	426	422	6,250
DRUMMOND COMMUNITY BANK 2	250,000.00	2.600%	2.600%	9/25/2018	3/25/2020	547	542	6,500
BNY Mellon NA	250,000.00	2.800%	2.800%	9/24/2018	9/24/2020	731	725	7,000
STEARNS BANK NA	250,000.00	2.950%	2.950%	7/6/2018	7/6/2021	1096	1010	7,375
COMENITY CAPITAL BANK	250,000.00	3.150%	3.150%	7/16/2018	7/18/2022	1463	1387	7,875
	<b><u>2,800,000.00</u></b>						<b><u>454</u></b>	<b><u>5,717</u></b>
<b>Commercial Paper</b>								
MALAYAN BANKING BHD/NY	1,000,000.00	2.260%	2.260%	5/17/2018	11/13/2018	180	44	22,600
MUFG BANK LTD/NY	1,000,000.00	2.280%	2.280%	5/17/2018	2/11/2019	270	134	22,800
COMMERCIAL BANK PSQC	1,000,000.00	2.468%	2.468%	6/1/2018	2/25/2019	269	148	24,680
	<b><u>3,000,000.00</u></b>						<b><u>109</u></b>	<b><u>23,360</u></b>
<b>Corporate Bond</b>								
MUFG UNION BANK NA	692,034.06	2.250%	2.250%	9/20/2018	5/6/2019		218	15,571
	<b><u>692,034.06</u></b>						<b><u>218</u></b>	<b><u>15,571</u></b>
	<b><u>6,492,034.06</u></b>							

# Check Registers

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# SCVWA - Regional Division

## Check Register Report

From: Sep 1, 2018 to Sep 30, 2018

Vendor Name	Description	Amount
A.V. EQUIPMENT RENTAL, INC.	BOOM LIFT-CAMERA PROJ	448.61
<b>A.V. EQUIPMENT RENTAL, INC.</b>		<b>448.61</b>
ACWA/JPIA	CLAIM REIMB #17-0978	200.00
	COBRA-BM OCT.	18.56
	COBRA-CH OCT.	18.56
	COBRA-JB OCT.	-37.12
	COBRA-KF OCT.	18.56
	COBRA-SA OCT.	338.01
	PROPERTY PROGRAM-NWD	15,373.00
	REGIONAL DENTAL-OCT.	10,811.50
	REGIONAL EAP OCT.	197.40
	REGIONAL LIFE-OCT.	2,122.27
	REGIONAL RETIREE-DNTL	2,467.52
	REGIONAL VISION-OCT.	1,559.04
	SCWD DENTAL-OCT.	6,350.68
	SCWD EAP OCT.	117.50
	SCWD LIFE-OCT.	1,025.87
	SCWD RETIREE-DNTL	886.27
	SCWD VISION-OCT.	928.00
	VWD DENTAL-OCT.	4,474.75
	VWD EAP OCT.	91.65
	VWD LIFE-OCT.	1,101.52
	VWD VISION-OCT.	723.84
<b>ACWA/JPIA</b>		<b>48,787.38</b>
AFLAC	SCVWA AUG 2018	7,071.12
	SCVWA SEPT. 2018	7,071.12
<b>AFLAC</b>		<b>14,142.24</b>
AK PRINTING AND DESIGN	POSTCARDS	82.13
<b>AK PRINTING AND DESIGN</b>		<b>82.13</b>
ALMA ESTRELLA TORRES FUERTE	POOL COVER REBATE	199.99
<b>ALMA ESTRELLA TORRES FUERTE</b>		<b>199.99</b>
AM CONSERVATION GROUP, INC.	SHOWERHEADS,METERS	3,444.61
<b>AM CONSERVATION GROUP, INC.</b>		<b>3,444.61</b>
AMERICAN WATER WORKS ASSOCIATION	ENGINEERING MANUALS	2,275.04
<b>AMERICAN WATER WORKS ASSOCIATION</b>		<b>2,275.04</b>
ANDY GUMP, INC.	HOLDING TANK 7/2-7/29	247.00
	HOLDING TANK7/30-8/26	247.00
	HOLDING TANK8/27-9/23	347.00
<b>ANDY GUMP, INC.</b>		<b>841.00</b>
ARAMARK UNIFORM SERVICE INC.	Apparel Rental and Maintenance	3,623.79
<b>ARAMARK UNIFORM SERVICE INC.</b>		<b>3,623.79</b>
ARIF MUHAMMAD	SMART CONTRLR REBATE	149.99
<b>ARIF MUHAMMAD</b>		<b>149.99</b>

# SCVWA - Regional Division

## Check Register Report

From: Sep 1, 2018 to Sep 30, 2018

Vendor Name	Description	Amount	
ARISTEA MANTIS	HR CONF EXP 8/26-29	584.48	
	HR CONF TRVL EXP 8/26	42.00	
	MILEAGE 8/26-29/18	66.92	
<b>ARISTEA MANTIS</b>		<b>693.40</b>	
AROUND THE CLOCK CALL CENTER	ANSWERING SRVC. AUG.	97.50	
<b>AROUND THE CLOCK CALL CENTER</b>		<b>97.50</b>	
AT&T	EARL SCHMIDT FILTRATION PLANT COMPUTER AUTODIALER	20.63	
	EARL SCHMIDT FILTRATION PLANT SERVICE 8/11-9/10	114.96	
	EARL SCHMIDT FILTRATION PLANT/ RIO VISTA WATER TREATMENT PLANT ALARMS	94.97	
	EARL SCHMIDT INTAKE PUMP STATION 8/11/18-9/10/18	20.63	
	IRRIGATION TELEMTRY	39.60	
	INTERGRATED SERVICE DIGITAL NETWORK EARL SCHMIDT FILTRATION PLANT TO RIO VISTA WATER TREATMENT PLANT	64.35	
	INTERGRATED SERVICE DIGITAL NETWORK- RIO VISTA TO EARL SCHIDT FILTRATION PLANT 8/11-	64.35	
	LAN SRVC 8/11-9/10	229.37	
	MODEM 8/11/18-9/10/18	39.60	
	PRIMARY INTERNET	1,278.97	
	RIO VISTA INTAKE PUMP STATION ALARM 8/11-9/10	58.57	
	RIO VISTA WATER TREATMENT PLANT ELEVATOR SRVC	20.63	
	RIO VISTA WATER TREATMENT PLANT SERVICE 297-1600	61.87	
	RVWTP SERVICE 297-1607-19	160.41	
	SAFETY/IT/EVENTS	20.64	
	T-1 INTERNET SEPT.	1,351.88	
	TURNOUTS TELEMTRY	115.63	
	WAREHOUSE/SUMMIT	849.79	
	<b>AT&amp;T</b>		<b>4,606.85</b>
	AWA OF VENTURA COUNTY	AWA/CCWUC 9/26-SC	35.00
<b>AWA OF VENTURA COUNTY</b>		<b>35.00</b>	
AWARDS, TROPHIES & TREASURES	EMPLOYEE NAME PLATES	81.65	
	RETIREMENT DROP-VP	121.55	
<b>AWARDS, TROPHIES &amp; TREASURES</b>		<b>203.20</b>	
BARBARA CAWLEY	4/5TH GRADE SUPPLIES	42.84	
	ENV. SCIENCE SUPPLIES	16.41	
<b>BARBARA CAWLEY</b>		<b>59.25</b>	
BARRINGTON STAFFING SERVICES	PERA W/E 8/12/18	93.00	
	PERA W/E 8/26/18	93.00	
<b>BARRINGTON STAFFING SERVICES</b>		<b>186.00</b>	
BAY ALARM COMPANY	ACCESS CNTRL 9/1-12	60.00	
	JULY ALARM SERVICE	37.80	
	SEPT. ALARM SERVICE	37.80	
<b>BAY ALARM COMPANY</b>		<b>135.60</b>	



# SCVWA - Regional Division

## Check Register Report

From: Sep 1, 2018 to Sep 30, 2018

Vendor Name	Description	Amount
BEST BEST & KRIEGER LLP	ANNEXATIONS JULY 2018	1,801.80
	BIDDING REQUIREMENTS	6,822.40
	CAPACITY FEES JULY	2,402.40
	CASTAIC CONDUIT	343.20
	DEVILS DEN JULY 18	200.20
	GENERAL LEGAL AUG.	7,972.24
	GENERAL LEGAL JULY	8,749.00
	GROUNDWATER SUSTAINABILITY AGENCY JULY	2,431.00
	MAGIC MTN. PIPELINE	335.40
	PUB. RECORDS REQUEST	286.00
	SWC LEGAL COMM. JULY	52.00
	VWC DISOLUTION	214.03
	WATERFIX LITIGATION	1,021.80
	WATERSHED INITIATIVE	17,804.30
	<b>BEST BEST &amp; KRIEGER LLP</b>	
BRANDON ZVARA	D3 EXAM 8/12-17/18	101.66
	MILEAGE 8/12-17/18	372.24
<b>BRANDON ZVARA</b>		<b>473.90</b>
BRYANT G. MCANNALLY	SMART CONTRLR REBATE	150.00
<b>BRYANT G. MCANNALLY</b>		<b>150.00</b>
BURRTEC WASTE INDUSTRIES INC.	AUG. SERVICES	339.30
	SEPT. SERVICES	339.30
<b>BURRTEC WASTE INDUSTRIES INC.</b>		<b>678.60</b>
CALIFORNIA ADVOCATES, INC.	Legislative Analysis	16,000.00
<b>CALIFORNIA ADVOCATES, INC.</b>		<b>16,000.00</b>
CALPERS	OPEB CONTRIBUTION: JUL TO SEPT 2018 QTR	373,401.13
<b>CALPERS</b>		<b>373,401.13</b>
CANON SOLUTIONS AMERICA, INC.	C9065-CU 7/22-8/21/18	1,187.17
	IR4545-CU 5/16-8/15	9.72
<b>CANON SOLUTIONS AMERICA, INC.</b>		<b>1,196.89</b>
CANYON RADIATOR AUTO REPAIR, INC.	PARTS/LABOR UNIT# I64	186.68
<b>CANYON RADIATOR AUTO REPAIR, INC.</b>		<b>186.68</b>
CASITAS MUNICIPAL WATER DISTRICT	FLEXIBLE STORAGE FEE	17,888.00
<b>CASITAS MUNICIPAL WATER DISTRICT</b>		<b>17,888.00</b>
CCFST	SS TUBING/FITTINGS	497.25
<b>CCFST</b>		<b>497.25</b>
CDW GOVERNMENT, INC	EPSON PROJECTOR	456.01
<b>CDW GOVERNMENT, INC</b>		<b>456.01</b>
CED, INC.	4000 BTU 115V A/C	3,631.02
<b>CED, INC.</b>		<b>3,631.02</b>
CHANNING BETE COMPANY, INC.	1ST/2ND GRD GIVEAWAYS	3,492.93
<b>CHANNING BETE COMPANY, INC.</b>		<b>3,492.93</b>
CHERYL FOWLER	GRANT CLASS EXP.-CF	499.13
	MILEAGE 8/14-16/18	88.51
<b>CHERYL FOWLER</b>		<b>587.64</b>

# SCVWA - Regional Division

## Check Register Report

From: Sep 1, 2018 to Sep 30, 2018

Vendor Name	Description	Amount
CHEVRON AND TEXACO CARD SVCS	GASOLINE THRU 9/5/18	5,822.91
<b>CHEVRON AND TEXACO CARD SVCS</b>		<b>5,822.91</b>
CIVILTEC ENGINEERING INC.	E1718-027 THRU 8/3/18-PLAN REVIEW CHECKLIST	16,300.00
<b>CIVILTEC ENGINEERING INC.</b>		<b>16,300.00</b>
CLARK BROS. INC.	PROGRESS PAYMENT #15 THRU 8/20/18-CLEARWELL CT IMPROVEMENTS PROJECT 200105E	77,550.00
	PROGRESS PAYMENT #15RETENTION-TRUST-CLEARWELL CT IMPROVEMENTS PROJECT 200105E	-3,877.50
<b>CLARK BROS. INC.</b>		<b>73,672.50</b>
CMJ INFORMATION TECHNOLOGY INC.	MAINT/SUPPORT JULY 18	900.00
	MAINT/SUPPORT JUNE 18	900.00
<b>CMJ INFORMATION TECHNOLOGY INC.</b>		<b>1,800.00</b>
COLE-PARMER INSTRUMENT INC.	TYGON TUBING	354.23
<b>COLE-PARMER INSTRUMENT INC.</b>		<b>354.23</b>
CONTRACTOR COMPLIANCE & MONITORING	Labor Compliance Program-Grant funded Projects	2,370.00
<b>CONTRACTOR COMPLIANCE &amp; MONITORING</b>		<b>2,370.00</b>
COPPER EAGLE PATROL & SECURITY	BROKEN GATE-GUARD	396.00
	CONCERT GUARD JULY	400.00
	GARDEN GUARD JULY	1,232.00
	GARDEN GUARD JUNE	1,446.50
	JULY MEETINGS	400.00
	JUNE MEETINGS	500.00
	MAIN GATE GUARD JULY	5,123.25
	MAIN GATE GUARD JUNE	5,123.25
	PATROL SERVICE JULY	3,135.00
<b>COPPER EAGLE PATROL &amp; SECURITY</b>		<b>17,756.00</b>
CUSTOM CATERERS	BOD DINNER 10/2/18	591.30
<b>CUSTOM CATERERS</b>		<b>591.30</b>
CUSTOM WATER	19 PALLETS BOTTLE H2O	11,528.44
	LABELS-BOTTLED H2O	1,403.28
<b>CUSTOM WATER</b>		<b>12,931.72</b>
CV STRATEGIES	COMM. SERVICES JULY	1,945.00
<b>CV STRATEGIES</b>		<b>1,945.00</b>
CYNTHIA BRADY	ENV. SCIENCE COOKIES	14.00
<b>CYNTHIA BRADY</b>		<b>14.00</b>
DATALINK NETWORKS, INC	FACILITY CAPACITY FEE PROJECT AUG.	28,500.00
<b>DATALINK NETWORKS, INC</b>		<b>28,500.00</b>
DEAN EFSTATHIOU	URBAN WATER INSTITUTE CONF. EXP 8/22-24	296.99
	URBAN WATER INSTITUTE EXP 8/22-24	156.26
<b>DEAN EFSTATHIOU</b>		<b>453.25</b>
DEPARTMENT OF TOXIC SUBSTANCES	WHITTAKER OFFSITE	168.85
<b>DEPARTMENT OF TOXIC SUBSTANCES</b>		<b>168.85</b>
DEPARTMENT OF WATER RESOURCES	CO.# 160213 SEPT 2018	1,004,152.00
	JULY DWR VARIABLE	920,718.00
<b>DEPARTMENT OF WATER RESOURCES</b>		<b>1,924,870.00</b>
DESERT BUSINESS INTERIORS LLC	OFFICE FURNITURE	2,570.18
<b>DESERT BUSINESS INTERIORS LLC</b>		<b>2,570.18</b>

# SCVWA - Regional Division

## Check Register Report

From: Sep 1, 2018 to Sep 30, 2018

Vendor Name	Description	Amount
DONALD MIOD	SMART CONTRLR REBATE	109.00
<b>DONALD MIOD</b>		<b>109.00</b>
DROPLET TECHNOLOGIES, LLC.	Financial Advisor Services	20,292.00
<b>DROPLET TECHNOLOGIES, LLC.</b>		<b>20,292.00</b>
EDWARD GLADBACH	ASSOCIATION CALIFORNIA WATER AGENCIES CONF TRVL 7/27	664.16
	ASSOCIATION CALIFORNIA WATER AGENCIES MTG TRVL 8/10	606.66
	ASSOCIATION CALIFORNIA WATER AGENCIES TRAVEL EXP. 8/28	651.68
	NATIONAL WATER RESOURCES ASSOCIATION EXP. 7/31-8/4	984.82
	NATIONAL WATER RESOURCES ASSOCIATION REGISTRATION	625.00
	NATIONAL WATER RESOURCES ASSOCIATION TRVL 7/31-8/4	885.37
<b>EDWARD GLADBACH</b>		<b>4,417.69</b>
EDWARD RAYMOND LANGNESS	SMART CONTRLR REBATE	150.00
<b>EDWARD RAYMOND LANGNESS</b>		<b>150.00</b>
EMPLOYEE RELATIONS, INC.	BACKGROUND CHECKS	707.55
<b>EMPLOYEE RELATIONS, INC.</b>		<b>707.55</b>
EMPLOYMENT DEVELOPMENT DEPT.	EMPLOYEE WITHHOLDING 9/21/18	404.55
	EMPLOYEE WITHHOLDING 9/7/18	404.55
<b>EMPLOYMENT DEVELOPMENT DEPT.</b>		<b>809.10</b>
ERIC CAMPBELL	FINGERPRINTING 8/10	23.00
<b>ERIC CAMPBELL</b>		<b>23.00</b>
ERIK LOYER	SMART CONTRLR REBATE	99.00
<b>ERIK LOYER</b>		<b>99.00</b>
ERNESTO VELAZQUEZ	MILEAGE 8/21-22/18	95.48
	WESTERN REG CONF 8/21-	23.23
<b>ERNESTO VELAZQUEZ</b>		<b>118.71</b>
ERNST & YOUNG LLP - 072	PROGRESS BILL- SWC AUDIT	5,849.00
<b>ERNST &amp; YOUNG LLP - 072</b>		<b>5,849.00</b>
EUROFINS EATON ANALYTICAL, INC.	PERCHLORATE 6/22/18	2,670.00
<b>EUROFINS EATON ANALYTICAL, INC.</b>		<b>2,670.00</b>
EVOQUA WATER TECHNOLOGIES, LLC.	DI TANK RNTL 7/1-9/30	97.54
<b>EVOQUA WATER TECHNOLOGIES, LLC.</b>		<b>97.54</b>
FAIR POLITICAL PRACTICES COMMISSION	CERTIFICATION FEE	1,000.00
<b>FAIR POLITICAL PRACTICES COMMISSION</b>		<b>1,000.00</b>
FEDEX	DELIVERY THRU 7/12	127.61
	DELIVERY THRU 7/24	39.10
	DELIVERY THRU 7/26	38.31
	DELIVERY THRU 8/6	67.89
<b>FEDEX</b>		<b>272.91</b>
FIELDMAN, ROLAPP & ASSOCIATES, INC.	Financial Advisor Services	3,307.81
<b>FIELDMAN, ROLAPP &amp; ASSOCIATES, INC.</b>		<b>3,307.81</b>
FLEETCOR TECHNOLOGIES, INC.	GASOLINE THRU 8/31/18	32.12
<b>FLEETCOR TECHNOLOGIES, INC.</b>		<b>32.12</b>

# SCVWA - Regional Division

## Check Register Report

From: Sep 1, 2018 to Sep 30, 2018

Vendor Name	Description	Amount
FRANCHISE TAX BOARD	EMPLOYEE WITHHOLDINGS 8/24/18	60.00
	EMPLOYEE WITHHOLDINGS 9/21/18	100.00
	EMPLOYEE WITHHOLDINGS 9/7/18	160.00
<b>FRANCHISE TAX BOARD</b>		<b>320.00</b>
GARDENSOFT	WEBSITE UPDATES	1,650.00
<b>GARDENSOFT</b>		<b>1,650.00</b>
GATES FIBERGLASS INSTALLERS, INC.	BLEACH TANK REPAIR ES	22,998.00
<b>GATES FIBERGLASS INSTALLERS, INC.</b>		<b>22,998.00</b>
GOVERNMENT TAX SEMINARS, LLC	TAX SEMIN.-ACTG STAFF	1,975.00
<b>GOVERNMENT TAX SEMINARS, LLC</b>		<b>1,975.00</b>
GRAINGER, INC.	WIRE TERMINAL KITS	249.30
<b>GRAINGER, INC.</b>		<b>249.30</b>
GSE CONSTRUCTION COMPANY INC.	PROGRESS PAYMENT#13 THRU 9/15/18	122,503.45
<b>GSE CONSTRUCTION COMPANY INC.</b>		<b>122,503.45</b>
GSI WATER SOLUTIONS, INC.	Groundwater Model Conversion into MODFLOW Software	7,604.89
<b>GSI WATER SOLUTIONS, INC.</b>		<b>7,604.89</b>
HACH COMPANY	AMMONIA SALICYCLATE	490.40
	CHLORAMINE ANALYZER	20,919.43
	COLORIMETER ASSEMBLY	2,062.98
	CREDIT-RETURNED ITEMS	-3,931.55
	DESICCANT CARTRIDGE	221.94
	FA CHLOR SOL./ACCUVAC	282.45
	FILTER/PRESSURE REGUL	790.62
	ICE-PIC,CHLORINE RGNT	4,603.15
	MONOCHLOR REAGENT	341.92
	PH ELECTRODE SOL.	913.55
	PH PROBE	932.94
	REGULATOR	208.05
	SALT BRIDGE, BUFFER	256.35
	TEFLON STIR BAR	96.97
	TURBIDITYMTRS CNTRLR	36,658.53
TURBIDITYMTRS/CNTRLRS	25,358.45	
<b>HACH COMPANY</b>		<b>90,206.18</b>
HASA, INC.	Bulk 12.5% Solution Sodium Hypochlorite-(Bleach)	34,715.64
<b>HASA, INC.</b>		<b>34,715.64</b>
HEATHER MARTINEZ	POOL COVER REBATE	120.00
<b>HEATHER MARTINEZ</b>		<b>120.00</b>
HILL BROTHERS CHEMICAL CO.	Bulk 19% Ammonium Hydroxide- (Aqua Ammonia)	20,488.56
<b>HILL BROTHERS CHEMICAL CO.</b>		<b>20,488.56</b>
HYDREX PEST CONTROL CO.	PEST SERVICE 7/26/18	133.00
<b>HYDREX PEST CONTROL CO.</b>		<b>133.00</b>
IDMODELING, INC.	As-Needed Hydraulic Modeling and Mapping E1617	1,440.00
<b>IDMODELING, INC.</b>		<b>1,440.00</b>
INBOUND DESIGN, INC.	WEB MAINT. 8/30-6/30	4,000.00
<b>INBOUND DESIGN, INC.</b>		<b>4,000.00</b>

# SCVWA - Regional Division

## Check Register Report

From: Sep 1, 2018 to Sep 30, 2018

Vendor Name	Description	Amount
INDUSTRIAL SAFETY EQUIPMENT, LLC.	WIRELESS SENSR REPAIR	2,100.68
<b>INDUSTRIAL SAFETY EQUIPMENT, LLC.</b>		<b>2,100.68</b>
JACQUE MCMILLAN	URBAN WATER INSTITUTE CONF EXP. 8/22-24	531.18
	URBAN WATER INSTITUTE CONF REGISTRATION	425.00
	URBAN WATER INSTITUTE TRVL EXP 8/22-24	239.29
<b>JACQUE MCMILLAN</b>		<b>1,195.47</b>
JANET KEITH	MILEAGE 8/23/18	79.79
<b>JANET KEITH</b>		<b>79.79</b>
JEFFREY KOELEWYN	ACWA TRAVEL EXP. 8/23	14.00
<b>JEFFREY KOELEWYN</b>		<b>14.00</b>
JENNIFER MCNERNEY	ENV. SCIENCE COOKIES	44.96
<b>JENNIFER MCNERNEY</b>		<b>44.96</b>
JOHN S CHURCHILL	SMART CONTRLR REBATE	150.00
<b>JOHN S CHURCHILL</b>		<b>150.00</b>
JONAS AHARONI	SMART CONTRLR REBATE	149.99
<b>JONAS AHARONI</b>		<b>149.99</b>
JUSTIN BRODRICK	SMART CONTRLR REBATE	129.99
<b>JUSTIN BRODRICK</b>		<b>129.99</b>
KATHIE MARTIN	SCV CHAMBER LUNCH 8/9	18.03
<b>KATHIE MARTIN</b>		<b>18.03</b>
KENNEDY/JENKS	On-Call Engineering and/or Construction Mgmt. And inspection Services 107425	6,893.57
	Grant Administration Services-Prop 84 Round 2 Implementation	2,388.75
	Proposition 84 IRWM Drought Grant Administration Services	3,159.70
<b>KENNEDY/JENKS</b>		<b>12,442.02</b>
KENSINGTON DEL RANCHO, LLC	LL TURF REMOVAL	1,830.00
<b>KENSINGTON DEL RANCHO, LLC</b>		<b>1,830.00</b>
L.A. COUNTY FIRE DEPARTMENT	ANNUAL CUPA FEES FY19	28,343.00
<b>L.A. COUNTY FIRE DEPARTMENT</b>		<b>28,343.00</b>
LAGERLOF,SENECAL,GOSNEY & KRUSE LLP	GENERAL LEGAL MAY	6,444.00
<b>LAGERLOF,SENECAL,GOSNEY &amp; KRUSE LLP</b>		<b>6,444.00</b>
LEE & RO, INC.	On-Call Engineering Const. Mgmt. and Inspection Services E1415	30,760.62
<b>LEE &amp; RO, INC.</b>		<b>30,760.62</b>
LEE'S MAINTENANCE SERVICE, INC.	Janitorial Services	11,034.75
<b>LEE'S MAINTENANCE SERVICE, INC.</b>		<b>11,034.75</b>
LEGALSHIELD	MEMBERSHIP DUES AUG - EMPLOYEE PAID	139.60
<b>LEGALSHIELD</b>		<b>139.60</b>
MARI-CO MAIL SERVICE	Mari-Co Mail Service	688.00
<b>MARI-CO MAIL SERVICE</b>		<b>688.00</b>
MATHESON TRI-GAS, INC.	Water Treatment Chemical- Bulk Liquid Oxygen	8,615.50
	Specialty Lab Gases	451.97
<b>MATHESON TRI-GAS, INC.</b>		<b>9,067.47</b>
MCMASTER CARR SUPPLY CO.	AMMONIA ANALYZER PRTS	1,982.12
<b>MCMASTER CARR SUPPLY CO.</b>		<b>1,982.12</b>

## SCVWA - Regional Division

### Check Register Report

From: Sep 1, 2018 to Sep 30, 2018

Vendor Name	Description	Amount
METTLER-TOLEDO, INC.	CONDUCTIVITY PROBE	493.07
<b>METTLER-TOLEDO, INC.</b>		<b>493.07</b>
MICHAEL A POSS	POOL COVER REBATE	139.91
<b>MICHAEL A POSS</b>		<b>139.91</b>
MICHAEL BAKER INTERNATIONAL, INC.	On-Call Engineering and/or Construction Mgmt. And inspection Services As- Needed Technology Services	71,850.09
<b>MICHAEL BAKER INTERNATIONAL, INC.</b>		<b>71,850.09</b>
MICHAEL C EARABINO	SMART CONTRLR REBATE	150.00
<b>MICHAEL C EARABINO</b>		<b>150.00</b>
MINE SAFETY APPLIANCES CO.	REPLACE OXYGEN SENSOR	1,043.40
<b>MINE SAFETY APPLIANCES CO.</b>		<b>1,043.40</b>
MUNITEMPS	HERRERA W/E 8/12	2,178.00
	HERRERA W/E 8/19	1,782.00
	MARTINEZ W/E 8/12	2,178.00
	MARTINEZ W/E 8/19	1,782.00
<b>MUNITEMPS</b>		<b>7,920.00</b>
NOSSAMAN LLP	PERCHLORATE AUGUST	12,158.94
<b>NOSSAMAN LLP</b>		<b>12,158.94</b>
OFFICE DEPOT	SUPPLIES AND SERVICES	614.79
<b>OFFICE DEPOT</b>		<b>614.79</b>
OLIN CORPORATION	Chemicals-Sodium Hydroxide 25%-50% Solution (Caustic Soda)	19,361.82
<b>OLIN CORPORATION</b>		<b>19,361.82</b>
PACIFIC HYDROTECH CORPORATION	PROGRESS PAYMENT #10 THRU 7/31/18	43,115.31
<b>PACIFIC HYDROTECH CORPORATION</b>		<b>43,115.31</b>
PACIFIC MOBILE STRUCTURES, INC.	MODULAR 9/1-9/30/18	1,314.00
<b>PACIFIC MOBILE STRUCTURES, INC.</b>		<b>1,314.00</b>
PACIFIC WESTERN BANK	PROGRESS PAYMENT #10 ESCROW RETENTION-ESISPS PIPELINE IMPROVEMENTS	2,269.23
<b>PACIFIC WESTERN BANK</b>		<b>2,269.23</b>
PANERA BREAD/RISEN BREAD LLC	AGENDA PLANNING 8/27	117.86
	EXEC. STAFF MTG. 8/14	192.24
	INTERVIEW PANEL 8/22	120.01
<b>PANERA BREAD/RISEN BREAD LLC</b>		<b>430.11</b>
PATRIOT ENVIRONMENTAL SERVICES	BLEACH REMOVAL ESFP	19,905.98
<b>PATRIOT ENVIRONMENTAL SERVICES</b>		<b>19,905.98</b>
PIHRA	2018 MEMB. DUES-JJ	125.00
	2018 MEMB. DUES-LP	125.00
<b>PIHRA</b>		<b>250.00</b>
PREMIERE GLOBAL SERVICES	7/20-8/19/18 SRVC	377.52
	8/20-9/19/18 SRVC	500.42
<b>PREMIERE GLOBAL SERVICES</b>		<b>877.94</b>
RAFTELIS FINANCIAL CONSULTANTS, INC	FACILITY CAPACITY FEES 2018	3,755.55
<b>RAFTELIS FINANCIAL CONSULTANTS, INC</b>		<b>3,755.55</b>
RED WING SHOES	SAFETY BOOTS-BZ	204.74
<b>RED WING SHOES</b>		<b>204.74</b>
REEVES COMPLETE AUTO CENTER, INC.	LABOR/PARTS UNIT# 160	101.70
<b>REEVES COMPLETE AUTO CENTER, INC.</b>		<b>101.70</b>

# SCVWA - Regional Division

## Check Register Report

From: Sep 1, 2018 to Sep 30, 2018

Vendor Name	Description	Amount
REPUBLIC SERVICES	ROLL OFF RENTAL AUG.	348.47
	SERVICE SEPT. 2018	273.81
<b>REPUBLIC SERVICES</b>		<b>622.28</b>
RICOH AMERICAS CORPORATION	MPW5100 MAINT. 17/18	3.44
	MPW5100 MAINT. 18/19	5,888.53
<b>RICOH AMERICAS CORPORATION</b>		<b>5,891.97</b>
ROBERT DIPRIMIO	URBAN WATER INSTITUTE CONF. 8/22-23/18	44.98
	URBAN WATER INSTITUTE TRVL EXP 8/22-23	46.35
<b>ROBERT DIPRIMIO</b>		<b>91.33</b>
RYAN RICHARD JAMES	SMART CONTRLR REBATE	150.00
<b>RYAN RICHARD JAMES</b>		<b>150.00</b>
SAGE STAFFING	ARAGON W/E 7/1/18	1,408.00
	BELL W/E 8/12/18	1,876.16
	BELL W/E 8/19/18	1,535.04
	BELL W/E 8/26/18	1,833.52
	BELL W/E 8/5/18	1,513.72
<b>SAGE STAFFING</b>		<b>8,166.44</b>
SAM HILL & SONS, INC.	DD PIPE REPAIR	48,832.76
<b>SAM HILL &amp; SONS, INC.</b>		<b>48,832.76</b>
SANTA CLARITA WATER DIVISION	7/9-8/10/18 SERVICE	1,135.77
	8/10-9/10/18 SERVICE	837.81
<b>SANTA CLARITA WATER DIVISION</b>		<b>1,973.58</b>
SARAH FLEURY	GRANT CLASS EXP.-SF	90.15
<b>SARAH FLEURY</b>		<b>90.15</b>
SC PUBLISHING INC.	ADVERTISING SEPT.	900.00
<b>SC PUBLISHING INC.</b>		<b>900.00</b>
SCHNEIDER ELECTRIC SYSTEMS USA, INC	50' SIGNAL CABLE	146.11
	FLOW SENSOR/CONVERTER	4,800.38
<b>SCHNEIDER ELECTRIC SYSTEMS USA, INC</b>		<b>4,946.49</b>
SCOTT VALLEY BANK	PROGRESS PAYMENT #13 ESCROW RETENTION-FOOTHILL FEEDER TURNOUT PROJECT 200905E	6,447.55
<b>SCOTT VALLEY BANK</b>		<b>6,447.55</b>
SOLAR STAR CA. XXIV, LLC/ SUNPOWER	AUGUST 2018 SERVICE	28,271.36
<b>SOLAR STAR CA. XXIV, LLC/ SUNPOWER</b>		<b>28,271.36</b>
SOLAR STAR CA. XXVIII, LLC/SUNPOWER	AUGUST 2018 SERVICE	113,435.41
<b>SOLAR STAR CA. XXVIII, LLC/SUNPOWER</b>		<b>113,435.41</b>
SOUTHERN CALIFORNIA EDISON	BOUQUET PM 7/19-8/17	27.05
	BOUQUET PM 8/17-9/18	29.39
	CAMP PLENTY TURNOUT	78.43
	EARL SCHMIDT FILTRATION PLANT PUMP STATION 6/28-7/30-GEN	10,705.02
	EARL SCHMIDT FILTRATION PLANT PUMP STATION 6/28-7/30-SCE	10,248.38
	EARL SCHMIDT FILTRATION PLANT PUMP STATION 7/30-8/28	10,409.02
	EARL SCHMIDT FILTRATION PLANT PUMP STATION 7/30-8/28-GEN	11,095.99
	EARL SCHMIDT INTAKE PUMP STATION 7/30-8/28-GEN	498.87

# SCVWA - Regional Division

## Check Register Report

From: Sep 1, 2018 to Sep 30, 2018

Vendor Name	Description	Amount
	EARL SCHMIDT INTAKE PUMP STATION SRVC 6/28-7/30	4,753.08
	EARL SCHMIDT INTAKE PUMP STATION SRVC 7/30-8/28	640.75
	HONBY PM 6/28-7/30/18	29.60
	HONBY PM 7/30-8/28/18	26.77
	HONBY PS 6/28-7/30/18	43.15
	HONBY PS 7/30-8/28/18	43.15
	LAKE HUGHES MTR-GEN	6.09
	LAKE HUGHES MTR-SCE	30.55
	LAKE HUGHES PIPE MTR	27.73
	LOWER MESA PIPE METER	98.24
	N-2 TURNOUT 6/28-7/30	148.68
	N-2 TURNOUT 7/30-8/28	127.93
	NEWHALL RANCH RD PM	53.42
	RECH20 METER-GEN	1,951.40
	RECH20 METER-SCE	3,551.05
	RECH20 RESERVOIR	87.81
	RECYCLED H2O MTR-GEN	2,126.60
	RECYCLED WATER METER	3,591.91
	RIO VISTA SOLAR 8/1-9/1/18	25,981.62
	RIO VISTA INTAKE PUMP STATION SRVC 6/27-7/27	178,399.72
	RIO VISTA INTAKE PUMP STATION SRVC 7/30-8/28	171,868.31
	RIO VISTA WATER TREATMENT PLANT GATE 6/28-7/30	125.70
	RIO VISTA WATER TREATMENT PLANT GATE 7/30-8/28	116.53
	SAUGUS1WELL 7/11-8/8	9,758.45
	SAUGUS1WELL 8/8-9/7	9,670.55
	SAUGUS2WELL 6/28-7/30	11,827.20
	SAUGUS2WELL 7/30-8/28	11,524.79
	SAND CANYON LOW VOLTAGE METER	51.20
	SANT CANYON-11 TURNOUT	78.22
	SAND CANYON 7 TURNOUT 7/13-8/13	54.14
	SAND CAYON 7 TURNOUT 8/13-9/12	52.66
	SAND CANYON PUMP STATION 6/28/18-7/30/18	102,409.91
	SAND CANYON PUMP STATION 7/30/18-8/28/18	106,169.41
	SAND CANYON RESEVOIR 6/28-7/30/18	187.41
	SAND CANYON RESEVOIR 7/30-8/28/18	170.89
	SUMMIT CIR 7/24-8/22	1,123.05
	SUMMIT CIR 7/25-8/23	29.81
	V-8 @ MCBEAN PKWY	56.79
<b>SOUTHERN CALIFORNIA EDISON</b>		<b>690,086.42</b>
STATE DISBURSEMENT UNIT	EMPLOYEE WITHHOLDING 9/21/18	702.71
	EMPLOYEE WITHHOLDING 9/7/18	702.71
<b>STATE DISBURSEMENT UNIT</b>		<b>1,405.42</b>
STAY GREEN INC.	LANDSCAPE MAINT.-AUG	3,625.00
	LANDSCAPE MAINT.-AUG.	3,117.00
	LANDSCAPE MAINT.-JULY	3,117.00
<b>STAY GREEN INC.</b>		<b>9,859.00</b>



# SCVWA - Regional Division

## Check Register Report

From: Sep 1, 2018 to Sep 30, 2018

Vendor Name	Description	Amount
STEPHANIE KNUDSON	ENV. SCIENCE SUPPLIES	22.60
<b>STEPHANIE KNUDSON</b>		<b>22.60</b>
STERLING WATER TECHNOLOGIES LLC	CATIONIC POLYMER 7/17	14,848.87
<b>STERLING WATER TECHNOLOGIES LLC</b>		<b>14,848.87</b>
SUEZ TREATMENT SOLUTIONS, INC.	OZONE GENERATOR PARTS	22,352.16
<b>SUEZ TREATMENT SOLUTIONS, INC.</b>		<b>22,352.16</b>
SUNWEST ENGINEERING	UST and AST Preventive Inspections, certifications and DO Training	334.75
<b>SUNWEST ENGINEERING</b>		<b>334.75</b>
SWRCB ACCOUNTING OFFICE	GRADE T3 RENEWAL-DH	90.00
<b>SWRCB ACCOUNTING OFFICE</b>		<b>90.00</b>
TEJPAL SINGH	SMART CONTRLR REBATE	135.81
<b>TEJPAL SINGH</b>		<b>135.81</b>
THATCHER COMPANY OF CALIFORNIA, INC	Liquide Chlorine Gas	17,612.25
<b>THATCHER COMPANY OF CALIFORNIA, INC</b>		<b>17,612.25</b>
THE GAS COMPANY	8/15-9/14/18 SRVC	35.45
	8/20-9/18/18 SRVC	1,984.35
<b>THE GAS COMPANY</b>		<b>2,019.80</b>
THE HUNG QUACH	SMART CONTRLR REBATE	150.00
<b>THE HUNG QUACH</b>		<b>150.00</b>
THE SIGNAL	DIGITAL BANNER AUG.	2,500.00
	E-BLAST SPONSORSHIP	1,500.00
	FACEBOOK ADS AUG.	1,500.00
<b>THE SIGNAL</b>		<b>5,500.00</b>
THERMO ELECTRON NA LLC	ION-PAC COLUMNS	1,727.29
<b>THERMO ELECTRON NA LLC</b>		<b>1,727.29</b>
TODD GROUNDWATER	Groundwater Modeling Services	18,413.35
<b>TODD GROUNDWATER</b>		<b>18,413.35</b>
TPX COMMUNICATIONS	RIO VISTA WATER TREATMENT PUMP 9/16-10/15	808.35
<b>TPX COMMUNICATIONS</b>		<b>808.35</b>
UNITED RECORDS MANAGEMENT, INC.	Data Imaging Services	1,723.63
<b>UNITED RECORDS MANAGEMENT, INC.</b>		<b>1,723.63</b>
US BANK	1999A 8/1/18-7/31/19 TRUSTEE FEES	2,000.00
<b>US BANK</b>		<b>2,000.00</b>
VALLEY PUBLICATIONS	CC MAG/WEB ADS-AUG	327.00
	CC MAG/WEB ADS-SEPT.	327.00
<b>VALLEY PUBLICATIONS</b>		<b>654.00</b>
VARIDSK, LLC	STANDING DESK-SC	596.79
<b>VARIDSK, LLC</b>		<b>596.79</b>
VERIZON WIRELESS	CIMIS 8/11-9/10/18	38.01
	EQUIPMENT 8/11-9/10	1,709.80
	SERVICE 8/11-9/10/18	2,212.36
	TELEMETRY 7/24-8/23	838.61
<b>VERIZON WIRELESS</b>		<b>4,798.78</b>

## SCVWA - Regional Division

### Check Register Report

From: Sep 1, 2018 to Sep 30, 2018

Vendor Name	Description	Amount
VWR SCIENTIFIC INC.	TRYPTICASE SOY AGAR	20.51
	VACUUM ADAPTER	83.81
<b>VWR SCIENTIFIC INC.</b>		<b>104.32</b>
WAGeworks, INC.	AUGUST 2018 SERVICE	270.40
<b>WAGeworks, INC.</b>		<b>270.40</b>
WARREN DISTRIBUTING, INC.	PARTS UNIT# I10	450.91
	PARTS UNIT# I42	90.64
	PARTS UNIT# I63	87.83
<b>WARREN DISTRIBUTING, INC.</b>		<b>629.38</b>
WATER CONSULTANCY, INC.	PERCH SUPPORT SRVCS	3,480.00
<b>WATER CONSULTANCY, INC.</b>		<b>3,480.00</b>
WAXIE SANITARY SUPPLY	JANITORIAL SUPPLIES	1,563.01
<b>WAXIE SANITARY SUPPLY</b>		<b>1,563.01</b>
WESCO DISTRIBUTION, INC.	BALLAST LIGHTING	251.85
<b>WESCO DISTRIBUTION, INC.</b>		<b>251.85</b>
WEST YOST ASSOCIATES	Saugus Formation VOC Investigation	5,175.00
<b>WEST YOST ASSOCIATES</b>		<b>5,175.00</b>
WOODARD & CURRAN INC.	On-Call Engineering and/or Construction Mgmt. and Inspection Services	328.85
<b>WOODARD &amp; CURRAN INC.</b>		<b>328.85</b>
WORK BOOT WAREHOUSE	SAFETY BOOTS-WR	250.00
<b>WORK BOOT WAREHOUSE</b>		<b>250.00</b>
X-ACT TECHNOLOGY SOLUTIONS, INC.	OFFICE 365 LIC.-AUG.	3,712.50
	OFFICE 365 LIC.-SEPT	3,712.50
<b>X-ACT TECHNOLOGY SOLUTIONS, INC.</b>		<b>7,425.00</b>
<b>Summary</b>		<b>4,314,574.26</b>

Santa Clarita Valley Water Agency  
Newhall Division

10/25/18

AP Check Register with GL Distributions

Date Range: 9/1/2018 to 9/30/2018

Check No.	Ck Date	Vendor Name /	Inv Date	Amount	GL Account	Description
<b>CIP</b>		Construction in Progress				
111697	9/7/2018	FOSTER CONSTRUCTION 827	8/28/18	1,285.40	0300-00-1040	Saw Cut - Windcrest 300-1040
111706	9/7/2018	RMC, A WOODARD & CURRAN CO 26401	8/30/18	52,120.39	0300-00-1021	Phase 2C Recycled Water Main Extension 7/18 - 300-1021
111730	9/12/2018	ROYAL INDUSTRIAL SOLUTIONS 8870-556506	9/6/18	16.11	0300-03-0456	(10) ft. Pipe, (4) Conduits - 303-0456
		8870-556515	9/6/18	209.89	0300-03-0456	Misc. Fittings - 303-0456
		8870-556521	9/6/18	92.88	0300-03-0456	(100) 3/4" Clamps (4) Terminal Adapters - 303-0456
111733	9/12/2018	TRENCH SHORING CO., INC. 1148845-0002	8/20/18	517.50	0300-00-1050	Shoring Rental 7/30-8/13/18 - 300-1050
111734	9/12/2018	VALENCIA BUILDING MATERIALS CO., INC 293366	8/24/18	37.74	0300-00-1040	(3) bags Stucco, (3) rolls Twine - 300-1040
		293601	8/29/18	177.39	0300-00-1040	(6) Gravel - 300-1040
		293091	8/28/18	192.46	0300-00-1040	(35) 90 lb. Concrete - 300-1040
		292675	8/15/18	59.13	0300-00-1050	(2) Pea Gravel - 300-1050
		6264	8/14/18	407.27	0300-00-1050	(6) Rapid Set Mortar, (1) yd. U-Cart Concrete - 300-1050
		6276	8/13/18	256.75	0300-00-1050	(1) yd. U-Cart Concrete - 300-1050
111736	9/12/2018	WATER WELL SUPPLY INC. 18471	8/31/18	5,755.00	0300-00-1049	New Booster Pump & Pump Head - Newhall Bst #6 300-1049
111741	9/19/2018	AV EQUIPMENT RENTALS INC 203704	9/13/18	56.00	0300-00-1040	(1) Hydrostatic Pump 9/12-9/13/18 - 300-1040
111742	9/19/2018	BELOW ZERO, INC 193370	8/27/18	350.00	0300-00-1040	(1) Hot Tapping - Windcrest PI 300-1040
111743	9/19/2018	BMC WEST LLC 59075366-00	9/13/18	285.24	0300-00-1040	Douglas Fir Lumber - 300-1040
		59099884-00	9/17/18	243.41	0300-00-1056	Douglas Fir, 5 Ply Sheathing - 300-1056
111746	9/19/2018	CORE & MAIN LP J181458	8/24/18	707.85	0300-00-1040	Inventory - 300-1040
111752	9/19/2018	FOSTER CONSTRUCTION 831	9/7/18	300.00	0300-00-1040	Saw Cut - Windcrest 300-1040
111753	9/19/2018	GEOSOILS CONSULTANTS INC. 69974	9/12/18	348.00	0300-00-1040	Water-Domestic Trench Backfill - 300-1040
111757	9/19/2018	HARRINGTON INDUSTRIAL PLASTICS LLC 005C0878	8/27/18	4,654.89	0300-03-0456	(1000) ft. Tubing 303-456
111761	9/19/2018	LINO'S TRUCKING A-280992	9/5/18	990.00	0300-00-1040	(9) hrs. Trucking Services - 300-1040
		A-280993	9/6/18	1,210.00	0300-00-1040	(11) hrs. Trucking Services - 300-1040
		A-280991	9/4/18	880.00	0300-00-1040	(8) hrs. Trucking Services - 300-1040
111768	9/19/2018	ROYAL INDUSTRIAL SOLUTIONS 8870-556595	9/10/18	7.22	0300-00-1049	(1) 3/4" Elbow, (2) 3/4" Coupling - 300-1049
		8870-556583	9/10/18	14.72	0300-00-1049	Misc. Fittings - 300-1049
111774	9/19/2018	VULCAN MATERIALS CO. 71943758	9/7/18	990.00	0300-00-1040	(3) LF Mixed Semi 9/5/18 - 300-1040
111801	9/26/2018	MICHAEL DEVORE TRUCKING CO. 95272	9/4/18	480.24	0300-00-1040	(25) tons Fill Sand - 300-1040

Santa Clarita Valley Water Agency  
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Check No.	Ck Date	Vendor Name /	Inv Date	Amount	GL Account	Description
111803	9/26/2018	QUINN RENTAL SERVICES				
		07236301	9/12/18	2,728.55	0300-00-1040 (1)	Excavator Rental, (1) Compaction Wheel Rental - 300-1040
		07240401	9/12/18	2,004.07	0300-00-1040 (1)	Water Truck Rental 9/4-9/12/18 - 300-1040
111809	9/26/2018	VALENCIA BUILDING MATERIALS CO., INC				
		294162	9/13/18	21.86	0300-00-1040 (4)	Pea Gravel - 300-1040
111810	9/26/2018	VULCAN MATERIALS CO.				
		71951673	9/14/18	1,320.00	0300-00-1040 (4)	LF Mixed Semi 9/6/18 - 300-1040
<b>CUSREF</b>		Customer Refunds				
111781	9/26/2018	RAFFI BAGHDASSARIAN				
		08941	9/25/18	34.54	1610-00	Refund CR Balance - Closed A/C #13563
111783	9/26/2018	LEONEL CHAVARRIA				
		08949	9/25/18	19.98	1610-00	Refund CR Balance - Closed A/C #22998
111790	9/26/2018	EL VALLE LAWNMOWER SERVICE				
		08943	9/25/18	49.81	1610-00	Refund CR Balance - Closed A/C #18948
111791	9/26/2018	RAY FREELAND				
		08944	9/25/18	30.00	1610-00	Refund CR Balance - Closed A/C #20069
111795	9/26/2018	GARY & MARGARET INGERSOLL				
		08940	9/25/18	10.00	1610-00	Refund CR Balance - Closed A/C #02615
111797	9/26/2018	ANTHONY LENNON				
		08947	9/25/18	10.19	1610-00	Refund CR Balance - Closed A/C #22223
111798	9/26/2018	LETS SCARE PRODUCTIONS LLC				
		08952	9/25/18	313.29	1610-00	Refund CR Balance - Closed A/C #24274
111799	9/26/2018	CATHERINE VANESSA LORRIMER				
		08942	9/25/18	15.96	1610-00	Refund CR Balance - Closed A/C #18856
111800	9/26/2018	BIBIANA MARTINEZ				
		08950	9/25/18	59.84	1610-00	Refund CR Balance - Closed A/C #24006
<b>DEBT</b>		Debt Service Payments				
111784	9/26/2018	CITY NATIONAL BANK				
		9/1/18	9/1/18	39,929.07	2645-00	CNB 2012 #07-047
		9/1/18	9/1/18	186,975.51	2255-00	CNB 2012 #07-047
<b>DIREMP</b>		Director/Employee Expense				
9/19/2018		SCV WATER				
		8/31/18-2	7/31/18	204,145.56	2661-00	Direct Payroll - 8/18
		8/31/18-3	7/31/18	22,219.67	2661-00	Shared Payroll - 8/18
111685	9/7/2018	AMERICAN EXPRESS				
		8/28/18	8/28/18	43.78	7161-00	Office Supp, Quickbooks 2018, IT Support, Comp Software 8/18
111688	9/7/2018	DONALD BEST				
		08636	9/5/18	86.50	7160-00	Haz-Mat Endorsement Reimb
111711	9/7/2018	TRANSAMERICA EMPLOYEE BENEFITS				
		2503019617	8/31/18	248.52	2661-00	Universal Life 8/18
111713	9/7/2018	US BANK				
		8/22/18	8/22/18	455.68	7160-00	Office Supp, Meals, Car Wash, Tools, Computer Supp 8/18
111796	9/26/2018	LEGALSHIELD				
		9/15/18	9/15/18	186.35	2661-00	Employee Services 9/18
<b>DUES</b>		Dues/Memberships/Certification				
9/19/2018		SCV WATER				
		8/31/18-6	7/31/18	125.71	7161-00	VIA Membership Dues FY 18-19
111685	9/7/2018	AMERICAN EXPRESS				
		8/28/18	8/28/18	5,120.01	7163-00	Office Supp, Quickbooks 2018, IT Support, Comp Software 8/18

Santa Clarita Valley Water Agency  
Newhall Division

Check No.	Ck Date	Vendor Name /	Inv Date	Amount	GL Account	Description
111713	9/7/2018	US BANK 8/22/18	8/22/18	22.99	7161-00	Office Supp, Meals, Car Wash, Tools, Computer Supp 8/18
111726	9/12/2018	L A COUNTY FIRE DEPT				
		IN0289079	8/20/18	440.00	5315-00	HazMat - 15375 Soledad Cyn #AR0041764 FY 18-19
		IN0299997	8/20/18	440.00	5315-00	HazMat - 29505 Avenida Rancho Tesoro #AR0071116 FY18-19
		IN0299994	8/20/18	549.00	5315-00	HazMat - 31400 Castaic Rd #AR0071113 FY 18-19
		IN0299996	8/20/18	440.00	5315-00	HazMat - 25143 Railroad Ave #AR0071115 FY 18-19
		IN0299993	8/20/18	1,409.00	5315-00	HazMat - 23780 Pine St #AR0071112 FY 18-19
		IN0299995	8/20/18	440.00	5315-00	HazMat - 15644 Nahin Ln #AR0071114 FY 18-19
<b>INSUR</b>		Insurance				
111684	9/7/2018	AFLAC 210703	8/31/18	1,473.24	2661-00	Insurance Premium 8/5-9/6/18
111739	9/19/2018	ACWA-JPIA/CB&T				
		0572758	9/6/18	51,454.40	7131-00	Health Benefits 10/18
		0572758	9/6/18	2,948.30	1680-00	Health Benefits 10/18
		0572758	9/6/18	4,905.01	7133-00	Health Benefits 10/18
		0572758	9/6/18	515.79	7129-00	Health Benefits 10/18
		0572758	9/6/18	77.55	7127-00	Health Benefits 10/18
111762	9/19/2018	THE LINCOLN NATIONAL LIFE INSURANCE CO.				
		3741705302	9/18/18	642.72	7131-00	Life & Disability Insurance 10/18
		3741705302	9/18/18	655.20	7132-00	Life & Disability Insurance 10/18
111775	9/19/2018	WAGE WORKS INV935651	9/17/18	141.00	7191-00	Aflac Service Fee 8/18
111782	9/26/2018	BERKSHIRE HATHAWAY HOMESTATE CO 9/18/18	9/18/18	382.00	7125-00	Workers Comp Insurance Premium 7/1/17-7/1/18
<b>INV</b>		Inventory				
111693	9/7/2018	CORE & MAIN LP				
		J324379	8/15/18	1,562.08	1810-00	(12) Steel Guard Post
		J314909	8/15/18	1,085.63	1810-00	(27) Valve Lids
		J324297	8/15/18	260.35	1810-00	(2) Steel Guard Post
111696	9/7/2018	FAMCON PIPE AND SUPPLY INC 209510	8/9/18	607.73	1810-00	(1) 6" Flange
111746	9/19/2018	CORE & MAIN LP J181458	8/24/18	19,975.10	1810-00	Inventory - 300-1040
111751	9/19/2018	FAMCON PIPE AND SUPPLY INC 210291	8/27/18	10,707.18	1810-00	Inventory
111786	9/26/2018	CORE & MAIN LP J276663	9/5/18	7,509.52	1810-00	(180) 12" MJ/TJ Pipe
111794	9/26/2018	GRISWOLD INDUSTRIES 753558	9/4/18	3,027.46	1810-00	Cla-Val Inventory
<b>LEGAL</b>		Professional Services - Legal				
	9/19/2018	SCV WATER 8/31/18-8	7/31/18	605.50	7151-00	General Matters Legal - 7/18
<b>MAINT</b>		Maintenance and Services				
111687	9/7/2018	BAY ALARM COMPANY				
		858582180828	8/28/18	1,000.00	5755-00	Burglar System - Operations Facility
		2499272180828	8/28/18	725.00	7221-00	Burglar System - Office
		858580180828	8/28/18	1,000.00	5755-00	Burglar System - Warehouse
111692	9/7/2018	COPPER EAGLE PATROL & SECURITY 59123	8/13/18	957.00	7221-00	Vandal Watch - Newhall Facility 8/7, 8/10-8/11/18
111695	9/7/2018	EAGLE ONE PROTECTION INC R-34901	8/29/18	84.00	5755-00	Monitoring Security Service 9/18

Santa Clarita Valley Water Agency  
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111700	9/7/2018	LINO'S TRUCKING A-280987	8/23/18	1,100.00	5425-00 (10) hrs. Trucking Services	
111703	9/7/2018	PIPEHORN LOCATING TECHNOLOGY IN18738	8/28/18	233.00	5755-00 Repairs to (1) 800HL Pipe	
111712	9/7/2018	UNDERGROUND SERVICE ALERT 820180468	9/1/18	175.00	5425-00 (100) Dig Alerts 8/18	
111715	9/7/2018	ZEROREZ SOCAL 91864	8/31/18	1,360.68	7221-00 Carpet Cleaning - Office	
111716	9/12/2018	ALL TEMPERATURES CONTROLLED INC 220388	8/22/18	145.00	5225-00 Quarterly Maintenance 4-6/18 - Northlake Booster	
		220387	8/22/18	75.00	5325-00 Quarterly Maintenance 4-6/18 - Castaic OSEC	
		220389	8/22/18	125.00	5325-00 Quarterly Maintenance 4-6/18 - Newhall Well #12	
		220386	8/22/18	195.00	5225-00 Quarterly Maintenance 4-6/18 - Stetson Ranch	
111719	9/12/2018	BAY ALARM COMPANY 24992721808311	8/31/18	725.00	7221-00 Installation Burglar System Upgrade - Office	
		34831721808311	8/31/18	1,000.00	5755-00 Installation Burglar System - Warehouse	
		34828721808311	8/31/18	1,000.00	5755-00 Installation Burglar System - Operations Facility	
111720	9/12/2018	COURIER-MESSENGER INC. 21010	8/31/18	300.00	5525-00 Courier Services 8/18	
111721	9/12/2018	EUROFINS EATON ANALYTICAL INC L0408391	8/27/18	30.00	5315-00 Water Analysis - Castaic Well #1&#3, Manganese Blending 8/15	
111722	9/12/2018	EXPERIAN CD1905008996	8/31/18	177.56	5525-00 Credit Checks 8/18	
111725	9/12/2018	KNUDTSON BUILDING MAINTENANCE 121967	8/24/18	1,294.00	7221-00 Janitorial Services 8/18	
		121967	8/24/18	431.00	5755-00 Janitorial Services 8/18	
111776	9/19/2018	WASTE MANAGEMENT 3669629-0160-4	9/1/18	839.89	5755-00 (1) 40 yd. Roll-Off 8/28/18	
111777	9/19/2018	X-ACT TECHNOLOGY SOLUTIONS, INC. 21924	9/7/18	4,954.50	7163-00 Installation of Fiber from Server Room to Trailer/Warehouse	
111780	9/26/2018	AMTECH ELEVATOR SERVICES DVA08379A18	9/20/18	191.97	7221-00 Elevator Maintenance 10/18	
111785	9/26/2018	CLARK PEST CONTROL 9/19/18	9/19/18	47.00	7221-00 Pest Control Services 9/18	
111788	9/26/2018	DAN'S WELDING SERVICE 99	9/17/18	517.50	5225-00 Weld Stiffners onto Pump - Pinetree Booster #2	
111793	9/26/2018	GREENSET LANDSCAPING AUGUST-1	9/1/18	1,350.00	5415-00 Landscape Maintenance 8/18	
		AUGUST-1	9/1/18	225.00	5225-00 Landscape Maintenance 8/18	
		AUGUST-1	9/1/18	150.00	5435-00 Landscape Maintenance 8/18	
		AUGUST-1	9/1/18	250.00	7221-00 Landscape Maintenance 8/18	
		AUGUST-1	9/1/18	250.00	5755-00 Landscape Maintenance 8/18	
<b>MATSUP</b>		Material and Supply Expense				
111693	9/7/2018	CORE & MAIN LP J309199	8/15/18	1,407.07	5555-00 (200) Bolts, (200) Nuts, (100) Gaskets	
111694	9/7/2018	CULLIGAN OF SYLMAR 1648942	8/31/18	144.00	5330-00 (4) Portable Tank Exchange - Pinetree 9/18	
		1644998	8/31/18	484.00	5330-00 (4) Portable Tank Exchange - Newhall 9/18	
		1644995	8/31/18	484.00	5330-00 (4) Portable Tank Exchange - Castaic 9/18	
		1645562	8/31/18	31.00	5330-00 (1) Portable Tank Exchange - Stetson Ranch 9/18	
		1644996	8/31/18	121.00	5330-00 (1) Portable Tank Exchange - Tesoro 9/18	

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111696	9/7/2018	FAMCON PIPE AND SUPPLY INC 209720	8/14/18	469.76	5425-00 (1) 10" Flange	
111699	9/7/2018	GRAINGER INC 9876260267 9877239153	8/14/18 8/15/18	116.98 45.18	5706-00 (1) Pruning Saw, (1) Folding Saw, (1) Lopper 5555-00 (1) Lopper Blade	
111701	9/7/2018	MICHAEL DEVORE TRUCKING CO. 95220	8/13/18	6,072.22	5425-00 (50) tons Cold Mix, (25) tons A-Base, (25) tons Fill Sand	
111702	9/7/2018	OLD TOWN NEWHALL ICE LLC 34407 7/27/18 34221E 697140	8/7/18 7/27/18 7/26/18 7/24/18	19.71 39.42 29.57 19.71	5755-00 (4) bags Cubed Ice 5755-00 (8) bags Cubed Ice 5755-00 (6) bags Cubed Ice 5755-00 (4) bags Cubed Ice	
111707	9/7/2018	ROYAL INDUSTRIAL SOLUTIONS 8870-556237	8/28/18	2,013.18	5215-00 (8) Fuses	
111710	9/7/2018	STEP SAVER INC 343977 343978	8/22/18 8/22/18	77.46 402.50	5330-00 (530) lbs. Certified Coarse Salt - Pinetree 5330-00 (2735) lbs. Certified Coarse Salt - Castaic	
111713	9/7/2018	US BANK 8/22/18 8/22/18 8/22/18 8/22/18 8/22/18	8/22/18 8/22/18 8/22/18 8/22/18 8/22/18	215.75 182.40 191.71 464.97 43.30	5755-00 Office Supp, Meals, Car Wash, Tools, Computer Supp 8/18 5325-00 Office Supp, Meals, Car Wash, Tools, Computer Supp 8/18 5175-00 Office Supp, Meals, Car Wash, Tools, Computer Supp 8/18 5415-00 Office Supp, Meals, Car Wash, Tools, Computer Supp 8/18 5455-00 Office Supp, Meals, Car Wash, Tools, Computer Supp 8/18	
111717	9/12/2018	AQUA-FLO SUPPLY SI1261044	9/6/18	35.25	5325-00 (2) 4" Threaded Cap, (1) 4" x 12" PVC Nipple	
111718	9/12/2018	BANKCARD CENTER 259740	8/31/18	3,007.11	5706-00 Parts for Ditch Witch	
111724	9/12/2018	HOME DEPOT CREDIT SERVICES 8/28/18 8/28/18 8/28/18 8/28/18	8/28/18 8/28/18 8/28/18 8/28/18	83.44 593.39 10.93 3,913.86	5706-00 Tools & Supplies 8/18 5315-00 Tools & Supplies 8/18 5555-00 Tools & Supplies 8/18 5755-00 Tools & Supplies 8/18	
111728	9/12/2018	PAUL'S PAINT & HARDWARE 952464	8/22/18	3.46	5210-00 (4) Conduit Hanger	
111729	9/12/2018	PRAXAIR DISTRIBUTION INC. 84665397	8/21/18	48.05	5706-00 Cylinder Rental 8/18	
111732	9/12/2018	SHILPARK PAINT 13411	8/21/18	18.79	5275-00 (2) Plastic Buckets, (2) Power Mixer	
111734	9/12/2018	VALENCIA BUILDING MATERIALS CO., INC 6252 293351 292899 292671 293136	8/6/18 8/23/18 8/14/18 8/14/18 8/15/18	169.71 10.93 21.88 14.78 4.92	5175-00 (1) 3/4 yd. U-Card Concrete 5415-00 (1) lb. Gravel 5415-00 (2) lbs. Gravel 5455-00 (3) 90 lb. Concrete 5415-00 (1) Cement	
111735	9/12/2018	VULCAN MATERIALS CO. 71937385	8/31/18	1,320.00	5425-00 (4) LF Mixed Semi 8/23/18	
111745	9/19/2018	CERTIFIED LABORATORIES 3234333	8/9/18	1,347.17	5425-00 (6) dz. Aerosol	
111751	9/19/2018	FAMCON PIPE AND SUPPLY INC 210395	8/29/18	722.70	5425-00 (3) 8" Clamps	

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111755	9/19/2018	GRAINGER INC				
		9888821551	8/28/18	247.68	5755-00 (1) Striping Machine, (12) Striping Paint	
		9887552074	8/27/18	105.12	5555-00 (20) pks. Cable Ties	
111757	9/19/2018	HARRINGTON INDUSTRIAL PLASTICS LLC				
		005C0928	8/29/18	322.45	5375-00 (2) Elbows, (4) Connectors, (4) Nuts	
111759	9/19/2018	KORALEEN ENTERPRISES				
		6661	8/23/18	1,830.36	5325-00 (24) S.S. Valves, (1) Lid	
111766	9/19/2018	PAUL'S PAINT & HARDWARE				
		952804	8/26/18	217.23	5706-00 (4) PVC Cutter, (1) Knife, (1) Flashlight, (1) Holster	
111770	9/19/2018	SCV LOCK & KEY SERVICE INC				
		40733	9/12/18	1,614.95	5755-00 (3) Lever Sets, (3) Electric Strikes, (2) Latch Gaurds	
111771	9/19/2018	SHILPARK PAINT				
		13543	8/29/18	19.35	5755-00 (2) Metal Tray, (11) Tray Liner	
111774	9/19/2018	VULCAN MATERIALS CO.				
		71943757	9/7/18	660.00	5425-00 (2) LF Mixed Semi 9/4/18	
111779	9/26/2018	AIRGAS SPECIALTY PRODUCTS				
		131558623	8/30/18	823.88	5330-00 Ammonium Hydroxide Solution - Castaic	
		131558622	8/30/18	304.85	5330-00 Ammonium Hydroxide Solution - Tesoro	
111786	9/26/2018	CORE & MAIN LP				
		J442420	9/4/18	438.00	5555-00 (100) EPDM Gaskets	
		J428321	8/31/18	492.76	5555-00 (1000) Gaskets	
		J443872	9/5/18	190.24	5425-00 (1) Clamp	
111792	9/26/2018	GRAINGER INC				
		9892925943	8/31/18	964.73	5706-00 (6) Pipe Wrench	
111794	9/26/2018	GRISWOLD INDUSTRIES				
		753558	9/4/18	12.46	5225-00 Cla-Val Inventory	
111805	9/26/2018	ROYAL INDUSTRIAL SOLUTIONS				
		8870-556802	9/14/18	100.96	5435-00 Misc. Fittings	
111808	9/26/2018	STEP SAVER INC				
		344145	9/4/18	328.92	5330-00 (2235) lbs. Certified Coarse Salt - Castaic	
		344143	9/4/18	99.34	5330-00 (675) lbs. Certified Coarse Salt - Tesoro	
111809	9/26/2018	VALENCIA BUILDING MATERIALS CO., INC				
		293912	9/4/18	15.87	5415-00 (1) Cement	
<b>OFFSUP</b>	Office Supply Expense					
111685	9/7/2018	AMERICAN EXPRESS				
		8/28/18	8/28/18	856.71	7115-00 Office Supp, Quickbooks 2018, IT Support, Comp Software 8/18	
		8/28/18	8/28/18	1,707.29	7118-00 Office Supp, Quickbooks 2018, IT Support, Comp Software 8/18	
111699	9/7/2018	GRAINGER INC				
		9872812343	8/10/18	59.35	7115-00 (4) pk. D Batteries	
111708	9/7/2018	SMART & FINAL				
		8/31/18	8/31/18	334.23	7115-00 Office Supplies 8/18	
111713	9/7/2018	US BANK				
		8/22/18	8/22/18	452.29	7115-00 Office Supp, Meals, Car Wash, Tools, Computer Supp 8/18	
111723	9/12/2018	GRAINGER INC				
		9880674735	8/20/18	201.11	7115-00 (6) pk. C Batteries, (6) pk. AAA Batteries	
111727	9/12/2018	OFFICE DEPOT BUSINESS CREDIT				
		8/28/18	8/28/18	158.97	7115-00 Office Supplies 8/18	
111755	9/19/2018	GRAINGER INC				
		9890142095	8/29/18	146.46	7115-00 (1) Toaster	



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111763	9/19/2018	MCCALLA COMPANY 200319	7/13/18	50.35	7115-00 (1) cs. Tissue	
111773	9/19/2018	STAPLES CREDIT PLAN 9/7/18	9/7/18	432.05	7115-00 Office Supplies 8/18	
		9/7/18	9/7/18	258.38	7118-00 Office Supplies 8/18	
<b>OTHER</b>	Other Expenses					
	9/19/2018	SCV WATER 8/31/18-5	7/31/18	214.01	7120-00 Stainless Steel Water Bottles	
<b>PERCHL</b>	Perchlorate					
111764	9/19/2018	NOSSAMAN LLP 485832	9/12/18	12,158.92	7150-00 Perchlorate Claim 8/18	
<b>PROFOT</b>	Professional Services - Other					
111714	9/7/2018	U.S. HEALTHWORKS MEDICAL GROUP, PC 3382071-CA	8/17/18	60.00	7160-00 Audiogram - RG, FM	
111750	9/19/2018	EQUATION TECHNOLOGIES INC. 52772	8/31/18	322.50	7163-00 Sage Technical Support 8/18	
111760	9/19/2018	LEAF & COLE LLP 236107	8/31/18	2,300.00	7152-00 Revise Prior Year Financials	
<b>PURWTR</b>	Purchased Water					
111731	9/12/2018	SCV WATER 090618B	9/6/18	14,392.19	5130-00 Purchased Water 8/18 - Saugus Well #1 & #2	
		090618C	9/6/18	130,046.35	5130-00 Fixed Water Charges 8/18	
		1800057	9/4/18	855.00	5315-00 Lab Fees 8/18	
		090618A	9/6/18	205,318.90	5130-00 Purchased Water 8/18	
<b>RENTLE</b>	Rent/Lease Expense					
111756	9/19/2018	GREATAMERICA FINANCIAL SVCS 23309507	9/5/18	193.55	7225-00 Mail Machine Lease 9/18	
111758	9/19/2018	IRON MOUNTAIN RECORDS MANAGEMENT AFDY603	8/31/18	239.78	7191-00 Document Storage Rental 9/18	
		AFEN632	8/31/18	288.20	7191-00 Document Storage Rental - Vault 9/18	
<b>SAFETY</b>	Safety Expense					
111713	9/7/2018	US BANK 8/22/18	8/22/18	88.80	5735-00 Office Supp, Meals, Car Wash, Tools, Computer Supp 8/18	
111737	9/12/2018	WORKBOOT WAREHOUSE 4-30532	9/5/18	250.00	5735-00 (1) Workboots - TA	
111748	9/19/2018	DIRECT SAFETY SOLUTIONS INC 992079	8/29/18	621.62	5735-00 (20) Hardhats	
		992080	8/29/18	858.78	5735-00 (24) Safety Glasses, (10) Goggles, (20) pk Water Supplement	
111778	9/19/2018	ZEE MEDICAL SERVICE 34-075391	9/11/18	251.13	5735-00 Medical & Safety Supplies 9/18	
111807	9/26/2018	SCV QUALITY CARE INC 5345	8/31/18	68.00	5735-00 DMV Exam - JP	
<b>UNIFOR</b>	Uniforms					
111691	9/7/2018	CINTAS CORP #684 684708023	8/29/18	906.13	5705-00 Uniform Rental W/E 8/29/18	
		684705295	8/22/18	905.97	5705-00 Uniform Rental W/E 8/22/18	
<b>UTILIT</b>	Utilities					
111683	9/4/2018	EDISON CO 8/18/18	8/18/18	420.05	5225-00 A/C #2-40-708-3344 7/18	
		8/18/18	8/18/18	18,377.68	5230-00 A/C #2-40-708-3344 7/18	
		8/18/18	8/18/18	722.02	5235-00 A/C #2-40-708-3344 7/18	

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111685	9/7/2018	AMERICAN EXPRESS 8/28/18	8/28/18	101.90	5525-00	Office Supp, Quickbooks 2018, IT Support, Comp Software 8/18
111686	9/7/2018	AT&T 8/23/18-3 8/23/18 8/23/18-1 8/23/18-2	8/23/18 8/23/18 8/23/18 8/23/18	197.03 239.94 116.06 270.11	7215-00	Operations Facility 661 254-1841 8/18 Elevator Emergency 661 254-4865 8/18 Backup Analog 661 753-9621 8/18 Backup Lines 661 254-1900 8/18
111689	9/7/2018	BURRTEC WASTE INDUSTRIES INC 4491741 4491741	9/1/18 9/1/18	87.01 87.01	7215-00 5755-00	Disposal Service 9/18 Disposal Service 9/18
111738	9/12/2018	YP 9/1/18	9/1/18	21.00	7215-00	Directory Advertising 9/18
111740	9/19/2018	AROUND-THE-CLOCK CALL CENTER INC 181000314101	9/17/18	382.65	7215-00	Answering Service - 8/21-9/17/18
111747	9/19/2018	DIRECTV 35020501188 35017872793	9/8/18 9/8/18	24.99 165.98	7215-00	Satellite Services 9/7-10/6/18 - Lobby Satellite Services 9/7-10/6/18 - Office&Operations Facility
111749	9/19/2018	EDISON CO 9/7/18	9/7/18	3,723.40	7215-00	A/C #2-40-708-2270 8/18
111772	9/19/2018	SPRINT 934727314-201	9/7/18	1,520.01	7215-00	Cell Phones 8/18
111787	9/26/2018	CRESCENT VALLEY 9/18/18	9/18/18	10.95	5230-00	Electric Bill 8/14-9/14/18 - Newhall Tank #6
111789	9/26/2018	EDISON CO 9/21/18 9/21/18 9/19/18 9/19/18 9/19/18	9/21/18 9/21/18 9/19/18 9/19/18 9/19/18	74,185.11 42.26 268.55 16,220.37 722.64	5230-00 5225-00 5225-00 5230-00 5235-00	A/C #2-40-708-3856 9/18 A/C #2-40-708-3856 9/18 A/C #2-40-708-3344 9/18 A/C #2-40-708-3344 9/18 A/C #2-40-708-3344 9/18
<b>VEHICL</b>	Vehicle Maintenance					
111685	9/7/2018	AMERICAN EXPRESS 8/28/18	8/28/18	15.31	5715-00	Office Supp, Quickbooks 2018, IT Support, Comp Software 8/18
111690	9/7/2018	BUSH & DAUGHTERS REPAIR SERVICE 1728 1729	8/12/18 8/12/18	170.00 177.00	5775-83 5775-14	Repairs to Bucket - Unit #83 Repairs to Starter - Unit #14
111698	9/7/2018	GRAND AMERICAN TIRE INC 15147 14193	4/16/18 3/21/18	105.00 300.00	5775-20 5775-51	(1) Tire - Unit #20 (1) Tire - Unit #51
111704	9/7/2018	R&S AUTOMOTIVE 137196 137176 137219	9/4/18 8/31/18 9/5/18	176.65 745.47 60.75	5775-61 5775-61 5775-59	Replace Battery - Unit #61 Replace Transmission Switch & Filter - Unit #61 Smog Test - Unit #59
111705	9/7/2018	REQUEST CHEMICAL & SAFETY 1000	8/8/18	1,367.65	5715-00	(1)cs Glass Cleaner(1)cs Foaming Cleaner(1)cs Cleaning Wipe
111709	9/7/2018	SO CAL TURF & TRACTOR 121931	8/24/18	174.76	5715-00	(12) Ignition Keys
111713	9/7/2018	US BANK 8/22/18	8/22/18	123.68	5715-00	Office Supp, Meals, Car Wash, Tools, Computer Supp 8/18
111744	9/19/2018	CANYON RADIATOR AUTO REPAIR INC 967 896 910	8/30/18 8/29/18 8/29/18	2,753.05 1,992.43 486.37	5775-58 5775-74 5775-43	Change Oil, Filter, Brake Pads - Unit #58 Replace Brakes & Shocks - Unit #74 Replace Starter - Unit #43

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Check No.	Ck Date	Vendor Name /	Inv Date	Amount	GL Account	Description
111754	9/19/2018	GRAND AMERICAN TIRE INC				
		266173	8/29/18	1,150.28	5775-58 (4) Tires - Unit #58	
		266003	8/24/18	100.00	5775-20 (1) Tire - Unit #20	
111765	9/19/2018	OILSTOP INC				
		O-0011-130998	8/20/18	121.35	5775-58 Change Oil & Filter - Unit #58	
111767	9/19/2018	R&S AUTOMOTIVE				
		137347	9/12/18	1,752.00	5775-58 Replace Shock Absorbers & Damper - Unit #58	
111769	9/19/2018	SCHWARTZ OIL CO., INC				
		126497	9/5/18	2,551.59	5715-00 (800) gal. Unleaded Fuel	
111802	9/26/2018	NAPA AUTO PARTS				
		007324	9/13/18	165.10	5775-55 (1) Battery - Unit #55	
		007329	9/13/18	26.59	5775-14 (2) Connectors - Unit #14	
111804	9/26/2018	R&S AUTOMOTIVE				
		137430	9/18/18	60.75	5775-42 Smog Test - Unit #42	
		137448	9/19/18	60.75	5775-53 Smog Test - Unit #53	
		137435	9/18/18	60.75	5775-59 Smog Test - Unit #59	
111806	9/26/2018	SCHWARTZ OIL CO., INC				
		126687	9/17/18	3,168.59	5715-00 (1000) gal. Unleaded Fuel	
		126688	9/17/18	1,304.89	5715-00 (340) gal. Diesel Fuel	
		Payments:		<u>1,217,249.69</u>		

Santa Clarita Valley Water Agency  
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**Totals by AP Distribution Code**

Dist. Code		Total Amou
<b>CIP</b>	Construction in Progress	<b>78,719.96</b>
<b>CUSREF</b>	Customer Refunds	<b>543.61</b>
<b>DEBT</b>	Debt Service Payments	<b>226,904.58</b>
<b>DIREMP</b>	Director/Employee Expense	<b>227,386.06</b>
<b>DUES</b>	Dues/Memberships/Certification	<b>8,986.71</b>
<b>INSUR</b>	Insurance	<b>63,195.21</b>
<b>INV</b>	Inventory	<b>44,735.05</b>
<b>LEGAL</b>	Professional Services - Legal	<b>605.50</b>
<b>MAINT</b>	Maintenance and Services	<b>20,908.10</b>
<b>MATSUP</b>	Material and Supply Expense	<b>33,190.41</b>
<b>OFFSUP</b>	Office Supply Expense	<b>4,657.19</b>
<b>OTHER</b>	Other Expenses	<b>214.01</b>
<b>PERCHL</b>	Perchlorate	<b>12,158.92</b>
<b>PROFOT</b>	Professional Services - Other	<b>2,682.50</b>
<b>PURWTR</b>	Purchased Water	<b>350,612.44</b>
<b>RENTLE</b>	Rent/Lease Expense	<b>721.53</b>
<b>SAFETY</b>	Safety Expense	<b>2,138.33</b>
<b>UNIFOR</b>	Uniforms	<b>1,812.10</b>
<b>UTILIT</b>	Utilities	<b>117,906.72</b>
<b>VEHICL</b>	Vehicle Maintenance	<b>19,170.76</b>

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Vendor Name	Transaction Description	Transaction Amount
A T & T	CUSTOMER SERVICE - SEPT SVC - ACCT# 335-451-0184 482 2	\$105.25
	OFFICE - AUG SVC - ACT# 661 260-1513 030 9	\$91.13
	OFFICE - SEPT SVC - ACT# 020 749 6745 001	\$22.98
	OFFICE - SEPT SVC - ACCT# 661-286-4331 677 1	\$147.23
	ROUTER-TELEMETERING - SEPT SVC - ACCT# 831-000-2547 595	\$477.62
	SCADA - AUG SVC - ACT# 831-000-7549-638	\$638.72
	WAREHOUSE - SEPT SVC - ACT# 020 749 6745 001	\$12.70
<b>A T &amp; T</b>		<b>\$1,495.63</b>
A V EQUIPMENT RENTAL INC	BOOM RENTAL	\$320.00
	BOOM RENTAL	\$320.00
	BOOM RENTAL	\$640.00
	HYDRANT ADAPTER	\$54.75
	HYDRANT GASKET	\$7.11
	PROPANE, HITCH	\$275.76
	SHOVELS	\$40.76
	SHOVELS	\$40.76
	SHOVELS	\$197.26
	WASHERS	\$7.11
<b>A V EQUIPMENT RENTAL INC</b>		<b>\$1,903.51</b>
ADAM VITAL	EDUCATION REIMBURSEMENT	\$234.35
<b>ADAM VITAL</b>		<b>\$234.35</b>
ADVANCED INDUSTRIAL SERVICES, INC.	S17715 - BOUQUET TANK EXTERIOR COATING	\$9,949.60
	S17715 - BOUQUET TANK EXTERIOR COATING 5% RETENTION	(\$497.48)
	S17716 - DEANE TANK NO. 1 BOUQUET TANK EXTERIOR COATING	\$7,898.80
	S17716 - DEANE TANK NO. 1 BOUQUET TANK EXTERIOR COATING 5% RETENTION	(\$394.94)
<b>ADVANCED INDUSTRIAL SERVICES, INC.</b>		<b>\$16,955.98</b>
ALAN STEPHENSON	OVERPAYMENT REFUND	\$7,150.23
<b>ALAN STEPHENSON</b>		<b>\$7,150.23</b>
ALTA FOOD CRAFT	OFFICE KITCHEN SUPPLIES	\$129.03
	WAREHOUSE KITCHEN	\$107.69
<b>ALTA FOOD CRAFT</b>		<b>\$236.72</b>
AMAZON CAPITAL SERVICES	CHARGER FOR K. ABERCROMBIE	\$43.75
<b>AMAZON CAPITAL SERVICES</b>		<b>\$43.75</b>
AMERICAN BUSINESS MACHINES	AUGUST USAGE	\$241.16
	SHIP TONERS	\$8.00
	SEPTEMBER USAGE-OFFICE	\$259.96
<b>AMERICAN BUSINESS MACHINES</b>		<b>\$509.12</b>
AMERIPRIDE SERVICES, INC.	AUGUST MATS	\$117.88
	AUGUST UNIFORMS	\$1,198.10
<b>AMERIPRIDE SERVICES, INC.</b>		<b>\$1,315.98</b>
ANNA DWORK	AUG CREDIT REFUND - REF 17629 SCHERZINGER	\$72.27
<b>ANNA DWORK</b>		<b>\$72.27</b>
ANNA EAST	AUG CREDIT REFUND - REF 19906 VIA OTT	\$63.68
<b>ANNA EAST</b>		<b>\$63.68</b>
AQUA METRIC SALES CO.	3" REGISTERS - OMNI C2 REG TR/PL	\$1,010.62
	S18721 - AMR (METERS - 130TR, 150TR & OMNIT11-2)	\$35,088.75
	S18721 - AMR (IPEARL & OMNI METERS)	\$177,433.16
	S18721 - METERS - 1" IPERL TR/PL 100CFT	\$7,002.18
	S18802 - AGED METER CHANGE OUTS (METERS & PORTS)	\$59,839.89
	S18802 - AGED METER CHANGE OUTS (SINGLE PORT)	\$30,698.19
<b>AQUA METRIC SALES CO.</b>		<b>\$311,072.79</b>
ARC IMAGING RESOURCES	AUG USAGE & CHARGE	\$349.01
<b>ARC IMAGING RESOURCES</b>		<b>\$349.01</b>
AROUND THE CLOCK	SEPT SERVICE	\$887.52
<b>AROUND THE CLOCK</b>		<b>\$887.52</b>
AUTOMATED WATER TREATMENT	CHLORINE TABLETS	\$6,404.00
<b>AUTOMATED WATER TREATMENT</b>		<b>\$6,404.00</b>
AUTONATION, INC.	OIL, FILTER #13	\$96.16
	OIL, FILTER #29	\$60.44
<b>AUTONATION, INC.</b>		<b>\$156.60</b>
BAY ALARM COMPANY	SEPT - BURGLAR ALARM SERVICE & BALANCE	\$66.10
<b>BAY ALARM COMPANY</b>		<b>\$66.10</b>
BEST BEST & KRIEGER LLP	S10808 - HONBY SOUTH CELL SITE	\$1,058.20
<b>BEST BEST &amp; KRIEGER LLP</b>		<b>\$1,058.20</b>

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Vendor Name	Transaction Description	Transaction Amount
BOOT BARN INC.	SHOES - T. GRUBER	\$250.00
<b>BOOT BARN INC.</b>		<b>\$250.00</b>
BURRTEC WASTE INDUSTRIES	SEPT SERVICE	\$87.01
<b>BURRTEC WASTE INDUSTRIES</b>		<b>\$87.01</b>
CALIFORNIA DEPT. MOTOR VEHICLES	PULL NOTICE	(\$1.00)
	PULL NOTICE	\$1.00
<b>CALIFORNIA DEPT. MOTOR VEHICLES</b>		<b>\$0.00</b>
CANNON	S17602-SKYLINE ROAD/BENSION PUMP STATION (DESIGN)	\$10,681.88
	S17613-SKYLINE PUMP STATION 2 (DESIGN)	\$10,681.87
<b>CANNON</b>		<b>\$21,363.75</b>
CAROL ANDERSON	AUG CREDIT REFUND - REF 19414 FAIRWEATHER	\$36.73
<b>CAROL ANDERSON</b>		<b>\$36.73</b>
CARQUEST AUTO PARTS	PARTS FOR FUEL TANKS	\$21.46
<b>CARQUEST AUTO PARTS</b>		<b>\$21.46</b>
CHARMAINE'S BOUQUET CANYON FLORIST	SYMPATHY ARRANGEMENT DF	\$84.32
<b>CHARMAINE'S BOUQUET CANYON FLORIST</b>		<b>\$84.32</b>
CIVILTEC ENGINEERING INC.	S06812 GENERAL ENGINEERING	\$807.50
	S14612 - 53074 SAND CANYON PLAZA - PLANNING PHASE	\$1,581.25
	S16604 - VISTA CANYON PHASE 2 RECYCLED WATER DESIGN	\$11,300.00
	S16604 - VISTA CYN RECYCLED WATER DESIGN PHASE 2	\$9,042.50
	S16606 - 69164 VISTA CYN - POTABLE WATER PLANNING PHASE 1	\$350.00
	S16606 - RECYCLED WATER DESIGN PHASE 1	\$3,366.25
	S16610 - 69164 VISTA CYN PHASE 1 POTABLE WATER DESIGN	\$1,498.75
	S16611 - VISTA CYN PHASE 2 POTABLE WATER DESIGN	\$5,751.25
	S16611 - VISTA CYN POTABLE/RECYCLED DESIGN PHASE 2	\$24,338.75
	S16623 16" MAIN - SKYLINE RANCH ZONE PIPELINE DESIGN	\$11,956.25
	S16623 - 20" MAIN NORTH OAKS ZONE	\$90.00
	S16623 - PIPELINES - SKYLINE RANCH ROAD BRIDGE	\$172.50
	S16623 - SKYLINE RANCH FIRE FLOWS	\$562.50
	S16623 - SKYLINE RANCH ZONE 16" PIPELINE DESIGN	\$9,802.50
	S16702 - RECYCLED WATER DESIGN PHASE 1	\$420.00
	S17612 - SKYLINE RANCH TANKS REDESIGN	\$480.00
<b>CIVILTEC ENGINEERING INC.</b>		<b>\$81,520.00</b>
CLEAN RITE MOBILE DETAILING	VEHICLE WASHES	\$700.00
	VEHICLE WASHES	\$670.00
<b>CLEAN RITE MOBILE DETAILING</b>		<b>\$1,370.00</b>
COASTLINE EQUIPMENT	PARTS FOR 310E	\$3,005.67
	RETURN PAD, SEAT	(\$332.50)
	RETURN PARTS	(\$1,815.38)
<b>COASTLINE EQUIPMENT</b>		<b>\$857.79</b>
CORE & MAIN LP	#3 METER BOX BODY ONLY (B	\$353.20
	1 1/2" BALL ANGLE METER S	\$1,311.04
	1" BRASS BALL VALVE W/LOC	\$1,457.39
	1" BRASS BALL VALVE W/LOC	\$485.80
	1" FIP X CTS COMP. COUP	\$560.42
	1" IPS INSTATITE PIPE COU	\$388.60
	1" IPS INSTATITE PIPE COU	\$582.89
	1" PLASTIC TUBING, CLASS	\$367.92
	1" SLIP X MIP SCH 80 PVC	\$119.08
	1" SLIP, PVC, SCH 80, COU	\$74.46
	1" X 1/2" METER COUPLING	\$647.42
	1" X 3" BRASS NIPPLE	\$60.55
	1" X 3/4" BRASS METER RED	\$357.24
	1" X CLOSE BRASS NIPPLE	\$39.26
	1/2" CRL REPAIR KIT #9170	\$485.91
	1/2" CRL REPAIR KIT #9170	\$971.81
	10"- 12" BOLT KITS	\$270.52
	10" DISC RETAINER 100KC #	\$956.59
	10" FLG BUTTERFLY VALVE	\$998.36
	10" FLG ELL	\$584.55
	10" PUSH X PUSH GATE VALV	\$1,937.35
	10" REPAIR KIT 100-01 #98	\$462.53
	10" REPAIR KIT 100-01 #98	\$1,387.58
	10" STEM 100 #V1789G	\$529.10

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Vendor Name	Transaction Description	Transaction Amount
	12" DISC RETAINER 100KC #	\$1,328.02
	12" REPAIR KIT 100-01 #98	\$1,589.94
	16" C905 CL200 PIPE	\$1,550.08
	16" FLANGE BOLT KITS	\$257.01
	16" REPAIR KIT 100-01 #98	\$900.32
	16" RING GASKET	\$284.92
	16" X 2" SADDLE	\$1,293.76
	2 1/2" HYD OUTLET O RING	\$58.25
	2" BRASS ELL	\$95.00
	2" BRASS, STREET, ELL	\$134.36
	2" GLOBE VALVE REPAIR KIT	\$485.91
	2" PVC AIR VAC (ARI)	\$3,695.67
	2" REPAIR KIT #9169805A	\$194.36
	2" X 6" FLEX COUPLING	\$118.59
	3/4" IP BRASS BALL VALVE	\$1,264.94
	3/4" IPS INSERTS	\$86.40
	3/4" PLASTIC METER GASKET	\$121.55
	3/4" PLASTIC TUBING, CLAS	\$275.94
	3/4" RUBBER METER GASKETS	\$68.99
	3/4" RUBBER METER GASKETS	\$49.28
	3/8 X 58 ORFICE	\$1,030.18
	4" DISC RETAINER 100KC #7	\$201.48
	4" HYDRANT OUTLET	\$135.79
	4" RING GASKETS	\$29.57
	4" STEM	\$313.61
	4" X 2" IP 2-STRAP SERVIC	\$236.41
	4TT CONCRETE BODY	\$482.50
	6"- 8" FLANGE BOLT KITS	\$307.87
	6" DISC RETAINER 100KC #6	\$337.26
	6" FLG ELL	\$104.10
	6" POWERROL KIT CLA VALV	\$835.70
	6" PUSH ON GATE VALVE	\$892.10
	6" RING GASKETS	\$131.40
	6" SDR-35 RISER PIPE	\$49.49
	6" SLIP ON, CLASS 150, FL	\$180.02
	6" STEM	\$693.79
	6" X 24" 8-HOLE HYDRANT S	\$391.05
	6" X 4" X 2 1/2" HYD-FLGD	\$2,911.32
	6" X 4" X 2 1/2" HYD-FLGD	\$5,822.64
	6" X 48" RT X FLANGE CI B	\$268.28
	6" X 6" 8-HOLE HYDRANT S	\$484.73
	6" X 8" 8-HOLE HYDRANT S	\$224.04
	8" DISC RETAINER 100KC #7	\$623.71
	8" FLG ELL	\$184.10
	8" REPAIR KIT #9817901D C	\$840.96
	8" REPAIR KIT #9817901D C	\$560.64
	8" SEAT	\$889.14
	8" STEM	\$700.80
	8" X 6" FLG REDUCER	\$126.28
	ADAPTER, ELL	\$680.43
	BUSHING, NIPPLES	\$68.99
	BUSHING, PLUG	\$45.82
	CHECK VALVE	\$1,910.58
	CRD KIT	\$397.10
	CRD KIT	\$1,191.31
	EDDY VALVES	\$6,405.76
	LOCKS	\$1,706.10
	PARTS UNIT 10	\$948.60
	POLY SHEETING	\$240.13
	S15714 - PLACERITA BOOSTER SC-12 (16 FLG 45 C110 IMP)	\$900.10
	S18602 - SHERIFF STATION LATERAL (12 EBAA MEGALUG/SEAL GASKET)	\$115.98
	S18906 - VALENCIA WATER - (6X4 FLGXMJ, GASKET, BOLTS, NUTS & PIPE)	\$537.27
	TRIANGLE 4TT CI LID	\$487.49
<b>CORE &amp; MAIN LP</b>		<b>\$64,867.48</b>

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Vendor Name	Transaction Description	Transaction Amount
CORELECTRIC INC.	S16615 - PRV EAST - LINEAR WET LOCATION LED FIXTURES & MATERIALS	\$4,852.89
	S16615 - PRV WEST - LINEAR WET LOCATION LED FIXTURES & MATERIALS	\$4,991.70
<b>CORELECTRIC INC.</b>		<b>\$9,844.59</b>
CRAIG SNIDER PG	AUG CREDIT REFUND - REF HYDRANT METER	\$780.61
<b>CRAIG SNIDER PG</b>		<b>\$780.61</b>
DAN'S WELDING SERVICE	S15714 - PLACERITA BOOSTER SC-12 (WELDING)	\$920.00
<b>DAN'S WELDING SERVICE</b>		<b>\$920.00</b>
DATAVO	SEPT - WAREHOUSE	\$54.40
<b>DATAVO</b>		<b>\$54.40</b>
DAVID MOXNESS	AUG CREDIT REFUND - REF 19004 AVE OF OAKS	\$34.82
<b>DAVID MOXNESS</b>		<b>\$34.82</b>
DESIGN SPACE MODULAR BUILDINGS	OPS TRAILER	\$1,003.09
<b>DESIGN SPACE MODULAR BUILDINGS</b>		<b>\$1,003.09</b>
DICKINSON ENTERPRISE, INC.	CHECK TRANSMISSION	\$136.79
	EVAPORATOR CORE #35	\$1,529.03
	OIL, FILTER, REPAIR	\$274.35
	SENSOR, SPRK PLUG#105	\$915.33
<b>DICKINSON ENTERPRISE, INC.</b>		<b>\$2,855.50</b>
EN & LOIS CURRAN	AUG CREDIT REFUND - REF 26857 OAK BRANCH	\$22.55
<b>EN &amp; LOIS CURRAN</b>		<b>\$22.55</b>
EUROFINS EATON ANALYTICAL, INC.	PB-CU	\$200.00
	PB-CU	\$90.00
	UCMR4	\$1,000.00
	UCMR4	\$1,200.00
<b>EUROFINS EATON ANALYTICAL, INC.</b>		<b>\$2,490.00</b>
EXCLUSIVE POWDER COATINGS, INC.	S15714- PLACERITA BOOSTER SC-12 (POWDERCOAT & SANDBLAST PIPES)	\$3,815.00
<b>EXCLUSIVE POWDER COATINGS, INC.</b>		<b>\$3,815.00</b>
FASTENAL COMPANY	BOLTS	\$57.04
	CABLE TIES	\$170.44
	GLOVES	\$242.59
	SCREWS, WASHERS	\$19.66
<b>FASTENAL COMPANY</b>		<b>\$489.73</b>
FEATHERS SIGNS & PRINTING	12" X 8" ALUMINUM SINGLE SIDED SIGN	\$766.50
<b>FEATHERS SIGNS &amp; PRINTING</b>		<b>\$766.50</b>
FEDEX	OVERNIGHT SHIPPING - G. MCCOMBS	\$32.69
<b>FEDEX</b>		<b>\$32.69</b>
GOVERNMENT TAX SEMINARS, LLC	SEMINAR - E. OOMS-GRAZIANO & R. SIERRA	\$790.00
<b>GOVERNMENT TAX SEMINARS, LLC</b>		<b>\$790.00</b>
GRAINGER	BASE MAGNET	\$554.08
	BUSHINGS	\$98.72
	CENTERING HEAD	\$107.56
	DANGER TAGS	\$9.97
	KNEELING MATS	\$96.19
	LEVELER	\$110.48
	METER DIAL GAS TANK	\$197.07
<b>GRAINGER</b>		<b>\$1,174.07</b>
HASA INC.	CHLORINE	\$595.44
	DEPOSIT CONTAINER	\$160.00
	RETURN DEPOSIT	(\$120.00)
<b>HASA INC.</b>		<b>\$635.44</b>



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Vendor Name	Transaction Description	Transaction Amount
HOME DEPOT CREDIT SERVICES	BATTERY	\$65.67
	BLADES, BATTERY	\$296.55
	BREAKER, WIRE	\$380.29
	CHLOR LIQUID	\$7.51
	CONCRETE	\$562.28
	CONCRETE, EPOXY	\$31.36
	DIGITAL LEVEL	\$43.79
	FANS, TRAPS	\$683.14
	FEE	\$20.00
	GAS CAN	\$21.87
	HEADLIGHT	\$52.49
	LUMBER, PROPANE	\$151.52
	PRUNER, SOCKETS	\$57.82
	TAPE, TIES, CLEANER	\$281.56
	TOOLS UNIT #40	\$537.68
	TOOLS UNIT 37	\$1,215.42
	TRASH BAGS, HANDLE	\$27.31
<b>HOME DEPOT CREDIT SERVICES</b>		<b>\$4,436.26</b>
HYDREX PEST CONTROL CO.	AUGUST SERVICE - WAREHOUSE	\$54.00
<b>HYDREX PEST CONTROL CO.</b>		<b>\$54.00</b>
INDUSTRIAL METAL SUPPLY	GALV PIPE	\$2,170.95
	PIPE	\$321.93
	STEEL ANGLE	\$161.68
	STEEL FLAT	\$75.69
<b>INDUSTRIAL METAL SUPPLY</b>		<b>\$2,730.25</b>
INFOSEND, INC.	AUGUST BILLING	\$3,303.85
	AUGUST E BILLING	\$475.98
	AUGUST POSTAGE	\$10,328.75
<b>INFOSEND, INC.</b>		<b>\$14,108.58</b>
IRON MOUNTAIN	AUGUST SHREDDING	\$66.53
	STORAGE & SERVICE	\$1,853.22
<b>IRON MOUNTAIN</b>		<b>\$1,919.75</b>
ISMAEL AGUILA LANDSCAPE	AUGUST SERVICE	\$275.00
<b>ISMAEL AGUILA LANDSCAPE</b>		<b>\$275.00</b>
J. G. TUCKER & SON, INC.	PARTS AIR MONITORS	\$890.11
<b>J. G. TUCKER &amp; SON, INC.</b>		<b>\$890.11</b>
J. P. ARMAN CO.	20226 DELIGHT ST./HONBY & CEDAR, SIDEWALK CONCRETE REPAIR	\$4,142.00
	28029 OAK SPRINGS CONCRETE PATCHES REPAIR	\$4,975.00
	S18-919 - MISS GRACE R&R 432 SQ/FT CITY SIDEWALK REPAIR	\$7,314.00
	S18-920 - AUTOZONE 19327 SOLEDAD - CONCRETE PATCHES REPAIR	\$3,125.00
	S18-921 - 18029 RIVER CIRCLE CONCRETE REPAIR	\$3,318.00
	SOLEDAD REPAIR - MCDONALDS	\$3,978.00
<b>J. P. ARMAN CO.</b>		<b>\$26,852.00</b>
JACQUELINE OTERO	NORTHSTAR PACIFIC USER CONFERENCE - MILEAGE, HOTEL, MEAL	\$260.56
<b>JACQUELINE OTERO</b>		<b>\$260.56</b>
JASPEERD GORGIS	AUG CREDIT REFUND - REF 22600 VASQUEZ ROC	\$59.65
<b>JASPEERD GORGIS</b>		<b>\$59.65</b>
JOE LOUIS JIMENEZ	AUG CREDIT REFUND - REF 18311 OAKMONT #866	\$36.73
<b>JOE LOUIS JIMENEZ</b>		<b>\$36.73</b>
KENNEDY/JENKS CONSULTANTS	S16618 - SHERIFF STATION (GOLDEN VALLEY WATERLINE EXT)	\$1,848.95
	S16702 - RECYCLED WATER VISTA CYN PHASE 2B	\$25,053.02
<b>KENNEDY/JENKS CONSULTANTS</b>		<b>\$26,901.97</b>
KIMBALL MIDWEST	DISCS, NUTS, WASHERS	\$160.47
	SAFETY GLASSES	\$86.46
	SAFETY GLASSES	\$43.23
	SCREEN	\$125.37
	SCREEN, PVC, WASHERS	\$391.70
<b>KIMBALL MIDWEST</b>		<b>\$807.23</b>
LEE'S MAINTENANCE SERVICE INC	AUGUST SERVICE - OFFICE	\$2,223.16
<b>LEE'S MAINTENANCE SERVICE INC</b>		<b>\$2,223.16</b>
LESTER MELENDEZ	AUG CREDIT REFUND - REF 18913 STILLMORE	\$115.52
<b>LESTER MELENDEZ</b>		<b>\$115.52</b>
LOS ANGELES COUNTY FIRE DEPT	7/1/18-6/30/19 - HAZARDOUS WASTE MATERIALS & PROGRAM	\$1,838.00
<b>LOS ANGELES COUNTY FIRE DEPT</b>		<b>\$1,838.00</b>

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MARI-CO MAIL SERVICE	AUGUST SERVICE	\$300.00
<b>MARI-CO MAIL SERVICE</b>		<b>\$300.00</b>
MATT STEVESON	REIMBURSE CLASS - OFFICE OF WATER PROGRAMS - CSU SACRAMENTO	\$163.53
<b>MATT STEVESON</b>		<b>\$163.53</b>
MC CROMETER, INC.	CREDIT METER	(\$1,692.87)
	REPAIR METER - VIA JOYCE	(\$2,314.90)
	REPAIR METER - VIA JOYCE	\$2,314.90
	REPAIR METER - VIA JOYCE	\$2,314.90
	S15714 - PLACERITA BOOSTER SC-12 (M-SERIES DC, E18-04627)	\$1,727.40
<b>MC CROMETER, INC.</b>		<b>\$2,349.43</b>
MESA ENGINEERING	S14602 - KEYSTONE (MAINS, SERVICES & HYDRANTS) RETENTION	\$558.33
<b>MESA ENGINEERING</b>		<b>\$558.33</b>
N. HARRIS COMPUTER SYSTEMS	NORTHSTAR CONFERENCE - R. McLAUGHLAN	\$450.00
<b>N. HARRIS COMPUTER SYSTEMS</b>		<b>\$450.00</b>
NAPA AUTO & TRUCK PARTS	FILTER	\$4.13
	HOSE STOP, BOLT	\$25.28
	PARTS FOR 310E	\$460.22
	SERVICE CHG	\$7.30
	SPANNER	\$108.39
	STRAP, O RING KIT	\$90.96
<b>NAPA AUTO &amp; TRUCK PARTS</b>		<b>\$696.28</b>
NEWHALL VALENCIA LOCK & KEY	KEYS	\$26.21
<b>NEWHALL VALENCIA LOCK &amp; KEY</b>		<b>\$26.21</b>
NOSSAMAN LLP	S98806 - PERCHLORATE CONTAMINATION CLAIM	\$12,158.92
<b>NOSSAMAN LLP</b>		<b>\$12,158.92</b>
OFFICE DEPOT, INC.	BATTERIES	\$88.67
<b>OFFICE DEPOT, INC.</b>		<b>\$88.67</b>
PACIFIC PRINTING COMPANY	BUSINESS CARD - M. RESTIVO	\$71.18
<b>PACIFIC PRINTING COMPANY</b>		<b>\$71.18</b>
PARDEE HOMES	REFUND HYDRANT METER	\$744.27
<b>PARDEE HOMES</b>		<b>\$744.27</b>
PERIMETER SECURITY SYSTEMS	REMOTES	\$358.31
	SERVICE GATE	\$450.00
<b>PERIMETER SECURITY SYSTEMS</b>		<b>\$808.31</b>
PEST OPTIONS INC.	SEPT SERVICE	\$2,099.59
<b>PEST OPTIONS INC.</b>		<b>\$2,099.59</b>
PETRO LOCK, INC.	GASOLINE	\$2,526.84
	SURCHARGE	\$10.95
<b>PETRO LOCK, INC.</b>		<b>\$2,537.79</b>
PETTY CASH	MEALS - M. RESTIVO (LEADERSHIP & MGMNT CONF.), E. OOMS-GRAZIANO & N. MILLER (LUNCH FOR NEW TEMPORARY ASSISTANT)	\$69.13
	SMALL TOOLS FOR METER READERS	\$43.75
<b>PETTY CASH</b>		<b>\$112.88</b>
PITNEY BOWES GLOBAL FINANCIAL SVCS	TO 9/11/18 - LEASING CHARGES	\$712.27
<b>PITNEY BOWES GLOBAL FINANCIAL SVCS</b>		<b>\$712.27</b>
PRAXAIR DISTRIBUTION, INC	CARBON DIOXIDE	\$62.68
	CARBON DIOXIDE	\$31.34
	GLOVES	\$11.23
<b>PRAXAIR DISTRIBUTION, INC</b>		<b>\$105.25</b>
PREMIERE GLOBAL SERVICES	OFFICE	\$24.64
<b>PREMIERE GLOBAL SERVICES</b>		<b>\$24.64</b>
PUMP DESIGN & SUPPLY CO.	S18707 - SC-4 BOOSTER STATION	\$17,995.16
	S18707 - GREGORY BOOSTER, 75 HP SUBMERSIBLE MOTOR 3450 RPM	\$17,108.76
<b>PUMP DESIGN &amp; SUPPLY CO.</b>		<b>\$35,103.92</b>
RED WING SHOE STORE	SHOES 5 MEN - P. BURROUS, J. FOOTE, N. GILMORE, C. JENS, & A. VITAL	\$1,346.65
<b>RED WING SHOE STORE</b>		<b>\$1,346.65</b>
RICK FRANKLIN CONSTRUCTION, INC	SOLEDAD ASPHALT PATCH	\$950.00
<b>RICK FRANKLIN CONSTRUCTION, INC</b>		<b>\$950.00</b>
ROSE & LEON L. HEUREUX	AUG CREDIT REFUND - REF 28025 CRESTON CT	\$62.47
<b>ROSE &amp; LEON L. HEUREUX</b>		<b>\$62.47</b>
RYAN PROCESS, INC.	CHLORINE TABLETS	\$8,832.00
<b>RYAN PROCESS, INC.</b>		<b>\$8,832.00</b>

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SAGE STAFFING	WEEK ENDED 9/9/18 - OFFICE ASSISTANT	\$1,113.35
	WK ENDED 9/16/18 - OFFICE ASSISTANT	\$1,145.16
	WK ENDED 8/26/18 - OFFICE ASSISTANT	\$1,399.64
	WK ENDED 9/2/18 - OFFICE ASSISTANT	\$1,145.16
<b>SAGE STAFFING</b>		<b>\$4,803.31</b>
SANTA CLARITA VALLEY WATER AGENCY	A T & T	\$1,740.32
	AUG PAYROLL	\$456,104.72
	AUG SHARED EMPLOYEE	\$22,905.11
	AUGUST FIXED	\$623,915.16
	AUGUST SAUGUS	\$39,250.00
	AUGUST VARIABLE	\$568,296.62
	CREDIT SHOES	(\$238.94)
	DMV CHARGE	\$500.00
	INSURANCE	\$68,861.22
	LAB AUGUST	\$2,654.00
	MAINTENANCE	\$2,652.12
	RETIREE INSURANCE	\$9,730.85
	S16623 - SKYLINE RANCH (LAB)	\$264.00
	STAINLESS STL BOTTLES	\$475.70
	SUNPOWER, CREDIT	(\$81,439.79)
	US BANK COP 2010A	\$1,396.89
	VIA MEMBERSHIP	\$206.82
<b>SANTA CLARITA VALLEY WATER AGENCY</b>		<b>\$1,717,274.80</b>
SCHWARTZ OIL CO	DIESEL	\$1,535.16
	DIESEL FOR TANKS	\$1,867.69
	GASOLINE	\$2,554.66
	GASOLINE FOR TANKS	\$1,777.04
	GASOLINE FOR TANKS	\$2,325.00
<b>SCHWARTZ OIL CO</b>		<b>\$10,059.55</b>
SO. CALIF. REGIONAL RAIL AUTHORITY	S16702-RECYCLED WATER PIPELINE (ENCROACHMENT PERMIT FOR BRIDGE CROSSING)	\$2,500.00
<b>SO. CALIF. REGIONAL RAIL AUTHORITY</b>		<b>\$2,500.00</b>
SO. CALIFORNIA EDISON CO.	AUGUST CHARGES	\$158,351.72
	SEPT CHARGES - OFFICE	\$4,434.80
	SEPT CHARGES - WAREHOUSE	\$2,245.69
		<b>\$165,032.21</b>
SOLARBEE/MEDORA CORPORATION	SEPTEMBER SERVICE	\$9,776.69
<b>SOLARBEE/MEDORA CORPORATION</b>		<b>\$9,776.69</b>
STAATS CONSTRUCTION INC.	PAVING BQT CANYON	\$2,179.00
	PAVING OAK CROSSING	\$5,063.00
	PAVING SAND CANYON	\$3,197.00
	PAVING SIERRA HWY	\$2,490.00
	PAVING SUTTER POINTE	\$2,914.00
<b>STAATS CONSTRUCTION INC.</b>		<b>\$15,843.00</b>
STAPLES ADVANTAGE	CUST. SVC SUPPLIES	\$106.39
	ENGINEER OFFICE SUPPL	\$498.77
	ENGR OFFICE SUPPLIES	\$14.44
	ENGR SUPPLIES	\$999.11
	OFFICE SUPPLIES	\$34.43
	RETURN ENGR SUPPLY	(\$235.41)
<b>STAPLES ADVANTAGE</b>		<b>\$1,417.73</b>
STEVEN DAVIS	AUG CREDIT REFUND - REF 22052 BARRINGTON	\$35.25
<b>STEVEN DAVIS</b>		<b>\$35.25</b>
SWRCB-DRINKING WATER OP CERT PROG	M. REYES T2	\$60.00
<b>SWRCB-DRINKING WATER OP CERT PROG</b>		<b>\$60.00</b>
TEJINDER DHILLON	AUG CREDIT REFUND - REF 25415 CALCUTTA PASS	\$3.36
<b>TEJINDER DHILLON</b>		<b>\$3.36</b>
TEJON CONSTRUCTORS, INC	S13617 - GOLDEN VALLEY RANCH WATER SYSTEM	\$10,750.00
<b>TEJON CONSTRUCTORS, INC</b>		<b>\$10,750.00</b>
TPX COMMUNICATIONS	SEPT SERVICE - OFFICE - ACT# 87050	\$746.86
<b>TPX COMMUNICATIONS</b>		<b>\$746.86</b>
TROPICAL WEST DESIGNS	AUGUST SERVICE	\$125.00
	PLANT	\$14.45
<b>TROPICAL WEST DESIGNS</b>		<b>\$139.45</b>

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UNDERGROUND SERVICE ALERT/SC	AUGUST SERVICE	\$295.45
<b>UNDERGROUND SERVICE ALERT/SC</b>		<b>\$295.45</b>
USABBLUEBOOK	CABLES	\$1,392.95
	SS PARTS	\$692.91
	TESTING SUPPLIES	\$585.92
<b>USABBLUEBOOK</b>		<b>\$2,671.78</b>
VALENCIA WATER DIVISION-SCVWA	INTERTEX PAYMENT	\$785.00
<b>VALENCIA WATER DIVISION-SCVWA</b>		<b>\$785.00</b>
VANTAGE AIR, INC.	ICE MAKER SERVICE	\$457.39
<b>VANTAGE AIR, INC.</b>		<b>\$457.39</b>
VERIZON WIRELESS	SEPT SERVICE - 10 LINES - ACT# 642026612-00001	\$369.45
	SEPT SERVICE - 7 LINES - ACT# 972378078-00002	\$124.74
	SEPT SERVICE - CELL PHONES - ACT# 972378078-00001	\$2,555.25
<b>VERIZON WIRELESS</b>		<b>\$3,049.44</b>
VERTEX SURVEY, INC.	S16702 - SURVEYING FOR ADDL RECYCLED WATER MAIN	\$4,900.00
<b>VERTEX SURVEY, INC.</b>		<b>\$4,900.00</b>
WARD CORPORATION	REFUND HYDRANT METER	\$708.73
<b>WARD CORPORATION</b>		<b>\$708.73</b>
WASTE MANAGEMENT-BLUE BARREL	AUGUST SERVICE	\$1,062.18
<b>WASTE MANAGEMENT-BLUE BARREL</b>		<b>\$1,062.18</b>
WELLS FARGO	ACCESSORIES - PRODUCTION - BEST BUY	\$170.75
	LEADERSHIP CONF. & REGIS. - L. TERRANOVA & R. HITCHEN	\$465.00
	LEADERSHIP TRAINING & WOMENS LDRSHIP - L. QUINTERO, M. RESTIVO, E. BLANFORD, N. PIPITHARUT, & J. NGOON	\$898.00
	FEE - RETURN TO MCCROMETER & TRIMBEL UNIT SENT FOR CONFIGURATION	\$39.00
	K. ABERCROMBIE - LUNCH MEETING WITH B. JOHNSON & M. STONE	\$82.77
	MEALS & SNACKS - EXEC. STAFF MEETING	\$255.17
	MEALS EXCAVATION TRAINING, PARTS & SUPPLIES	\$1,775.43
	OFFICE SUPPLIES - WAREHOUSE	\$71.46
	OFFICE SUPPLIES FOR ENG. SERVICES LUNCHEON 8/29/18	\$35.62
	E-PUBLICATION-ENGINEER	\$45.00
	RETURN TO MCCROMETER	\$20.55
	TRIMBLE UNIT SENT FOR CONFIGURATION	\$7.90
	S18908 - REGIONAL WOMENS LDRSHIP CONF. E. DILL, A. JACOBS, K. DENKINGER, C. GORDON, N. OLIPHANT	\$500.00
	S18908 - REGIONAL ENG. SERVICES LUNCHEON 8/29/18	\$406.20
	SUNSCREEN	\$103.70
<b>WELLS FARGO</b>		<b>\$4,876.55</b>
WOODARD & CURRAN INC	S16702 - POTHOLING - VISTA CYN PHASE 2B RECYCLED WATER MAIN	\$65,432.02
<b>WOODARD &amp; CURRAN INC</b>		<b>\$65,432.02</b>
XEROX CORPORATION	AUGUST SERVICE	\$149.75
<b>XEROX CORPORATION</b>		<b>\$149.75</b>
XTREME TRANSPORT, INC.	BASE	\$2,310.24
	DUMP LOAD	\$150.00
	DUMP FEE	\$450.00
	DUMP LOAD	\$600.00
<b>XTREME TRANSPORT, INC.</b>		<b>\$3,510.24</b>
ZEE MEDICAL	OFFICE FIRST AID SUPPLIES	\$161.90
	WAREHOUSE SUPPLIES	\$162.49
<b>ZEE MEDICAL</b>		<b>\$324.39</b>
<b>Summary</b>		<b>\$2,726,619.46</b>

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<b>Vendor Name</b>	<b>Description</b>	<b>Total</b>
<b>ACC BUSINESS</b>	Internet circuit 071118-081018	1,579.68
<b>ACC BUSINESS Total</b>		<b>1,579.68</b>
<b>ACCO ENGINEERED SYSTEMS, INC</b>	Bimonthly svc mtce	1,267.00
<b>ACCO ENGINEERED SYSTEMS, INC Total</b>		<b>1,267.00</b>
<b>AIRGAS USA, LLC</b>	Well W-9 Water Softening	871.39
	Electrolyte drink mixes/Ops	166.28
	Electrolyte drink mixes	96.57
<b>AIRGAS USA, LLC Total</b>		<b>1,134.24</b>
<b>AMAZON CAPITAL SERVICES, INC.</b>	Office supplies	117.59
	Hand truck, cords for I/T dept	42.79
<b>AMAZON CAPITAL SERVICES, INC. Total</b>		<b>160.38</b>
<b>AMERICAN BUSINESS MACHINES</b>	Base rate 090818-100718	354.83
<b>AMERICAN BUSINESS MACHINES Total</b>		<b>354.83</b>
<b>AMERICAN OFFICE PRODUCTS</b>	Office supplies	231.18
<b>AMERICAN OFFICE PRODUCTS Total</b>		<b>231.18</b>
<b>AROUND THE CLOCK CALL CENTER</b>	Answering service	798.87
<b>AROUND THE CLOCK CALL CENTER Total</b>		<b>798.87</b>
<b>AT&amp;T</b>	Long distance svc thru 090118	60.27
	S. West 08/07/18-09/06/18	451.05
	S. Central Master 080718-090618	281.90
	Main, NW, NC 080718-090618	1,643.63
	LAN modem 07/28/18-08/27/18	75.49
<b>AT&amp;T Total</b>		<b>2,512.34</b>
<b>BEE SPECIALIST</b>	27529 Pamplico hive removal	250.00
	Hive removal, VWD office	250.00
<b>BEE SPECIALIST Total</b>		<b>500.00</b>
<b>BEST BUY BUSINESS ADVANTAGE</b>	Ethernet switches (3)	114.92
<b>BEST BUY BUSINESS ADVANTAGE Total</b>		<b>114.92</b>
<b>BURRTEC WASTE INDUSTRIES, INC.</b>	Trash service, Sept	339.30
<b>BURRTEC WASTE INDUSTRIES, INC. Total</b>		<b>339.30</b>
<b>CDW DIRECT, LLC</b>	Telephone wireless headsets	936.44
	(KG) 24" computer monitor	195.82
	Wireless k/board mouse combos	6.09
	(IT office) Wireless keyboards	49.06
<b>CDW DIRECT, LLC Total</b>		<b>1,187.41</b>
<b>CINTAS CORPORATION #684</b>	Mop, freshener, soap, blg mats	502.42
	Uniforms	1,373.95
	Scrap towel (2 boxes)	76.65
<b>CINTAS CORPORATION #684 Total</b>		<b>1,953.02</b>

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<b>CINTAS FIRST AID &amp; SAFETY LOC #168</b>	AED lease, August	64.61
	AED lease, August,mezzanine	108.41
	Check,restock medicine cabinets	124.77
<b>CINTAS FIRST AID &amp; SAFETY LOC #168 Total</b>		<b>297.79</b>
<b>CLEAN TOUCH JANITORIAL, INC.</b>	Janitorial svc, August	1,625.00
<b>CLEAN TOUCH JANITORIAL, INC. Total</b>		<b>1,625.00</b>
<b>COLUMBUS US, INC.</b>	GP support, August	832.50
<b>COLUMBUS US, INC. Total</b>		<b>832.50</b>
<b>CONNER, DARINE</b>	Office supplies	14.06
	Weekly office meetings	321.19
	Truck #68 car wash	13.00
	Vending machine coins	(202.93)
	Cash register shortage	(2.49)
<b>CONNER, DARINE Total</b>		<b>142.83</b>
<b>CONVERGEONE, INC.</b>	Phone system support 2018-2019	25,357.16
<b>CONVERGEONE, INC. Total</b>		<b>25,357.16</b>
<b>CORE &amp; MAIN LP</b>	5 Gal dechlorinate (48)	3,666.06
	Meter box body (56)	1,665.45
	Meter box lids (120)	3,980.11
	20 oz blue marking paint (12)	64.65
	5# Granular chlorine (144)	5,957.14
	3/4x1 Meter adapters (24)	1,006.00
	Meter stop,corp stop,couplings	4,387.08
	Freight charge, meter #145 rpr	23.80
	Hydrant meter #201 testing	124.37
	Meter #188 test & repair	275.51
	CLA-VAL repair kits	9,475.96
	Blue marking chalk (12 boxes)	77.92
	5Gal Dechlorinate (48)	3,666.07
	Concrete meter boxes, lids	2,741.00
<b>CORE &amp; MAIN LP Total</b>		<b>37,111.12</b>
<b>COUNTY OF LOS ANGELES DEPT OF PW</b>	27624 Old Rd excavtion permit	995.00
<b>COUNTY OF LOS ANGELES DEPT OF PW Total</b>		<b>995.00</b>
<b>DATALINK NETWORKS INC.</b>	Huawei 900 Gb disk units (12)	12,346.21
	I/T support svc, Aug overage	10,333.75
	I/T support svc, Sept retainer	4,000.00
	Datto b/u & recovery svc, Sept	968.66
	Evault b/u & recovery, Sept	3,510.00
<b>DATALINK NETWORKS INC. Total</b>		<b>31,158.62</b>
<b>DATAPROSE, LLC</b>	Customer billing, August	12,179.83
	High consumption letters, Aug	126.17
<b>DATAPROSE, LLC Total</b>		<b>12,306.00</b>

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DCSE, INC.	2018 Water Smart Application Support	2,400.00
<b>DCSE, INC. Total</b>		<b>2,400.00</b>
DICKENS, MATTHEW	MD Tuition, Aug Conservation Dept Lunch	5,000.00 94.84
<b>DICKENS, MATTHEW Total</b>		<b>5,094.84</b>
EBIX, INC.	Base fee August, CPI adj	451.49
<b>EBIX, INC. Total</b>		<b>451.49</b>
ENTERPRISE FLEET SERVICES	Fleet svcs, Sept	17,838.34
<b>ENTERPRISE FLEET SERVICES Total</b>		<b>17,838.34</b>
EUROFINS EATON ANALYTICAL INC	NPDES testing 08/01/18	675.00
<b>EUROFINS EATON ANALYTICAL INC Total</b>		<b>675.00</b>
FERGUSON WATERWORKS	5 Gal dechlor solution (24)	2,455.84
<b>FERGUSON WATERWORKS Total</b>		<b>2,455.84</b>
GRAINGER	Towelette station, V-belt	64.52
<b>GRAINGER Total</b>		<b>64.52</b>
HACH COMPANY	Water quality testing supplies	2,847.32
<b>HACH COMPANY Total</b>		<b>2,847.32</b>
HARRINGTON INDUSTRIAL PLASTICS LLC	Hydra cell pump,motor rebuilds	5,411.35
<b>HARRINGTON INDUSTRIAL PLASTICS LLC Total</b>		<b>5,411.35</b>
HERMOSILLO, GIL	GH Ops cross training W7 Lunch	54.84
<b>HERMOSILLO, GIL Total</b>		<b>54.84</b>
HOME DEPOT CREDIT SERVICES	Water quality testing supplies Maintenance tools, supplies Vacuum Truck nozzles,coupler IT Office - S hooks, shelves	11.73 367.03 103.62 123.92
<b>HOME DEPOT CREDIT SERVICES Total</b>		<b>606.30</b>
HUERTA, JOSE	JH, GIS Pro conference 10/218 JH SoCal URISA membership fee	350.00 30.00
<b>HUERTA, JOSE Total</b>		<b>380.00</b>
INDOOR PLANT PROFESSIONALS	Interior plant svc, Sept	105.00
<b>INDOOR PLANT PROFESSIONALS Total</b>		<b>105.00</b>
IRJ ENGINEERS, INC.	Well E-17 Engineering Services for EI	460.00
<b>IRJ ENGINEERS, INC. Total</b>		<b>460.00</b>
JENSEN DESIGN & SURVEY, INC.	Mission Village 4MG Storage Tanks Eng Magic Mtn Pkwy Phasing Study & Pipeline	20,461.25 4,240.00
<b>JENSEN DESIGN &amp; SURVEY, INC. Total</b>		<b>24,701.25</b>
KENNEDY/JENKS CONSULTANTS, INC.	V201 Treatment Add'l DDW Permitting	1,757.60
<b>KENNEDY/JENKS CONSULTANTS, INC. Total</b>		<b>1,757.60</b>
LANDCARE	Landscape mgmt svc, Sept	644.70
<b>LANDCARE Total</b>		<b>644.70</b>
MARICO MAIL SERVICE	Banking, inter-ofc svc August	675.00
<b>MARICO MAIL SERVICE Total</b>		<b>675.00</b>

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<b>MCMASTER-CARR COMPANY</b>	Flange, adapter for Wells	51.34
<b>MCMASTER-CARR COMPANY Total</b>		<b>51.34</b>
<b>NEWHALL WATER DIVISION</b>	Phase 2C Recycled Water Design	13,030.10
	Paine Cir 1" svc repair	1,817.46
	VWD HQ - Cut in valve	447.12
<b>NEWHALL WATER DIVISION Total</b>		<b>15,294.68</b>
<b>PEREZ, CRIS</b>	CP tuition reimbursement	4,066.52
<b>PEREZ, CRIS Total</b>		<b>4,066.52</b>
<b>PETERSON PRINTING</b>	8.5x3 Irrigation Door Hangers	213.53
	Shut-off notices	1,519.86
<b>PETERSON PRINTING Total</b>		<b>1,733.39</b>
<b>PITNEY BOWES</b>	Postage machine lease Sept-Dec	820.20
<b>PITNEY BOWES Total</b>		<b>820.20</b>
<b>PRES-TECH</b>	Vacuum hoses for Vac Truck	704.63
<b>PRES-TECH Total</b>		<b>704.63</b>
<b>QUINN POWER SYSTEMS</b>	Generac inspect'n,loadbank svc	1,373.72
<b>QUINN POWER SYSTEMS Total</b>		<b>1,373.72</b>
<b>RED WING BUSINESS ADVANTAGE ACCOUNT</b>	JM safety work boots	231.53
	JF safety work boots	250.00
	WA safety work boots	240.83
<b>RED WING BUSINESS ADVANTAGE ACCOUNT Total</b>		<b>722.36</b>
<b>REFUND CUSTOMER</b>	J5375 refund Keane Constructor	1,092.70
	J6698 refund City of SC	548.06
	J6706 refund FivePoint	143.88
	J4325 refund Fountainhead	1,142.00
	082118 Customer refunds	70.00
	J6704 refund FivePoint	702.00
	City of Santa Clarita HELIUM	3,087.64
	082118 Customer refund	1,718.74
<b>REFUND CUSTOMER Total</b>		<b>8,505.02</b>
<b>RISEN BREAD LLC</b>	Competent Person training	504.77
<b>RISEN BREAD LLC Total</b>		<b>504.77</b>
<b>RMR EQUIPMENT RENTAL INC</b>	J4326 Water trucks 07/30/18	1,920.00
	Wiley Cyn Rd/valve replacemnt	1,200.00
<b>RMR EQUIPMENT RENTAL INC Total</b>		<b>3,120.00</b>
<b>ROYAL INDUSTRIAL SOLUTIONS</b>	Time delay fuses,600V TD fuses	2,013.18
<b>ROYAL INDUSTRIAL SOLUTIONS Total</b>		<b>2,013.18</b>
<b>RYAN PROCESS INC</b>	55# ACL90 disinfecting tablets	9,671.04
	50# Constant Chlor+ briquettes	8,554.14
<b>RYAN PROCESS INC Total</b>		<b>18,225.18</b>



**Santa Clarita Valley Water Agency**  
**Valencia Water Division**  
**Check Register Report**  
**September 2018**

<b>SANTA CLARITA VALLEY WATER AGENCY</b>	Well V201 Lab fee, August	1,600.00
	Lab fee, August	2,670.00
	Variable water charge, August	452,231.87
	Fixed water charge, August	468,260.07
	Water softening lab fee, Aug	80.00
	Recycled water, August	45,142.20
<b>SANTA CLARITA VALLEY WATER AGENCY Total</b>		<b>969,984.14</b>
<b>SANTA CLARITA WATER DIVISION</b>	J6692 July charges	1,238.85
<b>SANTA CLARITA WATER DIVISION Total</b>		<b>1,238.85</b>
<b>SERVICE BRASS FITTINGS</b>	Hydrant meter repair parts	1,140.28
<b>SERVICE BRASS FITTINGS Total</b>		<b>1,140.28</b>
<b>SHUTTER WORLD INC</b>	Motorized rollr shades install	3,840.00
<b>SHUTTER WORLD INC Total</b>		<b>3,840.00</b>
<b>SMART &amp; FINAL</b>	Vending machine supplies	138.26
<b>SMART &amp; FINAL Total</b>		<b>138.26</b>
<b>SOUTHERN CALIFORNIA EDISON CO</b>	VWD Office 081318-091218	4,920.75
	Purchased power, June	11,021.82
	Purchased power	274,469.52
<b>SOUTHERN CALIFORNIA EDISON CO Total</b>		<b>290,412.09</b>
<b>SPATIAL WAVE, INC.</b>	Field Mapplet 9 upgrade	1,250.00
<b>SPATIAL WAVE, INC. Total</b>		<b>1,250.00</b>
<b>STAATS CONSTRUCTION INC.</b>	Potholing - two locations	6,414.00
	Ave Stanford/Technology-paving	2,087.00
	Blakely Pl - paving	2,283.00
	27251 Blakely-saw cut	431.00
	Tripointe-06 A/V & svc repairs	1,800.00
	Quincy St - pave after repair	7,533.00
	VWD yard trash to landfill	320.00
	Pothole VWD line, 5 locations	25,319.00
	Ave Crocker paving	2,667.00
	30124 Desert Rose 1"svc repair	3,934.00
	27918 Dexter Dr paving	2,312.00
	30124 Desert Rose paving	2,216.00
	Via Novia paving	2,216.00
	Ave Crocker 4" svc repair	3,907.00
<b>STAATS CONSTRUCTION INC. Total</b>		<b>63,439.00</b>
<b>SWRCB-DWOC</b>	Joe A T2 cert renewal fee	60.00
	JG - T1 cert renewal fee	55.00
<b>SWRCB-DWOC Total</b>		<b>115.00</b>
<b>TECHNOFLO SYSTEMS</b>	Carnegie BS meter troubleshoot	183.92
<b>TECHNOFLO SYSTEMS Total</b>		<b>183.92</b>

**Santa Clarita Valley Water Agency**  
**Valencia Water Division**  
**Check Register Report**  
**September 2018**

<b>TRENCH SHORING COMPANY</b>	Competent Person training	6,000.00
<b>TRENCH SHORING COMPANY Total</b>		<b>6,000.00</b>
<b>UNDERGROUND SERVICE ALERT</b>	New tix charges; database mtce	293.80
<b>UNDERGROUND SERVICE ALERT Total</b>		<b>293.80</b>
<b>UNIQUE SERVICES</b>	Warehouse gate-receiver instal	568.00
	I/T Office-Flat screen install	836.00
<b>UNIQUE SERVICES Total</b>		<b>1,404.00</b>
<b>UNITED RECORDS MANAGEMENT, INC.</b>	Filepath Cloud svc, August	282.00
	Scanning svc misc acctg docs	1,311.33
<b>UNITED RECORDS MANAGEMENT, INC. Total</b>		<b>1,593.33</b>
<b>VALLEY COURIERS, INC</b>	Exchange for W/Fargo, August	247.03
<b>VALLEY COURIERS, INC Total</b>		<b>247.03</b>
<b>VERIZON WIRELESS</b>	Service 081618-091518	416.20
	Service 08/16/18-09/15/18	2,307.29
<b>VERIZON WIRELESS Total</b>		<b>2,723.49</b>
<b>WELLS FARGO BANK, N.A.</b>	Office supplies	207.29
	EOC comm 082518-092518	202.65
	DC,CP training, workshops	869.00
	CP lodging, park'g fee	376.31
<b>WELLS FARGO BANK, N.A. Total</b>		<b>1,655.25</b>
<b>WILLSON, KATHLEEN</b>	KW Business lunches	340.49
	KW mileage 06/25/18-08/23/18	78.37
<b>WILLSON, KATHLEEN Total</b>		<b>418.86</b>
<b>WORK BOOT WAREHOUSE</b>	GG safety boots	185.06
	SF safety boots	250.00
	JE safety boots	250.00
<b>WORK BOOT WAREHOUSE Total</b>		<b>685.06</b>
<b>WRIGHT EXPRESS FINANCIAL SERVICES</b>	Fuel purchases, Sept	7,516.93
<b>WRIGHT EXPRESS FINANCIAL SERVICES Total</b>		<b>7,516.93</b>
<b>Grand Total</b>		<b>1,599,996.86</b>

# Large Disbursement Check Registers

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**SCVWA-Regional Division**  
**Regional Division's Ten Largest Disbursements**  
 Sep 1, 2018 to Sep 30, 2018

No.	Vendor Name	Check Number	Check Date	Account Title	Amount
	DEPARTMENT OF WATER RESOURCES	36451	09/06/2018	STATE WATER CONTRACT PYMT-CO #160213-SEPTEMBER 2018	1,004,152.00
<b>1</b>	<b>DEPARTMENT OF WATER RESOURCES</b>				<b>1,004,152.00</b>
	DEPARTMENT OF WATER RESOURCES	36497	9/13/18	DWR VARIABLE WATER JULY	920,718.00
<b>2</b>	<b>DEPARTMENT OF WATER RESOURCES</b>				<b>920,718.00</b>
	CALPERS / CERBT	36621	09/25/2018	OPEB CONTRIBUTION - JUN THROUGH SEPT 2018	373,401.13
<b>3</b>	<b>CALPERS</b>				<b>373,401.13</b>
	SOUTHERN CALIFORNIA EDISON	36470	09/07/2018	ELECTRICITY-OTHER	6,294.19
				ELECTRICITY-PUMPING	285,632.70
				ELECTRICITY-TRTMENT PLANT	21,004.68
				ELECTRICITY-WELLS	21,585.65
<b>4</b>	<b>SOUTHERN CALIFORNIA EDISON</b>				<b>334,517.22</b>
	SOUTHERN CALIFORNIA EDISON	36618	09/25/2018	ELECTRICITY-OTHER	6,442.56
				ELECTRICITY-PUMPING	279,244.85
				ELECTRICITY-TRTMENT PLANT	22,704.83
				ELECTRICITY-WELLS	21,195.34
<b>5</b>	<b>SOUTHERN CALIFORNIA EDISON</b>				<b>329,587.58</b>
	GSE CONSTRUCTION COMPANY INC.	36506	09/13/2018	FOOTHILL FEEDER PROJECT #200905E	122,503.45
<b>6</b>	<b>GSE CONSTRUCTION COMPANY INC.</b>				<b>122,503.45</b>
	SOLAR STAR CA. XXVIII,LLC/SUNPOWER	36552	09/28/2018	AUGUST 2018 SERVICE	56,717.70
				AUGUST 2018 SERVICE	1,134.35
				AUGUST 2018 SERVICE	40,836.75
				AUGUST 2018 SERVICE	10,209.19
				AUGUST 2018 SERVICE	4,537.42
<b>7</b>	<b>SOLAR STAR CA. XXVIII, LLC/SUNPOWER</b>				<b>113,435.41</b>
	CLARK BROS. INC.	36548	09/18/2018	CLEARWELL CT IMPROVEMENTS PROJECT 200105E	77,550.00
				RETENTION-CLEARWELL CT IMPROVEMENTS	-3,877.50
<b>8</b>	<b>CLARK BROS. INC.</b>				<b>73,672.50</b>
	HACH COMPANY	36583	09/21/2018	TURBIDITY MTRS CONTROLER/LAB SUPPLIES	47,276.55
				LABORATORY SUPPLIES	341.92
				PARTS & MATERIALS	4,803.01
				PERFORMANCE TEST. SAMPLES	490.40
<b>9</b>	<b>HACH COMPANY</b>				<b>52,911.88</b>
	SAM HILL & SONS, INC.	36603	09/21/2018	DD LANDOWNER EXPENDITURES-PIPE REPAIR	48,832.76
<b>10</b>	<b>SAM HILL &amp; SONS, INC.</b>				<b>48,832.76</b>
	<b>Summary</b>				<b>\$ 3,373,731.93</b>
<b>Largest Ten Disbursements as compared to Total Monthly Check Register</b>					<b>78%</b>
<b>Summary-All checks Issued During September 2018</b>					<b>\$ 4,314,574.26</b>

SCV Water-Newhall Water Division  
 Ten Largest Disbursements  
 September 1, 2018 to September 30, 2018

Vendor Name	Check Number	Check Date	Description	Amount
SCV WATER	111731	09/12/2018	PURCHASED WATER 8/18	205,318.90
			PURCHASED WATER 8/18 - SAUGUS WELL #1 & #2	14,392.19
			FIXED WATER CHARGES 8/18	130,046.35
			LAB FEES 8/18	855.00
<b>1 SCV WATER</b>				<b>350,612.44</b>
CITY NATIONAL BANK	111784	09/26/2018	2645-00 CNB 2012 #07-047	39,929.07
			2255-00 CNB 2012 #07-047	186,975.51
<b>2 CITY NATIONAL BANK</b>				<b>226,904.58</b>
SCV WATER	ACH	09/19/2018	SHARED PAYROLL AND SERVICES	140,098.37
<b>3 SCV WATER</b>				<b>85,839.46</b>
EDISON CO.	111789	09/26/2018	A/C #2-40-708-3856 & 2-40-708-3344 9/18	91,438.93
<b>4 EDISON CO.</b>				<b>91,438.93</b>
ACWA-JPIA/CB&T	111739	09/19/2018	HEALTH BENEFITS 10/18	59,901.05
<b>5 ACWA-JPIA/CB&amp;T</b>				<b>59,901.05</b>
RMC , A WOODWARD & CURRAN CO.	111706	09/07/2018	PHASE 2C RECYCLED WATER MAIN EXTENSION	52,120.39
<b>6 RMC , A WOODWARD &amp; CURRAN CO.</b>				<b>52,120.39</b>
CORE & MAIN LP	111746	09/19/2018	INVENTORY	20,862.95
<b>7 CORE &amp; MAIN LP</b>				<b>20,862.95</b>
EDISON CO.	111683	09/04/2018	A/C #2-40-708-3344 7/18	19,519.75
<b>8 EDISON CO.</b>				<b>19,519.75</b>
NOSSAMAN LLP	111764	09/19/2018	PERCHLORATE CLAIM 8/18	12,158.92
<b>9 NOSSAMAN LLP</b>				<b>12,158.92</b>
FAMCON PIPE AND SUPPLY INC.	111751	09/19/2018	8" CLAMPS	722.70
			INVENTORY	10,707.18
<b>10 FAMCON PIPE AND SUPPLY INC.</b>				<b>11,429.88</b>
<b>Summary</b>				<b>930,788.35</b>

Santa Clarita Valley Water Agency  
Santa Clarita Water Division  
Ten Largest Disbursements  
September 1, 2018 to September 30, 2018

Vendor Name	Check Number	Check Date	Transaction Description	Transaction Amount
SANTA CLARITA VALLEY WATER	91845	09/12/2018	AUGUST FIXED	\$623,915.16
			AUGUST SAUGUS	\$39,250.00
<b>1 SANTA CLARITA VALLEY WATER</b>				<b>\$663,165.16</b>
SANTA CLARITA VALLEY WATER	91846	09/12/2018	AUGUST VARIABLE	\$568,296.62
<b>2 SANTA CLARITA VALLEY WATER</b>				<b>\$568,296.62</b>
SANTA CLARITA VALLEY WATER	91877	09/19/2018	A T & T	\$1,740.32
			AUG PAYROLL	\$456,104.72
			AUG SHARED EMPLOYEE	\$22,905.11
			CREDIT SHOES	(\$238.94)
			DMV CHARGE	\$500.00
			INSURANCE	\$68,861.22
			MAINTENANCE	\$2,652.12
			RETIREE INSURANCE	\$9,730.85
			STAINLESS STL BOTTLES	\$475.70
			SUNPOWER, CREDIT	(\$81,439.79)
			US BANK COP 2010A	\$1,396.89
			VIA MEMBERSHIP	\$206.82
<b>3 SANTA CLARITA VALLEY WATER</b>				<b>\$482,895.02</b>
AQUA METRIC SALES CO.	91811	09/12/2018	3" REGISTERS - OMNI C2 REG TR/PL	\$1,010.62
			S18721 - AMR (IPEARL & OMNI METERS)	\$177,433.16
<b>4 AQUA METRIC SALES CO.</b>				<b>\$178,443.78</b>
SO. CALIFORNIA EDISON CO.	91847	09/12/2018	AUGUST CHARGES	\$158,351.72
<b>5 SO. CALIFORNIA EDISON CO.</b>				<b>\$158,351.72</b>
AQUA METRIC SALES CO.	91778	09/05/2018	S18802 - AGED METER CHANGE OUTS (METERS & PORTS)	\$59,839.89
			S18802 - AGED METER CHANGE OUTS (SINGLE PORT)	\$30,698.19
<b>6 AQUA METRIC SALES CO.</b>				<b>\$90,538.08</b>
WOODARD & CURRAN INC	91927	09/26/2018	S16702-POTHOLING-VISTA CYN PH 2B RECY WATER MAIN	\$65,432.02
<b>7 WOODARD &amp; CURRAN INC</b>				<b>\$65,432.02</b>
CIVILTEC ENGINEERING INC.	91785	09/05/2018	S16604 - VISTA CYN RECYCLED WATER DESIGN PHASE 2	\$9,042.50
			S16606 - RECYCLED WATER DESIGN PHASE 1	\$3,366.25
			S16610 - 69164 VISTA CYN PH 1 POTABLE WATER DESIGN	\$1,498.75
			S16611 - VISTA CYN POTABLE/RECYCLED DESIGN PH 2	\$24,338.75
			S16623 - SKYLINE RANCH ZONE 16" PIPELINE DESIGN	\$9,802.50
			S16702 - RECYCLED WATER DESIGN PHASE 1	\$420.00
<b>8 CIVILTEC ENGINEERING INC.</b>				<b>\$48,468.75</b>
AQUA METRIC SALES CO.	91900	09/26/2018	S18721 - AMR (METERS - 130TR, 150TR & OMNIT11-2)	\$35,088.75
			S18721 - METERS - 1" IPERL TR/PL 100CFT	\$7,002.18
<b>9 AQUA METRIC SALES CO.</b>				<b>\$42,090.93</b>
PUMP DESIGN & SUPPLY CO.	91874	09/19/2018	S18707 - SC-4 BOOSTER STATION	\$17,995.16
			S18707 - GREGORY BOOSTER, 75 HP SUBMERSIBLE MOTOR 3450 RPM	\$17,108.76
<b>10 PUMP DESIGN &amp; SUPPLY CO.</b>				<b>\$35,103.92</b>
<b>Summary - Largest Ten Payments Made During the Month</b>				<b>\$2,332,786.00</b>
<b>Largest Ten Vendor Payments as Compared to Total Monthly Check Register</b>				<b>86%</b>
<b>Summary - All Vendors Paid During the Month</b>				<b>\$2,726,619.46</b>

**Santa Clarita Valley Water Agency**  
**Valencia Water Division**  
**Top Ten Checks Paid Report**  
**September 2018**

	Vendor Name	Check #	Check Date	Description	Total
	SANTA CLARITA VALLEY WATER AGENCY	218669	9/10/2018	Variable water charge, August	452,231.87
				Fixed water charge, August	468,260.07
				Water softening lab fee, Aug	80.00
1	<b>SANTA CLARITA VALLEY WATER AGENCY</b>				<b>920,571.94</b>
	SOUTHERN CALIFORNIA EDISON CO	218608	9/4/2018	Purchased power, June	11,021.82
				Purchased power	274,469.52
2	<b>SOUTHERN CALIFORNIA EDISON CO</b>				<b>285,491.34</b>
	SANTA CLARITA VALLEY WATER AGENCY	218721	9/24/2018	Recycled water, August	45,142.20
3	<b>SANTA CLARITA VALLEY WATER AGENCY</b>				<b>45,142.20</b>
	STAATS CONSTRUCTION INC.	218620	9/4/2018	VWD yard trash to landfill	320.00
				Pothole VWD line, 5 locations	25,319.00
				Ave Crocker paving	2,667.00
				30124 Desert Rose 1"svc repair	3,934.00
				27918 Dexter Dr paving	2,312.00
				30124 Desert Rose paving	2,216.00
				Via Novia paving	2,216.00
				Ave Crocker 4" svc repair	3,907.00
4	<b>STAATS CONSTRUCTION INC.</b>				<b>42,891.00</b>
	CONVERGEONE, INC.	218613	9/4/2018	Phone system support 2018-2019	25,357.16
5	<b>CONVERGEONE, INC.</b>				<b>25,357.16</b>
	JENSEN DESIGN & SURVEY, INC.	218692	9/18/2018	Mission Village 4MG Storage Tanks Eng	20,461.25
				Magic Mtn Pkwy Phasing Study & Pipeline	4,240.00
6	<b>JENSEN DESIGN &amp; SURVEY, INC.</b>				<b>24,701.25</b>
	DATALINK NETWORKS INC.	218639	9/10/2018	I/T support svc, Aug overage	10,333.75
				I/T support svc, Sept retainer	4,000.00
				Datto b/u & recovery svc, Sept	968.66
				Evault b/u & recovery, Sept	3,510.00
7	<b>DATALINK NETWORKS INC.</b>				<b>18,812.41</b>
	RYAN PROCESS INC	218699	9/18/2018	55# ACL90 disinfecting tablets	9,671.04
				50# Constant Chlor+ briquettes	8,554.14
8	<b>RYAN PROCESS INC</b>				<b>18,225.18</b>
	ENTERPRISE FLEET SERVICES	218688	9/18/2018	Fleet svcs, Sept	17,838.34
9	<b>ENTERPRISE FLEET SERVICES</b>				<b>17,838.34</b>
	CORE & MAIN LP	218638	9/10/2018	Freight charge, meter #145 rpr	23.80
				Hydrant meter #201 testing	124.37
				Meter #188 test & repair	275.51
				CLA-VAL repair kits	9,475.96
				Blue marking chalk (12 boxes)	77.92
				5Gal Dechlorinate (48)	3,666.07
				Concrete meter boxes, lids	2,741.00
10	<b>CORE &amp; MAIN LP</b>				<b>16,384.63</b>
<b>Grand Total</b>					<b>1,415,415.45</b>

<b>Total Monthly Check Register Payments</b>	<b>1,599,996.86</b>
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<b>Top Ten Percentage Compared to Total Monthly Check Payments</b>	<b>88%</b>
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# Credit Card Registers

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**Santa Clarita Valley Water Agency - Regional Division  
Credit Card Charges  
Paid in September 2018**

Merchant Name	Description	Total
<b>8870 ROYAL</b>	Barrel Crimps, Wire, Circuit Breakers - Panel LP-4 Reconfigured	353.29
	Cat-5 cable, wire, outlet box, box cover	457.21
	Contactora, Overload - Filter Gallery Sump Pump Repair	157.19
	Contactora, Overloads, wire terminal components - New analyzer waste water tank controls.	356.54
	Outlet box, Cover, fitting and receptacle - New power outlet at Ammonia Injection Structure	49.05
	SO Cord, Wire Terminal parts - Tracer Study instrument connections.	81.15
	tool to install turbidity meters	32.12
	Turbidity meter - small parts	67.71
	Weather proof outlet and switch covers - Replacement covers	164.73
<b>8870 ROYAL Total</b>		<b>1,718.99</b>
<b>ADOBE STOCK</b>	stock photos	79.99
<b>ADOBE STOCK Total</b>		<b>79.99</b>
<b>AMAZON.COM</b>	1 Twinings Earl Grey Tea Bags - 100 Count, 3 Packs of Avery Print Apple Clear Label Dividers	190.18
	3 Otterbox Defender Series Phone Cases for Buildings and Grounds	81.66
	Avery Index Maker Clear Label Dividers - JY/ENG	90.61
	Pilot G2 Gel Ink Roller Ball Pens, 1 Dozen - AA/ACCTG	36.09
	Quartet Dry Erase Markers, 12 Pack - WR	18.33
	Quartet Glass Dry Erase Board 6x4 - WR	361.34
	Swingline 2-Hole Punch, 20 Sheet - RP	19.38
<b>AMAZON.COM Total</b>		<b>797.59</b>
<b>AMZN MKTP US</b>	Ice Machine Filters for SCWD.	154.95
	Pratt MJ-4 Self Seal Flat Mailer Pack of 100 - Supplies	49.28
	Redi-Tag Removable Index Tabs, Pack of 48 , Bigelow Green Tea - Pack of 3, Unicliffe 4- pack Touch Key Tags,	
	AdirOffice Key Steel Security Storage Holder Cabinet - WR	44.31
	Zone Valve for SCWD Building.	179.23
<b>AMZN MKTP US Total</b>		<b>427.77</b>
<b>AMZN MKTP US AMZN.COM/BIL</b>	Portable Water Station supplies for Pilot Program	71.10
	Powerful Rare Earth Dry Erase Board Magnets - 18 Pack, Project Planner Notebooks - 4 - WR	67.83
	Quartet Glass Board Eraser - WR	16.94
<b>AMZN MKTP US AMZN.COM/BIL Total</b>		<b>155.87</b>
<b>AQUA-FLO SUPPLY INC #3</b>	sample-line and drain-line plumbing parts for new 5500sc Mono Analyzer at RV-ValveVault2	95.91
	SCH80 PVC parts, valves and fittings - Connections for Tracer Study Instruments	51.51
	Sch80 PVC pipe - Fluoride Study Analyzer plumbing	32.46
	Sch-80 PVC valves and fittings - New 5500 analyzer waste water tank plumbing	219.83
<b>AQUA-FLO SUPPLY INC #3 Total</b>		<b>399.71</b>
<b>ASSOCIATION OF CALIFORNI</b>	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - B. Folsom	699.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - D. Marks	699.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - Director Atkins	699.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - Director Campbell	699.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - Director Cooper	699.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - Director DiPrimio	699.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - Director Efstathiou	699.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - Director Kelly	699.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - Director Martin	699.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - Director McMillan	699.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - Director Plambeck	555.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - J. Koelwyn	699.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - Kathie Martin	699.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - M. Stone	699.00
	ACWA 2018 Fall Conference - Registration - 11/27-30/18 - San Diego - S. Cole	699.00
<b>ASSOCIATION OF CALIFORNI Total</b>		<b>10,341.00</b>
<b>AUTOMATIONDIRECT.COM</b>	Ethernet Switches	190.00
	PLC enclosure materials	261.00
<b>AUTOMATIONDIRECT.COM Total</b>		<b>451.00</b>
<b>AWWA.ORG</b>	M17 - Fire Hydrants: Installation, Field Testing and Maintenance Fifth Edition	136.50
<b>AWWA.ORG Total</b>		<b>136.50</b>
<b>CALIFORNIA LANDSCAPE CONT</b>	SoCal Land Water Conference Registration - attendee: Janet Keith 8/23/18	50.00
<b>CALIFORNIA LANDSCAPE CONT Total</b>		<b>50.00</b>
<b>CA-NV SECTION, AWWA</b>	Backflow Refresher Class - Exam Registration - 11/10/18 - Rancho Cucamonga - C. Alexander	180.00
	Backflow Refresher Class - Registration - 11/8-9/18 - Rancho Cucamonga - C. Alexander	195.00
<b>CA-NV SECTION, AWWA Total</b>		<b>375.00</b>
<b>CHEMBAR INC</b>	Sealant for RVWTP.	50.84
<b>CHEMBAR INC Total</b>		<b>50.84</b>
<b>COSTCO DELIVERY 653</b>	Costco Order - Office Supplies	992.59
	Costco return - Dixie paper cups	(26.47)
	Snacks - Meetings	91.82
<b>COSTCO DELIVERY 653 Total</b>		<b>1,057.94</b>
<b>COSTCO WHSE #0447</b>	WR Kitchen Supplies	93.66
<b>COSTCO WHSE #0447 Total</b>		<b>93.66</b>
<b>CSMFO</b>	CSMFO Capital Asset Cont Ed-AA	25.00
<b>CSMFO Total</b>		<b>25.00</b>
<b>DAPPER DANS CARWASH</b>	Car wash	16.00
	Car wash. - Unit #N73	7.00
<b>DAPPER DANS CARWASH Total</b>		<b>23.00</b>
<b>DARIOS MEXICAN RESTAURANT</b>	Joshua Gilliam lunch with Tom Wise from Oltmans Needham Ranch Re: Onsite Fire Flow issues	33.31
<b>DARIOS MEXICAN RESTAURANT Total</b>		<b>33.31</b>
<b>DT DULUTH TRADING CO</b>	T-shirts for Pete Z	245.00
<b>DT DULUTH TRADING CO Total</b>		<b>245.00</b>

**Santa Clarita Valley Water Agency - Regional Division  
Credit Card Charges  
Paid in September 2018**

EB 2018 SANTA CLARITA	State of the City Luncheon - Registration - 10/25/18 - Directors Atkins, Efstathiou, Gladbach, Gitzeit, Martin and McMillan	240.00
	State of the City Luncheon - Registration - 10/25/18 - K. Martin	40.00
	State of the City Luncheon - Registration - 10/25/18 - R. Patterson	40.00
<b>EB 2018 SANTA CLARITA Total</b>		<b>320.00</b>
EB SOUTHERN CALIFORNI	SCWC Annual Dinner - Registration - 10/25/18 - Director Atkins	225.00
<b>EB SOUTHERN CALIFORNI Total</b>		<b>225.00</b>
ENGINEERS BD	Dirk Marks - Prof. Civil Engineer License Renewal - \$115.00 renewal	115.00
<b>ENGINEERS BD Total</b>		<b>115.00</b>
FACEBK 7Q2MLGJJH2	Gardening Classes ad	24.79
<b>FACEBK 7Q2MLGJJH2 Total</b>		<b>24.79</b>
FACEBK 8Q2MLGJJH2	smart controller ad	15.07
<b>FACEBK 8Q2MLGJJH2 Total</b>		<b>15.07</b>
FERGUSON FAC&SPLY5350	Lavatory Faucet for VWD.	681.51
<b>FERGUSON FAC&amp;SPLY5350 Total</b>		<b>681.51</b>
FERGUSON.COM 9009	Lavatory Faucet for VWD.	225.65
<b>FERGUSON.COM 9009 Total</b>		<b>225.65</b>
FIBEROPTIC COM	Fiber Optic Electrician Kit.	6,684.74
<b>FIBEROPTIC COM Total</b>		<b>6,684.74</b>
GATE HOUSE SUPPLIES	Gate Transmitters	664.27
<b>GATE HOUSE SUPPLIES Total</b>		<b>664.27</b>
GRAINGER	Float level switches - Filter Gallery Sump Pump Repair	207.42
<b>GRAINGER Total</b>		<b>207.42</b>
GRANTWRITIN	Grant Writing USA - Grant Management Class - Registration - 8/15-16/18 - Ontario - S. Fleury	595.00
<b>GRANTWRITIN Total</b>		<b>595.00</b>
HILTON SAN DIEGO RESORT	UWI Annual Conference - Lodging - 8/22-23/18 - San Diego - M.Stone	231.02
<b>HILTON SAN DIEGO RESORT Total</b>		<b>231.02</b>
HIRSCH PIPE & SUPPLY 013	Lavatory faucet and basin wrench. Return lavatory faucet. Water filters for ESFP.	331.23 (278.42) 265.91
<b>HIRSCH PIPE &amp; SUPPLY 013 Total</b>		<b>318.72</b>
IN LEPIDE USA INC.	Password reminder software	150.00
<b>IN LEPIDE USA INC. Total</b>		<b>150.00</b>
JOINT POWERS INSURANCE AU	ACWA/JPIA Training - Registration - 9/26-27/18 - Del Mar - J. Hithe	190.00
	ACWA/JPIA Training - Registration - 9/26-27/18 - Del Mar - J. Joo	190.00
	ACWA/JPIA Training - Registration - 9/26-27/18 - Del Mar - K. Denkinger	190.00
<b>JOINT POWERS INSURANCE AU Total</b>		<b>570.00</b>
L A SUPERIOR COURT	Employee record search - current employee	4.75
<b>L A SUPERIOR COURT Total</b>		<b>4.75</b>
LOGMEIN GOTOMEETING	Open voice for Goto Meeting	21.03
<b>LOGMEIN GOTOMEETING Total</b>		<b>21.03</b>
LOWES #01510	2 x 2 plywood - temporary cover for plant water pump 3 20A 277V Light Toggle Switch - Replace lighting switches in switch gear room. 5 Heavy Duty utility carts Blinds for monas office. chemical gloves scouring pads 5 gallon Buckets Ethernet cable Fitting for Camera ESFP project. Hand tools, Patch cable Hardware - Mounting Fluoride Analyzer nipple for VV2 5500 sc Analyzer Paint Prep Materials, Paint - SC12 Cabinet pluming parts VV2 Portable Water Station supplies Restock truck supplies. Unit # 161 sample-line and drain-line plumbing parts for new 5500sc Mono Analyzer at RV-ValveVault2 Strut nuts for Cal sense antenna. Strut springs and bolts for antenna .For Irrigation hub installation. VV2 part to install 5500 Sc analyzer wire nuts and ring lugs	9.88 10.91 496.04 93.06 156.72 173.12 4.91 112.70 31.40 1.94 120.25 20.81 139.14 196.84 118.80 4.36 12.93 33.20 37.84
<b>LOWES #01510 Total</b>		<b>1,774.85</b>
LYFT RIDE THU 3PM	Taxi - Sites Reservoir Mtg - 8/16/18	20.83
<b>LYFT RIDE THU 3PM Total</b>		<b>20.83</b>
LYFT RIDE THU 8AM	Taxi - Sites Reservoir Mtg - 8/30/18	19.35
<b>LYFT RIDE THU 8AM Total</b>		<b>19.35</b>
MCMASTER-CARR	Brass parts, Magnesium Anodes - Ozone Generator Maintenance and Protection Hardware, O-Rings, O-Ring Lubricant - Ozone Generator Maintenance	248.20 67.29
<b>MCMASTER-CARR Total</b>		<b>315.49</b>
METROLINK	Metrolink 8/2/18 - CA WaterFix Meeting	15.00
<b>METROLINK Total</b>		<b>15.00</b>
MICROSOFT STORE	Office and One Drive Subscription	99.99
<b>MICROSOFT STORE Total</b>		<b>99.99</b>
NAPA AUTO PARTS	10 cases of Latex xl gloves,2 windshield wiper blades,1 battery cable. Motor Pool supply stock of Motor Oil, windshield wiper fluid and radiator fluid for all agency vehicles. Torque wrench	243.88 296.31 27.36
<b>NAPA AUTO PARTS Total</b>		<b>567.55</b>
NATIONAL CONTRACT MANAGE	Contract Management Body of Knowledge Book	69.56
<b>NATIONAL CONTRACT MANAGE Total</b>		<b>69.56</b>
NEWHALL VALENCIA LOCK K	Keys	267.73
<b>NEWHALL VALENCIA LOCK K Total</b>		<b>267.73</b>
OFFICEMAX/DEPOT 6391	Cartridges for P-Touch Labeler - Truck I58	88.66
<b>OFFICEMAX/DEPOT 6391 Total</b>		<b>88.66</b>
OPC CA ENGINEERS BOARD	Dirk Marks - Prof. Civil Engineer License Renewal - \$1.00 convenience fee	1.00
<b>OPC CA ENGINEERS BOARD Total</b>		<b>1.00</b>

**Santa Clarita Valley Water Agency - Regional Division**  
**Credit Card Charges**  
**Paid in September 2018**

PANERA BREAD #204229	CSDA Meeting 8/7/18 - w/ K.M., Dir. McMillan, Chris Palmer-CSDA Public Affairs Field Coordinator	45.72
<b>PANERA BREAD #204229 Total</b>		<b>45.72</b>
PAYPAL EMKA INC	Swing Handle for ESFP Ozone Building.	73.17
<b>PAYPAL EMKA INC Total</b>		<b>73.17</b>
PEPBOYS STORE 808	Cleaning Supplies - Truck I58	16.40
	Wipers, Wash Fluid-Unit #163	58.87
<b>PEPBOYS STORE 808 Total</b>		<b>75.27</b>
PIHRA	PIHRA Mixer Registration 8/28/18 - A. Mantis	45.00
<b>PIHRA Total</b>		<b>45.00</b>
RALPHS #0147	Landscape Education class 8/9/18 - Assorted Desserts	40.11
<b>RALPHS #0147 Total</b>		<b>40.11</b>
SOR INC	Pressure switch	547.20
<b>SOR INC Total</b>		<b>547.20</b>
SOUTHWES 5261474090716	SWCs Monthly Meeting - Airfare - Sacramento - 9/12/18 - M. Stone	479.96
<b>SOUTHWES 5261474090716 Total</b>		<b>479.96</b>
SOUTHWES 5261476500633	Sites Pre-Meeting and Meeting w/ DWR Director - Airfare - 8/16/18 - Sacramento - D. Marks	479.96
<b>SOUTHWES 5261476500633 Total</b>		<b>479.96</b>
SOUTHWES 5261481181334	Sites Meeting - Airfare - 8/30/18 - Sacramento - D. Marks	379.96
<b>SOUTHWES 5261481181334 Total</b>		<b>379.96</b>
SOUTHWES 5261481184098	OME Meeting - Airfare - 9/6/18 - Sacramento - D. Marks	479.96
<b>SOUTHWES 5261481184098 Total</b>		<b>479.96</b>
SPUDNUTS BAKERY CROISSANT	CAST for Kids donuts 8/25/18	94.96
	Landscape Education Class 8/11/18 - Donuts	38.31
<b>SPUDNUTS BAKERY CROISSANT Total</b>		<b>133.27</b>
SWAGELOK-VENTURA	for VV2 5500 Sc analyzer	226.03
<b>SWAGELOK-VENTURA Total</b>		<b>226.03</b>
TARGET 00002576	Agency Logo Contest - gift card	25.00
<b>TARGET 00002576 Total</b>		<b>25.00</b>
THE HOME DEPOT #0653	gloves kept on truck # 110	14.20
	Lumber, hardware - Tracer study temporary backboard	72.10
	sample-line and drain-line plumbing parts for new 5500sc Mono Analyzer at RV-ValveVault2	37.90
<b>THE HOME DEPOT #0653 Total</b>		<b>124.20</b>
THE HOME DEPOT #1055	Sand Bags, Trash Bags - Secure Tracer Study Backboards	31.68
	Shielded wire for ESFP project Camera install.	196.77
<b>THE HOME DEPOT #1055 Total</b>		<b>228.45</b>
THE HOME DEPOT 1055	Hand tools, Wire	390.90
	lumber, hardware - temporary backboard for tracer study	98.69
	sample-line and drain-line plumbing parts for new 5500sc Mono Analyzer at RV-ValveVault2	94.03
<b>THE HOME DEPOT 1055 Total</b>		<b>583.62</b>
UBER TRIP UGF7Z	SWCs Board Meeting - Taxi - 8/29/18 - Burbank Airport - M. Stone	18.21
<b>UBER TRIP UGF7Z Total</b>		<b>18.21</b>
UCLA SELF-SERVE PARK	Meeting for copier demonstration - parking fee	4.00
<b>UCLA SELF-SERVE PARK Total</b>		<b>4.00</b>
V.S.P. PARKING BURBANK	Parking at Burbank Airport - Sites Reservoir Mtg - 8/16/18	12.00
	SWCs Board Meeting - Parking - 8/29/18 - Burbank Airport - M. Stone	15.00
<b>V.S.P. PARKING BURBANK Total</b>		<b>27.00</b>
WESTERN BAGEL TOO 4	Landscape Education Class 8/11/18 - Bagels	50.40
<b>WESTERN BAGEL TOO 4 Total</b>		<b>50.40</b>
WWW.AMANET.ORG	All Access Pass for AMA Seminars - J. Yim	4,995.00
<b>WWW.AMANET.ORG Total</b>		<b>4,995.00</b>
<b>Subtotal</b>		<b>39,817.64</b>
<b>Employee Meals</b>		
<b>Merchant Name</b>	<b>Description</b>	<b>Total</b>
ALBERTSONS 1360	8/27/2018 Team building BBQ - Regional	150.30
<b>ALBERTSONS 1360 Total</b>		<b>150.30</b>
CHEESECAKE VALENCIA	Monthly Meeting with Management Staff - M. Stone and C. Perez - Re: IT Issues	38.59
<b>CHEESECAKE VALENCIA Total</b>		<b>38.59</b>
CHI CHI PIZZA	WR Dept. planning mtg 8/15/18	84.81
<b>CHI CHI PIZZA Total</b>		<b>84.81</b>
EGG PLANTATION	Breakfast Meeting with S. Cole, K. Petersen, M. Stone and E. Campbell re: Interview	85.56
<b>EGG PLANTATION Total</b>		<b>85.56</b>
LA COCINA BAR AND GRILL	Monthly Meeting with Management Staff - M. Stone and R. Patterson - Re: Administration Issues	25.48
<b>LA COCINA BAR AND GRILL Total</b>		<b>25.48</b>
PANERA BREAD #204228	WR Monthly Team Building Mtg 8/9/18	214.77
<b>PANERA BREAD #204228 Total</b>		<b>214.77</b>
RATTLERS BAR B QUE - 1	Lunch with Steve Cole, Chris Helm - Watershed Issues Discussion	31.00
<b>RATTLERS BAR B QUE - 1 Total</b>		<b>31.00</b>
SADDLE RANCH - VALENCIA	Monthly Meeting with Management Staff - M. Stone and R. Patterson - Re: Administration Issues	47.39
<b>SADDLE RANCH - VALENCIA Total</b>		<b>47.39</b>
STONEFIRE GRILL - 1	Monthly Meeting with Management Staff - M. Stone and M. Alvord - Re: Operational Issues	25.20
<b>STONEFIRE GRILL - 1 Total</b>		<b>25.20</b>
TEXACO 0309201	Lunch Mtg. w/ Tim Wheeler, Paul Halushka, Joshua Gilliam Re: Devils Den Repairs	30.90
<b>TEXACO 0309201 Total</b>		<b>30.90</b>
VALLARTA SUPERMARK	8/13/18 Team building BBQ - Regional	132.93
<b>VALLARTA SUPERMARK Total</b>		<b>132.93</b>
WOLF CREEK RESTAURANT & B	B. Johnson, K. Martin, discuss new agency organizational / transition issues	37.76
	Monthly Meeting with Management Staff - M. Stone and B. Johnson - Re: Finance Issues	40.75
	Water Resources Staff Luncheon - 8/1/18 - DSM, EV, SF, RDV, RV, CF	101.42
<b>WOLF CREEK RESTAURANT &amp; B Total</b>		<b>179.93</b>
<b>Subtotal</b>		<b>1,046.86</b>
<b>Grant Total</b>		<b>40,864.50</b>

**NWD Credit Card Register - American Express**  
**For the month ending September 30, 2018**

Merchant Name	Description	Total
LAZ Parking	DDW Parking- M. Alvord	7.00
Dapper Dan's Carwash	Car Wash #40	7.00
US Flag Store	Flag for Office	324.37
Rubber Stamp Champ	Wells Fargo Bank Endorsement Stamp	335.56
Sage Software	Annual Business Care - ACCPAC Financial System	4,303.53
GoDaddy.com	Web Hosting	2.99
CTC*Constant Contact	Monthly Electronic Newsletter Database	95.00
X-ACT Technology	Monthly IT Support Service	3,000.00
Aestiva Software, Inc.	Purchasing Software	845.00
WEB*Networksolutions	Web Hosting & Web Forwarding	15.97
Amazon.com	Service Charge	7.17
	Office Supplies	20.30
	Cables for Radio Reads	30.16
	Phone Charging Cables	32.88
	Cordless Headset	179.95
Amazon.com Total		270.46
Identisys	Additional Key Fobs - Production and Water Quality	784.16
Cummins Pacific	Castaic Hydro Station Generator replacement	743.12
<b>Subtotal American Express</b>		<b>10,734.16</b>
<b>Employee Meals- American Express</b>		
Panini Kabob Grill	Business lunch meeting DDW - M. Alvord & J. O'Keefe	37.50
Mom Can Cook Thai Kitchen	Business lunch meeting to discuss Admin Responsibilities - M. Alvord, C. Villegas & L. Terranova	37.30
<b>Subtotal</b>		<b>74.80</b>
<b>Grand Total American Express</b>		<b>10,808.96</b>

**NWD Credit Card Register - US Bank Visa**  
**For the month ending September 30, 2018**

Merchant Name	Description	Total
Target	Office Supplies	
Dapper Dan's Carwash	Car Wash #55	29.95
	Car Wash #73	19.95
Dapper Dan's Carwash Total		49.90
Government Finance Officers Association	GFOA Budget Submission	550.00
Benny's Tire Service	Tire Repair - Backhoe	60.00
Harbor Freight Tools	6 Tape Measures	32.76
Western Bagel Too	First Aid Training - Breakfast	36.00
The UPS Store	Ship Locator	24.96
Amazon.com	Auto Supplies	139.91
PepBoys Store	Auto Parts	73.78
Panera Bread	First Aid Training - Lunch	118.24
Sam's Club	Office Supplies	268.84
	Office/Kitchen Supplies	169.87
Sam's Club Total		438.71
McDonald's	Breakfast - Crew Working on Leak	90.98
The Home Depot	Supplies for Leak Repair	17.49
<b>Subtotal US Bank Visa</b>		<b>1,632.73</b>
<b>Employee Meals- US Bank Visa</b>		
Rattler's BBQ	Business lunch meeting - J. Jenkins & R. Hitchen	26.09
<b>Subtotal</b>		<b>26.09</b>
<b>Grand Total US Bank Visa</b>		<b>1,658.82</b>

SCWD		
Credit Card Register		
For the Month Ended September 30, 2018		
Merchant Name	Description	Total
<b>Amazon Total</b>	Hex bit socket	<b>\$10.56</b>
<b>Canon Solutions America Inc. Total</b>	Office Supplies	<b>\$294.83</b>
<b>CA-NV Section, AWWA Total</b>	Membership Renewal - K. Abercrombie	<b>\$55.00</b>
<b>Costco Total</b>	Snacks for Meetings	<b>\$69.36</b>
<b>Denny's Total</b>	JPIA Training - L. Quintero	<b>\$13.46</b>
Hilton San Diego Del Mar	JPIA Training Conference Dinner - E. Blanford	\$58.92
	JPIA Training Conference Hotel - L. Quintero	\$335.84
	JPIA Training Conference Hotel - R. Chan	\$335.84
	JPIA Training Conference Hotel - J. Moreno	\$335.84
	JPIA Training Conference Hotel - N. Pipiharut	\$355.84
	JPIA Training Conference Hotel - E. Blanford	\$355.84
	JPIA Training Conference Hotel - L. Terranova	\$578.96
	JPIA Training Conference Hotel - R. Hitchen	\$606.38
	JPIA Training Conference - E. Blanford & L. Quintero	\$102.14
	Hilton Parking - L. Quintero	\$20.00
<b>Hilton San Diego Del Mar Total</b>		<b>\$3,085.60</b>
<b>Lumberyard Tavern Grill Total</b>	JPIA Training Dinner - N. Oliphant & L. Quintero - 9/25/18	<b>\$41.00</b>
<b>Pacific Coast Grill Total</b>	JPIA Training Dinner - R. Hitchen & L. Terranova - 9/26/18	<b>\$98.12</b>
<b>Panera Bread Total</b>	Executive Staff Meeting	<b>\$149.12</b>
PayPal	Association of Water Agencies of Ventura County - for 9/11/18 - Training - K. Abercrombie, G. Haggin & R. Pulido	\$143.00
	Association of Water Agencies of Ventura County - for 10/10/18 - Training - G. Haggin & R. Pulido	\$98.00
<b>PayPal Total</b>		<b>\$241.00</b>
<b>Poseidon Restaurant Total</b>	JPIA Training Dinner - R. Hitchen & L. Terranova - 9/25/18	<b>\$126.75</b>
<b>Stater Brothers Total</b>	Executive Staff Meeting	<b>\$9.51</b>
<b>Time Clocks Total</b>	Engineering Supplies	<b>\$524.89</b>
<b>Walmart Total</b>	Executive Staff Meeting	<b>\$7.43</b>
<b>Wells Fargo Total</b>	Refund of Over limit Fee	<b>-\$39.00</b>
<b>Employee Meals</b>		
Iconic Eats	Water Quality lunch meeting with R. Bye, J. Anderson, M. Alvord & K. Abercrombie	\$82.18
Red Robin	Finance Lunch Meeting with B. Johnson & K. Abercrombie	\$33.66
<b>Subtotal</b>		<b>115.84</b>
<b>Grand Total</b>		<b>\$4,803.47</b>

**Santa Clarita Valley Water Agency  
Valencia Water Division  
Credit Card Register  
As of September 30, 2018**

**Wells Fargo MasterCard**

<b>Merchant Name</b>	<b>Description</b>	<b>Total</b>
California Society of Municipal Finance Officers	Intermediate Govt Acctg registration fee (DC)	150.00
Fred Pryor Career Track	Grammar & Proofreading registration fee (DC)	69.00
Home Depot	Step stool, bench top for IT dept.	207.29
HughesNet.com	EOC internet comm service fee, 08/25/18-09/25/18	202.65
Municipal Information Systems Association of California	Conference registration (CP)	650.00
Priceline	Lodging for MISAC conference (CP)	356.31
World Trade Center Los Angeles	Parking fee, Tech Summit 081818-081918 (CP)	20.00
<b>Grand Total - Wells Fargo MasterCard</b>		<b>1,655.25</b>



# Wire Disbursements

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**Santa Clarita Valley Water Agency**  
**All Divisions**

**Outgoing Wire Transfers / ACH's**

**From: September 1, 2018 to September 30, 2018**

<u>Wire/ACH Recipient</u>	<u>Regional Division</u> <u>Description</u>	<u>Amount</u>
LAIF	Wire transfer to LAIF General	\$ 1,000,000.00
CalPERS	Medical Insurance - October	197,897.19
IRS/EDD	Taxes & Withholdings - 9/21 Pay date	151,702.90
IRS/EDD	Taxes & Withholdings - 9/7 Pay date	139,349.99
CalPERS	Retirement - 8/10 Pay date	90,715.68
CalPERS	Retirement - 8/24 Pay date	89,953.86
CalPERS	Retirement - 9/7 Pay date	89,470.60
Lincoln	Deferred Comp - 9/21 Pay date	73,518.17
Lincoln	Deferred Comp - 9/7 Pay date	73,241.85
Wells Fargo	August P-card charges; paid in Sept	40,864.50
Reliance	Long Term Disability Prem - Sept	6,253.88
So CA Gas	Natural Gas charges - Sept	2,019.80
	Total	<u><u>\$ 1,954,988.42</u></u>

<u>Wire Recipient</u>	<u>Newhall Water Division</u> <u>Description</u>	<u>Amount</u>
LAIF	Wire transfer to LAIF	\$ 1,500,000.00
CalPERS	Retirement 8/24/18 Pay date	16,263.65
M. Stambaugh	Mammoth Cell Lease	6,115.62
Transaction Warehouse	Web Payment Fee	3,409.00
Infosend, INC	Bill Preparation and Postage	2,739.36
Infosend, INC	Bill Preparation and Postage	2,472.43
	Total	<u><u>\$ 1,531,000.06</u></u>

<u>Wire Recipient</u>	<u>Santa Clarita Water Division</u> <u>Description</u>	<u>Amount</u>
		N/A
	Total	<u><u>\$ -</u></u>

<u>Wire Recipient</u>	<u>Valencia Water Division</u> <u>Description</u>	<u>Amount</u>
SCVWA Regional	June Due From Reimbursement	\$ 541,446.93
SCVWA Regional	July Due From Reimbursement	753,294.30
SCVWA Regional	August Due from Reimbursement	775,751.07
SCVWA Regional	Various Small Balances Due	22,180.70
	Total	<u><u>\$ 2,092,673.00</u></u>

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# Director Stipends

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**DIRECTORS STIPENDS PAID OCTOBER 2018**  
For the Month of September 2018

**Director B. J. Atkins**

Date	Meeting	Amount
09/04/18	Regular Board Meeting	\$228.15
09/13/18	Special Public Outreach and Legislation Committee Meeting	\$228.15
09/17/18	Finance and Administration Committee Meeting	\$228.15
09/18/18	Regular Board Meeting	\$228.15
09/18/18	VIA Monthly Luncheon	\$0.00
	<b>Stipend Total</b>	<b>\$912.60</b>
	<b>Total Paid Days</b>	<b>4</b>
	<b>Total Meetings</b>	<b>5</b>

**Director Tom Campbell**

Date	Meeting	Amount
09/04/18	Regular Board Meeting	\$228.15
09/06/18	Engineering and Operations Committee Meeting	\$228.15
09/12/18	Water Resources and Watershed Committee Meeting	\$228.15
09/18/18	Regular Board Meeting	\$228.15
	<b>Stipend Total</b>	<b>\$912.60</b>
	<b>Total Paid Days</b>	<b>4</b>
	<b>Total Meetings</b>	<b>4</b>

**Director Ed Colley**

Date	Meeting	Amount
09/04/18	Regular Board Meeting	\$228.15
09/06/18	Engineering and Operations Committee Meeting	\$228.15
09/17/18	Finance and Administration Committee Meeting	\$228.15
09/18/18	Regular Board Meeting	\$228.15
09/20/18	AWAVC Annual Elected Officials Reception	\$228.15
	<b>Stipend Total</b>	<b>\$1,140.75</b>
	<b>Total Paid Days</b>	<b>5</b>
	<b>Total Meetings</b>	<b>5</b>

**Director Kathy Colley**

Date	Meeting	Amount
09/04/18	Regular Board Meeting	\$228.15
09/12/18	Water Resources and Watershed Committee Meeting	\$228.15
09/13/18	Special Public Outreach and Legislation Committee Meeting	\$228.15
09/18/18	Regular Board Meeting	\$0.00
	<b>Stipend Total</b>	<b>\$684.45</b>
	<b>Total Paid Days</b>	<b>3</b>
	<b>Total Meetings</b>	<b>4</b>

**Director William Cooper**

Date	Meeting	Amount
09/04/18	Regular Board Meeting	\$228.15
09/06/18	Engineering and Operations Committee Meeting	\$228.15
09/12/18	Water Resources and Watershed Committee Meeting	\$228.15
09/17/18	Meeting with Joe Byrne and Tom Bunn	\$228.15
09/18/18	Regular Board Meeting	\$228.15
09/20/18	ACWA Groundwater Committee Meeting	\$228.15
09/27/18	ACWA Budget Workshop	\$228.15
09/28/18	ACWA Board Meeting	\$228.15
	<b>Stipend Total</b>	<b>\$1,825.20</b>
	<b>Total Paid Days</b>	<b>8</b>
	<b>Total Meetings</b>	<b>8</b>

**Director Robert DiPrimio**

Date	Meeting	Amount
09/04/18	Regular Board Meeting	\$228.15
09/12/18	Water Resources and Watershed Committee Meeting	\$228.15
09/17/18	Finance and Administration Committee Meeting	\$228.15
09/18/18	Regular Board Meeting	\$228.15
	<b>Stipend Total</b>	<b>\$912.60</b>
	<b>Total Paid Days</b>	<b>4</b>
	<b>Total Meetings</b>	<b>4</b>





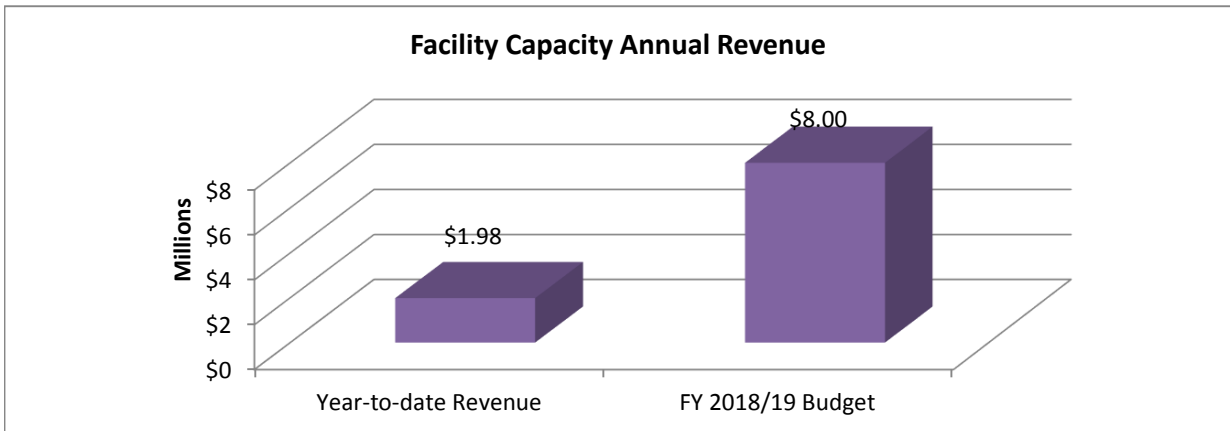
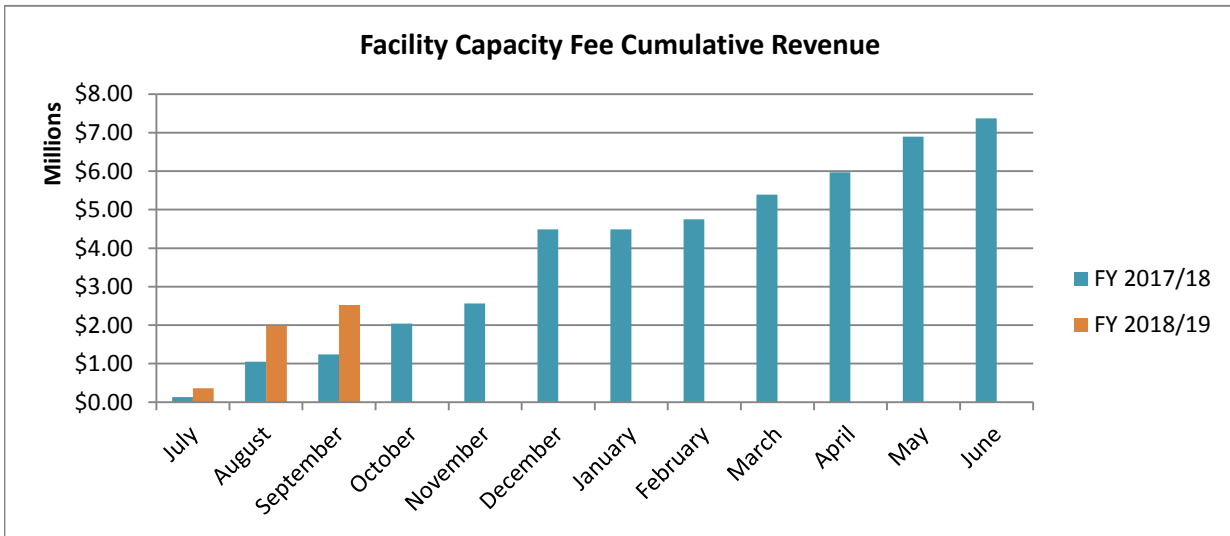
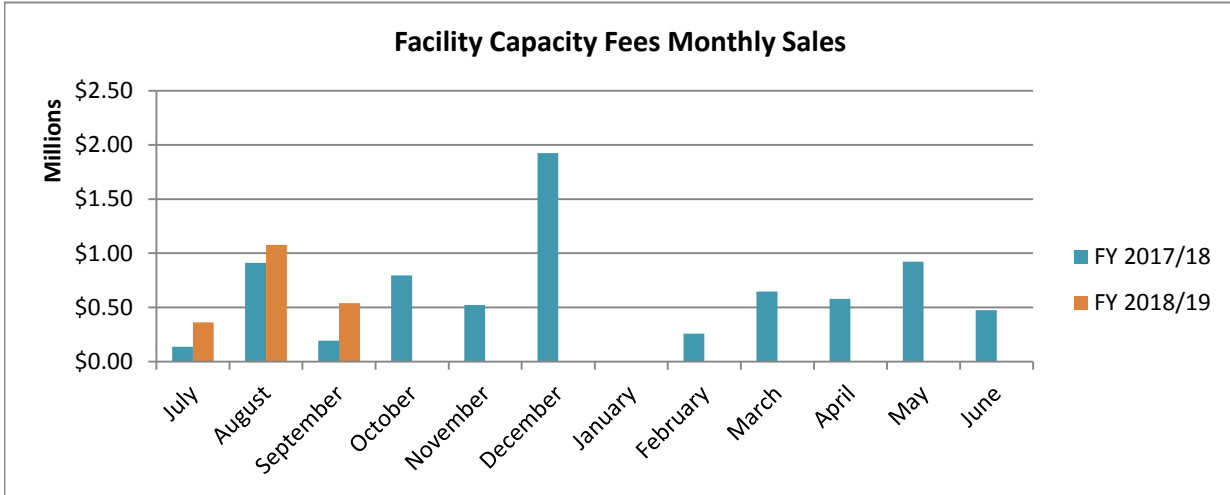


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# Facility Capacity Fee Revenues

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## REGIONAL DIVISION FACILITY CAPACITY FEE REVENUES FY 2018/19 as of September 30, 2018



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# Variable Rate Demand Obligations

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2008A VRDO Performance

Date	Bond Rate	Bond Rate including fees	Rate Decrease**
7/16/2014	0.04%	4.10%	
7/23/2014	0.05%	4.11%	
7/30/2014	0.05%	0.60%	Swap termination.
11/9/2016	0.50%	1.05%	3.06%
11/16/2016	0.50%	1.05%	3.06%
11/23/2016	0.50%	1.05%	3.06%
11/30/2016	0.55%	1.10%	3.01%
12/7/2016	0.58%	1.13%	2.98%
12/14/2016	0.66%	1.21%	2.90%
12/21/2016	0.69%	1.24%	2.87%
12/28/2016	0.69%	1.24%	2.87%
1/4/2017	0.64%	1.19%	2.92%
1/11/2017	0.64%	1.19%	2.92%
1/18/2017	0.64%	1.19%	2.92%
1/25/2017	0.64%	1.19%	2.92%
2/1/2017	0.64%	1.19%	2.92%
2/8/2017	0.63%	1.18%	2.93%
2/15/2017	0.63%	1.18%	2.93%
2/22/2017	0.62%	1.17%	2.94%
3/1/2017	0.60%	1.15%	2.96%
3/8/2017	0.62%	1.17%	2.94%
3/15/2017	0.72%	1.27%	2.84%
3/22/2017	0.80%	1.35%	2.76%
3/29/2017	0.87%	1.42%	2.69%
4/5/2017	0.87%	1.42%	2.69%
4/12/2017	0.86%	1.41%	2.70%
4/19/2017	0.90%	1.45%	2.66%
4/26/2017	0.90%	1.45%	2.66%
5/3/2017	0.82%	1.37%	2.74%
5/10/2017	0.77%	1.32%	2.79%
5/17/2017	0.75%	1.30%	2.81%
5/24/2017	0.75%	1.30%	2.81%
5/31/2017	0.73%	1.28%	2.83%
6/7/2017	0.72%	1.27%	2.84%
6/14/2017	0.78%	1.33%	2.78%
6/21/2017	0.81%	1.36%	2.75%
6/28/2017	0.86%	1.41%	2.70%
7/5/2017	0.81%	1.36%	2.75%
7/12/2017	0.78%	1.33%	2.78%
7/19/2017	0.78%	1.33%	2.78%
7/26/2017	0.83%	1.38%	2.73%
8/2/2017	0.74%	1.29%	2.82%
8/9/2017	0.74%	1.29%	2.82%
8/16/2017	0.73%	1.28%	2.83%
8/23/2017	0.75%	1.30%	2.81%
8/30/2017	0.75%	1.30%	2.81%
9/6/2017	0.75%	1.30%	2.81%
9/13/2017	0.80%	1.35%	2.76%
9/20/2017	0.85%	1.40%	2.71%
9/27/2017	0.91%	1.46%	2.65%
10/4/2017	0.89%	1.44%	2.67%
10/11/2017	0.89%	1.44%	2.67%
10/18/2017	0.89%	1.44%	2.67%

2008A VRDO Performance

Date	Bond Rate	Bond Rate including fees	Rate Decrease**
10/25/2017	0.90%	1.45%	2.66%
11/1/2017	0.90%	1.45%	2.66%
11/8/2017	0.90%	1.45%	2.66%
11/15/2017	0.90%	1.45%	2.66%
11/22/2017	0.94%	1.49%	2.62%
11/29/2017	0.94%	1.49%	2.62%
12/6/2017	0.96%	1.51%	2.60%
12/13/2017	1.08%	1.63%	2.48%
12/20/2017	1.38%	1.93%	2.18%
12/27/2017	1.60%	2.15%	1.96%
1/3/2018	1.40%	1.95%	2.16%
1/10/2018	1.28%	1.83%	2.28%
1/17/2018	1.15%	1.70%	2.41%
1/24/2018	1.04%	1.59%	2.52%
1/31/2018	0.99%	1.54%	2.57%
2/7/2018	0.88%	1.43%	2.68%
2/14/2018	0.93%	1.48%	2.63%
2/21/2018	1.00%	1.55%	2.56%
2/28/2018	1.03%	1.58%	2.53%
3/7/2018	1.04%	1.59%	2.52%
3/14/2018	1.11%	1.66%	2.45%
3/21/2018	1.28%	1.83%	2.28%
3/28/2018	1.46%	2.01%	2.10%
4/4/2018	1.53%	2.08%	2.03%
4/11/2018	1.58%	2.13%	1.98%
4/18/2018	1.67%	2.22%	1.89%
4/25/2018	1.64%	2.19%	1.92%
5/2/2018	1.51%	2.06%	2.05%
5/9/2018	1.35%	1.90%	2.21%
5/16/2018	1.20%	1.75%	2.36%
5/23/2018	0.95%	1.50%	2.61%
5/30/2018	0.83%	1.38%	2.73%
6/6/2018	0.83%	1.38%	2.73%
6/13/2018	1.15%	1.70%	2.41%
6/20/2018	1.30%	1.85%	2.26%
6/27/2018	1.30%	1.85%	2.26%
7/4/2018	0.95%	1.50%	2.61%
7/11/2018	0.90%	1.45%	2.66%
7/18/2018	0.85%	1.40%	2.71%
7/25/2018	0.69%	1.24%	2.87%
8/1/2018	1.09%	1.64%	2.47%
8/8/2018	1.22%	1.77%	2.34%
8/15/2018	1.26%	1.81%	2.30%
8/22/2018	1.28%	1.83%	2.28%
8/29/2018	1.28%	1.83%	2.28%
9/5/2018	1.25%	1.80%	2.31%
9/12/2018	1.24%	1.79%	2.32%
9/19/2018	1.24%	1.79%	2.32%
9/26/2018	1.29%	1.84%	2.27%
10/3/2018	1.27%	1.82%	2.29%
10/10/2018	1.26%	1.81%	2.30%
10/17/2018	1.29%	1.84%	2.27%
10/24/2018	1.29%	1.84%	2.27%
10/31/2018	1.28%	1.83%	2.28%

# Director Reimbursements

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**CA Govt. Code Section 53065.5  
List of Reimbursement for "Individual Charges" = \$100 or more**

Annual Disclosure for Fiscal Year 18/19 Updated as of: 11/16/18

**DIRECTORS**


Date of Reimbursement	Recipient of Reimbursement	Reason for Reimbursement	Amount of Reimbursement
09/13/18	Efstathiou, Dean	UWI Conference, 8/22-8/24/18 - Expense (Meals and Lodging)	\$ 296.99
09/13/18	Efstathiou, Dean	UWI Conference, 8/22-8/24/18 - Travel Expense (Mileage and Parking)	156.26
09/13/18	Glabach, Edward	ACWA Conference, 7/27/18 - Travel Expense (Mileage, Parking, Taxi and Airfare)	664.16
09/13/18	Glabach, Edward	ACWA Conference, 8/10/18 - Travel Expense (Mileage, Parking, Shuttle and Airfare)	606.66
09/13/18	Glabach, Edward	ACWA Conference, 8/28/18 - Travel Expense (Mileage, Parking, Auto Rental and Airfare)	651.68
09/21/18	Glabach, Edward	NWRA Seminar, 7/31-8/4/18 - Expense (Meals and Lodging)	984.82
09/21/18	Glabach, Edward	NWRA Seminar, 7/31-8/4/18 - Travel Expense (Mileage, Gasoline and Airfare)	885.37
09/21/18	Glabach, Edward	NWRA Seminar, 7/31-8/4/18 - Registration	625.00
08/08/18	McMillan, Jacquelyn	SCWD Luncheon 7/20 & 7/25/18 - Registration	75.00
08/08/18	McMillan, Jacquelyn	SCWD Luncheon 7/20 & 7/25/18 - Expense (Meal)	13.70
08/08/18	McMillan, Jacquelyn	SCWD Luncheon 7/20 & 7/25/18 - Mileage	173.31
09/13/18	McMillan, Jacquelyn	UWI Conference, 8/22-8/24/18 - Expense (Meals and Lodging)	531.18
09/13/18	McMillan, Jacquelyn	UWI Conference, 8/22-8/24/18 - Travel Expense (Mileage)	239.29
09/13/18	McMillan, Jacquelyn	UWI Conference, 8/22-8/24/18 - Registration	425.00

\$ 6,328.42

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## BOARD MEMORANDUM

**DATE:** November 20, 2018  
**TO:** Board of Directors  
**FROM:** Eric Campbell   
Chief Financial and Administrative Officer  
**SUBJECT:** Approve an Underwriter for Issuance of 2019 Revenue Bonds

---

### SUMMARY AND DISCUSSION

The Agency anticipates offering Tax-exempt Bonds to fund capital improvement projects in the amount of \$35 million. For SCV Water to consider the approval of the financing plan and underwriter for the Agency's anticipated issuance of 2019 Revenue Bonds, an RFP was issued to three underwriting firms (Attachment 1). Citigroup Global Markets ("Citigroup") is the Staff recommendation for Underwriter. Citigroup's fees were the lowest of the respondents and their services will cost the Agency approximately \$78,000. No underwriting fees will be incurred if the bond transaction is cancelled.

The duties of the underwriter are to assist the Agency and its finance team, Fieldman, as the financial advisor and Stradling as Bond Counsel, to prepare the transaction for sale to investors. The underwriter provides investor sentiments and preferences to aid in the legal and credit structure of the transaction and market intelligence related to pricing matters up until the actual pricing of the bonds (Financing plan). The underwriter conducts its due diligence with respect to the disclosure document and offers the bonds to investors and agrees to buy the bonds from the Agency.

The Agency anticipates offering the 2019 Bonds through its joint powers authority (Upper Santa Clara Valley JPA) and as parity debt to the Agency's existing obligations secured by its wholesale system.

The proposals were very competitive in response, qualifications and fees. Responses were received from Citigroup Global Markets (Citi) (Attachment 2), J.P. Morgan (Attachment 3) and Wells Fargo Bank (WFB) (Attachment 4). Each firm provided a complete proposal.

Citi scored the highest of the three firms based upon responses to the questions, fees, overall quality and clarity of the proposal. Citi had the overall lowest fee, slightly lower than JP Morgan (\$1,610 differential) as shown in Table 1. For comparison purposes, Table 1 shows the three respondents to the RFP pricing. Average Takedown represents the sales fees (commissions paid to staff); Underwriter's Expenses (costs paid by the underwriter for their own legal review of the documents and transaction structure, plus an allocation of normal operating expenses); and All-in Gross Spread (the sum of Average Takedown and Underwriters Expenses). Citi has one of the most respected sale forces in the industry and demonstrated in its proposal the willingness to commit its capital at the time of pricing to purchase municipal bonds. Citi assigned a banking team of five experienced individuals and two municipal underwriters to the transaction.

<b>Table 1 Fee Summary Underwriter</b>	<b>Average Takedown*</b>	<b>Underwriter's Expenses*</b>	<b>All-In Gross Spread*</b>
CITIGROUP GLOBAL MARKETS	\$1.53	\$0.707	\$2.234**
JP MORGAN	\$1.25	\$1.030	\$2.280
WELLS FARGO SECURITIES	\$2.00	\$0.740	\$2.740

\*Per \$1,000 of bonds (Citigroup Global Market's Average Takedown cost is rounded for presentation purposes; actual fee is \$1.527).

\*\*The cost differential between JP Morgan and Citigroup (\$2.280 - \$2.234) for a \$35 million bond issue is minor \$1,610.

On November 19, 2018, the Finance and Administration Committee considered staff's recommendation to approve an underwriter for the issuance of 2019 Revenue Bonds.

#### **FINANCIAL CONSIDERATIONS**

Approximately \$78,000 in underwriting fees will be incurred when the bonds are sold. If the bond transaction is cancelled, no underwriting fees will be incurred.

#### **RECOMMENDATION**

The Finance and Administration Committee recommends that the Board of Directors approve Citigroup Global Markets to prepare a financing plan and act as the underwriter for the Agency's anticipated issuance of the 2019 Revenue Bonds.

EC

Attachments

MBS



**SANTA CLARITA VALLEY WATER AGENCY**  
**Series 2019 Revenue Bonds**  
**\$32 - \$36 Million Par Amount**

**Request for Proposals for**  
**Investment Banking / Underwriting Services**

On behalf of Santa Clarita Valley Water Agency, (the “Agency”), we are distributing this Request for Proposals for investment banking/underwriting services for the Agency’s anticipated issuance of 2019 Revenue Bonds (the “2019 Bonds”). The Agency anticipates offering the 2019 Bonds through its joint powers authority (Upper Santa Clara Valley JPA) and as parity debt to the Agency’s existing obligations secured by its wholesale system.

**Submittal information:**

Responses are to be delivered electronically to Mr. Eric Campbell, Chief Financial and Administrative Officer of the Agency, and Robert Porr of Fieldman, Rolapp & Associates no later than **5:00 PM pacific time on Wednesday, November 14, 2018.**

Eric Campbell            [ecampbell@scvwa.org](mailto:ecampbell@scvwa.org)  
Robert Porr              [rporr@fieldman.com](mailto:rporr@fieldman.com)

Responses should be no more than ten pages including any appendices or attachments.

All requests for additional information or questions regarding this RFP shall be directed to Robert Porr in writing via email by November 7, 2018.

**The Agency certifies this request has been sent to at least 3 firms.**

## **I. BACKGROUND**

### **Introduction**

The Agency anticipates offering \$32 - \$36 million in Tax-exempt Bonds to fund capital improvement projects in the amount of \$35 million. The issuance will be on parity with the Agency’s existing obligations secured by its wholesale system, including certain 2008A, 2010A, 2014A, 2015A, 2016A and 2018A obligations. The Agency’s applicable parity bonds are currently rated “AA” by S&P and “AA-” by Fitch.

The expected term of the 2019 Bonds is anticipated to be 30 years, depending on market conditions and Agency preferences.

### **Timeline**

The transaction is expected to price in April and close in May of 2019.

## **The Project Team**

Fieldman, Rolapp & Associates, Inc. has been retained by the Agency as its Municipal Advisor and Stradling Yocca Carlson & Rauth will serve as bond counsel; bond counsel will prepare the POS and Official Statement.

## **Selection Considerations & Criteria**

The Agency intends to select a firm with highly relevant qualifications providing investment banking and underwriting services for transactions similar to the proposed 2019 Bonds. Selection criteria will include written responses to the questions below, firm qualifications and fees.

The Agency reserves the right to negotiate fees prior to the selection of an underwriting firm, or firms. The Agency further reserves the right to select one or more firms or to reject all proposals.

## **II. QUESTIONS**

1. Describe your firm's retail and institutional sales capability related to tax-exempt financings. Please provide an example of your firm's pricing of an AA-rated California water transaction for a par amount in a range of \$30 – \$45 million completed within the last six months.
2. Discuss your ideas on various call features that may be recommendable for the Agency's proposed transaction.
3. In light of the current conditions in the municipal marketplace, discuss your structuring and overall marketing approach for the 2019 Bonds. Provide your firm's forecast of tax-exempt interest rates for the remainder of the year and through June, 2019.

## **III. QUALIFICATIONS**

1. List or summarize your firm's experience as senior manager for California-based water enterprise revenue bonds in the last 3 years.
2. Provide a proposed project team, including your underwriter, including the resumes and roles of each team member. Provide each team member's experience over the last 3 years with:
  - a. California water enterprise revenue bonds, revenue certificates of participation and note/highlight tax-exempt transactions (senior managed transactions only)

## **IV. FEES**

Provide a detail of your proposed fees and expenses for the financing, and any assumptions used in deriving this fee structure. Include takedowns broken out by maturity. For consistency of comparison, please assume a par amount of \$35 million with a 30 year term.

Include the cost of underwriter's counsel as a fixed expense item, and which firm and contact person you propose to retain.



November 12, 2018

# Santa Clarita Valley Water Agency

## Request for Proposals for Investment Banking / Underwriting Services



**SCV**  
**WATER**

**Citigroup Global Markets Inc.**  
Public Finance Department

One Sansome Street  
27<sup>th</sup> Floor  
San Francisco, CA 94104

444 S. Flower Street  
27<sup>th</sup> Floor  
Los Angeles, CA 90071

388 Greenwich Street  
8<sup>th</sup> Floor  
New York, NY 10014

[www.citi.com](http://www.citi.com)

**G-23 Disclaimer:** Citigroup is providing the information contained in this document for discussion purposes only in anticipation of serving as underwriter to Santa Clarita Valley Water Agency (the "Issuer"). Citigroup is not making a recommendation to the Issuer. The primary role of Citigroup, as an underwriter, is to purchase securities, for resale to investors, in an arm's-length commercial transaction between the Issuer and Citigroup. In its role as underwriter, Citigroup would have financial and other interests that differ from those of the Issuer. Citigroup is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer or any other person or entity. The information provided is not intended to be and should not be construed as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934. The Issuer should consult with its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it deems appropriate. The Issuer should consider whether to engage an advisor to act in a fiduciary capacity on its behalf in connection with this transaction.

November 12, 2018

**Eric Campbell**  
Santa Clarita Valley Water Agency

**Robert Porr**  
Fieldman, Rolapp & Associates

Dear Mr. Campbell and Mr. Porr:

Citigroup Global Markets Inc. (“Citi”) is pleased to submit our response to the Request for Proposals for Investment Banking / Underwriting Services for the Santa Clarita Valley Water Agency (the “Agency” or “SCVWA”). We have designed our response to address the required components of the RFP and to demonstrate Citi’s unmatched underwriting capabilities nationally and within California water and wastewater utility finance. Provided below are some of our key qualifications:

**We have deep experience with California utilities and Santa Clarita Valley Water Agency.** Citi is among the leading underwriters of California water and wastewater utility issues. [Since January 1, 2015, Citi has served as senior manager on a negotiated basis for California water-related credits on \\$3.4 billion of par across 42 transactions for total market share of 12%.](#) In particular, Jonathan Ash and Cameron Parks have served as coordinating bankers on almost all of these California water-related financings, and so have the experience to bring pioneering, innovative structuring and marketing strategies to the Agency’s upcoming sale. Citi has also worked with SCVWA in meeting its debt portfolio management goals for nearly 15 years, including most recently, the Agency’s 2018 taxable financing. Having served the Agency in various capital markets capacities, Citi fully understands and is able to help the Agency achieve its structural and organizational objectives.

**We will commit our resources to the Santa Clarita Valley Water Agency.** Citi has significant resources that we will pledge to the Agency to see that the proposed financing is successfully executed:

- ✓ **Capital Markets Platform** – Citi has [81 sales, trading, Debt Capital Markets and underwriting professionals](#) nationwide spread across 8 offices
- ✓ **Underwriting** – Citi has 7 underwriters nationally, including Keisha Belinfanti in New York and Matt Hage in Los Angeles; [Citi’s Los Angeles municipal sales and trading desk is one of the only municipal desks in the state of California](#)
- ✓ **Institutional Investor Coverage** – Citi’s institutional sales force of 81 professionals is comprised of 5 Credit Analytics professionals, 6 Debt Capital Markets professionals and [10 regional professionals in California who are the main participants in Citi’s California primary and secondary market efforts](#)
- ✓ **Greenwich Survey** – Citi has an unrivalled marketing and distribution network that has been ranked [#1 by Greenwich Associates for the 7<sup>th</sup> year in a row](#)
- ✓ **Retail Sales Force** – Citi’s 4-tiered retail distribution includes not only Citi’s Personal Wealth Management, Private Bank, and SMA sales desk, but also our exclusive distribution agreement with Fidelity which would give the Agency [access to over 19 million individual investor accounts holding over \\$2 trillion in assets](#)

**We believe Citi is best-positioned to help Santa Clarita Valley Water Agency execute an optimal plan of finance in volatile conditions.** Citi can help the Agency structure, market, and execute its upcoming transaction:

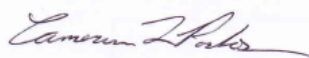
- ✓ **Market Conditions** – With the Fed raising rates, geopolitical tensions, and Post-Tax Reform conditions, the Agency needs an underwriter who can weather volatile conditions and commit capital if need be
- ✓ **Capital Commitment** – Citi has [excess net capital of \\$7.75 billion](#) as of June 30, 2018 and can [underwrite up to \\$1 billion in bonds](#) without additional internal approvals
- ✓ **Structuring** – After carefully reviewing the materials provided and the Agency’s debt portfolio as a whole, Citi has developed three different comprehensive structuring scenarios for the Agency to consider
- ✓ **Marketing** – Citi is more than willing to help SCVWA execute our proposed marketing plan including [early engagement with investors, investor calls or internet roadshow](#), and provide the Agency with Targeted Data-Driven Investor Information tailored to the Agency and similar California Water credits

We thank you for the opportunity to present our qualifications for this important transaction. If you have any questions regarding the information contained herein please do not hesitate to reach out to us.

Sincerely,



**Jonathan Ash**, Director  
Water Infrastructure Finance Group  
(415) 951-1745  
[jonathan.a.ash@citi.com](mailto:jonathan.a.ash@citi.com)



**Cameron Parks**, Managing Director  
Head of Water Infrastructure Finance Group  
(213) 486-7130  
[cameron.parks@citi.com](mailto:cameron.parks@citi.com)



## Response to Request for Proposals:



### Santa Clarita Valley Water Agency

Prepared by:



Citigroup Global Markets Inc.

#### II. Questions

1. Sales Capabilities.....	1
2. Call Features.....	3
3. Structure and Marketing.....	4

#### III. Qualifications

1. Experience .....	10
2. Finance Team .....	9

#### IV. Fees

1. Fees .....	10
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## II. Questions

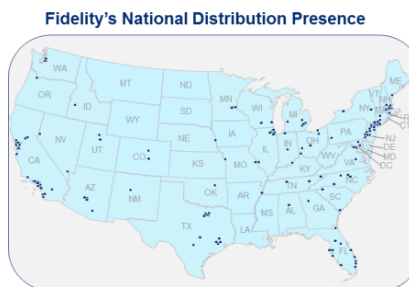
### 1. Describe your firm's retail and institutional sales capability related to tax-exempt financings...

**Citi's Award Winning Institutional Salesforce.** Citi employs 81 institutional sales, trading, and underwriting professionals focused exclusively on municipal securities. Our syndicate and sales and trading professionals are the most seasoned in the industry, with our most senior professionals averaging over 25 years of experience. Highlights of Citi's capital markets platform include a team of 70 Institutional sales & trading representatives, 5 credit analytics professionals and 6 debt capital markets professionals covering every major institutional buyer. Our 8 regional underwriting and sales desks provide underwriting support to enhance the distribution of bonds with small and medium-sized institutional investors across the country. Citi specifically has a Los Angeles underwriting desk to support our California and West Coast issuers. Citi's capital markets strength is well known in the industry and of note, Greenwich Associates, an independent provider of market intelligence to the financial services industry, ranked our municipal sales force #1 in quality and market share for the seventh year in a row.

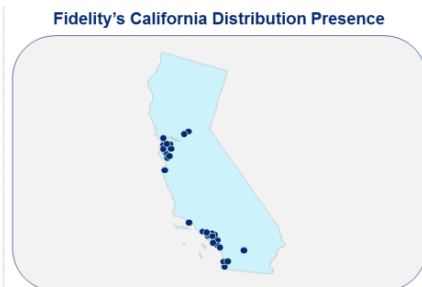


Greenwich Survey Category	2017 Rank	2016 Rank
Understanding Customers' Needs	#1	#1
Executing Large Trades (>\$10mm)	#1	#1
Providing the Greatest Liquidity	#1	#1
Product Availability Across Size & Credit	#1	#1

**Citi's New Partnership with Fidelity.** We would like to note that Citi has recently entered into an exclusive retail distribution agreement with Fidelity Capital Markets. Fidelity's core strength is its ability to reach true retail investors with a national distribution network. Fidelity's retail platform is one of the largest, if not the largest, pool of retail investors in the industry, with 19 million individual retail accounts, holding \$2 trillion in assets, \$24.6 billion of which are municipal bonds. Fidelity makes advanced, user-friendly technology a core component of its distribution



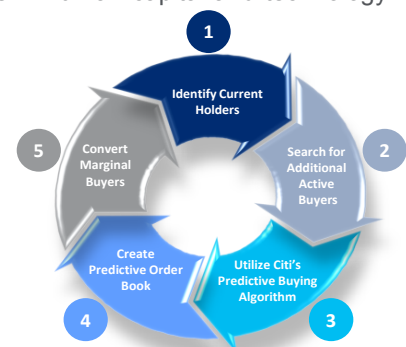
Distribution Statistics	
Number of Branches	182 Branches
Total Branch Headcount	3,253 Professionals
Total Accounts	19,026,397 Accounts
Total Muni AUM	\$24.6 billion
Total National AUM	\$2.0 trillion



Distribution Statistics	
Number of Branches	31 Branches
Total Branch Headcount	501 Professionals
Total Accounts	2,410,017 Accounts
Total Muni AUM	\$3.9 billion
Total California AUM	\$277.4 billion

and marketing efforts. With over one million unique visitors every day, Fidelity.com provides a powerful platform on which investors can sign-up for email alerts to receive notice of tax-exempt and taxable municipal bonds that become available for purchase as part of a new issue. These alerts deliver information about a bond deal directly to investors' inboxes and have been proven to drive new retail orders. This feature will permit us to micro-target Fidelity's retail investors by drilling down not only to the states in which investors reside, but also to individual investors' zip codes. In California, Fidelity has over 2.4 million accounts and \$277 billion in assets.

**Dedicated Debt Capital Markets Team.** Citi has made significant investments in human capital and technology to better serve our issuer clients such as the Agency through the creation of our DCM group and development of sophisticated investor targeting models. DCM creates extensive, data-driven marketing programs for our issuer clients by leveraging the massive amount of market data uniquely available to Citi as a result of our dominance in secondary market trading and our leading market share in the primary market. The DCM team works in partnership across the Municipal Securities Division, including with members of the syndicate and sales and trading operations. DCM begins by identifying buyers of the Agency's debt and then locating investors actively supporting comparable bond issues in the primary and secondary markets. This targeted investor list, combined with the output of Citi's proprietary predictive buying algorithm, allows us to discern patterns of investor activity, providing our sales force with a book of strategic accounts to focus on.



**Marketing Approach: Citi's Synchronized Strategy.** We believe that Citi can provide the Agency with the best-in-class execution and pricing through Citi's Synchronized Strategy that draws upon specific tactics of a local presence combined with national capabilities.

Citi's Synchronized Marketing Strategy: Blending Local Resources with National Capabilities			
Local Presence		National Capabilities	
Syndicate Desk: California		Syndicate Desk: National	
Location: Los Angeles		Location: New York	
 <ul style="list-style-type: none"> <li>✓ Matt Hage</li> <li>✓ Director, Western Region Underwriting</li> <li>✓ 10 Years' Experience</li> <li>✓ Trades \$400-\$450 million municipal revenue bonds weekly</li> </ul>	 <ul style="list-style-type: none"> <li>✓ Keisha Belinfanti</li> <li>✓ Director, National Syndicate</li> <li>✓ 12 Years' Experience</li> <li>✓ Priced over 100 bond issues for \$10 billion in par amount</li> </ul>		
Marketing Tactics		Marketing Tactics	
<ul style="list-style-type: none"> <li>↪ Leverage the strength and local resources of Citi's Los Angeles underwriting desk</li> <li>↪ Release the POS a week in advance of pricing to maximize the opportunity to market the bonds to investors</li> <li>↪ Target local buyers and allow for priority on bona-fide retail orders (particularly in-state)</li> <li>↪ Enter the market with aggressive pre-pricing levels</li> <li>↪ Build the book of buyers and ensure stable subscription to allow for pricing "bumps" – spread tightening / yield lowering</li> </ul>		<ul style="list-style-type: none"> <li>↪ Coordinate with Citi's National Municipal Syndicate to prepare for the sale</li> <li>↪ After releasing the POS at least a week prior to pricing, highlight on Citi's internal calendar and IPREO's public calendar</li> <li>↪ Canvass <u>local</u> buyers that Citi has sales force coverage of and who tend to buy California Water bonds of the Agency's proposed size and structure</li> <li>↪ Gauge the national market from New York to provide aggressive spreads</li> <li>↪ Create a solid book of investors in order to "bump" spreads and lower costs of financing</li> </ul>	
Target Investors: SCVWA Investors		Target Investors: Buyers of CA Water Credits	
Loews Corporation	Nuveen	BlackRock	Vanguard
Franklin	JP Morgan Asset Mgmt	Alliance Bernstein	MacKay Shields
Thornburg Investment	Columbia Mgmt	American Century	Western Asset Mgmt
Putnam Investment	American Equity	AIG Asset Mgmt	USAA Asset Mgmt
PIMCO	Capital Research	Breckinridge Capital	Fidelity Investment

Below we provide a recent example of Citi's sole managed experience selling California Water Revenue bonds. Although the transaction was only \$23 million, we believe it is still comparable to the Agency's upcoming sale.

**Valley County Water District Financing Authority  
\$22,845,000 Water Revenue Bonds, Series 2018A**

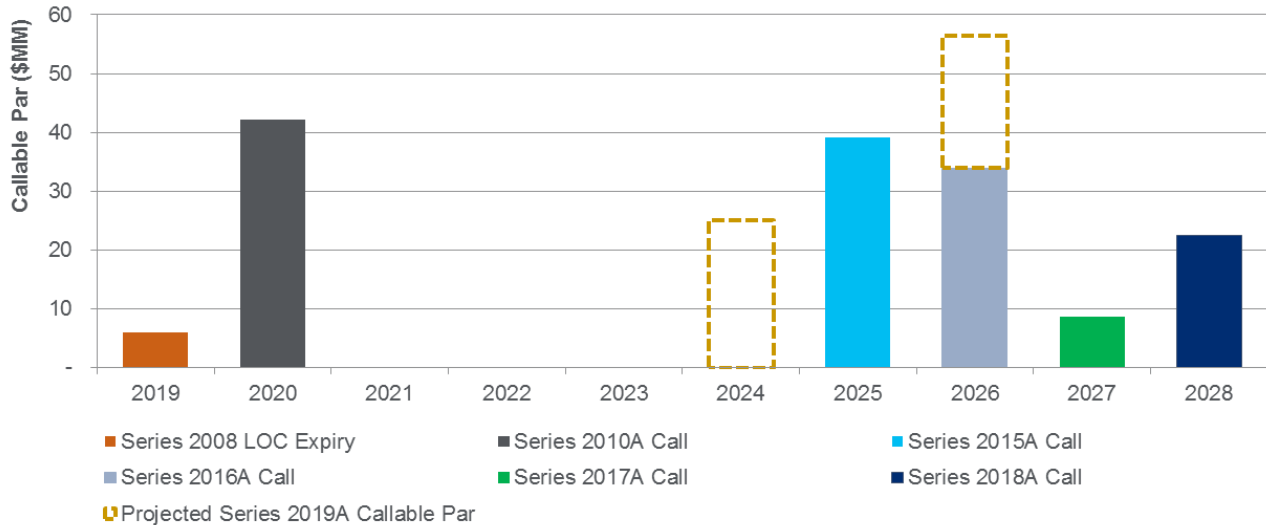


On June 27, 2018, Citi served as sole manager for Valley County Water District Financing Authority's inaugural sale of \$23 million Water Revenue Bonds, Series 2018A. The bond proceeds were used to finance improvements throughout the Water System and the bonds were rated AA- by S&P. This was the Authority's first public sale, and so Citi collaborated closely with the Authority and Fieldman Rolapp to structure the bonds, which were serialized through 2038, with term bonds in 2043 and 2048. Unique features included a 9 year par call and sub-5% coupons in maturities 2019-2021, 2034-2038, and in the 2048 term, which lowered overall cost of debt service. During the marketing period, Citi worked with our internal sales force to successfully market the new credit and enter the market with aggressive spreads. After building a book of buyers with 19 investors and an oversubscription of 1.5x, the financing team was able to lower spreads by as much as 6 bps in certain maturities. Citi also underwrote \$110,000 without increasing spreads to preserve the Authority's pricing. This successful sale was led by Jonathan Ash as coordinating banker and Keisha Belinfanti as lead underwriter.

**2. Discuss your ideas on various call features that may be recommendable for the Agency's proposed transaction.**

With the elimination of tax-exempt advance refundings as part of the recently passed Tax Cuts and Jobs Act, the Agency may wish to consider shorter call options as a means to provide enhanced flexibility for its future financing needs. With fewer opportunities to access the market via advance refundings, we recommend either staggering call dates across the portfolio in years with sparser callable par or stacking it on a year where there is already callable par such that the Agency can do one refunding of both callable series. Below, we show the Agency's Wholesale System's callable par over the next 10 years and believe that there is flexibility for the Agency to consider a 5-year call in 2024 or a 7-year call in 2026.

**Summary of Debt Events**

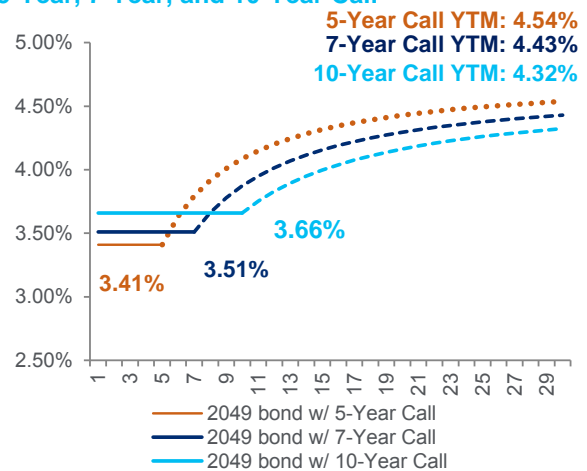


**Short Call Considerations.** We note that while the up-front pricing cost on shorter call options is lower on a yield-to-call basis for any callable bonds issued with premium coupons (i.e. 5% bonds), if the bonds are not refunded near the call date there is a significant increase or “yield kick” in the yield-to-maturity of the shorter call bonds as compared to bonds with a 10-year call option.

Call Option	Adjustment
5-Year Call	-25 basis points after call
7-Year Call	-15 basis points after call

The yield-to-maturity can essentially be interpolated for any year the Agency could theoretically call its bonds. That is, a 30-year bond with a traditional 10-year call feature can be called any year between 2029 and 2049. With a 5-year call, the bonds can be redeemed between 2024 and 2049. With a 7-year call, the bonds can be redeemed between 2026 and 2049. The yield-to-maturity, then, makes sense to evaluate assuming the bonds are redeemed in any of those years. We present this calculation in the accompanying call comparison chart, which considers the trade-offs of such call options assuming a 30-year bond. The intersection of the three scales represents the date on which, if the bonds are redeemed, the Agency is indifferent between various the call features. As shown, should the Agency issue the 5-year call bonds and refund them within 7 years (2 years after the call date), this option would be more advantageous compared to the traditional 10-year call option. If the Agency does not refund the 2019 Bonds by that time it would realize a higher yield-to-maturity.

**Call Comparison for 30-year Bond (5% Coupon)  
5-Year, 7-Year, and 10-Year Call**





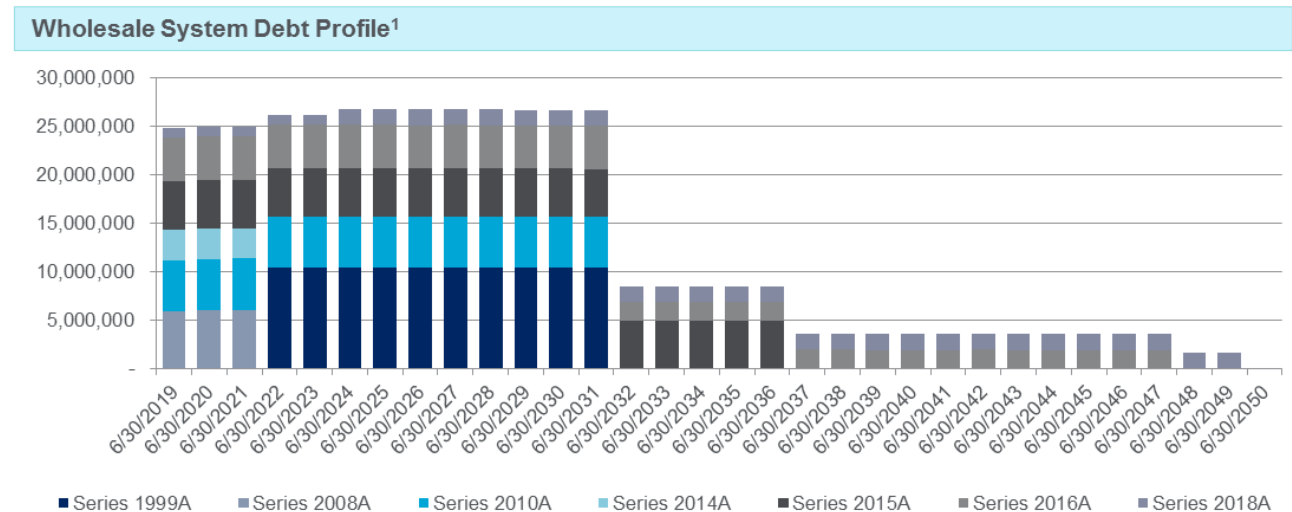
**3. In light of the current conditions in the municipal marketplace, discuss your structuring...**

**Considering the Aggregate Debt Service Profile in Conjunction with Rates and Charges.** As the Agency continues to manage project funding for 2019 and beyond, while balancing user rates and charges, we believe it will be critical to maintain a programmatic approach to debt issuance and cost management. As a starting point, we have reviewed the Agency’s aggregate debt service profile for the outstanding Wholesale System Bonds. The Agency’s Wholesale System debt portfolio is conservatively 96% fixed rate and 4% variable rate as well as 91% tax-exempt bonds and 9% taxable bonds. The outstanding debt consists of seven total series on two different liens with a total outstanding principal of \$307 MM. On the Senior Lien, there is \$104 MM of outstanding 1999A CABs. On the Parity Lien, there are six series – Series 2008A (Variable), 2010A, 2014A, 2015A, 2016A and 2018A – with a total of \$203 MM in par amount. Four out of the total seven series are callable and have a total of \$138 MM callable on their respective call dates.

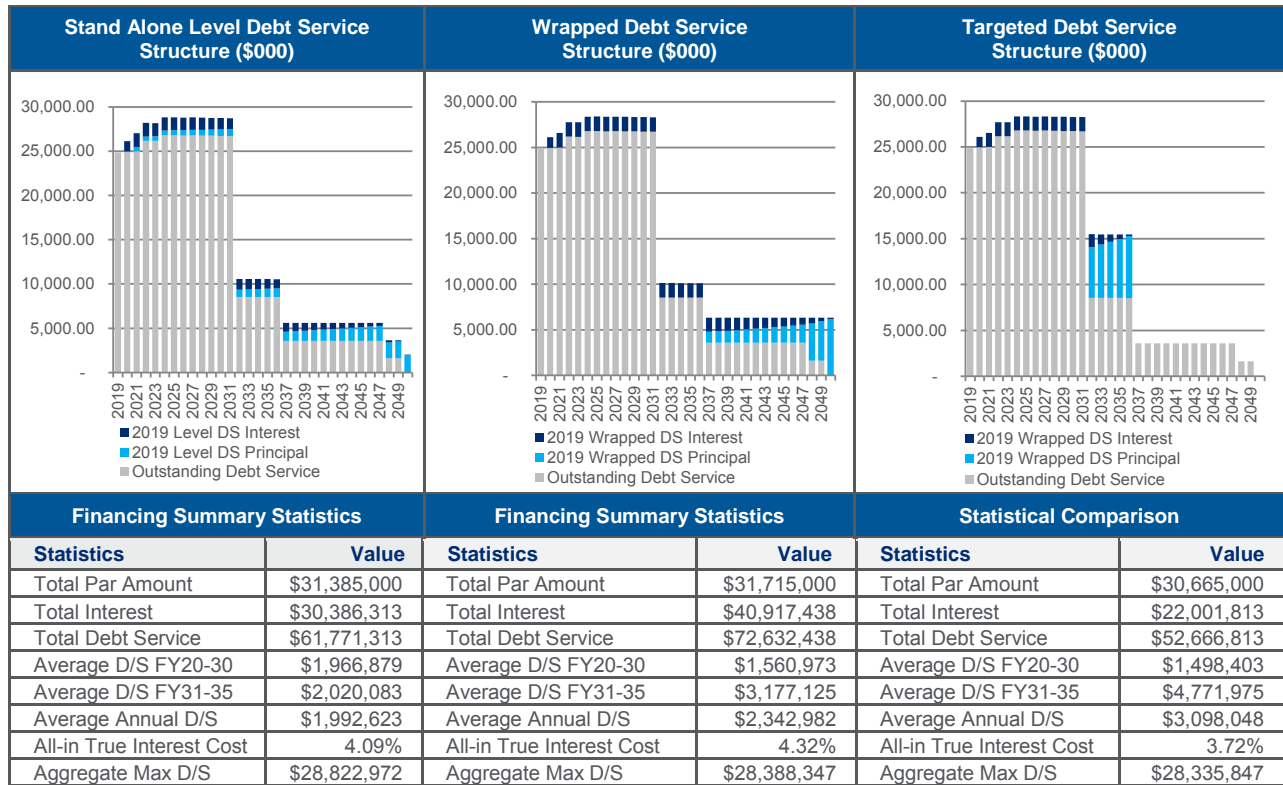
Series	Outstanding Par <sup>1</sup>	Tax Status	Coupon Type	Max Coupon (%)	Final Maturity	Par Call Date	Callable Par
<b>Senior Lien Debt</b>							
Series 1999A <sup>2</sup>	\$104,450,000	Tax-Exempt	Capital Appreciation	5.800%	8/1/2030	NC	\$-
<b>Parity Lien Debt</b>							
Series 2008A	11,850,000	Tax-Exempt	Variable	Variable	8/1/2020	NC	-
Series 2010A	48,455,000	Tax Exempt	Fixed	5.000%	8/1/2030	8/1/2020	42,080,000
Series 2014A	5,990,000	Tax Exempt	Fixed	5.000%	8/1/2020	NC	-
Series 2015A	57,190,000	Tax Exempt	Fixed	5.000%	8/1/2035	8/1/2025	39,130,000
Series 2016A	52,640,000	Tax Exempt	Fixed	5.000%	8/1/2046	8/1/2026	33,935,000
Series 2018A	26,735,000	Taxable	Fixed	3.875%	8/1/2048	8/1/2028	22,550,000
<b>Total Parity Lien Debt</b>	<b>202,735,000</b>						
<b>Total</b>	<b>\$307,310,000</b>						<b>\$137,695,000</b>

1) Outstanding Par does not include the principal that rolled off in August 1, 2018. 2) 1999A CABs Outstanding Par amount represents the full amount of the Capital Appreciation Bonds.

**Opportunities for Future Issuance.** As pictured in the graph below, the Agency’s bonds pay debt service that steps up through FY2031 and then steps down over time. The first plateau of payments occurs through Fiscal Year 2031 and averages more than \$26 MM annually. In 2032, there is step down with the average debt service decreasing to ~\$8MM until FY2037. This gap between FY2032 and FY2036 presents a meaningful opportunity to amortize principal for the upcoming sale as well as future offerings. We present this targeted debt service strategy on the next page for the Agency’s consideration as the third scenario. Returning to the debt profile below, after FY2037 and onward, the Agency’s debt service payments post 2037 are minimal and have capacity for future funding needs.



**Amortization Considerations.** As the Agency evaluates the potential structure of the Series 2019 Bonds, there are two fundamental “book end” structures: Stand-Alone Level Debt Service versus Wrapped Debt Service. The Stand Alone Level Structure amortizes principal over a 30-year period (FY2050 final maturity) to produce level debt service payments; the objective of this structure is to maintain a lower all-in borrowing cost. The Wrapped Debt Service Structure amortizes principal in years 18 through 30 to wrap around the Wholesale System’s prior debt with the goal of achieving level debt service for the whole portfolio. The third scenario we added was a Targeted Debt Service Structure, where we target significant decrease of prior debt service for the entire portfolio in FY2032 and begin amortizing principal then to achieve upfront lower costs in borrowing.



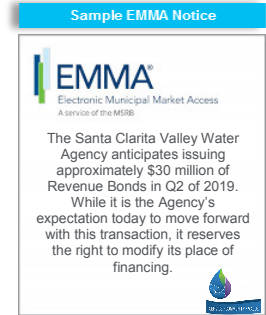
As the Agency evaluates various structuring options, advantages, disadvantages and considerations for both credit and marketing should be weighed accordingly.

Level Debt Service Structure	Wrapped Debt Service Structure	Targeted Debt Service Structure
<p><b>Advantages</b></p> <ul style="list-style-type: none"> <li>▲ Straightforward structure similar to prior Santa Clarita Valley Water Agency practices</li> </ul>	<p><b>Advantages</b></p> <ul style="list-style-type: none"> <li>▲ May relieve near-term pressure on rates and charges</li> <li>▲ Current market conditions allow for a low cost of capital to be locked in, compared to historical borrowing rates</li> </ul>	<p><b>Advantages</b></p> <ul style="list-style-type: none"> <li>▲ Generates lowest all-in borrowing cost</li> <li>▲ Lowest aggregate debt service cost</li> </ul>
<p><b>Disadvantages</b></p> <ul style="list-style-type: none"> <li>▼ Amortizing principal of borrowings in early years may cause unnecessary pressure on rates and charges</li> </ul>	<p><b>Disadvantages</b></p> <ul style="list-style-type: none"> <li>▼ All-in TIC will be more expensive as bonds amortize later along the yield curve</li> <li>▼ Total debt service is higher due to the delay in the repayment of principal</li> </ul>	<p><b>Disadvantages</b></p> <ul style="list-style-type: none"> <li>▼ Limited ability to further blend down borrowing cost</li> </ul>
<p><b>Credit Considerations</b></p> <ul style="list-style-type: none"> <li>✓ It is important to ensure that annual debt service coverage remains sufficient to maintain ratings</li> </ul>	<p><b>Credit Considerations</b></p> <ul style="list-style-type: none"> <li>✓ Wrapped structure raises aggregate portfolio cost of borrowing</li> </ul>	<p><b>Credit Considerations</b></p> <ul style="list-style-type: none"> <li>✓ Deferring principal repayment may erode principal amortization capacity for future debt issuance</li> </ul>
<p><b>Marketing Considerations</b></p> <ul style="list-style-type: none"> <li>↳ Likely investor demand for serialized bonds for 1 - 20 years, allowing for yield curve savings to be captured</li> <li>↳ Allows for greater investor diversity, particularly with varied couponing structures throughout amortization</li> </ul>	<p><b>Marketing Considerations</b></p> <ul style="list-style-type: none"> <li>↳ Later amortizing principal may only appeal to certain investors</li> </ul>	<p><b>Marketing Considerations</b></p> <ul style="list-style-type: none"> <li>↳ May limit couponing diversification with limited principal amortization along yield curve</li> </ul>

**Citi's SCVWA Marketing Plan.** Our goal for the Agency is to achieve the lowest cost of financing for the proposed 2019 Revenue Bond transaction. Doing so requires a senior managing underwriter that (1) can work with the Agency and its finance team to properly structure its debt offering; (2) can help most efficiently present it to investors; (3) has a well-capitalized distribution system that can effectively access institutional and retail investors; and (4) is willing and able to underwrite bonds to support the Agency's issuance when market conditions prove difficult. Citi excels in each of those requirements, and will provide exemplary service to the Agency.



**Early Engagement with Investors: Announcement of sale via EMMA before POS posting.** Citi recommends posting a notice to EMMA announcing the Agency's anticipated financings as much as one month in advance of posting the POS in order to make the transaction "public". This allows our Debt Capital Markets (DCM) team to dialogue with investors about the transaction and specifically regarding their interest and willingness to conduct a 1-on-1 calls. Citi successfully utilized this approach on many of our recent senior managed transactions. A sample of potential language is included in the adjacent box.



**Internet Investor Roadshow.** Citi recommends considering an online investor roadshow presentation consisting of 10-15 slides that provides a "cliff notes" overview of the credit to help market the 2019 Revenue Bonds. By tracking internet roadshow viewership, the team can stay engaged with interested investors and accurately gauge participation in the Agency's transaction, helping to ensure the Agency's constituents are aware of the sale and can participate.



**One-on-One Investor Calls and/or Meetings.** One-on-one calls with investors facilitate an intimate understanding of the Agency's organizational history, as well as its credit, which ultimately serves to foster a better relationship between the Agency and its investors. In prior Citi-led transactions, one common theme we have continued to hear from investors is how informative, transparent, and thoughtful these discussions were. These calls can be coordinated by Citi and to minimize the demands on the Agency and its staff's time.



**Sales Force Teach-In.** Prior to pricing Citi will hold a sales force teach-in that is designed to educate sales personnel on the Agency's credit, transaction specifics and key value propositions. This teach-in energizes the sales force and brings focus to the upcoming transaction.



**Targeted Investor Marketing: Review Citi's Investor Algorithm Results.** Citi has recently established a new Debt Capital Markets ("DCM") group and has made significant investments in human capital and technology to better serve our issuer clients by leveraging Citi's massive amount of market data to create extensive, proprietary, data-driven marketing programs for issuers. Citi's proprietary investor target marketing model and algorithm, called the Citi Intelligent Search Engine ("CISE"), is built from both public and Citi's proprietary data sources, which represents the richest set of investor data available in the industry, given Citi's leading position in the primary and secondary markets. CISE effectively mass-mines the vast amount of granular data that Citi collects on constantly-changing investor buying and trading activity and employs an artificial intelligence-based predictive buying algorithm to target investors most likely to participate in the Agency's transaction. As a result of Citi's extensive investor marketing efforts we have been able to successfully maximize pricing tension for our issuer clients relative to our peers. Citi accomplishes this 1) by generating excess investor demand by employing strategic investor outreach programs and 2) by standing behind our transactions, both in the secondary market to provide liquidity and in the primary market to commit capital when necessary. Citi pledges to bring these resources to bear for the Agency's 2019 transaction.

**Market Leadership through Underwriting Unsold Bonds.** During pricing, the Agency will want its senior manager to be a market maker and be able to hold the line on fair pricing rather than cave-in to the last marginal institutional investor's desired yield level. It takes capital, willingness to use that capital, market knowledge and confidence that the product can be distributed in order to underwrite sizable tranches of unsold bonds. Citi has stepped in frequently to underwrite unsold bonds to maintain fair pricing. As a practical matter, Citi's strong capital base and sizable excess net capital position enable us to underwrite any potential bond offering required by the Agency. Since 2015, Citi has committed over \$7 billion of capital to deliver aggressive pricing to issuers nationwide. In addition, Citi currently allocates \$50 billion of capital to the Municipal Securities Division and the Division can underwrite and own up to \$1 billion of unsold balances of a single transaction without additional internal approvals.

**Interest Rate Considerations.** While Citi's Municipal Research Group does not publish forecasts for future movement in MMD, our U.S. economists do regularly publish forecasts for U.S. Treasuries of various durations. We believe that an analysis of the ongoing relationship between Treasury and MMD in conjunction with Citi and Street forecasts of 30-Year Treasury can provide an informed view of 30-Year MMD in June 2019. In the table to the right, we provide Citi's forecast for Treasuries of various durations versus the Street (Economists' Consensus). As you will see, Citi's long-term 30-Year Treasury forecast diverges significantly from consensus economist forecasts with our economist projecting 30-year Treasury to decline from the current level of 3.46% to 2.85% at the close of 2019 versus 3.66% for the Street. Citi's Chief US economist is, currently, far more conservative in projecting increases in long-term rates as he believes issues with global growth and the potential outbreak of a trade war between the United States and its trading partners could impact global rates. Below we provide additional considerations for future movements in Treasuries.

**Rate Forecasts**

5-Year Treasury	Current	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20
Citi's Forecast	3.04%	2.75%	2.90%	2.90%	2.90%	2.90%	2.90%
10-Year Treasury	Current	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20
Citi's Forecast	3.22%	2.80%	2.85%	2.85%	2.85%	2.85%	2.85%
Economists' Consensus		3.17%	3.30%	3.33%	3.42%	3.49%	3.52%
30-Year Treasury	Current	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20
Citi's Forecast	3.46%	2.90%	2.85%	2.85%	2.85%	2.85%	2.85%
Economists' Consensus		3.35%	3.42%	3.50%	3.54%	3.60%	3.66%
Fed Funds	Current	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20
Citi's Forecast	2.25%	2.50%	2.75%	3.00%	3.00%	3.00%	3.00%
Economists' Consensus		2.50%	2.75%	3.00%	3.00%	3.00%	3.13%

Citi's Chief US economist is, currently, far more conservative in projecting increases in long-term rates as he believes issues with global growth and the potential outbreak of a trade war between the United States and its trading partners could impact global rates. Below we provide additional considerations for future movements in Treasuries.

Why Will Rates Go Up?	Why Will Rates Stay Low?
<ul style="list-style-type: none"> <li>▲ 1Q2018 and 2Q2018 US GDP growth of 2.9% and 4.1%, respectively, strong results versus other developed economies</li> <li>▲ US near full employment with Unemployment in October at 3.7%, down from 8% at the start of 2013 and the lowest level since 1969</li> <li>▲ Continued strong monthly job growth with 250K of job growth in October</li> <li>▲ Fed has completed QE, removing a source of massive demand for Treasuries as China and Russia consider their own Treasury purchases</li> <li>▲ Fed is concerned with future market destabilization</li> </ul>	<ul style="list-style-type: none"> <li>▼ Segments of economy still "recovering"</li> <li>▼ Concerns over the outbreak of a global trade war could cap where long-term interest rates rise</li> <li>▼ Relative growth and rate differential of US vs the rest of the world</li> <li>▼ Continued Quantitative Easing by other global central banks</li> <li>▼ Despite strong unemployment numbers, wage growth and inflation continue to be relatively anaemic</li> </ul>

**Forecasting 30-Year MMD.** In order to apply Citi and Street Economist's forecasts for 30-Year Treasury to 30-Year MMD, one can look at the historical "ratios" between the two indices. In the table to the right, Citi has displayed the average ratios over a variety of time periods, with 30-Year

		30-Year MMD Based On	
Average Ratio of MMD to TSY		30-TSY Street Forecast (3.50%)	30-TSY Citi Forecast (2.85%)
Current	100.62%	3.52%	2.87%
Since January 1, 2018	97.54%	3.41%	2.78%
Since January 1, 2016	97.93%	3.43%	2.79%
Since January 1, 2008	103.97%	3.64%	2.96%

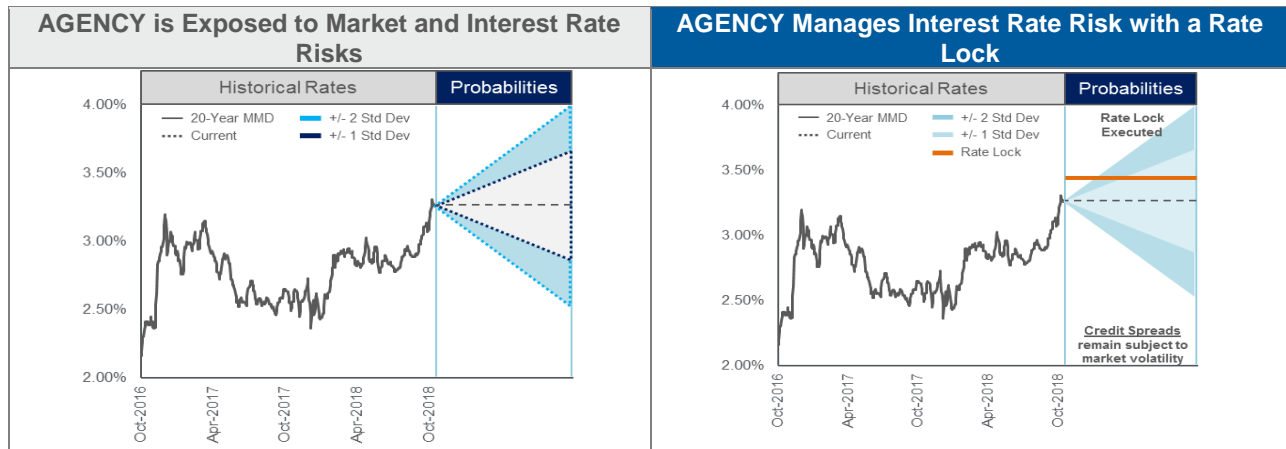
MMD anywhere from 97.54% to 103.97% of 30-Year Treasury. Citi then applied these values based on the 2Q2019 30-Year Treasury forecast in order to come up with an implied value for 30-year MMD. Assuming the various MMD/TSY ratios, Street Economist's forecast predict June 2019 30-Year MMD to be anywhere from 3.41% to 3.64% with Citi's forecast predicting anywhere from 2.78% to 2.96%. In the graph on the following page, we display the relationship between 30-Year Treasury and 30-Year MMD since January 1, 2008.

30-Year MMD and Treasury since January 1, 2008



**Analyze the use of a Rate Lock to mitigate rate risk.** When the Agency sells bonds via a public offering, the yield required by investors is based on benchmark tax-exempt interest rates and the Agency’s specific credit spread / yield premium. Based on current market conditions, both benchmark tax-exempt rates and credit spreads are historically attractive. Benchmark tax-exempt rates and credit spreads fluctuate based on market conditions until the day of bond pricing. Tax-exempt rates can be impacted by changes in yield in the US Treasury market, supply and demand factors, or perceived or actual changes in the value of tax-exemption.

For high-grade issuers, such as the Agency, the benchmark tax-exempt rate is historically the largest and most volatile component of the borrowing cost. The Agency can lock the most volatile component of its borrowing cost by executing a MMD Rate Lock transaction with Citi. MMD Rate Locks allow the Agency to lock the benchmark rates on tax-exempt issuances at a low premium to current market rates. The spread between the locked rate and current rate (i.e. the forward premium) is driven by the duration of the locked period, expected market volatility, and supply and demand factors. Citi is an active market-maker in MMD Rate Locks for tax-exempt institutional investors, which allows Citi to lock benchmark yields at attractive forward premiums or spreads to current rates.



Mechanically MMD Rate Locks entail a single payment that is calculated on the bond pricing date and settled on the closing date of the bonds. If MMD rates are higher than the locked rates on the bond pricing date, Citi will make a cash payment to the Agency equal to the present value impact of the rate increase. On the other hand, if MMD rates are lower than the locked rates on the bond pricing date, the Agency would owe a termination payment to Citi. The MMD Rate Lock’s status as a Qualified Hedge allows the Agency to not only make any hedge payment out of bond proceeds but also include them in the Arbitrage Yield calculation, subject to Bond Counsel approval.

MMD Rate Locks are a simple, short-term transaction whose documentation can typically be drafted and executed in a matter of days. Citi will typically prepare a Long-Form Confirm (as opposed to an entire set of ISDA documents) and would be looking for the Agency to provide a resolution authorizing the execution of the rate lock as well as an enforceability opinion covering the Confirm. The Agency would also sign short letter identifying the Rate Lock as a Qualified Hedge for tax purposes. After execution, documentation, approvals, hearings and other tasks required in a public bond offering proceed as usual.

### III. Qualifications

1. List or summarize your firm's experience as senior manager... (Please see the following page)
2. Provide a proposed project team...

Citi's proposed team for the Agency is organized with a single goal in mind – delivering the highest and most comprehensive level of service possible through the effective utilization of Citi's diverse resources. The staffing of our team has been organized for optimal responsiveness and the professionals on the team have been selected based on their specific and relevant experience for the Agency's proposed transaction.

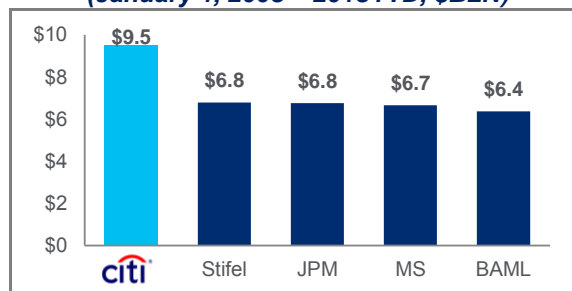
Team Members	Role	Relevant Experience
 <p><b>Jonathan Ash</b> <i>Director</i> San Francisco (415) 951-1745 jonathan.a.ash@citi.com</p>	<p><b>Primary Contact</b> <b>Lead Banker</b> Water Infrastructure Group</p>	<p>Jonathan provides day-to-day banking coverage for Water issuers nationally and in California. Over the last 5 years, Jonathan has worked on over 100 California revenue bond issues, totaling more than \$7.5 billion in par. Recently, Jonathan has worked with SCVWA, San Francisco PUC, Stockton Public Financing Authority, Sacramento Suburban WD, Valley County Water District, Imperial Irrigation District, among others. <b>13 years of experience.</b></p>
 <p><b>Cameron Parks</b> <i>Managing Director</i> Los Angeles (213) 486-7130 cameron.parks@citi.com</p>	<p><b>Senior Banker</b> <b>Oversight</b> Head of Water Infrastructure Group</p>	<p>Within California, Cameron has senior managed over 250 utility bond financings totaling to over \$15 billion of par. He has worked with a multitude of water related issuers ranging from Metropolitan Water District of Southern California to San Diego County Water Authority, among others. <b>20 years of experience.</b></p>
 <p><b>Debra Saunders</b> <i>Director</i> San Francisco (415) 951-1749 debra.saunders@citi.com</p>	<p><b>Retail Banking</b> <b>Support</b> Fidelity Liaison</p>	<p>Deb recently joined Citi from Fidelity Capital Markets, where she spent the last eight years successfully marketing Fidelity's retail distribution to municipal issuers nationwide. Debra joined Citi to ensure that the Citi and Fidelity partnership maximizes retail distribution for California water and sewer clients. <b>20 years of experience.</b></p>
 <p><b>Michael Sanduski</b> <i>Associate</i> San Francisco (415) 951-1614 michael.sanduski@citi.com</p>	<p><b>Analytical</b> <b>Support</b> Water Infrastructure Group</p>	<p>Michael provides analytical and transaction support for a wide variety of water and sewer utility issuers across the country and, in particular, California. Recent transaction experience includes transactions for the San Francisco PUC, Sacramento Suburban Water District, Imperial Irrigation District, Los Angeles Department of Water and Power, Valley County Water District, and Stockton PFA. <b>6 years of experience.</b></p>
 <p><b>Susan Wu</b> <i>Analyst</i> New York (212) 723-4858 susan.wu@citi.com</p>	<p><b>Analytical</b> <b>Support</b> Financial Structuring</p>	<p>Susan assists our water issuers on transaction analysis and document support throughout the Western Region. She has worked with SCVWA (2018 transaction), Stockton PFA, Valley County Water District, and Eastern Municipal Water District. <b>2 years of experience.</b></p>
 <p><b>Matt Hage</b> <i>Director</i> Los Angeles (213) 486-8817 matthew.hage@citi.com</p>	<p><b>Lead Underwriter</b> Los Angeles Underwriting Desk</p>	<p>Matt has worked in the municipal securities industry for nearly 10 years and is currently focused on trading and underwriting across multiple products and credits. Prior to joining Citi in 2018, he worked at Bank of America Merrill Lynch for roughly 7 years serving in trading and underwriting roles. <b>10 years of experience.</b></p>
 <p><b>Keisha Belinfanti</b> <i>Director</i> New York (212) 723-7093 keisha.belinfanti@citi.com</p>	<p><b>National</b> <b>Syndicate</b> New York</p>	<p>Keisha entered the industry when she joined the Municipal Syndicate desk in 2009 at Citi with a particular focus on Western Region issuers. Keisha has priced many California water financings, including Sacramento Suburban Water District and Valley County Water District, and Stockton PFA. <b>12 years of experience.</b></p>

1. List or summarize your firm's experience as senior manager for California-based water enterprise...

**Negotiated California Water and Sewer Financing Experience.**

Citi is proud of our commitment and history of service to water and sewer utility issuers in the State of California. Since January 2008, Citi has served as the #1 water and wastewater utilities underwriter, with 127 senior managed water and sewer revenue transactions issued in California, totalling over **\$9.5 billion** in par amount and a market share of 17.5%. Both Jonathan Ash, SCVWA's Lead Banker, and Cameron Parks, Head of Citi's Water Infrastructure Group, specialize in water and sewer utility finance and have deep experience which will be brought to bear for the Agency's 2019 issuance. We believe that our commitment to the sector is evidenced by our consistent rankings as a leading underwriter for water and sewer transactions in the State. More recently, as displayed in the table below, since January 1, 2015, Citi has served as senior manager on a negotiated basis for California water issuers on **\$3.4 billion of par across 42 transactions for total market share of 12%**.

**Senior Managed Negotiated California Water and Wastewater Transactions (January 1, 2008 – 2018YTD, \$BLN)**



Citi's California Water and Sewer Underwriting Experience Since January 1, 2015					
Negotiated		Competitive		Negotiated & Competitive	
Par (\$ mil)	# Issues	Par (\$ mil)	# Issues	Par (\$ mil)	# Issues
3,400.3	42	60.7	3	3,461.0	45

**IV. Fees**

1. Provide a detail of your proposed fees and expenses for the financing...

The adjacent tables detail our proposed underwriter's discount and breakdown based on a senior managed fixed rate bond offering of the SCVWA's 2019 Revenue Bonds. Citi's proposal is based on a preliminary \$35 million transaction size with a 30 year term. We have not included any expenditure related to an electronic roadshow or any travel, and would be asked to be reimbursed if those fees were incurred. Our fees summarized in the adjacent table represent fair and compensation based on the recent comparable transactions in the marketplace. Should the engagement, the financing process and/or structure of the transaction become more complicated than presented in the proposal, we would ask for an opportunity to request compensation to remain commensurate with the resources committed to achieving the Agency's objectives. However, we do not want our fees to be the deciding factor in our selection, and **we are prepared to discuss some or all of the components of our proposed underwriter's discount at the Agency's request.**

Maturity	Takedown
2019-2027	\$1.00
2028-2030	\$1.25
2031-2033	\$1.35
2034-2038	\$1.50
2039-2049	\$1.75

Proposed Underwriting Fees - \$35 Million Par Amount		
Proposed Gross Spread	Per \$1,000	Total
Average Takedown	\$1.527	\$51,925.00
Management Fee	0.000	0.00
Underwriters' Expenses	0.707	24,095.76
<b>Total Gross Spread</b>	<b>\$2.234</b>	<b>\$76,020.76</b>
Itemized Expenses	Per \$1,000	Total
Underwriter's Counsel	\$0.294	\$10,000.00
Day Loan	0.014	543.06
IPREO	0.100	3,398.21
DTC	0.024	800.00
CDIAC	0.147	5,000.00
CUSIP	0.040	1,354.50
DAC (Cont. Disclosure)	0.015	500.00
Travel / Out-of-Pocket	0.074	2,500.00
<b>Total Expenses</b>	<b>\$0.707</b>	<b>\$24,095.76</b>

(1) Does not include marketing expenses including use of a net roadshow or local advertisements. Per MSRB Rule G-20, all expenses charged in excess of those actually incurred will be rebated back. Expenses exclude those related to rating agency meetings & pricing trips, if any.

Additionally, we have included the cost of underwriter's counsel as a fixed expense item and propose using Brad Patterson at Gilmore & Bell as Underwriter's Counsel in connection with the proposed offering. Should Gilmore & Bell not be amenable to the Agency, Citi welcomes discussion of alternative counsels.

**Bradley Patterson**

Gilmore & Bell, P.C.  
15 West South Temple, Suite 520  
Salt Lake City, Utah 84101  
801-364-5080  
[bpatterson@gilmorebell.com](mailto:bpatterson@gilmorebell.com)



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## Santa Clarita Valley Water Agency

J.P. MORGAN RESPONSE TO REQUEST FOR PROPOSALS FOR INVESTMENT BANKING /  
UNDERWRITING SERVICES

November 12, 2018

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November 12, 2018

Eric Campbell  
 Chief Financial and Administrative Officer  
 Santa Clarita Valley Water Agency

Robert Porr  
 Fieldman, Rolapp & Associates

Mr. Campbell and Mr. Porr,

On behalf of J.P. Morgan Securities LLC (“J.P. Morgan”), thank you for the opportunity to respond to Santa Clarita Valley Water Agency’s (“the Agency’s”) Request for Qualifications and Proposals for Underwriting Services. We hope that the response provided herein demonstrates our commitment to the California water landscape and we very much hope that we will be able to work with the Agency on this financing.

Make no mistake, there is no other underwriter doing more in the California Water space than J.P. Morgan and specifically the bankers assigned to the Agency’s team. To date in 2018 we are the #1 underwriter of California Water/Wastewater finance having just finalized a \$215mm transaction for the State of California Department of Water Resources and a \$415 million transaction for the San Francisco Public Utilities Commission while also acting as Structuring Agent and Interim Note Financing Underwriter on the SFPUC’s WIFIA loan and with further experience recently remarketing Metropolitan Water District’s \$175 million floating rate notes at the tightest levels to date. This comes off many years ranking as #1 in the municipal water, sewer & combined utility space.

**California Water, Sewer, & Utilities Negotiated League Table (2015 – 2018)**

Rank	Underwriter	Par (\$MM)	Mkt. Share	No. of Issues
1	J.P. Morgan	\$4,185.8	18.2%	28
2	BAML	3,532.4	15.4%	43
3	Morgan Stanley	2,615.6	11.4%	28
4	Citi	2,534.0	11.0%	42
5	Wells Fargo	2,255.7	9.8%	27
6	Goldman Sachs	1,078.4	4.7%	7
7	Siebert	984.2	4.3%	10
8	Stifel	963.7	4.2%	48
9	Barclays	935.8	4.1%	7
10	RBC Capital Marke	870.3	3.8%	7

Source: Thomson Reuters from 01/01/2015 to 10/31/2018; SDC Use of Proceeds: Water & Sewer and Combined Utilities; True Economics to Bookrunner; Includes Notes

Structurally we are proposing a transaction which accomplishes the Agency’s goals while taking advantage of what the market is currently providing. We continue to see California near term paper sell very well in the market as investors want to stay short to manage potential rate increases over time. That phenomenon is lessened on the long end of the market where investors are less likely to put their money to work at these low overall levels. As you will see herein, we are proposing the Agency pursue either a level debt service or wrapped structure for its 2019 new money issuance. In an environment where rising short-term interest rates and an overall flattening of the curve are predicted as probably by the Street’s research departments, we believe it makes sense for the Agency to monitor the economics of both structures in partnership with its lead underwriter, and make a final decision about how to structure amortization based on market conditions in the Spring of 2019. We have also provided our rate views for the Agency, based on a 10-year par call and 7-year par call, and believe it is worthwhile for the Agency to think through the tradeoff presented by non-traditional optional redemption strategies.

We have been pleased to respond to the Agency’s last several RFPs and we are keen to work with the Agency again, having not done so since 2016 when we co-managed Castaic Lake’s 2016 Revenue bonds. Thank you once again for the opportunity to respond to this RFP and we hope very much that we have the opportunity to work with the Agency on this transaction.

Sincerely,



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 Executive Director  
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 Executive Director  
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SANTA CLARITA WATER AGENCY

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## II. Questions

### Describe your firm's retail and institutional sales capability related to tax-exempt financings.

**J.P. Morgan's Distribution Network.** J.P. Morgan has one of the broadest and most comprehensive distribution platforms of any Wall Street firm in both the tax-exempt and taxable markets, and our underwriting contribution will be in both the institutional and retail markets. J.P. Morgan's institutional sales capabilities are divided into three key segments. As a result, J.P. Morgan is able to market bonds to Tier 1, 2 and 3 institutional investors, as well as retail buyers. Additionally, our relationships with the large institutions and their SMA accounts provide our clients with access to a massive pool of professional retail buyers. Below, we provide a detailed look at the various components of our municipal distribution platform:

**Institutional Capabilities.** Our institutional sales force covers every major domestic market and all major mutual funds, investment advisors, bank trust departments and insurance companies. Accordingly, J.P. Morgan has developed close relationships with the 500 largest institutional buyers in the municipal market, forging deep relationships with portfolio managers and their credit analysts. In today's market, it is important not only to market to bond funds, but to other investor classes as well, including insurance companies, asset managers, bank portfolios and bank trusts. The ability to distribute bonds to a variety of investors across the yield curve helps to ensure execution at the time of sale under what can sometimes be challenging market conditions.

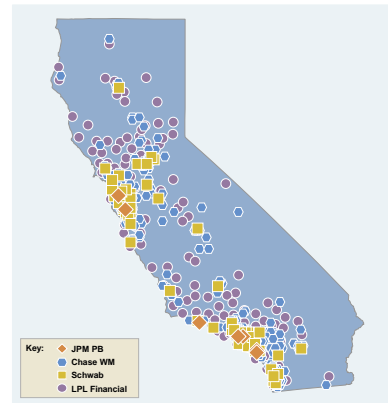
**Retail Coverage and Distribution.** Individual and professionally managed retail accounts are playing an increasingly influential role in municipal bond pricings. Given its relatively high state income tax, California in particular displays one of the most active retail markets in the industry. One thing that is often overlooked is J.P. Morgan's retail distribution capabilities, especially in California. J.P. Morgan is very committed to the retail banking market in California, and one only needs to look at the aggressive expansion of the Chase brand in California to see how important the retail customer is to J.P. Morgan here.

**Distribution Agreements.** J.P. Morgan Securities LLC has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. and LPL Financial LLC for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement (if consented to by the Agency and applicable to this transaction), each of Charles Schwab & Co., Inc. and LPL Financial LLP will purchase Bonds from J.P. Morgan Securities LLC at the original issue price less a negotiated portion of the selling concession applicable to any Bonds that such firm sells.

Our exclusive distribution agreements with Charles Schwab and LPL Financial provide us with access to a retail platform with over \$3 trillion in total assets. In particular, Charles Schwab, which is a particularly recognized brand in California, makes the firm an excellent complement to the Agency's financing because the Agency receives access to all of the Schwab clients and their marketing through J.P. Morgan.

**Underwriting Capability.** With over \$200 billion in total capital, JPMorgan Chase & Co. is one of the largest financial institutions in the world, the largest in the United States, and one of the highest rated domestic banks with ratings of A3/A-/A+. J.P. Morgan frequently uses this capital strength to support new issuance and remarketing transactions on behalf of municipal issuers. J.P. Morgan Securities LLC had over \$10.7 billion of excess net capital as of December 31, 2017. J.P. Morgan's balance sheet has been a source of strength for the firm and our clients. J.P. Morgan continues to commit capital to help our clients achieve their financial goals and objectives in the current market. Our strong capitalization allows us to maintain pricing support for issuers and the ability to stand behind our price views and take bonds into inventory if warranted to preserve transaction spreads. J.P. Morgan's ability to underwrite bonds is ultimately a business decision that relates to our firm's commitment to municipal issuers and the overall risk management of the firm, which is not limited by a set capital constraint.

California Retail Distribution

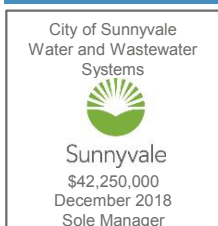




Please provide an example of your firm's pricing of an AA-rated California water transaction for a par amount in a range of \$30 – \$45 million completed within the last six months.

As we identified above, J.P. Morgan is the number one underwriter of California Water and Wastewater paper. While getting to number one has required doing several large high profile transactions, we treat each transaction the same whether large or small. We regularly do transactions in the \$20-45 million range for issuers across the country and also recently led a sale for the City of Sunnyvale and its water/wastewater transaction in December 2017.

**CITY OF SUNNYVALE 2017 WATER AND WASTEWATER REVENUE BONDS**



On December 19, 2017, J.P. Morgan served as senior manager for two refunding transactions on behalf of the City of Sunnyvale's (the "City") Water and Wastewater Systems (collectively, the "2017 bonds"): \$17,630,000 aggregate principal amount of Water Revenue Refunding Bonds, Series 2017A and 2017-AT; and \$24,620,000 aggregate principal amount of Wastewater Revenue Refunding Bonds, Series 2017A and 2017A-T. The 2017 Bonds were issued as traditional fixed rate bonds, with taxable and tax-exempt series and a call date of 4/1/2028, and secured by a pledge of net revenues. Neither the 2017 Water Bonds nor the 2017 Wastewater Bonds were secured by a debt service reserve fund.

With an increasing likelihood that tax reform eliminating tax-exempt advance refundings would go into effect in 2018, in late 2017 the City decided to move forward with J.P. Morgan as underwriter for an advance refunding of their 2010 Water and Wastewater bonds. J.P. Morgan and the financing team performed a multipurpose allocation analysis determining the amount of 2010 bonds which would be refundable on a tax-exempt basis, prepared ratings agency presentations to Moody's and S&P, oversaw the drafting of two Official Statements covering four series of bonds, completed underwriter due diligence, and prepared a structure and pricing scale to bring to the market.

With many issuers rushing to the market before tax reform took effect, the municipal market absorbed \$64 billion of supply in December 2017, setting a new record for monthly supply. On the day of pricing, MMD rose 3-6bps across the curve. In these pricing conditions, J.P. Morgan was able to sell sub-5% coupons on both the water and wastewater side. J.P. Morgan underwrote a portion of the 2017 bonds in support of the transaction. The 2017 bonds resulted in \$2,651,029 NPV savings (14.3% of refunded par) on the Water side, and \$3,269,553 NPV savings (12.6% of refunded par) on the Wastewater side, for the City.

**CITY OF OXNARD 2018 WATER AND WASTEWATER REVENUE BONDS**

This week we will be in the market with an AA-rated California water transaction, acting as Senior Manager on the City of Oxnard's approximately \$40 million 2018 Water System Revenue Bonds (S&P: A underlying / AA insured). In a concurrent process, we are acting as Senior Manager for the City of Oxnard's approximately \$25 million 2018 Wastewater System Revenue Bonds (S&P: A- underlying / AA insured). The Water transaction will refund the fixed-rate Water Series 2006 bonds, and the Wastewater transaction will refund the fixed-rate Wastewater Series 2006 Bonds and variable-rate 2004B bonds, as well as terminate the associated interest-rate swap. As a result of the 2018 transaction, among other things, the Wastewater System was able to achieve a two-notch upgrade from BBB to A-. We look forward to entering the market this week with the Oxnard credits, and are happy to update the Agency with the results of those transactions when they are complete.

We would also like to highlight our work on the California Department of Water Resources Series AZ bonds, which highlights our distribution and underwriting capabilities, even in more challenging market conditions.

**CALIFORNIA DEPARTMENT OF WATER RESOURCES SERIES AZ**

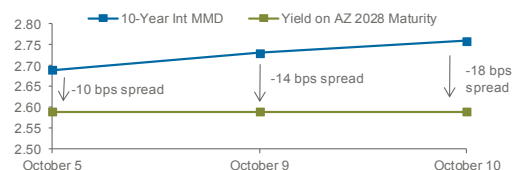


On October 10, 2018, J.P. Morgan served as senior manager for the \$215,295,000 California Department of Water Resources, Series AZ (Aa1/AAA/NR). The Series AZ bonds were issued to refund a portion of the Department's outstanding commercial

Issuer	California Department of Water Resources
Par	\$215,295,000
Tax Status	Tax-Exempt
Structure	Fixed rate serial bonds maturing 2019-2035
Coupons	3.000% - 5.000%
Yields	1.70% - 3.14%
Ratings (M/S/F)	Aa1 / AAA / NR
Redemption	Optional redemption on December 1, 2028
Provisions:	
Pricing Date	October 10, 2018

Department's outstanding commercial paper notes, and refund all of the outstanding Series AF and AY bonds. The Series AZ Bonds were sold across a retail order period on Tuesday, Oct. 9 and an institutional order period on Wednesday, Oct. 10. Markets were volatile during the week of

10-Year MMD vs. 10-Year DWR Yield over the Course of Pricing



SANTA CLARITA WATER AGENCY

pricing. The prior week saw 5Y, 10Y and 30Y Treasury yields increase 12bps, 17bps and 19bps on stronger-than anticipated economic data, the largest one week sell off since February.

On Tuesday, Oct. 9, in the municipal market, customer bid lists weighed on the secondary and MMD was cut 2bps 2019-2026, 3bps in 2027, 4bps 2028-2039, and 5bps thereafter. On Wednesday, Oct. 10, stock markets suffered their worst single-day since February on trade tensions. MMD continued to rise, being cut 2bps in 2024, 3bps 2025-2033, 4bps in 2034 and 5bps thereafter. The Retail Order Period on Oct. 9 was very successful, with orders for over 90% of bonds by the end of the retail period, Overall, J.P. Morgan brought in \$372,825,000 retail orders. Due to the strength of the book built over the course of the Retail Order Period, J.P. Morgan was able to hold yields steady in a difficult market environment. In the reprice, J.P. Morgan was able to bump 4bps in 2019, 2bps in 2023-2025, and 1bp in 2028 at the reprice. 5s in 2023 came 21bps through AAA MMD, 5s in 2028 were 18bps through AAA MMD, and 5s in 2035 were 4bps through AAA MMD.

**Discuss your ideas on various call features that may be recommendable for the Agency's proposed transaction.**

**Optional Redemption Features.** With the elimination of advance refundings through tax reform, tax-exempt municipal issuers are more commonly selling debt with shorter call provisions – anywhere from five to nine years, at par. On the upper end of this range, pricing tends to be in-line with a 10-year par call bond, while a five-year par call could cost between 20 and 80 basis points on a yield-to-maturity basis, depending on the maturity date. The graphic to the right depicts this dynamic, showing how a 7-year par call bond will price through 10-year par call bond, with the yield-to-maturity kicking between 15-45 basis points higher.

Maturity	10 Year Par Call				7 Year Par Call				Difference (bps)	
	Coupon	Spread	Yield	YTM	Coupon	Spread	Yield	YTM	Yield	YTM
08/01/2020	4.00%	-18	1.93%	1.93%	4.00%	-18	1.93%	1.93%	-	-
08/01/2021	5.00%	-20	1.98%	1.98%	5.00%	-20	1.98%	1.98%	-	-
08/01/2022	5.00%	-20	2.05%	2.05%	5.00%	-20	2.05%	2.05%	-	-
08/01/2023	5.00%	-18	2.15%	2.15%	5.00%	-18	2.15%	2.15%	-	-
08/01/2024	5.00%	-15	2.26%	2.26%	5.00%	-15	2.26%	2.26%	-	-
08/01/2025	5.00%	-12	2.37%	2.37%	5.00%	-12	2.37%	2.37%	-	-
08/01/2026	5.00%	-8	2.50%	2.50%	5.00%	-13	2.45%	2.45%	-5	-5
08/01/2027	5.00%	-4	2.62%	2.62%	5.00%	-14	2.52%	2.77%	-10	15
08/01/2028	5.00%	-2	2.73%	2.73%	5.00%	-12	2.63%	3.06%	-10	33
08/01/2029	5.00%	-	2.84%	2.84%	5.00%	-10	2.74%	3.29%	-10	45
08/01/2030	5.00%	2	2.93%	3.07%	5.00%	-8	2.83%	3.47%	-10	40
08/01/2031	5.00%	4	3.00%	3.25%	5.00%	-6	2.90%	3.61%	-10	36
08/01/2032	5.00%	6	3.06%	3.40%	5.00%	-4	2.96%	3.73%	-10	33
08/01/2033	5.00%	8	3.13%	3.54%	5.00%	-2	3.03%	3.83%	-10	30
08/01/2034	5.00%	10	3.20%	3.65%	5.00%	-	3.10%	3.93%	-10	27
08/01/2035	5.00%	12	3.27%	3.76%	5.00%	2	3.17%	4.01%	-10	25
08/01/2036	5.00%	15	3.35%	3.86%	5.00%	5	3.25%	4.09%	-10	22
08/01/2037	5.00%	15	3.39%	3.93%	5.00%	5	3.29%	4.14%	-10	21
08/01/2038	5.00%	15	3.43%	3.99%	5.00%	5	3.33%	4.19%	-10	20
08/01/2039	-	-	-	-	-	-	-	-	-	-
08/01/2040	-	-	-	-	-	-	-	-	-	-
08/01/2041	-	-	-	-	-	-	-	-	-	-
08/01/2042	-	-	-	-	-	-	-	-	-	-
08/01/2043	5.00%	18	3.57%	4.19%	5.00%	10	3.49%	4.36%	-8	16
08/01/2044	-	-	-	-	-	-	-	-	-	-
08/01/2045	-	-	-	-	-	-	-	-	-	-
08/01/2046	-	-	-	-	-	-	-	-	-	-
08/01/2047	-	-	-	-	-	-	-	-	-	-
08/01/2048	5.00%	18	3.62%	4.29%	5.00%	13	3.57%	4.45%	-5	16

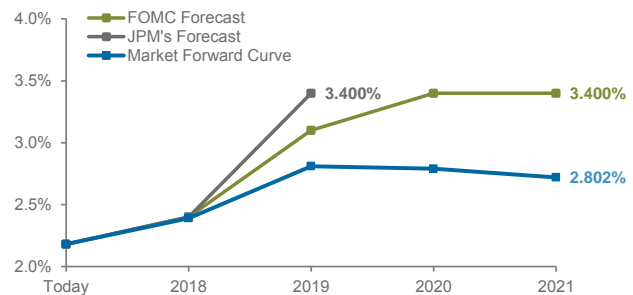
We believe that SCVWA would be well-served by evaluating the pricing impact of these alternative redemption features closer to the date of pricing, as we understand that it may only find these options compelling based on the cost versus its view of the likelihood to execute a refunding inside of 10 years, given that leaving a short call bond outstanding past the call date would ultimately result in a higher yield-to maturity.

**In light of the current conditions in the municipal marketplace, discuss your structuring and overall marketing approach for the 2019 Bonds. Provide your firm's forecast of tax-exempt interest rates for the remainder of the year and through June, 2019.**

**STRUCTURING APPROACH**

As SCVWA develops the financing strategy for the proposed refunding and new money transaction, various current and future market dynamics should be taken into consideration, as they directly affect structuring, marketing, and capacity of the offering. Short-term rates have increased substantially over the last year, long-term rates have remained relatively low, and lower-than-typical municipal supply post tax-reform has resulted in a meaningful tightening of credit spreads. With the additional benefit California issuers are seeing from changes to tax law – notably, the cap on the State and Local Tax ("SALT") deduction – there is a strong incentive to enter the market quickly with a structure that takes advantage of the relationship between short- and long-term rates. While the last three months have seen a moderate increase in rates across the curve, the lack of robust supply and

**FOMC dots vs. market expectations**



Source: FOMC year-end Fed Funds Rate projections, 9/26/2018. Market forward curve, 11/5/2018; J.P. Morgan Research, *US Fixed Income Markets Weekly*, 11/2/2018, jpm.com; Forecasts as of 11/2/2018; Note: JPM Research forecasts: 4 hikes in 2018 and 4 in 2019

the benefit investors are currently providing California paper still makes overall levels quite attractive and the market favorable for SCVWA's offering.

Moving forward, the market is predicting that the Fed will continue to take rate action, with one more increase to the Fed Funds rate expected at the December FOMC meeting. J.P. Morgan Research forecasts that the Fed Funds rates will end 2018 at 2.40%. While we expect short-term rates to continue to increase, we do not see a commensurate impact on the long-end of the curve. As you see below, J.P. Morgan Research's rate forecast for tax-exempt yields projects near-term **decreases** in long-term yields, with 30-year rates remaining range bound even a year from now.

In this environment of probable rising rates and a flattening yield curve, and given the Agency's plan at the time of the issuance of the 2018A bonds to issue new money bonds in 2019 and 2021, we believe the agency should carefully consider how it decides to structure the 2019 New Money bonds. We see two alternative structures available to the Agency which should drive the discussion.

1. Level Debt Service
2. Wrap Structure around Existing Debt Service.

As depicted in the tables below, under current assumptions, a 30-year bond deal structured for level debt service would result in a total interest cost to the Agency of 3.951%, and does little to change the descending stair-step shape of the Agency's existing debt service. In this structure, the Agency would pay approximately \$2.29 million in debt service per year.

**JPM U.S. Treasury Interest Rate Forecast (%)**

	12/2/18	12/31/18	3/31/19	6/30/19
	1m ahead Forecast	4Q18 Forecast	1Q19 Forecast	2Q19 Forecast
Fed Funds	2.15%	2.40%	2.65%	2.90%
3M LIBOR	2.70%	2.70%	3.10%	3.25%
2Y UST	2.95%	3.05%	3.20%	3.35%
5Y UST	3.05%	3.10%	3.20%	3.35%
10Y UST	3.20%	3.20%	3.30%	3.40%
30Y UST	3.30%	3.30%	3.30%	3.40%

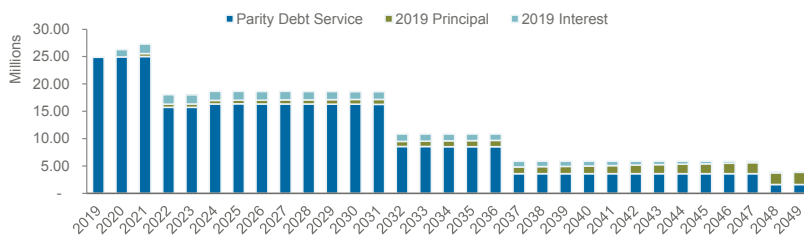
Source: J.P. Morgan Research, *US Fixed Income Markets Weekly*, 11/2/2018, jpm.com; Rates as of 11/2/2018

**JPM Tax-Exempt Yield Forecast (%)**

	12/2/18	12/31/18	3/31/19	6/30/19
AAA MMD	1m ahead Forecast	4Q18 Forecast	1Q19 Forecast	2Q19 Forecast
2Y	2.15%	2.15%	2.35%	2.40%
5Y	2.35%	2.35%	2.50%	2.55%
10Y	2.75%	2.75%	2.90%	2.90%
30Y	3.30%	3.25%	3.30%	3.35%
10Y MMD/UST Ratio	85.94%	85.94%	87.88%	85.29%
30Y MMD/UST Ratio	100.00%	98.48%	100.00%	98.53%

Source: J.P. Morgan Research, *US Fixed Income Markets Weekly - Municipals*, 11/2/2018, jpm.com; Rates as of 11/2/2018

**2019 Bonds (Level Debt Service ) and Existing Wholesale System Parity Debt Service**

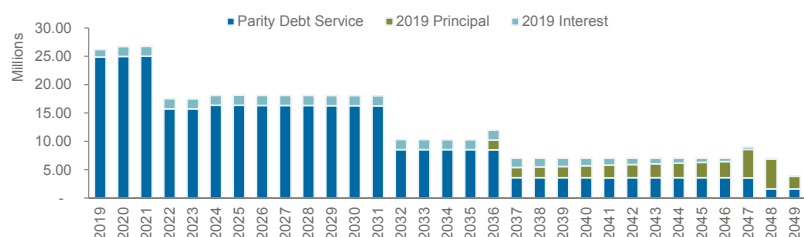


**Summary Statistics Level Debt Service**

Dated Date	5/1/2019
First Call	8/1/2029
TIC	3.951%
Average Life	18.63
2019 Bonds Total DS	\$67,593,563
2019 Bonds MADS	\$2,288,375
System MADS	\$27,290,140
System MADS Year	2021

Alternatively, the Agency could consider a Wrap structure, with all of the principal amortization of the bonds occurring in years FY 2036-2049. Under this scenario, debt service would be interest only, \$1.75 million in fiscal years 2020-2036, with debt service increasing to an average of \$3.74 million in fiscal years 2037-39. The total interest cost for a wrap structure would be approximately 4.20% under current assumptions.

**2019 Bonds (Wrap Structure) and Existing Wholesale System Parity Debt Service**



**Summary Statistics Wrap Structure**

Dated Date	5/1/2019
First Call	8/1/2029
TIC	4.207%
Average Life	24.52
2019 Bonds Total DS	\$77,903,000
2019 Bonds MADS	\$5,401,750
System MADS	\$26,751,790
System MADS Year	2021

While the economics of the level debt service scenario are currently more appealing than the wrap currently, if near-term interest rates rise and the curve flattens over the course of the next year, this dynamic will shift. The backloaded approach also allows for more optionality as more of the bonds would be refundable in the future. We

would continue to monitor all structural alternatives in collaboration with the Agency's Financial Advisor, maintain flexibility, and make ultimate structural decisions based on market conditions nearer to the time of pricing.

**PROPOSED MARKETING APPROACH**

Our proposed marketing plan is predicated on capitalizing on scarcity value for highly rated California water revenue bonds that currently exists.

We would suggest getting a notice of sale out to the market as soon as practical with high level details about the offering, as well as a preliminary pricing date/week, so that investors are well aware this deal is coming in advance and conversations can begin with them as soon as possible. We will focus on ensuring this deal is viewed as a marquee transaction that investors will have an opportunity to purchase before the year closes. In addition, we would propose the following steps:

**An Early Release of the Preliminary Official Statement** will allow investors to spend much more time analyzing the credit and bond security before the decision to place an order, which is important in today's market. Kicking off the investor marketing process 7 days prior to pricing will not only allow investors time for diligence, but will also give the sales force time to educate investors and respond to their questions.

**Investor Net Roadshow** Given the size of the Agency's transaction J.P. Morgan recommends the use of a slides-only net roadshow for this transaction, which can help add value by educating the investor base about the Water credit and be cost effective. Furthermore, given the high ratings and depending on demand for the Agency's time, this presentation can either be recorded or simply posted without a recording, which we have seen become more common in today's market.

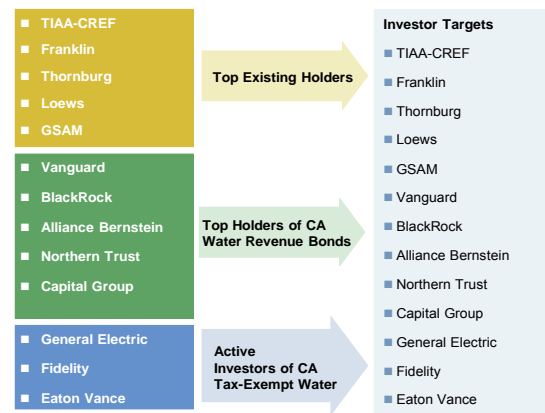
**One-on-One Investor Calls and Follow-Ups** J.P. Morgan would work with the Agency's Municipal Advisor to facilitate one-on-one calls with investors to address any questions.

**Emphasizing Outreach to Retail Investors** will be a key focus. J.P. Morgan will utilize its vast retail network and work with other syndicate members to ensure retail investors are educated on the transaction to generate interest.

The Agency could consider an in-person national investor meeting with a formal presentation to investors but we believe that given the size of the transaction and investor knowledge of the issues facing California water agencies we would prefer to meet with investors.

**Expanding the Agency's Investor Base.** Our focus is to expand the Agency's investor base. Some of the top investors in California tax-exempt paper are already holders of the Agency's bonds, including TIAA-CREF and Franklin. J.P. Morgan would look to bring in top institutional holders of top California Water Revenue Bonds, and recent buyers of California tax-exempt California Water Revenue Bonds like BlackRock, Fidelity and Eaton Vance.

Investor target approach



**III. Qualifications**

List or summarize your firm's experience as senior manager for

There is no other underwriter doing more in the California Water/Wastewater finance space than J.P. Morgan and specifically the bankers on SCVWA's team. To date in 2018 we are the #1 underwriter of California Water/Wastewater finance having just finalized a \$215 million transaction for the State of California Department of Water Resources, leading a \$415 million transaction for the San Francisco Public Utilities Commission while also acting as Structuring Agent and Interim Note Financing Underwriter on the SFPUC's WIFIA loan and

Rank	Firm	Amount	Percentage	Count
1	J.P. Morgan	\$4,185.8	18.2%	28
2	BAML	3,532.4	15.4%	43
3	Morgan Stanley	2,615.6	11.4%	28
4	Citi	2,534.0	11.0%	42
5	Wells Fargo	2,255.7	9.8%	27
6	Goldman Sachs	1,078.4	4.7%	7
7	Siebert	984.2	4.3%	10
8	Stifel	963.7	4.2%	48
9	Barclays	935.8	4.1%	7
10	RBC Capital Market	870.3	3.8%	7

Source: Thomson Reuters from 01/01/2015 to 10/31/2018; SDC Use of Proceeds: Water & Sewer and Combined Utilities; True Economics to Bookrunner; Includes Notes

with further experience recently remarketing Metropolitan Water District's \$175 million floating rate notes at the tightest levels to date. Over the past three years, we are also the number one underwriter of California Water, Sewer and Combined Utilities Negotiated Transactions, with over \$4.18 billion in par and 18.2% market share.

**Provide a proposed project team, including your underwriter, including the resumes and roles of each team member.**

J.P. Morgan maintains one of the largest Public Finance presences in the West and the Bay Area, with two Public Finance offices in the State of California. The Firm has a total of 11 public finance bankers based in San Francisco and Sacramento dedicated to serving a wide variety of clients throughout the State. The accompanying table shows the me proposed financing team.

Core Banking Investment Banking Team	
<b>John Houlberg</b> Executive Director, Head of Western Region Water San Francisco, CA	<b>Will Frymann</b> Executive Director San Francisco, CA
<b>Jack O'Connell</b> Analyst & Transaction Support San Francisco, CA	

SCVWA's day-to-day contact will be **John Houlberg**, *Head of the Western Region Water*, who the Firm are leveraged on behalf of SCVWA's 20 years of municipal finance experience along the West Coast, including the State of California Department of Public Utilities Commission, Los Angeles San Diego Association of Governments, East Bay Municipal Utility District, and Metropolitan Water District of Southern California. **Will Frymann**, *Executive Director*, brings 15 years of California public utilities as well as some experience served the State of California Department of Public Utilities, and Sacramento Municipal Utility District. **Spencer Barton**, *Vice President, Long-Term*, brings 15 years of financings. Spencer brings SCVWA experience located in J.P. Morgan's New York City office. **Marshall Kitain**, *Executive Director and Managing Director*, J.P. Morgan's banking team in reaching out to SCVWA. Marshall's focus will be on leveraging J.P. Morgan's book on behalf of SCVWA.

**Tyler Old**  
 Vice President &  
 Manager of the Los Angeles  
 Regional Office

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<b>John Houlberg</b> Executive Director	560 Mission Street San Francisco, CA 94105 T: 415.315.5958 M: 530.902.4840 john.houlberg@jpmorgan.com

**Jessica Yueh**  
 Analyst

Full resumes for our banking team, underwritten by J.P. Morgan, are available upon request.

**Provide each team member's experience over the past 10 years of participation and note/highlight tax-exempt financings.**

Sale Date	Par Amount (\$MM)	Issuer	State	Series	Structure	Deal Type	Team
Upcoming (11/14/18)	60.00	City of Oxnard					
10/10/18	215.295	California Dept of Wtr Resources	CA	Series AZ	N	E	Houlberg, Frymann, Kitain
07/18/18	185.950	San Francisco City/Co Public Util Comm	CA	2018 Series B	N	E	Houlberg, Frymann, Barton, Kitain
07/18/18	229.050	San Francisco City/Co Public Util Comm	CA	2018 Series A	N	E	Houlberg, Frymann, Barton, Kitain
12/19/17	5.620	Sunnyvale City-California	CA	Series 2017 A-T	N	T	Houlberg, Frymann, Kitain
12/19/17	10.585	Sunnyvale City-California	CA	Series 2017 A-T	N	T	Houlberg, Frymann, Kitain
12/19/17	12.010	Sunnyvale City-California	CA	Series 2017 A	N	E	Houlberg, Frymann, Kitain
12/19/17	14.035	Sunnyvale City-California	CA	Series 2017 A	N	E	Houlberg, Frymann, Kitain
05/10/17	238.015	So California Metro Water Dt	CA	2017 Series A	C	E	Houlberg, Frymann, Kitain
10/06/16	893.820	San Francisco City/Co Public Util Comm	CA	2016 Subser A&B	N	E	Houlberg, Frymann, Kitain
05/25/16	564.025	San Diego Public Facs Fin Auth	CA	Series 2016 A & B	N	E	Houlberg, Frymann, Kitain
05/10/16	67.820	San Francisco City/Co Public Util Comm	CA	2016 Series B	C	E	Houlberg, Frymann, Kitain
05/10/16	240.580	San Francisco City/Co Public Util Comm	CA	2016 Series A	C	E	Houlberg, Frymann, Kitain
05/03/16	24.840	Placer Co Water Agency	CA	Series 2016	C	E	Houlberg, Frymann, Kitain
04/26/16	33.385	Otay Water Dt	CA	Series 2016	C	E	Houlberg, Frymann, Kitain
03/17/16	54.970	Santa Clara Valley Water Dt	CA	Series 2016 D	N	T	Houlberg, Frymann, Kitain
03/17/16	75.215	Santa Clara Valley Water Dt	CA	Series 2016 B	N	T	Houlberg, Frymann, Kitain
02/25/16	20.295	Lodi Public Finance Auth	CA	2016 Series A	N	E	Houlberg, Frymann, Barton, Kitain

Denotes Tax Exempt

SANTA CLARITA WATER AGENCY

## IV. Fees

**Provide a detail of your proposed fees and expenses for the financing, and any assumptions used in deriving this fee structure. Include takedowns broken out by maturity. For consistency of comparison, please assume a par amount of \$35 million with a 30 year term.**

Typically, underwriting takedowns are meant to reflect payment commensurate with both the degree of work involved in bringing a sale to market and the fair, market-based fee that an underwriter would charge for potentially taking bonds onto its own balance sheet and creating a secondary market in those bonds. In this spirit, we would propose a takedown of \$1.25/bond across all maturities. We show a full breakdown of Underwriters' Discount in the adjacent tables based on a \$35 million, 30-year transaction.

J.P. Morgan is committed to providing aggressive, market driven fees and welcomes the opportunity to discuss the proposed fees with the SCVWA. While we believe these takedowns are consistent with current market, we do not want our fees alone to preclude our participation in SCVWA's upcoming financing and, therefore, would be happy to discuss this proposal in order to derive a mutually acceptable level of compensation.

**Include the cost of underwriter's counsel as a fixed expense item, and which firm and contact person you propose to retain.**

We propose utilizing Jones Hall as underwriter's counsel. Jones Hall offers extensive experience with California Utility issuers. Our final selection of Underwriters' Counsel is subject to clearance of any conflicts, and we would also be happy to discuss any other qualified firms that SCVWA may want us to consider working with.

Maturity	Takedown	
1-30 years	\$1.25	
<b>Underwriting Expenses &amp; Total Underwriters' Discount</b>		
Underwriters' Discount	\$ Per Bond	\$ Total
Takedown	\$ 1.25	\$ 43,750.00
Expenses	\$ 1.03	\$ 35,907.49
DALCOMP Fee	0.07	2,531.35
CUSIP Fee	0.03	1,026.50
DayLoan	0.02	549.64
DTC Fee	0.02	800.00
Underwriter's Counsel	0.71	25,000.00
CDIAC Fee	0.14	5,000.00
Travel & Out-of-Pocket	0.03	1,000.00
<b>Total</b>	<b>\$ 2.28</b>	<b>\$ 79,657.49</b>

Note: Travel & Out-of-Pocket does not include travel to New York for pricing.

## A. Resumes

### J.P. Morgan's Core SCVWA Coverage Banking Team

**John Houlberg**  
*Executive Director*

560 Mission Street, Floor 3  
San Francisco, CA 94105

Telephone: 415.315.5958

[john.houlberg@jpmorgan.com](mailto:john.houlberg@jpmorgan.com)

**Role:** Day-to-day coverage

**Resume:** John joined JP Morgan in 2012 with over 8 years of experience at other investment banks. John recently worked on the recent 2017 SFPUC Water Revenue Refunding Bonds. Mr. Houlberg has over 11 years of municipal finance experience serving major issuers on the west coast, including Los Angeles Unified School District, Sound Transit, San Diego Unified School District, the Bay Area Toll Authority, Port of Oakland, Port of Seattle, San Diego Association of Governments, San Diego County Water Authority, East Bay Municipal Utility District, Metropolitan Water District of Southern California, San Bernardino Association of Governments and Bay Area Rapid Transit.

**Will Frymann**  
*Executive Director*

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**Role:** Day-to-day coverage

**Resume:** Will has spent more than 10 years working with municipal water, wastewater, power and gas utility clients throughout the US and has focused particularly on California. At J.P. Morgan, Will works as part of the firm's Infrastructure Group and is focused on structured financings, project finance and public private partnerships. Prior to joining J.P. Morgan, Will was a lead financial advisor on over \$15 billion in financings. Will worked closely with the Contra Costa Water District, Los Angeles Department of Water and Power, CPS Energy and numerous others. Will graduated from UCLA with a BS in Cognitive Science and from UC Berkeley with an MBA.

**Jack O'Connell**  
*Analyst*

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**Role:** Transaction support and deal execution

**Resume:** Jack O'Connell joined J.P. Morgan's Public Finance Western Group in August of 2017. He provides analytical coverage of many of J.P. Morgan's Southern California general municipal, public power, and water and wastewater clients. Leila holds a Bachelor of Arts in Economics and Philosophy from Columbia.

## Long-Term Underwriting & Investor Marketing

### Spencer Barton

*Vice President*

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New York, NY 10179

Telephone: (212) 834-7155  
[spencer.barton@jpmorgan.com](mailto:spencer.barton@jpmorgan.com)

**Role:** Long-Term Underwriting

**Resume:** Spencer Barton is a Vice President on the Public Finance Syndicate Desk where she is responsible for pricing tax-exempt and taxable bond transactions for a wide array of municipal issuers. Prior to joining the Syndicate desk, Spencer worked in the Public Finance Debt Capital Markets Group, where she was responsible for conducting pricing analysis for municipal issuers across all sectors, writing and distributing weekly market updates to J.P. Morgan's issuer clients, and liaising information among the various banking teams and the Sales, Trading, and Syndicate desks. Spencer graduated from Georgetown University with a major in Finance.

### Marshall Kitain

*Executive Director, Head of Credit Analysis and Investor Marketing*

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New York, NY 10179

Telephone: 212.834.5673  
[marshall.r.kitain@jpmorgan.com](mailto:marshall.r.kitain@jpmorgan.com)

**Role:** Issuer credit and investor marketing

**Resume:** Marshall Kitain has twelve years of experience working in J.P. Morgan's Public Finance Group. In his role as Executive Director and Head of the Municipal Credit Analysis and Investor Marketing team, Marshall develops marketing and credit strategies to best position new issue transactions, leads J.P. Morgan's municipal investor outreach efforts, including working directly with buy-side credit analysts on primary and secondary market opportunities, and runs the desk analyst and credit strategy function for J.P. Morgan's municipal secondary market trading team. A Smith's Research municipal all-star, Marshall has led marketing efforts for multiple Bond Buyer deal of the year winners, including the 2014 southeast winner for the Louisiana State Bond Commission and the 2014 southwest winner for the Regional Transportation District of Colorado. In 2012, he led the fixed income investor marketing for the Carlsbad Desalination Project, Project Finance Magazine's "North American Water Deal of the Year". Marshall graduated with highest honors from the University of Pennsylvania with a B.A. in Economics and Political Science and holds a M.B.A. from the Stern School of Business at New York University.



## ATTACHMENT 4



### **Santa Clarita Valley Water Agency**

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### *Response to Request for Underwriting Services*

November 14, 2018



November 12, 2018

Mr. Eric Campbell  
Chief Financial and Administrative Officer  
Santa Clarita Valley Water Agency  
27234 Bouquet Canyon Rd  
Santa Clarita, CA 91350

Mr. Robert Porr  
Senior Vice President  
Fieldman Rolapp and Associates  
19900 MacArthur Blvd., Suite 1100  
Irvine, CA 92612

RE: Request for Proposals for Investment Banking/Underwriter Services

Dear Mr. Campbell and Mr. Porr,

On behalf of Wells Fargo Securities (“Wells Fargo Securities” or “WFS”), we are pleased to submit our proposal to provide investment banking services to Santa Clarita Valley Water Agency (“the Agency”). We are confident that given Wells Fargo’s strong capital position, broad distribution capabilities, and most importantly our team’s longstanding relationship with the Agency, we will serve as an invaluable partner in helping the Agency access the capital markets for the proposed refunding.

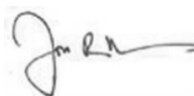
- **Commitment to Santa Clarita Water Agency.** Wells Fargo is proud to have a longstanding relationship with the Agency providing underwriting, credit and treasury management services. Most recently, the WFS financing team served as the sole underwriter on the Agency’s Refunding Revenue Bonds, Series 2017A. Wells Fargo also currently serves as a credit provider to Agency through our provision of a \$22.83mm 2008A Letter of Credit agreement for Castaic Lake Water Agency that expires on August 30<sup>th</sup> 2019.
- **Experience with California Water Agencies.** Wells Fargo has extensive experience working with California water agencies. Since 2015, we served as senior manager on over \$3.1 billion of California water financings for some of California’s largest wholesale and retail water agencies including the Los Angeles Department of Water and Power, Santa Clara Valley Water District, Calleguas Municipal Water District, Water Replenishment District of Southern California and Antelope Valley- East Kern Water Agency.
- **Financial Strength and Stability.** Wells Fargo Bank, N.A. (“WFBNA”) is widely regarded as one the strongest and most financially stable banks in the world, with credit ratings of “Aa2/AA-/AA”. Wells Fargo & Company’s (“WFC”) market capitalization of over \$250 billion is the third largest among its North American peers<sup>1</sup>. WFBNA regularly utilizes its balance sheet to support our clients in many ways, including a full range of operating and debt-related credit structures as well as committing capital to support our underwriting of fixed rate transactions.
- **Extensive Distribution Network.** Wells Fargo provides both a national distribution network focused on institutional investors, as well as a regional network geared towards retail buyers. Our retail distribution network is operated primarily through Wells Fargo Advisors, LLC (“WFA”) and our team of approximately 1,049 California based brokers will provide direct access to retail investors within the Agencies service area. WFS also has the ability to reach middle market investors, particularly for taxable bond financings. WFS has approximately 137 middle-market sales professionals in 16 regional sales offices, who have relationships with more than 6,400 middle-markets investors.

We look forward to the opportunity to serve the Agency on the potential transaction. We believe we have the right team to deliver the best overall quality and execute the financing to achieve the lowest costs available in market. If you have any questions, please don’t hesitate to reach out to any of the following team members below. Thank you again for the opportunity.

Sincerely,



**Michael Engelbrecht**  
Managing Director and Co-Head of Utilities  
Wells Fargo Securities  
P: (213) 253-7219  
[michael.j.engelbrecht@wellsfargo.com](mailto:michael.j.engelbrecht@wellsfargo.com)



**Jon Hansen**  
Senior Vice President  
Wells Fargo Bank, N.A.  
P: (213) 253-7235  
[jon.r.hansen@wellsfargo.com](mailto:jon.r.hansen@wellsfargo.com)

<sup>1</sup> Source: Bloomberg as of November 9, 2018

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### **Important Information & Disclaimer**

This document and any other materials accompanying this document (collectively, the “Materials”) are provided for general informational purposes only. By accepting any Materials, the recipient acknowledges and agrees to the matters set forth below.

Wells Fargo Securities (“WFS”) is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company (“WFC”) and its subsidiaries, including Wells Fargo Bank, N.A., acting through its Municipal Products Group. Municipal derivatives services are provided by Wells Fargo Bank, N.A., a swap dealer registered with the CFTC and member of the NFA. Commercial banking products and services are provided by Wells Fargo Bank, N.A. Investment banking and capital markets products and services provided by Wells Fargo Securities, are not a condition to any banking product or service.

Wells Fargo Bank, N.A. (“WFBNA”), as potential derivatives provider, and Wells Fargo Securities, as potential underwriter or placement agent, (collectively, for purposes hereof, “we”, or “Wells Fargo”) are providing the information contained in the Materials for discussion purposes only in anticipation of, or in connection with, engaging in arm’s length commercial transactions with you in which Wells Fargo would be acting solely as a principal or agent, as applicable, and not as a municipal advisor, financial advisor or fiduciary to you or any other person or entity regardless of whether we, or an affiliate has or is currently acting as such on a separate transaction (the use of the term “agent” does not imply any fiduciary relationship).

These Materials are being provided to you for the purpose of working with you as an underwriter or placement agent (collectively, “underwriter”) and/or derivatives provider on the transaction(s) described in the Materials. As part of its services as underwriter, WFS may provide information concerning the structure, timing, terms, and other similar matters concerning the issue of municipal securities that WFS proposes to underwrite as described in the Materials. The Materials may also contain such information. Any such information has been, and would be, provided by WFS in the context of serving as an underwriter and not as your municipal or financial advisor. Additionally, WFBNA, as derivatives provider, and WFS, as underwriter, have financial and other interests that differ from your interests (or those of the issuer). In its capacity as underwriter, WFS’ primary role would be to purchase securities from you (or the issuer in the case of a conduit transaction) for resale to investors, or arrange for the placement of securities with investors on your behalf. Wells Fargo will not have any duties or liability to any person or entity in connection with the information being provided in the Materials.

The information provided herein is not intended to be and should not be construed as advice within the meaning of Section 15B of the Securities Exchange Act of 1934, and Wells Fargo will not be acting as your municipal advisor under the municipal advisor rules (“Muni Advisor Rules”) of the Securities and Exchange Commission (“SEC”) and the SEC’s guidance in its Registration of Municipal Advisors Frequently Asked Questions dated May 19, 2014, as supplemented (collectively, “Muni Advisor Rules”).

Please be advised that any information in the Materials regarding municipal derivatives is being provided by WFBNA as a swap dealer and that any swap offered or recommended in the Materials is being offered or recommended by WFBNA as a swap dealer. No part of the Materials is intended to be and should not be construed as an offer or recommendation of a municipal derivatives service or product by WFS, as underwriter, for purposes of Municipal Securities Rulemaking Board Rule G-17, or otherwise. You should consult with your own financial and/or municipal, legal, accounting, tax, and other advisors, as applicable, to the extent you deem appropriate. If you would like a municipal advisor that has legal fiduciary duties to you, you are certainly free to engage a municipal advisor to serve in that capacity.

Transactions referenced in the Materials which are attributed to Wells Fargo or to WFS may include transactions executed by a Wachovia Corporation or Wells Fargo & Company broker-dealer affiliate or by other municipal securities dealers and/or broker-dealers which were acquired by Wachovia Corporation or WFC. WFS distributes municipal securities to institutional investors primarily through Wells Fargo Bank, N.A. Municipal Products Group (“WFBNA MPG”) and Wells Fargo Securities, LLC (“WFSLLC”). Distribution to middle market clients is provided primarily through WFSLLC. Retail distribution is primarily provided by Wells Fargo Advisors, which is the trade name used by Wells Fargo Clearing Services, LLC (“WFCS”) and Wells Fargo Advisors Financial Network, LLC (“WFAFN”), two non-bank separate registered broker-dealers (members FINRA and SIPC). WFSLLC, WFBNA MPG, WFCS, and WFAFN are affiliates and are each wholly owned subsidiaries of WFC.

Any municipal underwriting, commercial paper and remarketing rankings referenced herein represent combined totals for WFBNA MPG and WFSLLC. Non-municipal underwriting, commercial paper and remarketing rankings referenced herein represent totals for WFSLLC only. Source information for any ranking information not otherwise provided herein is available on request. Any rankings referencing competitive municipal new issues for time periods prior to 2011 include issues underwritten by WFCS. Underwriting activities of WFCS are not managed or otherwise controlled by WFBNA MPG or WFSLLC.

If the Materials are being provided to you under any of the following events, the information contained in the Materials and any subsequent discussions between us, including any and all information, advice, recommendations, opinions, indicative pricing, quotations and analysis with respect to any municipal financial product or issuance of municipal securities, are provided to you in reliance upon the Swap Dealer, Bank, RFP, IRMA exemptions and underwriter exclusion, as applicable, provided under the Muni Advisor Rules. In the event the Swap Dealer, Bank, RFP, IRMA exemptions, or underwriter exclusion do not apply, the information included in the Materials are provided in reliance on the general information exclusion to advice under the Muni Advisor Rules.

In the event that you have provided us with your written representation in form and substance acceptable to WFBNA that you are represented by a “qualified independent representative” as defined in the Commodity Exchange Act (“CEA”) with respect to any municipal derivative or trading strategy involving municipal derivatives described in the Materials, we have provided you with our written disclosure that we are not acting as an advisor to you with respect to the municipal derivative or trading strategy pursuant to Section 4s(h)(4) of the CEA and the rules and regulations thereunder, and have taken certain other steps to establish the “Swap Dealer exemption” under the Muni Advisor Rules.

Any information related to a bank-purchased bond transaction (“Direct Purchase”) included in the Materials is a product offering of WFBNA or a subsidiary thereof (“Purchaser”) as purchaser / investor. WFS will not participate in any manner in any Direct Purchase transaction between you and Purchaser, and Wells Fargo employees involved with a Direct Purchase transaction are not acting on behalf of or as representatives of WFS. The information contained herein regarding Purchaser’s Direct Purchase is being provided to you by WFS only for purposes of providing financing alternatives that may be available to you from WFC and its affiliates. Information contained in this document regarding Direct Purchase is for discussion purposes only in anticipation of engaging in arm’s length commercial transactions with you in which Purchaser would be acting solely as a principal to purchase securities from you or a conduit issuer, and not as a municipal advisor, financial advisor or fiduciary to you or any other person or entity regardless of whether Purchaser, or an affiliate has or is currently acting as such on a separate transaction. Additionally, Purchaser has financial and other interests that differ from your interests. Purchaser’s sole role would be to purchase securities from you (or the conduit issuer). Any information relating to a Direct Purchase is being provided to you pursuant to and in reliance on the “Bank exemption” under the Muni Advisor Rules and the general information exclusion to advice under the Muni Advisor Rules.

In the event the Materials are being provided in connection with a RFP, the SEC exempts from the definition of municipal advisor “any person providing a response in writing or orally to a request for proposals or qualifications from a municipal entity or obligated person for services in connection with a municipal financial product or the issuance of municipal securities; provided however, that such person does not receive separate direct or indirect compensation for advice provided as part of such response” (“RFP exemption”). In such event, we have relied upon the RFP exemption, and on your distribution and execution of this RFP through a competitive process. In the event WFBNA MPG is the party providing the Materials responses to all questions, certifications, attestations, information requests, and similar in the RFP or RFQ to which this response relates are specifically limited to, in context of, and as applied to, WFBNA MPG in its capacity as a separately identifiable department of a national bank that is registered as a municipal securities dealer with the Securities and Exchange Commission, Office of the Comptroller of the Currency, and Municipal Securities Rulemaking Board; and not on behalf of Wells Fargo Bank, N.A., unless specified otherwise in our response.

In the event that you have provided us with your written representation that you are represented by an independent registered municipal advisor (an “IRMA”) within the meaning of the Muni Advisor Rules, with respect to the transaction(s) described in the Materials we have provided you with our written disclosure that we are not a municipal advisor to you and are not subject to the fiduciary duty under the Muni Advisor Rules, if applicable, and have taken certain other steps to establish the “IRMA exemption” under the Muni Advisor Rules.

In the event that you have engaged us to serve as an underwriter with respect to the municipal securities issuance described in the Materials we have provided you with our written disclosure regarding our role as an underwriter, that we are not a municipal advisor to you and are not subject to the fiduciary duty under the Muni Advisor Rules, if applicable.

If savings threshold level information is contained herein, please be advised that WFS is not recommending nor providing advice regarding which maturities should be refunded by you.

See additional important disclosures at the end of the Materials. 4Q2018

**II. Questions**

1. Describe your firm’s retail and institutional sales capability related to tax-exempt financings. Please provide an example of your firm’s pricing of an AA-rated California water transaction for a par amount in a range of \$30 - \$45 million completed within the last six months.

WFS’ distribution network is comprised of three distinct, in-house channels comprised of: (1) institutional sales, (2) middle market sales, and (3) retail brokerage. The participation of each segment varies with the interest rate environment, transaction size, credit ratings, maturity, redemption features, and coupon structure. As such, WFS distribution network enables the firm to adjust the marketing approach and strategy for the Agency’s bonds under any foreseeable market condition. While some firms are able to match WFS’ capabilities in one specific channel, there are very few underwriters that are able to match WFS in all three channels. Further, with WFS’ broad distribution network and active participation in both the primary and secondary markets, WFS brings to the Agency an extensive knowledge of the municipal market and understanding of municipal bond investors. WFS will utilize all three distribution outlets to market and sell the Agency’s transaction.

1. **Municipal Institutional Sales.** WFS is a Top 3 trading counterparty with many of the most influential institutional investors<sup>2</sup>. Our long-standing relationships with Tier 1 investors gives WFS a competitive advantage in price discovery and delivering aggressive pricing on new issues as demonstrated by our successful financing for the Agency’s 2017 sale. WFS’ municipal institutional sales force is comprised of 16 sales professionals in 4 offices which distribute municipal products in the primary and secondary markets, serving the investment and risk management needs of institutional investors nationwide. WFS’ account base of over 425 institutions encompasses the key national buyers of municipal securities and the top 50 national money market funds, with assets over \$1 billion, including the Agency’s top holders of outstanding Parity Bonds such as Vanguard, PIMCO and TIAA-CREF Investment Management<sup>3</sup>.

2. **Middle-Market Sales.** One of Wells Fargo’s competitive advantages is our ability to reach middle market investors. Middle market investors (also known as Tier 2 and Tier 3 institutional investors) are smaller institutions, including state and local community banks, asset managers, regional depositories, corporate trust departments, municipalities, corporations, and local insurance companies. Most national dealers do not focus on or have access to this investor base. While Wells Fargo is a top Tier 1 institutional investor counterparty as described above, Wells Fargo is also one of a few dealers that have relationships with this important but not deeply covered middle-market audience. Many of these accounts are long-standing, legacy relationships, developed and grown over the years with regional firms and many are considered exclusive to Wells Fargo.

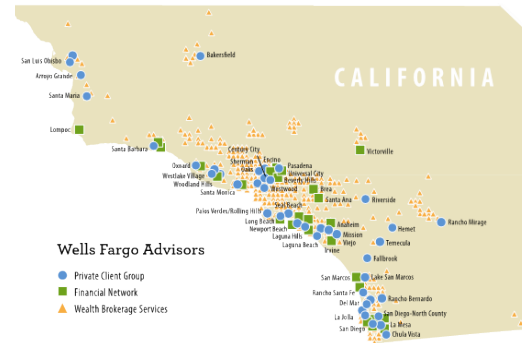
Middle Market Sales Professionals			
Location	#	Location	#
Atlanta, GA	4	Memphis, TN	9
Boston, MA	8	Minneapolis, MN	13
Charlotte, NC	28	New York, NY	10
Chicago, IL	10	Omaha, NE	5
Dallas, TX	8	Phoenix, AZ	8
Denver, CO	3	Sacramento, CA	5
El Segundo, CA	6	San Francisco, CA	7
Los Angeles, CA	7	Seattle, WA	6

To cover this base of investors, Wells Fargo has 137 middle-market sales professionals, including 13 in Southern California, in 16 regional sales offices through our affiliate Wells Fargo Securities, LLC (“WFSLLC”). These professionals maintain relationships with more than 6,400 middle-markets investors. In addition to purchasing the debt of large recognizable issuers, such as the Metropolitan Water District of Southern California’s 2018 Series A, Revenue Bonds and the State of California’s recent lease revenue bonds, the added benefit of middle markets customers comes from their knowledge of local credits and regions. Orders from middle market investors can range from small odd lots to \$50 million+ blocks of bonds and in many instances has made a significant difference in new-issue pricings by increasing the book of orders thus creating competition for bonds and ultimately lowering overall yields.

3. **Retail Sales.** WFS’ retail distribution is effected through our retail affiliate Wells Fargo Advisors (“WFA”), which is the trade name for Wells Fargo Clearing Services, LLC (“WFCS”) and Wells Fargo Advisors Financial Network, LLC (“WFAFN”), two non-bank separate registered broker-dealers (members FINRA and SIPC). WFA is the 3<sup>rd</sup> largest retail brokerage network in the country<sup>4</sup> with over 14,226 full-service financial advisors including over 1,049 financial

<sup>2</sup> 2016 Greenwich Associates 2016 Municipal Bond and Derivatives Study  
<sup>3</sup> Ipreo as of November 7, 2018  
<sup>4</sup> Peer group analysis based on number of financial advisors as disclosed in company reports, as of 1Q2018. <sup>4</sup> WFA statistical information as of 1Q2018. Data is a combination of Wells Fargo Clearing Services, LLC; Wells Fargo Advisors Financial Network; LLC and First Clearing, LLC. First Clearing, LLC is a registered broker-dealer and non-bank affiliate of Wells Fargo & Company

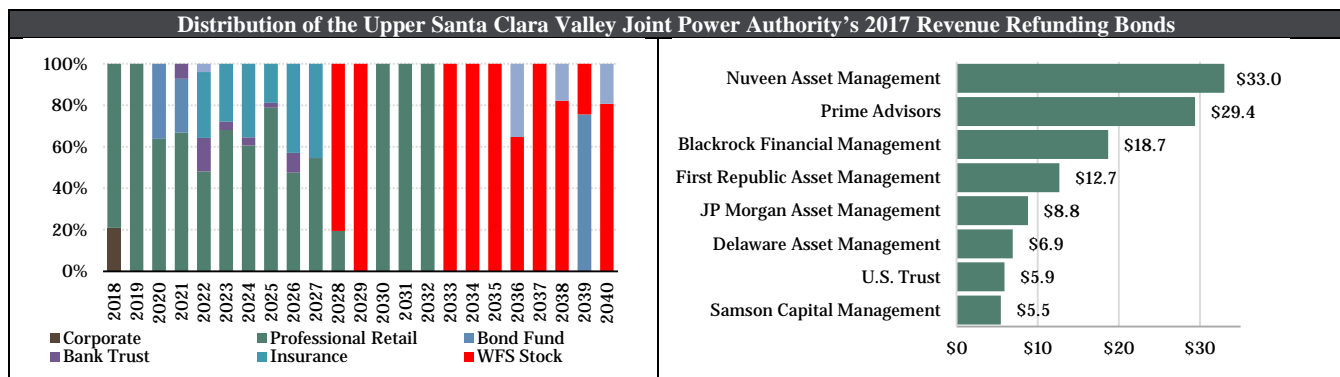
advisors and 634 support in California.<sup>5</sup> Our retail system is fully-integrated (as opposed to a third-party distribution model), so we have control over a transaction’s economics and can provide more incentive for retail brokers to participate. WFA’s significant retail brokerage presence throughout California provides a considerable advantage in our efforts to distribute bonds efficiently at attractive pricing levels for the Agency. We would especially highlight that WFA’s retail clients have already demonstrated their appetite for California paper with **over 281,800+ WFA individual retail accounts owning over \$18.2 billion of California paper, including 174 accounts with \$13.7 million of the Upper Santa Clara JPA bonds and \$10.5 million of Castaic Lake Water Agency bonds.**<sup>6</sup> WFS has the ability to gauge retail investor interest largely due to WFA's 9-member California trading desk. This local trading desk focuses solely on trading municipal bonds, for purchase or sale to the WFA investor base. Our average daily inventory of bonds targeted for retail investors exceeds \$200 million. WFS' California underwriters continuously receive up-to-date market intelligence on retail investor appetite.



Wells Fargo Bank N.A. and Wells Fargo Advisors Presence			
	National	California	Los Angeles <sup>(1)</sup>
Number of Wells Fargo Advisors Accounts	19 million +	1 million +	N/A
Number of Wells Fargo Advisors Salespeople	14,226	1,049	750+
Wells Fargo Advisors Locations	1,375	122	16
Wells Fargo Bank, N.A Licensed Financial Specialist	3,609	803	215
Wells Fargo Bank, N.A Store Locations	6,200	1,041	253
Tax-Exempt Bond Holdings <sup>(2)</sup>	\$83.3 billion	\$19.1 billion	N/A
<b>Santa Clarita Valley Water Agency</b>	<b>\$25,980,000</b>		<b>240 Accounts</b>

N/A – not available or proprietary information, <sup>(1)</sup>Los Angeles County Licensed Financial Advisors and Financial Specialists, <sup>(2)</sup>WFA Holdings as of 6/22/18

**Proven Capabilities to Distribute the Agency’s Bonds.** As an example of our ability to market the Agency’s Bonds and distribute bonds to both middle market and professional retail, we show a breakdown of investor participation for the Upper Santa Clara Valley Joint Power Authority’s recent \$50.745 million, 2017-A Refunding Revenue Bonds. WFS was able to generate approximately \$200 million in total orders. Of this amount, professional retail placed \$86.7 million in orders, representing 63% of the total book. Developing a strong base of professional retail orders, we believe, will be a critical element in aggressively pricing bonds to institutional investors. Our sales team as well as our credit team on the underwriting desk have strong relationships with the majority of these bond investing accounts.



Source: Ipreo and WFS Municipal Underwriting Desk

**Proven Capabilities to Price Aggressively. \$64,010,000 Livermore Valley Financing Authority, Water Revenue Bonds, 2018 Series A.** WFS served as senior manager for Zone 7 Water Agency’s inaugural bond transaction on March 28, 2018. The Agency received initial credit ratings of AA+ and AA from S&P and Fitch, respectively. In spite of aggressive pricing levels, extensive pre-marketing resulted in \$256 million of orders allowing WFS to reprice at lower spreads to MMD. The final pricing produced tighter spreads to MMD than a much larger Los Angeles Department of Water

<sup>6</sup>As of 6/22/2018

and Power transaction that priced the previous day.

**2. Discuss your ideas on various call features that may be recommendable for the Agency's proposed transaction.**

**Incorporating Flexibility through Shorter Call Options.** In order to offset the loss of flexibility associated with the elimination of tax-exempt advance refundings, we have recently seen increased issuance and interest in shorter call provisions, variable rate debt, and/or short-duration instruments. While we do not believe that variable rate debt and/or short-duration put bonds are appropriate in the context of the proposed plan of finance, the use of shorter call options may be an attractive way to add flexibility without adding significant additional risks. However, given the size of the proposed offering, the incorporation of various call options (and coupons) may be limited to, but it can also present an opportunity to diversify the offering and attract the broadest array of potential investors. As such, it may be worth carving out a portion of the upcoming offering to include call options in some or all of these years.

Assessing the Benefit of Short Call Options. While shorter call provisions create enhanced flexibility and greater opportunity to execute refundings, shorter call options can come at an incremental cost if the call option ultimately goes unexercised. As such, in order to fairly compare bonds with different couponing and call features, the theoretical value of the embedded call options should be taken into account. To appropriately make such a comparison, Wells Fargo has developed a proprietary model that enables a yield comparison across multiple call and coupon scenarios. As part of this analysis, bonds with a longer call will have a lower option value (since it is less likely, in any future interest rate environment, that the call option will be exercised), whereas bonds with a shorter call will have a higher option value (since it is more likely the option will be exercised). By then combining the yield-to-maturity of a bond and the hypothetical option value, we are able to calculate an Option Adjusted Yield ("OAY"), which enables comparisons among bonds across a range of coupon and call structures.

To that end, we show in the table to below the results of our option-value analysis for 20, 25 and 30-year maturities. As shown on the top portion of the table, 5% coupon bonds with 5- and 7-year do not produce enough option value to fully offset the impact the higher yields-to-maturity of these short call bonds. We would also note that in addition to evaluating 5% coupon bonds, we have also evaluated above 4% coupon bonds both with 10-, 7-, and 5- year calls. As shown, longer dated maturities with 4% coupon bonds produces the lowest option adjusted yield of any of the alternatives. However, given -year calls on a 4% coupon would be difficult to sell in the current market, the Agency may want to consider issuing a 25 year maturity with a 7-year call option. This analysis, however, is dynamic and can depend on market conditions at the time of sale, though as clearly demonstrated, there may be various advantages to evaluating the use of shorter call options and/or lower coupons.

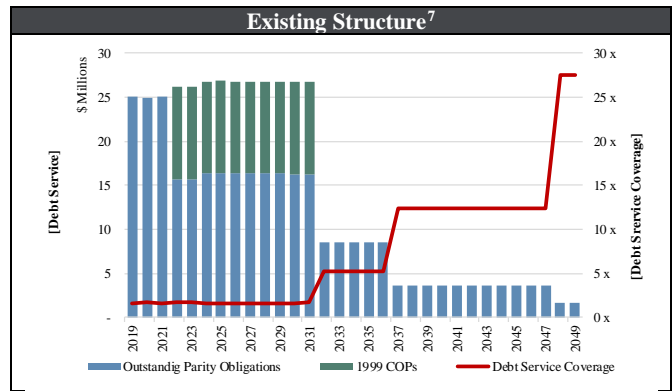
Cost/Benefit of Shorter Call Options																
		10-Yr Par Call					7-Yr Par Call					5-Yr Par Call				
Maturity	Coupon	YTC	YTM	Option Value	OAY	Relative Value	YTC	YTM	Option Value	OAY	Relative Value	YTC	YTM	Option Value	OAY	Relative Value
2038	5.00%	3.41%	3.96%	0.35%	3.61%	0.00%	3.31%	4.15%	0.50%	3.64%	-0.04%	3.21%	4.30%	0.64%	3.66%	-0.06%
2038	4.00%	3.86%	3.91%	0.20%	3.68%	-0.07%	3.86%	3.93%	0.26%	3.64%	-0.03%	3.86%	3.95%	0.31%	3.60%	0.01%
2043	5.00%	3.53%	4.15%	0.52%	3.64%	0.00%	3.43%	4.31%	0.64%	3.66%	-0.02%	3.33%	4.43%	0.76%	3.67%	-0.04%
2043	4.00%	4.00%	4.00%	0.31%	3.66%	-0.03%	4.00%	4.00%	0.36%	3.61%	0.02%	4.00%	4.00%	0.40%	3.57%	0.06%
2048	5.00%	3.60%	4.27%	0.65%	3.61%	0.00%	3.50%	4.39%	0.76%	3.63%	-0.02%	3.40%	4.50%	0.86%	3.64%	-0.02%
2048	4.00%	4.10%	4.10%	0.41%	3.68%	-0.07%	4.00%	4.10%	0.45%	3.64%	-0.02%	4.10%	4.10%	0.49%	3.60%	0.01%

\*Market rates as of 11/1/2018. The Option Values are determined using a discrete time, binomial tree without explicit mean reversion, 15% short rate volatilities and no option exercise costs.

**3. In light of the current market conditions in the municipal marketplace, discuss your structuring and overall marketing approach for the 2019 Bonds. Provide your firm's forecast of tax-exempt interest rates for the remainder of the year and through June, 2019.**

The selection of term and amortization structures are essentially determined by total debt service cost, flexibility to issue additional bonds in the future, and more importantly the regional divisions covenant to maintain debt service coverage above 1.20x. Our recommendation below is based on multiple factors which are outlined in the Agency's 2018-19 budget. For our analysis, we take into account current market conditions as well the Agency's forecast of issuing an additional \$39 million in FY 2022 to cover project funding over the next five years.

**Current Bond Debt Structure.** As shown at right, the existing Agency’s debt presently amortize through FY2049, with debt service stepping down at various intervals, including a significant step down from FY2031 to FY2032, when debt service declines by \$18.1 million from \$26.7 million to \$8.5 million. The Agency is projected debt service coverage in FY2021 of 1.54x.<sup>8</sup> Assuming we hold net revenues available for FY2021 constant, debt service coverage on the existing obligations are projected to be 1.66x throughout FY2031. As displayed in the chart to the right, debt service coverage beyond 2031 begins to escalate rapidly given the significant reduction in debt service over the following 13 years. While the debt service bottleneck from 2019 - 2031 doesn’t significantly restrict the Agency’s flexibility at this time, the Agency may consider a back-loaded structure to alleviate some of the coverage concerns in early years as well as maintaining capacity to issue additional bonds in the intermediate future.



**Current Market Considerations.** While we recognize that back-loading principal may be a less cost effective structure, we believe there are two important market points that should be considered in the context of the Agency’s upcoming sale. First and foremost, as of November 8, 2018, the yield curve is presently very flat, with the difference between 5- and 30- year “AAA” MMD currently at 129 bps, well below the 20-year average differential of 177 bps. Secondly, though no longer at historic lows, long-term interest rates nonetheless remain extremely attractive, with 30-year “AAA” MMD still 72 bps below its 20-year average, as of November 8, 2018. These market conditions are particularly true in California, where tax reform coupled with limited supply has created historic credit spread compression for California paper specifically.

**PROPOSED STRUCTURE.** Based on the parameters outlined above, we have developed 2 bond structures for the Agency to consider for its upcoming issuance. For our analysis we utilized the following assumptions and the interest rate scale:

- Delivery date of May 1, 2019
- Interest rates as of November 8, 2018
- 10-year optional redemption feature
- Interest payment dates of February 1 and August 1
- Principal payment date each August 1
- Cost of Issuance of \$250,000
- Underwriter’s Gross Spread of \$2.74 per bond

Indicative Interest Rates as of November 8, 2018				
Maturity	MMD <sup>1</sup>	Spread	Coupon	Yield
2019	1.92%	-13 bps	5.000%	1.790%
2020	2.08%	-14 bps	5.000%	1.940%
2021	2.15%	-15 bps	5.000%	2.000%
2022	2.22%	-15 bps	5.000%	2.070%
2023	2.30%	-13 bps	5.000%	2.170%
2024	2.38%	-11 bps	5.000%	2.270%
2025	2.46%	-9 bps	5.000%	2.370%
2026	2.56%	-7 bps	5.000%	2.490%
2027	2.65%	-5 bps	5.000%	2.600%
2028	2.74%	-	5.000%	2.740%
2029	2.83%	+5 bps	5.000%	2.880%
2030	2.90%	+8 bps	5.000%	2.980%
2031	2.95%	+11 bps	5.000%	3.060%
2032	3.00%	+13 bps	5.000%	3.130%
2033	3.05%	+15 bps	5.000%	3.200%
2034	3.10%	+15 bps	5.000%	3.250%
2035	3.15%	+55 bps	4.000%	3.700%
2036	3.20%	+15 bps	5.000%	3.350%
2037	3.24%	+60 bps	4.000%	3.840%
2043 Term	3.38%	+18 bps	5.000%	3.560%
2048 Term	3.44%	+70 bps	4.000%	4.140%

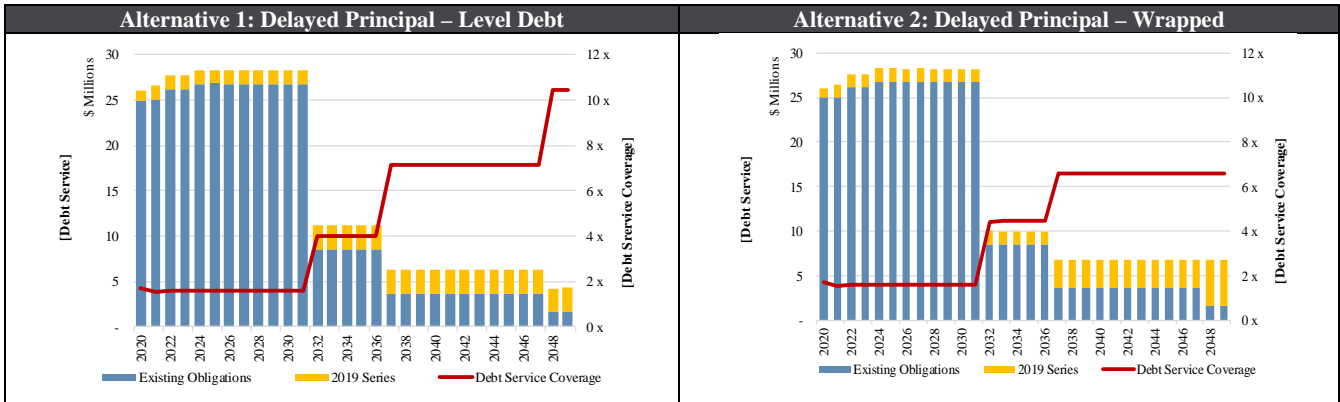
<sup>1</sup>Source: Thomson Reuters as of November 8, 2018, Assumes Interpolated MMD for the month of November.

<sup>7</sup> Agency FY2018-19 Budget, pages 71 & 210

<sup>8</sup> Agency FY2018-19 Budget, page 210



**Amortization Structures.** While we recognize most issuers’ generally conservative posture and preference for level debt service structures, we note that the market conditions described above – a flat yield curve and low interest rates – generally support the issuance of long-dated, fixed rate bonds which take advantage of the significant relative value of long-dated debt. To help evaluate a spectrum of potential alternatives, we show in the graphics below two potential amortization structures, all of which assume a \$35 million project fund, 30-year final maturity, and the 10-year par call scale provided above. Our analyses further assume that no debt service reserve fund (“DSRF”) will need to be funded on this transaction. As shown below, our alternatives include: (1) a “delayed” principal solution, with principal amortization delayed until FY2032 but level thereafter, and (2) a fully wrapped solution with a longer average life than Alternative 1 with principal amortizing in FY2037.



As you can see, a Wrap Debt Service structure aims to create a more aggregate level debt service approach where each consecutive bond issue is wrapped around existing debt service. The benefits of this structure allow the Agency to realize a lower annual debt service payment of approximately \$1.165 million in FY2032 – 2036. However, it would load a disproportionate amount of debt service payments beginning in FY2037 when debt service increases by an average of \$500,000 out to FY2047, and \$2.480 million in the final two years of the financing compared to Alternative 1. In the table below, we provide the summary of our financing results.

Comparison of Financing Results		
	Alternative 1: Delayed Principal – Level Debt	Alternative 2: Delayed Principal – Wrapped
Par Amount	\$33,085,000	\$34,100
Premium	2,258,185	1,244,504
Project Fund	\$35,000,000	\$35,000,000
Total Debt Service	\$65,572,125	\$70,249,912
Arbitrage Yield	3.806%	3.959%
All-in TIC	4.085%	4.175%

Results are generated based on the assumptions provided in the prior page

**Interest Rate Projections.** The Federal Reserve raised interest rates for the third time this year in September and is expected to do so at least 1 more times before year-end. According to Bloomberg (as of January 18, 2018), the market implied probability of one additional hike in 2018 is 70%. As a result, both taxable and tax-exempt interest rates are expected to, at best, trade within a range with the yield curve maintaining its flat shape for the foreseeable future.

Wells Fargo’s economists also believe that the Fed will continue to increase rates in 2018 and in 2019 as inflation pressures continue to build and the economy strengthens. **Wells Fargo’s economists project by the end of 2018 that Fed Funds will reach 2.50% and reach 3.00% by the end of 2019.** Importantly, Wells Fargo’s economists do not forecast as steep an increase in long-term rates as they do for short-term rates as Fed Funds are projected to increase 50 bps and the 30-yr US Treasury only 57 bps by year-end, leading to further curve flattening. As the Agency is aware, future interest rates cannot be predicted with certainty, however, it seems likely, based on futures pricing and Wells Fargo’s economic projections that

Wells Fargo U.S Interest Rate Forecast						
	2018		2019			
	3Q	4Q	1Q	2Q	3Q	4Q
Fed Funds	2.25	2.50	2.75	3.00	3.25	3.25
1-Yr TSY	2.67	2.80	3.00	3.05	3.15	3.20
5-Yr TSY	2.96	3.15	3.25	3.35	3.45	3.50
10-Yr TSY	3.14	3.35	3.45	3.55	3.65	3.70
30-Yr TSY	3.38	3.55	3.65	3.80	3.90	3.95

Source: WFS Economic Group as of October 22, 2018

rates will continue to move higher over the longer term. Since the Municipal Bonds generally experience a positive correlation with Treasuries, as such WFS expects a gradual increase in tax-exempt interest rates as well over the next 6-months.

**Additional Considerations.** In addition to impact of Fed policy, demand-supply factors usually result in favorable conditions for issuers during the beginning of the year (the “January Effect”). The decline in interest rates that typically occurs in January is usually followed by stabilization in February and early-March, followed by upward pressure on interest rates a few weeks into March. Some of the suspected reasons for the “January Effect” phenomena include tax harvesting by individual investors, behavioral patterns of bond fund managers, large reinvestment dollar inflows and historically low January bond supply. While the elimination of tax-exempt advance refundings under tax reform has had a significant impact on municipal supply, WFS expects a significant increase in supply beginning as early as March of 2019, particularly here in California and with Los Angeles based issuers. Based on our initial assessment, the State of California will have approximately \$6 billion of bonds callable beginning in 2019<sup>9</sup>. In addition, issuers such as Los Angeles Unified School District and Metropolitan Water District will have significant amount of bonds that are callable as early as July 1, 2019, all of which can be priced during the Agency’s May offering. Coupled with rising interest rates and a reduction in the demand for municipal bonds from banks, insurance companies and corporations due to tax rates, issuers such as the Agency may experience an outward pressure on spreads.

**Marketing Approach.** Based on the potential headwinds that the Agency might face in 2019, it is imperative that the Agency select a firm that can establish a detailed marketing plan that includes broad investor outreach and a thoughtful approach to expanding and building a strong investor base. Having served as sole manager on the Agency’s Series 2017 financing, we believe we are very well positioned to target an optimal set of investors likely to deliver the Agency the lowest cost of funds. The development of a thoughtful marketing plan will be particularly relevant for the Series 2019 transaction, as a negotiated financing provides a unique opportunity for the Agency to interact with investors and optimize the various finance plan components discussed earlier in our response. As we focus on various ways to craft and develop a marketing plan, we focus our attention below on a two-step process of determining: (i) the means through which these messages can be most effectively communicated, and (ii) the key targets who represent likely buyers of the financing investors who can diversify the Agency’s buyer base.

The Agency enjoys very strong credit rating from S&P and in particular, services a broad and diverse affluent area of northern Los Angeles. Since the Agency’s upcoming capital improvement plan is relatively sizeable, it important to convey the type of capital projects that are being constructed in addition to the Capacity Fees and property tax revenues that will be covering the debt service payments.

**Step 1 – Communicating.** As Sole Manager, WFS can effectively deliver the salient points of the Agency’s financing and credit through a variety of communication modes and methods. Key steps in our communication efforts with investors would include:

- 1) **Internet Investor Roadshow** – For institutional investors, an internet roadshow provides the Agency with an excellent opportunity to highlight the Agency’s credit strengths, ongoing and upcoming capital projects, and details on the planned financing. Potential investors can log-in to a live or recorded roadshow directly from their office and view the presentation. A link to the POS will also accompany the presentation allowing for easy access to additional pertinent information. *Primary Target: Institutional*
- 2) **One-on-One Meetings or Calls** – Another option for the Agency is to conduct one-on-one visits or conference calls with potential institutional investors, if necessary. An important aspect of having open lines of communication is the ability to benefit from reverse inquiries from large buyers which will benefit the Agency on not only this financing, but on future transactions as well. WFS will facilitate these meetings or calls with investors. *Primary Target: Institutional*
- 3) **Internal Sales Force “Teach-Ins”** – In order to ensure that the sales force is equipped with the necessary information to educate investors on Agency’s credit, Wells Fargo may conduct internal sales force “teach-ins” in person or via conference calls. These “teach-ins” will be designed to equip the sales force with the information necessary to market the Bonds to the broadest base of investors possible, including California-specific bond funds, professional retail accounts, and middle market buyers. *Primary Target: Retail, Middle Market and Institutional*

<sup>9</sup> Source: EMMA, Bloomberg and State of CA CAFRs

**Step 2 – Targeting Investors.** In marketing the Agency’s offering, Wells Fargo’s primary goals are to maximize demand and ensure strong placement of the Agency’s bonds at the lowest possible cost. We believe the key to achieving these objectives is generating local retail investor demand (including professional retail), followed by national retail investors, CA specific institutional investors and other Tier 1, 2 and 3 institutional investors (including middle market). In California, demand has primarily come from professional retail investors for bonds maturing through 15-years, with demand thereafter principally concentrated among bond funds, insurance companies, hedge funds, and bank portfolios. The following strategies will be implemented to target these investors.

**Stimulate Retail Participation.** Expanding retail marketing efforts can be accomplished in a variety of ways, some of which are described earlier. Early release of the POS, at least one week prior to pricing ensures that investors have advance notice and access to the disclosure document for any necessary due diligence. Wells Fargo may hold a special retail syndicate call (preferably 3-5 days prior to pricing). Our team will also facilitate internal retail brokerage sales calls and distribute an internal Sales Point Memorandum (containing financing and credit highlights) for optimal distribution channel interest.

**Current Holders and Targeted Investors.** While Wells Fargo will employ a broad marketing strategy, we will first focus on current holders of Agency’s Bonds. In addition to the current Agency’s bondholders, we will aggressively target the top California-specific bond fund and professional retail, which we anticipate being influential price drivers looking to diversify their portfolio.

**III. Qualifications**

*1 List or summarize your firm’s experience as senior manager for California-based water enterprise revenue bonds in the last 3 years.*

**Water Financing Expertise.** WFS has a long history of serving California water and sewer issuers by underwriting primary offerings, serving as a remarketing agent on variable rate bonds and dealer on commercial paper programs, and providing secondary market liquidity. **Since 2015, Wells Fargo Securities has senior managed more than \$3.1 billion of water revenue bond financings for California utilities.** During 2016 and 2017, **WFS is the #2 ranked underwriter of California Water & Sewer revenue bonds<sup>10</sup>**, serving as senior manager on over \$1.45 billion of California water and sewer financings. This includes transactions for the Agency, Los Angeles Department of Water and Power, Santa Clara Valley Water District, the City of San Diego, Kern County Water Agency, Calleguas Municipal Water District, Oakdale Irrigation District, Fresno Irrigation District, Cawelo Water District, Semitropic Water Storage District, and Antelope Valley-East Kern Water Agency. Furthermore, **WFS served as the sole manager for the Agency’s \$50,745,000 Refunding Revenue Bonds, Series 2017A.** Our experience serving as underwriter provides us with invaluable experience speaking with investors and rating agencies about the key trends and issues impacting California water issuers.

Select California Water Revenue Bonds Financings				
<p><b>Metropolitan Water District of Southern California</b> \$99,075,000 Water Revenue Bonds <i>Sole Manager June 2018</i></p> 	<p><b>Livermore Valley Water Financing Authority</b> \$64,010,000 Water Revenue Bonds <i>Senior Manager April 2018</i></p> 	<p><b>Semitropic Improvement District</b> \$52,375,000 Water Revenue Bonds <i>Sole Manager September 2017</i></p> 	<p><b>Upper Santa Clara Valley Joint Powers Authority</b> \$50,745,000 Water Revenue Bonds <i>Sole Manager September 2017</i></p> 	<p><b>Metropolitan Water District of Southern California</b> \$95,625,000 SIFMA Index Bonds <i>Sole Manager June 2017</i></p> 
<p><b>Mesa Water District</b> \$29,295,000 Revenue COPBonds <i>Sole Manager May 2017</i></p> 	<p><b>Los Angeles Department of Water and Power</b> \$628,615,000 Water Revenue Bonds <i>Senior Manager April 2016</i></p> 	<p><b>Santa Clara Valley Water District</b> \$149,390,000 Water Revenue Bonds <i>Senior Manager March 2016</i></p> 	<p><b>Kern County Water Agency</b> \$88,900,000 Water Revenue Bonds <i>Sole Manager March 2016</i></p> 	<p><b>Calleguas Municipal Water District</b> \$27,585,000 Water Revenue Bonds <i>Sole Manager March 2016</i></p> 

<sup>10</sup> Source: Thomson Reuters SDC; CA water & sewer revenue new issues underwritten by WFS from 1/1/16 – 12/3/17, true economics to book runner

Please refer to **Appendix I** for a list of Wells Fargo Water Transactions Since 2015.

2 Provide a proposed project team, including project team including your underwriter, including the resumes and roles of each team member. Provide each team members experience over the last three years with California water enterprise revenue bonds, revenue certificates of participation and note/highlight tax-exempt transaction (senior managed transactions only)

To effectively serve the Agency, WFS has assembled a group of seasoned municipal professionals with extensive experience underwriting California water revenue bond transactions including the Agency’s Refunding Revenue Bonds, Series 2017A.

**Michael Engelbrecht, Managing Director**, will serve as the primary, day-to-day contact for Castaic Lake Water Agency and will be responsible for the overall coordination of WFS’ investment banking services. Michael has more than 29 years of experience in the financial services industry and is primarily focused on serving municipal water utilities throughout California. Michael has served as a lead banker on approximately \$2 billion senior managed California enterprise revenue bonds and revenue certificates of participation financings since the start of 2014. Clients served by Michael include Los Angeles Department of Water & Power, Metropolitan Water District of Southern California, Semitropic Water Storage District, Calleguas Municipal Water District, Water Replenishment District of Southern California, Zone 7 Water Agency, Santa Clara Valley Water District, and Antelope Valley-East Kern Water Agency. **Scott Goldstein**, Director, will provide quantitative structuring and technical expertise. Gavin has over 20 years of experience in developing innovative financing structures and models for many of the nation’s most complex issuers.

**Walker McQuage**, Managing Director, is the head of Wells Fargo’s municipal underwriting team and will be the lead underwriter for the Agency’s 2018 Bonds. Walker most recently served as the underwriter on the Agency’s Series 2017A Bonds. Clients served by Walker include, the Agency, East Bay Municipal Utility District, Mesa Water District, and San Francisco Public Utilities Commission. **Parks Lineberger**, Director, is responsible for underwriting California tax-exempt bonds and nationwide taxable bond issues. Parks will partner with Walker to execute the sale of the Agency’s 2019 Bonds. A resume of each team member is located in **Appendix II**.

Role	Professional	Office Location	Contact Information
<b>Investment Banking</b>			
Lead Banker Day-to-Day Contact	<b>Michael Engelbrecht</b> , Managing Director	Los Angeles, CA	E: michael.j.engelbrecht@wellsfargo.com T: (213) 253-7219
Quantitative Analytics Specialist	<b>Scott Goldstein</b> , Director	Denver, CO	E: scott.goldtsein@wellsfargo.com T: (303) 863-6265
Quantitative and Deal Support	<b>Robert Suh</b> , Associate	Los Angeles, CA	E: robert.m.suh@wellsfargo.com T: (213) 253-7265
<b>Government Banking</b>			
Relationship Manager	<b>Jon Hansen</b> , Senior Vice President	Los Angeles, CA	E: jon.r.hansen@wellsfargo.com T: (213) 253-7235
<b>Underwriting</b>			
Lead Underwriter	<b>Walker McQuage</b> , Managing Director	Charlotte, NC	E: walker.mcquage@wellsfargo.com T: (704) 410-4082
California/Taxable Underwriter	<b>Parks Lineberger</b> , Director	Charlotte, NC	E: parks.lineberger@wellsfargo.com T: (704) 410-3441

**IV. Fees**

Provide a detail of your proposed fees and expenses for the financing, and any assumptions used in deriving this fee structure. Include takedowns broken out by maturity. For consistency of comparison, please assume a par amount of \$35 million with a 30 year term. Include the cost of underwriter’s counsel as a fixed expense item, and which firm and contact person you propose to retain.

**Proposed Fees.** We propose a takedown structure with a flat \$2.00 per bond with no management fee. Total underwriter fees and expenses are approximately \$2.74 per bond based on a \$35mm issuance.

Based on \$35,000,000 of Revenue Bonds					
Gross Spread			Estimated Underwriters’ Expenses		
Component	\$ / Bond	\$ Amount	Component	\$ / Bond	\$ Amount
Average Takedown	2.000	70,000	Underwriters’ Counsel	0.4286	15,000
Expenses (from across)	0.740	25,744	17 CUSIPs	0.0263	922
<b>Total Gross Spread</b>	<b>\$2.74</b>	<b>\$95,744</b>	DTC	0.0299	800
			EOE & Ipreo <sup>(1)</sup>	0.1149	4,023
			<b>Total Expenses</b>	<b>0.7356</b>	<b>25,744</b>

<sup>(2)</sup>Assumes Sole Managed Transaction

**Underwriter's Counsel.** If selected as senior managing underwriter, Wells Fargo recommends Brad Patterson, Esq. from Gilmore & Bell, P.C. to serve as underwriters' counsel. Mr. Patterson has agreed to a fee of \$15,000, which will include providing a 10b5 opinion to our firm.

**Brad Patterson, Esq.**  
**Gilmore & Bell, P.C.**  
15 West South Temple  
Salt Lake City, UT 84101  
(801) 364-5080  
bpatterson@gilmorebell.com

**Important Information & Disclaimer Continued**

The Materials are provided for general information about the transactions described herein. The Materials do not constitute an offer to sell or a solicitation of an offer to buy, or a recommendation or commitment for any transaction involving the securities or financial products named or described herein, and are not intended as investment advice or as a confirmation of any transaction. Assumptions stated herein may or may not be valid. Externally sourced information contained in the Materials has been obtained or derived from sources we reasonably believe to be reliable, but Wells Fargo Securities and WFBNA make no representation or warranty, express or implied, with respect thereto, and do not represent or guarantee that such information is accurate or complete. Wells Fargo Securities and WFBNA do not assume or accept any liability for any loss which may result from reliance thereon. Wells Fargo Securities and/or one or more of its affiliates may provide advice or may from time to time have proprietary positions in, or trade as principal in, any securities or other financial products that may be mentioned in the Materials, or in derivatives related thereto.

Terms, rates, prices and structure in the Materials are indicative only, and should not be relied upon as the terms, rates, prices or structure on which we or anyone else would be willing to enter into, terminate or transfer any transaction with you, including without limit, the swap, bond or loan, letter of credit and/or remarketing agreement (if applicable), or relied upon for any other purpose. Actual rates and prices may be higher or lower depending on market conditions at the time of execution, and are subject to market conditions at deal time, final credit approval, agreement on deal terms and compliance to our satisfaction with all applicable legal and regulatory requirements, including without limit, onboarding, swap/securities trading relationship and transaction documentation. Any historical information provided in the Materials is for information only, and past performance may not be relied upon as a guarantee of future results. Examples in the Materials are hypothetical only and are not a prediction of future results. There are frequently sharp differences between projections or forecasts and the actual results achieved.

**Arm's Length Relationship**

All transactions described in the Materials are arm's length transactions to be negotiated by each party acting in its own best interests. The price and other terms of any transaction will be individually negotiated, and there is no assurance that they will represent the best price or terms available to you from us or other sources. Whether they are executable, indicative or illustrative, you should assume that any price we offer, quote or otherwise provide to you for entering into, transferring or terminating a transaction with WFBNA is strictly a WFBNA price and should not be considered a "market price" offered by anyone else in the relevant market. In this regard, please note that when we offer you an executable price for a swap with WFBNA, CFTC Rule §23.431 requires that we also disclose to you the "mid-market mark" of the swap in order for you to assess the material incentives and conflicts of interest we may have in connection with the swap. Information about the mid-market mark and other material disclosures regarding swaps can be found at [www.wellsfargo.com/swapdisclosures](http://www.wellsfargo.com/swapdisclosures). The decision whether you should enter into any transaction upon mutually agreed terms rests solely with you. Before entering into any transaction described in the Materials, you should consider whether it is appropriate for you in light of your objectives, experience, financial and operational resources, legal capacity and authority, and other relevant circumstances, and you should conduct a thorough and independent evaluation of the financial, tax, accounting, legal and regulatory characteristics, consequences, costs and risks of the transaction in light of your particular circumstances, based upon the advice of your own financial, legal, tax, accounting, and other professional advisors. Neither we nor any of our affiliates will be providing any such advice in connection with any such transaction, and neither we nor they will be acting as your agent, broker, financial advisor, municipal advisor, or fiduciary in connection with any such transaction, whether or not we or they may otherwise be engaged to act in such capacity in connection with other products or services.

**Risks to Consider**

While certain transactions described in the Materials may be used for hedging purposes to reduce or eliminate certain risks associated with your assets or liabilities, the effectiveness of hedging may depend upon holding these transactions to maturity and not reducing or disposing of all or any portion of the asset or liability during the term of the hedge. If a swap transaction is terminated early, or if you reduce or dispose of all or a portion of the underlying asset or liability before the transaction matures (such as prepaying a floating rate loan you hedge with a swap), then depending on the nature of the transaction, its characteristics and your position in it (e.g., buyer, seller, counterparty, etc.), you may incur a substantial loss or you may receive little or no hedging benefit from any upfront or periodic payments or exchanges or any other costs incurred in purchasing, selling, acquiring, maintaining or disposing of the transaction. You may also incur a substantial loss if you enter into a swap transaction in anticipation of hedging an asset or liability that does not materialize. You should understand that significant potential amounts could become payable by you for modifying a swap transaction, terminating it early or transferring your position in the transaction to another person or entity, or in connection with the exercise of any option or other rights under the transaction or governing documents, depending upon then existing market conditions. You should also consider that prepaying your loan or disposing of an asset or other liability does not relieve you of your obligations under a swap transaction, which may be terminated early only in accordance with the terms of the swap trading relationship documentation (such as an ISDA Master Agreement) or other transaction documents, or otherwise by mutual agreement. Such termination may require payment by you of an early termination amount, which amount may be substantial. Whether you use a swap transaction for hedging or another purpose, you should satisfy yourself that you understand these and other risks relative to the benefits you are seeking to achieve and that the transaction and risks are suitable for you. These risks are discussed in greater detail in disclosures provided to you through the following website: [www.wellsfargo.com/swapdisclosures](http://www.wellsfargo.com/swapdisclosures)

**Independent Obligation**

To the extent any swap transaction described in the Materials may be used to hedge against increases in the interest expense of a loan or other financing, the swap transaction would be a separate and independent obligation and would not be contingent on whether or not any loan or other financing closes, is outstanding, or is repaid, in whole or in part, at any time, subject to any contractual requirement to terminate and settle the transaction early upon prepayment of the loan or financing or for other financing-related events. In addition, if you provide any existing or future collateral or other credit support to secure the transaction and any loan or other financing, then you would be entitled to the release of such collateral or credit support only if certain conditions contained in the related collateral agreement or credit support document are completely satisfied for both the transaction and any such loan or financing, or we otherwise reach agreement with you on alternative collateral, credit support or other arrangements.

**Unmatched Terms & Conventions**

If the principal amount or duration of a loan or financing differs from that of a transaction used to hedge such loan or financing, you may be exposed to risk of loss from such over-hedging or under-hedging. If any other economic terms or characteristics of a loan or financing differ from those of the related hedge, then in addition to any losses that you could incur from such differences, the hedge may create unanticipated accounting exposure or tax liability for you. To the extent fair value accounting applies to the hedge, you may have to reflect unrealized gains and losses (i.e., the so-called “mark-to-market” value of the hedge) over the life of the hedge on your balance sheet and/or income statement. If hedge accounting applies, any ineffectiveness in the hedge resulting from such differences may likewise need to be taken into account and reflected in your financial results. These swap valuation considerations may also be important to you for tax purposes, including any tax laws that may require unrealized gains or losses on swaps to be taken into account in determining your income tax liability.

Conventions used in the loan or other financing and swap markets may differ, and we are under no obligation to ensure that any swap we offer is a perfect hedge for your financing even if we provide you with both products. For example, if the method for determining a loan’s floating rate differs from that for a swap’s floating rate, the loan floating rate payments could diverge from those of the swap. Such divergence may occur by convention or as the result of contractual differences, such as in the definition of or the reset timing (e.g., 1-month or 3-month) for the London Interbank Offered Rate (LIBOR), the dates or times at which LIBOR is set, the number of days in the payment periods, any applicable fallback floating rate, or the floating rate rounding convention.

#### **Negative Interest Rates**

Express wording in swap transactions is required to place a 0% floor on LIBOR or other floating benchmark rate of the swap transaction, and no such 0% floor is included in an interest rate swap or other swap transaction unless mutually agreed between the parties as reflected in the swap confirmation. Absent such floor, if a Floating Amount is negative under an interest rate swap, the Floating Rate Payer does not make such payment. Instead, the Fixed Rate Payer pays the absolute value of the negative Floating Amount in addition to the Fixed Amount. See §6.4 of the 2006 ISDA Definitions, as amended. If you wish to acquire a swap with a 0% floor, this may increase the price of your swap as reflected in a higher Fixed Rate. For further information on negative interest rates, including their effect on swaps and the loans they are hedging, see Negative Interest Rates at: [www.wellsfargo.com/swapdisclosures](http://www.wellsfargo.com/swapdisclosures).

#### **Projections, Forecasts & Other Data**

Although the information contained herein is derived from a source that WFBNA considers reliable, WFBNA does not guarantee the accuracy, reliability or completeness of this information and makes no representation or warranty, express or implied, with respect thereto. This information is provided as of the date(s) indicated, is subject to change without notice, does not constitute trading or investment advice or research, and has not been prepared in accordance with any laws or regulations designed to promote the independence of research. Historical data, past trends and past performance do not reflect or guarantee future results. Financial projections and economic forecasts are based on hypothetical assumptions about uncertain future market conditions and events and therefore should not be relied upon in connection with any asset, liability, transaction or otherwise, including any decision whether or when to invest or hedge or to acquire or dispose of any asset, liability or transaction. Projections or forecasts may not materialize, and reliance thereon could result in substantial losses. It is impossible to predict whether, when or to what extent rates, values and other economic factors will rise or fall, and there could be sharp differences between projections or forecasts and actual results. WFBNA makes no representation or warranty that actual results will conform to any projection or forecast and is not responsible for any loss or damage arising out of any reliance on or use of such information.

#### **Applicability of Certain Regulations**

WFBNA is a “swap dealer” as defined in the Commodity Exchange Act (“CEA”), and one or more transactions described in the Materials are “swaps” as defined in the CEA and regulations of the Commodity Futures Trading Commission (“CFTC”) or “security based swaps” as defined in the CEA and the Securities Exchange Act of 1934 and regulations of the U.S. Securities and Exchange Commission (“SEC”). From time to time, we may furnish you with certain information or request that you furnish us with certain information or representations or take other action we consider necessary or appropriate to comply with applicable legal or regulatory requirements, including the requirement that, in order to enter into a swap with us, you must be an Eligible Contract Participant (as defined in 17 C.F.R. §1.3(m)). Nothing herein or in the Materials constitutes legal advice or purports to be a complete statement of regulations applicable to swaps, matters which you should address with your own legal advisors. For purposes of CFTC Regulations 1.71 and 23.605, please note that the Materials are a “solicitation” of a swap and not a “research report” as defined therein. To the extent the Materials include a scenario analysis, such inclusion shall not supersede your right under CFTC Regulation 23.431(b) to request and consult in the design of a scenario analysis. Nothing in the Materials should be construed as a recommendation or opinion with respect to any swap or trading strategy involving a swap for purposes of CFTC Regulations Part 23 or the CEA. The Materials do not take into account your particular investment objectives, financial condition or needs and are not intended to serve as a basis for entering into a swap or to suggest, through opinion, recommendation, or otherwise, that you should enter into a particular swap or trading strategy involving a swap. You should consult with your own advisors for opinions on whether to enter into any swap or trading strategy involving a swap.

In certain cases, the transactions described in the Materials may be subject to regulations that have not yet been proposed, adopted in final form or become effective, and some or all of such regulations may have a direct or indirect impact on the substantive terms set forth hereunder. Accordingly, the parties acknowledge partial and/or incomplete information with respect to the requirements of such regulations, but acknowledge that to the extent any term contemplated hereunder is in violation of or subject to any current or future regulation, as amended from time to time, we reserve the right to amend the terms contemplated hereby or cease to offer the transaction described herein.

#### **Wells Fargo as a Counterparty**

Transactions described in the Materials are not bank deposits or FDIC insured, may expose you to the credit risk of WFBNA and therefore involve risk of loss to you apart from the market risk associated with the underlying rate, price or other economic measure on which the transaction is based. Financial information WFBNA is available at:

[https://www.wellsfargo.com/invest\\_relations/investor\\_relations](https://www.wellsfargo.com/invest_relations/investor_relations)

#### **Additional Information**

In addition to the information furnished above, you should not enter into any swap transaction described in the Materials without reviewing and understanding our “Disclosure of Material Information for Swaps” and accompanying documents available to you at: [www.wellsfargo.com/swapdisclosures](http://www.wellsfargo.com/swapdisclosures)

**Updating the Materials**

We reserve the right to amend, supplement or replace the Materials at any time, and your use of the Materials constitutes your agreement to update the Materials with any such amendments, supplements or replacements we furnish you.

**Confidentiality**

The information in the Materials is confidential and may not be disclosed by you to anyone without our written consent, other than to your advisors, and judicial or other governmental authorities or regulators having jurisdiction over you (including, without limitation, federal, state or local tax authorities). Notwithstanding anything to the contrary contained in the Materials, all persons may disclose to any and all persons, without limitations of any kind, the U.S. federal, state or local tax treatment or tax structure of any transaction, any fact that may be relevant to understanding the U.S. federal, state or local tax treatment or tax structure of any transaction, and all materials of any kind (including opinions or other tax analyses) relating to such U.S. federal, state or local tax treatment or tax structure, other than the name of the parties or any other person named herein, or information that would permit identification of the parties or such other persons, and any pricing terms or nonpublic business or financial information that is unrelated to the U.S. federal, state or local tax treatment or tax structure of the transaction to the taxpayer and is not relevant to understanding the U.S. federal, state or local tax treatment or tax structure of the transaction to the taxpayer.

**Limitation of Liability**

In no event shall Wells Fargo be liable to you or any third party for any direct or indirect, special, incidental, or consequential damages, losses, liabilities, costs or expenses arising directly or indirectly out of or in connection with the Materials.

Wells Fargo does not provide tax advice. Any tax statement herein regarding US federal tax is not intended or written to be used, and cannot be used, by any taxpayer for the purpose of avoiding any penalties. Any such statement herein was written to support the marketing or promotion of a transaction or matter to which the statement relates. Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

If you have any questions or concerns about the disclosures presented herein, you should make those questions or concerns known immediately to Wells Fargo 4Q18



**Appendix I**

WFS California-based Water Enterprise Revenue Bonds Senior Managed Experience					
Dated Date	Issuer	Par (\$mm)	Issue Description	Series	Bid
03/04/2015	So California Pub Pwr Au (SCPPA)	28.925	Transmission Proj Revenue Bonds	2015 Sub Series B	N
03/04/2015	So California Pub Pwr Au (SCPPA)	84.640	Transmission Proj Revenue Bonds	2015 Sub Series A	N
03/11/2015	Semitropic Improvement Dt	32.425	Second Lien Revenue Bonds	2015 Series A	N
04/15/2015	Kern Delta Water Dt	5.290	Water Revenue Refunding Bonds	Series 2015 A	N
05/20/2015	San Francisco City/Co Public Util Comm	7.530	Power Revenue Bonds	2015 Series B	N
05/20/2015	San Francisco City/Co Public Util Comm	32.025	Power Revenue Bonds	2015 Series A	N
06/10/2015	Riverside City-California	200.030	Sewer Revenue Bonds	Series 2015 A	N
06/17/2015	East Bay MUD	74.335	Water System Revenue Bonds	Series 2015 B	C
06/17/2015	East Bay MUD	110.715	Water System Revenue Bonds	Series 2015 C	C
07/01/2015	So California Metro Water Dt	188.900	Water Revenue Refunding Bonds	2015 Series A- 1 & 2	N
07/29/2015	North Kern/Cawelo Financing Auth	12.240	Water Revenue Bonds	2015 Series A	N
12/29/2015	So California Water Replenish Dt	148.345	Replenishment Assess Rev Bonds	Series 2015	N
03/30/2016	San Diego Public Facs Fin Auth	403.280	Senior Sewer Revenue Ref Bonds	Series 2016 A	N
04/05/2016	Calleguas Municipal Water Dt	27.585	Water Refunding Revenue Bonds	Series 2016 A	N
03/30/2016	Santa Clara Valley Water Dt	43.075	Rev Certificates of Participation	Series 2016 C	N
03/30/2016	Santa Clara Valley Water Dt	106.315	Water Sys Ref Rev Bonds	Series 2016 A	N
04/07/2016	Kern Co Water Agency	9.335	Water Revenue Refunding Bonds	Series 2016 B	N
04/07/2016	Kern Co Water Agency	79.565	Water Revenue Refunding Bonds	Series 2016 A	N
04/14/2016	Antelope Vily-East Kern Wtr Agy	71.090	Water Revenue Refunding Bonds	Series 2016	N
04/21/2016	Los Angeles Dept of Wtr & Power	153.615	Water System Revenue Bonds	2016 Series A	N
04/21/2016	Los Angeles Dept of Wtr & Power	475.000	Water System Revenue Bonds	2016 Series A	N
09/08/2016	Oakdale Irrigation Dt	26.165	Water Revenue Refunding Bonds	Series 2016	N
09/08/2016	Fresno Irrigation Dt	11.415	Water Revenue Refunding Bonds	Series 2016 A	N
11/09/2016	North Kern/Cawelo Financing Auth	8.710	Water Revenue Bonds	2016 Series A	N
12/14/2016	San Francisco City/Co Public Util Comm	259.350	San Francisco Water Rev Bonds	2016 Series C	C
01/26/2017	Antelope Vily-East Kern Wtr Agy	15.600	Revenue Bonds	Series 2017	N
05/02/2017	Santa Clara Valley Water Dt	54.710	Water System Refunding Rev Bonds	Series 2017 A	C
06/21/2017	Mesa Water Dt	29.295	Rev Certificates of Participation	2017 Series	N
07/03/2017	So California Metro Water Dt	47.812	Sub Water Revenue Refunding Bonds	2017 Series E	N
07/03/2017	So California Metro Water Dt	47.813	Sub Water Revenue Refunding Bonds	2017 Series E	N
10/11/2017	Upper Santa Clara Vily Jt Powers Au	50.745	Refunding Revenue Bonds	Series 2017 A	N
10/17/2017	Semitropic Improvement Dt	52.375	Refunding Revenue Bonds	2017 Series A	N
01/25/2018	Anaheim Hsg & Pub Imp Auth	45.705	Sewer Revenue Bonds	Series 2018	N
04/11/2018	Livermore Valley Wtr Fin Auth	5.020	Water Revenue Bonds	2018 Series A	N
04/11/2018	Livermore Valley Wtr Fin Auth	58.990	Water Revenue Bonds	2018 Series A	N
06/28/2018	So California Metro Water Dt	99.075	Sub Water Revenue Refunding Bonds	2018 Series A	C

Source: Thomson Reuters (January 1, 2015 to Present)

**Appendix II  
Project Team Resumes**

<b>Michael Engelbrecht</b> Managing Director Wells Fargo Securities	(213) 253-7219 michael.j.engelbrecht@wellsfargo.com 333 S. Grand Ave., 5th Floor, Los Angeles, CA
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Michael Engelbrecht will be the lead banker and primary contact for the proposed transaction, and will be fully available to attend all meetings as requested. Michael Engelbrecht has more than 29 years of capital markets experience with a primary focus in providing investment banking services to municipal water and power utilities throughout the Western United States. Michael has served as a lead banker on senior managed financings for some of the largest water and wastewater issuers in the West, including Metropolitan Water District of Southern California, Los Angeles Department of Water and Power, San Francisco Public Utilities Commission, East Bay Municipal Utility District and the State of California Department of Water Resources. Since joining Wells Fargo in 2004, Michael has served as a lead banker on over \$10 billion of senior managed California utility bond financings. Michael has assisted clients with several unique financing structures including securitizations of third-party contracts for underground water banking facilities, financings to facilitate the historic San Joaquin River Restoration Settlement Act, and Green Bond financings. Michael earned his B.A. in economics from Wheaton College and an M.B.A. from the University of Southern California and maintains Series 7 and 63 registrations. Michael currently serves on the board of the Urban Water Institute.

<b>Scott Goldstein</b> Director Wells Fargo Securities	(303) 863-6265 scott.goldstein@wellsfargo.com 1700 Lincoln St., 21 <sup>st</sup> Floor, Denver, CO
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Scott joined Wells Fargo Securities in 1993 (via merger with A.G. Edwards). He has over 30 years of experience in investment banking as a quantitative specialist with extensive understanding of bond related tax code issues. He has structured over a 1,000 senior managed municipal transactions with significant emphasis for refunding and structured financial solutions. His primary focus has been in the area of higher education, system revenue and general infrastructure issues. He has been instrumental in developing and applying several refunding innovations, providing analytical decision making framework for cash market and derivative solutions, as well as, improving escrow efficiencies to help issuers lower their cost of capital or overall funding cost.

Scott is a graduate of the University of Maryland, College Park, Maryland, where he earned a B.S. degree in business with an emphasis in finance and accounting. He received his M.B.A. degree in finance from George Washington University, Washington, D.C. and holds his Series 7 and 63 registrations.

<b>Walker McQuage</b> Managing Director Wells Fargo Securities	(704) 410-4082 walker.mcquage@wellsfargo.com 550 S. Tryon St., Charlotte, NC
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Walker is responsible for all fixed rate municipal underwriting commitments made by Wells Fargo Bank, National Association's institutional trading, sales, and underwriting operations while specializing in Texas and Southeastern credits. He would coordinate the underwriting, marketing, and distribution activities for the Board's fixed rate offering. Throughout the course of the financing, Walker will provide pricing details and general updates regarding the municipal market and the impact of market movements on the Board's financing. Walker has over 20 years of underwriting experience with general obligation, revenue, taxable, and corporate municipals, as well as prior experience in the financial futures markets. Walker holds a B.S. in Finance from the University of South Carolina and is a registered representative with the FINRA (Series 3, 7, 24, 53, and 63 licenses).

<b>Parks Lineberger</b> Director Wells Fargo Securities	(704) 410-3441 parks.lineberger@wellsfargo.com 550 S. Tryon St., Charlotte, NC
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Park's career with legacy Wachovia Bank and now Wells Fargo Bank, consists of over 11 years within the municipal products group. During his tenure, Parks has provided marketing, pricing, and distribution services for numerous high grade and complex credit financings. His experience includes but is not limited to general market GO's/revenue credits, healthcare, higher education, taxable, and corporate municipalities throughout the US, with current focus on the Northeast region. Parks is a graduate of North Carolina State University, where he earned a B.S. in Finance and Accounting. He is also a registered representative with FINRA (Series 7, 63, and 52 licenses).



**SANTA CLARITA VALLEY WATER AGENCY  
REQUEST FOR PROPOSALS FOR UNDERWRITING SERVICES**

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**Robert Suh**

Associate  
Wells Fargo Securities

(213) 253-7265

robert.m.suh@wellsfargo.com  
333 S. Grand Ave., 5th Floor, Los Angeles, CA

Robert joined Wells Fargo Securities in 2007 and has provided quantitative and deal execution support on more than \$15 billion of California senior or co-managed financings for clients throughout Southern California and the State of Hawaii. Issuers served during this time include the States of California and Hawaii, the counties of Los Angeles, San Diego, Santa Barbara, and San Bernardino, and the cities of Anaheim, San Jose, Los Angeles, and San Diego.

Robert earned a bachelor's degree in History from the University of California, Irvine and is a CFA level 2 candidate. He maintains his Series 7 and 66 securities registrations.

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## BOARD MEMORANDUM

**DATE:** November 27, 2018  
**TO:** Board of Directors  
**FROM:** Rochelle Patterson *R. Patterson*  
Director of Finance and Administration  
**SUBJECT:** Approve CalPERS Resolutions for Retirement Plan

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### SUMMARY

On November 6, 2018, the Board of Directors adopted a resolution of intention to merge the existing retirement contracts of Castaic Lake Water Agency (CLWA) and Newhall County Water District (NCWD), collectively the "Prior Agencies". The next step in the process is to adopt a final resolution for the CalPERS contract as well as resolutions establishing employer paid member contributions and tax-deferred employee contributions.

### DISCUSSION

Staff from CLWA, NCWD and special counsel have been working with CalPERS since SB 634 was signed into law on October 15, 2017 to ensure the retirement benefits to employees and retirees from the Prior Agencies would not be impacted due to the creation of SCV Water. To ensure the continuation of the retirement benefits previously provided under contract between the Prior Agencies and CalPERS, a merger of the Prior Agencies contracts into a new contract with SCV Water is required.

Following the Board's adoption of the resolution declaring its intent to enter into a merger contract, an election by employees was conducted, by secret ballot, to elect whether to covered by CalPERS 1959 Survivor Benefits as set forth in Government Code Section 21574.

Since the Board approved the resolution of intention (November 6, 2018), the next order of business is to have the Board approve adoption of the final resolution for SCV Water to participate in CalPERS. Staff has also presented the Board with a resolution establishing employer paid member contributions and a tax-deferred resolution to ensure that employee contributions to CalPERS are made on a pre-tax basis. These resolutions are timely as they need to be adopted before January 1, 2019.

### FINANCIAL CONSIDERATIONS

There are no additional costs associated with the final resolution for the CalPERS retirement contract.

## RECOMMENDATION

1. Adopt the Final Resolution (which will be handed out at the December 4, 2018 regular Board meeting) to enter into a contract with CalPERS to provide for a merger of the contracts of the Prior Agencies into a new contract with SCV Water pursuant to Government Code Section 20508; and
2. Adopt the attached Resolution establishing employee paid member contributions; and
3. Adopt the attached tax-deferred resolution to ensure that employee contributions to CalPERS are made on a pre-tax basis.

RP

Attachments

M65

**RESOLUTION NO. \_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SANTA CLARITA VALLEY WATER AGENCY  
FOR EMPLOYER PAID MEMBER CONTRIBUTIONS**

**WHEREAS**, the Board of Directors of Santa Clarita Valley Water Agency has the authority to implement Government Code Section 20691; and,

**WHEREAS**, the Board of Directors of Santa Clarita Valley Water Agency has a written labor policy or agreement which specifically provides for the normal member contributions required to be paid by employees to be paid instead by the employer; and,

**WHEREAS**, one of the steps in the procedures to implement Section 20691 is the adoption by the Board of Directors of Santa Clarita Valley Water Agency of a Resolution to commence paying said Employer Paid Member Contributions (EPMC); and,

**WHEREAS**, the Board of Directors of Santa Clarita Valley Water Agency has identified the following conditions for the purpose of its election to pay the EPMC:

- This benefit shall apply to all classic employees.
- This benefit shall consist of paying 7% of the normal member contribution as EPMC.
- The effective date of this resolution shall be January 1, 2019.

**NOW, THEREFORE, BE IT RESOLVED** that Board of Directors of Santa Clarita Valley Water Agency hereby elects to pay the EPMC as set forth above.

**BE IT FURTHER RESOLVED** that this Resolution shall remain in effect until subsequently changed by the Board of Directors.

**APPROVED AND ADOPTED** this 4th day of December, 2018.

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RESOLUTION NO. \_\_\_\_

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE SANTA CLARITA VALLEY WATER AGENCY  
FOR THE IMPLEMENTATION OF THE PROVISIONS OF SECTION 414(h)(2)  
OF THE INTERNAL REVENUE CODE TO  
TAX DEFER EMPLOYEE RETIREMENT CONTRIBUTIONS TO CALPERS**

**WHEREAS**, the Board of Directors of Santa Clarita Valley Water Agency (“Agency”) has the authority to implement the provisions of Section 414(h)(2) of the Internal Revenue Code (“IRC”) whereby any amount contributed to a public employer pension plan, which is designated as an employee contribution, may be picked up on a pre-tax basis by the public employer and excluded from an employee’s gross income if the employer specifies that the contributions, although designated as employee contributions to the plan, are being paid by the employer in lieu of contributions by the employee, and the employee cannot choose to receive the amounts directly instead of having them paid into the plan; and

**WHEREAS**, the Board of Directors has determined that even though the implementation of the provisions of IRC Section 414(h)(2) is not required by law, the tax benefit offered by IRC Section 414(h)(2) in reducing taxable employee gross income should be provided to all Agency employees who are members of CalPERS; and

**WHEREAS**, Internal Revenue Service Revenue Ruling 2006-43 requires an employer take contemporaneous action evidencing an intent to establish a proper pick-up under IRC Section 414(h)(2).

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of Santa Clarita Valley Water Agency as follows:

Section 1. The Recitals set forth above are incorporated herein and made an operative part of this Resolution.

Section 2. Employer Pick Up of Regular Employee Contributions.

(a) Pursuant to IRC Section 414(h)(2), the Board of Directors hereby elects to implement an employer pick-up pursuant to this Resolution, of employee retirement contributions on behalf of Agency employees who are members of CalPERS. “Employee retirement contributions” shall mean both those contributions paid by salary reduction and credited to individual employee’s account as normal member contributions and normal member contributions paid directly by an employer pursuant to Government Code Section 20691 as employer paid member contributions. This provision will apply to all employees of the Agency that are members of CalPERS.

(b) Picked up contributions, although designated as employee contributions to CalPERS, will be picked up on a pre-tax basis, whether paid pursuant to salary reduction or directly by the Agency pursuant to Government Code Section 20691, in lieu of employee contributions so that such contributions are treated as employer contributions.

(c) Employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the Agency to CalPERS.

(d) Amounts picked up by the Agency shall be paid from the same sources of funds as used in paying salary.

(e) Amounts picked up by the Agency shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by CalPERS. This treatment shall apply to all employees of the Agency.


(f) If any section, subsection, clause or phrase in this Resolution is for any reason held invalid, the validity of the remainder of this Resolution shall not be affected thereby. The Board of Directors hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof be held invalid.

Section 3. The effective date of this Resolution shall be January 1, 2019.

The foregoing resolution of the Board of Directors of Santa Clarita Valley Water Agency was duly introduced, passed and adopted at a regular meeting thereof held on the 4th day of December, 2018.



## BOARD MEMORANDUM

**DATE:** November 27, 2018  
**TO:** Board of Directors  
**FROM:** Rochelle Patterson   
Director of Finance and Administration  
**SUBJECT:** Approve CalPERS Resolutions for Medical Plan

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### SUMMARY

The existing health benefits resolution is between Castaic Lake Water Agency (Castaic) and CalPERS. The new Santa Clarita Valley Water Agency (Agency) retirement contract is expected to become effective on January 1, 2019 and in order for the former Castaic employees and retirees, now Agency employees and retirees, to remain covered by CalPERS health benefits, a new agreement between the Agency and CalPERS must be adopted. In addition, this agreement will cover eligible employees of the former Newhall County Water District, now Agency employees, currently covered through ACWA-JPIA, and other eligible Agency employees hired since January 1, 2018. The CalPERS health benefit agreement will become effective on February 1, 2019.

### DISCUSSION

CalPERS requires that the retirement contract and health benefits contract be under the new Agency name in order for health benefits to continue. Staff has been working with CalPERS retirement unit and health benefits unit to coordinate the new resolutions to ensure that there will be no lapse in health benefits to employees and retirees. To safeguard the continuation of health benefits previously provided under contract between the Castaic Lake Water Agency and CalPERS and to provide the Agency with flexibility with retiree health benefits, the attached resolutions will need to be adopted.

### FINANCIAL CONSIDERATIONS

There are no additional costs associated with the health benefits resolutions.

### RECOMMENDATION

1. Adopt the attached Resolution electing to be subject to the Public Employees Medical and Hospital Care Act at an equal amount for employees and annuitants – *CalPERS All Employees* – This resolution will apply to all eligible Agency employees and retirees hired prior to February 1, 2009; and
2. Adopt the attached Resolution electing to be subject to the Public Employees Medical and Hospital Care Act at an equal amount for employees and annuitants – *Non-CalPERS Board of Directors*; and

3. Adopt the attached Resolution identifying health vesting requirements for future annuitants under the Public Employees' Medical and Hospital Care Act – *CalPERS All Employees* – This resolution will apply to all eligible Agency retirees hired on or after February 1, 2009.

RP

Attachments

MBS

**RESOLUTION NO. Number**  
**ELECTING TO BE SUBJECT TO THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT**  
**AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS**  
(CalPERS All Employees)

- WHEREAS, (1) A contracting agency meeting the eligibility requirements set forth in Government Code Section 22920, may obtain health benefit plan(s), as defined under Government Code Section 22777, by submitting a resolution to the Board of Administration of the California Public Employees' Retirement System (the "Board"), and upon approval of such resolution by the Board, become subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and
- WHEREAS, (2) Santa Clarita Valley Water Agency is a contracting agency eligible to be subject to the Act under Government Code Section 22920; and
- WHEREAS, (3) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and
- WHEREAS, (4) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; and
- WHEREAS, (5) Santa Clarita Valley Water Agency desires to obtain for its employees and annuitants the benefit of the Act and to accept the liabilities and obligations of an employer under the Act; now, therefore, be it
- RESOLVED, (a) Santa Clarita Valley Water Agency elects to be subject to the provisions of the Act; and be it further
- RESOLVED, (b) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the PEMHCA Minimum per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further
- RESOLVED, (c) Santa Clarita Valley Water Agency has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further
- RESOLVED, (d) That the participation of the employees and annuitants of Santa Clarita Valley Water Agency shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Santa Clarita Valley Water Agency would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer.
- RESOLVED, (e) That the executive body appoint and direct, and it does hereby appoint and direct,

NEW – ALL, EQUAL, 1 FIXED (REV. 1/2018)

April Jacobs, Board Secretary to file with the Board a verified copy of this resolution, and to perform on behalf of Santa Clarita Valley Water Agency all functions required of it under the Act; and be it further

RESOLVED, (f) That coverage under the Act be effective on February 1, 2019.

Adopted at a regular meeting of the Board of Directors of the Santa Clarita Valley Water Agency at 27234 Bouquet Canyon Rd., Santa Clarita, CA 91350-2173, this 4th day of December, 2018.

Signed: \_\_\_\_\_  
William Cooper, Board President

Attest: \_\_\_\_\_  
April Jacobs, Board Secretary

**RESOLUTION NO. Number**  
**ELECTING TO BE SUBJECT TO THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT**  
**AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS**  
(Non CalPERS Board of Directors)

- WHEREAS, (1) A contracting agency meeting the eligibility requirements set forth in Government Code Section 22920, may obtain health benefit plan(s), as defined under Government Code Section 22777, by submitting a resolution to the Board of Administration of the California Public Employees' Retirement System (the "Board"), and upon approval of such resolution by the Board, become subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and
- WHEREAS, (2) Santa Clarita Valley Water Agency is a contracting agency eligible to be subject to the Act under Government Code Section 22920; and
- WHEREAS, (3) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and
- WHEREAS, (4) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; and
- WHEREAS, (5) Santa Clarita Valley Water Agency desires to obtain for its employees and annuitants the benefit of the Act and to accept the liabilities and obligations of an employer under the Act; now, therefore, be it
- RESOLVED, (a) Santa Clarita Valley Water Agency elects to be subject to the provisions of the Act; and be it further
- RESOLVED, (b) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the PEMHCA Minimum per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further
- RESOLVED, (c) Santa Clarita Valley Water Agency has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further
- RESOLVED, (d) That the participation of the employees and annuitants of Santa Clarita Valley Water Agency shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Santa Clarita Valley Water Agency would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer.
- RESOLVED, (e) That the executive body appoint and direct, and it does hereby appoint and direct,

April Jacobs, Board Secretary to file with the Board a verified copy of this resolution, and to perform on behalf of Santa Clarita Valley Water Agency all functions required of it under the Act; and be it further

RESOLVED, (f) That coverage under the Act be effective on February 1, 2019.

Adopted at a regular meeting of the Board of Directors of the Santa Clarita Valley Water Agency at 27234 Bouquet Canyon Rd., Santa Clarita, CA 91350-2173, this 4th day of December, 2018.

Signed: \_\_\_\_\_  
William Cooper, Board President

Attest: \_\_\_\_\_  
April Jacobs, Board Secretary



**RESOLUTION NO. Number**  
**ELECTING TO BE SUBJECT TO SECTION 22893**  
**TO ESTABLISH HEALTH VESTING REQUIREMENTS FOR FUTURE ANNUITANTS**  
**UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT**  
(CalPERS All Employees)

- WHEREAS, (1) Government Code Section 22893 provides that a contracting agency subject to the Public Employees' Medical and Hospital Care Act (the "Act") may file a resolution with the Board of the California Public Employees' Retirement System to provide a postretirement health benefits vesting requirement to employees who retire for service in accordance with Government Code Section 22893; and
- WHEREAS, (2) Santa Clarita Valley Water Agency is a contracting agency under Government Code Section 22920 and subject to the Act; and
- WHEREAS, (3) Santa Clarita Valley Water Agency certifies, some or all employees are represented by a bargaining unit and there is an applicable memorandum of understanding; and
- WHEREAS, (4) The credited service of an employee for purposes of determining the percentage of employer contribution applicable under Government Code Section 22893 shall mean service as defined in Government Code Section 20069, except that not less than five years of that service shall be performed entirely with the Santa Clarita Valley Water Agency; and
- WHEREAS, (5) The employer contribution for active employees cannot be less than what is defined in Government Code Section 22892(b); now, therefore be it
- RESOLVED, (a) That employees first hired on or after the effective date of this resolution shall be subject to the requirements defined in Government Section 22893, except that the employer may, once each year without discrimination, allow all employees who were first employed before Government Code Section 22893 became applicable to the employer to individually elect to be subject to the provisions of Government Code Section 22893, and the employer shall notify the Board which employees have made that election; and be it further
- RESOLVED, (b) That the employer contribution shall be necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the amounts prescribed by Government Code Section 22893(a)(1), plus Administrative fees and Contingency Reserve assessments; and be it further
- RESOLVED, (c) That the percentage of employer contribution payable for post-retirement health benefits for each annuitant shall be based on the employee's completed years of credited service based upon the table in Government Code Section 22893; and be it further
- RESOLVED, (d) Santa Clarita Valley Water Agency has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

- RESOLVED, (e) That the participation of the employees and annuitants of Santa Clarita Valley Water Agency shall be subject to determination of its status as an “agency or instrumentality of the state or political subdivision of a State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Santa Clarita Valley Water Agency would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, the California Public Employees’ Retirement System may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further
- RESOLVED, (f) That the executive body appoint and direct, and it does hereby appoint and direct, April Jacobs, Board Secretary to file with the Board a verified copy of this resolution, and to perform on behalf of Santa Clarita Valley Water Agency all functions required of it under the Act; and be it further
- RESOLVED, (g) That coverage under the Act be effective on February 1, 2019.

Adopted at a regular meeting of the Board of Directors of the Santa Clarita Valley Water Agency at 27234 Bouquet Canyon Rd., Santa Clarita, CA 91350-2173, this 4th day of December, 2018.


Signed: \_\_\_\_\_  
 William Cooper, Board President

Attest: \_\_\_\_\_  
 April Jacobs, Board Secretary



ITEM NO.  
9.1

## BOARD MEMORANDUM

**DATE:** November 16, 2018  
**TO:** Board of Directors  
**FROM:** Steve Cole  
Assistant General Manager   
**SUBJECT:** November 15, 2018 Public Outreach and Legislative Committee Meeting

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The Public Outreach and Legislative Committee met on Thursday, November 15, 2018 at 5:30 PM in the Training Room at the Santa Clarita Water Division located at 26521 Summit Circle, Santa Clarita 91350. In attendance were Directors B.J. Atkins, Kathy Colley, Jerry Gladbach, R.J. Kelly, Gary Martin and Lynne Plambeck; consultant Hunt Braly attended the meeting as well as legislative consultant Dennis Albiani whom participated via teleconference; and staff members Kathie Martin and me. No public were present. A copy of the agenda is attached.

**Item 1: Public Comment** – None.

**Item 2: Legislative Consultant Reports:**

- 2.1: Anchor Consulting – Staff and the Committee reviewed the monthly consultant report submitted by Harry Henderson.
- 2.2: Dennis Albiani reported on state legislative and related items.
- 2.3: Hunt Braly reported on local legislative and related items.

**Item 3: Legislative Advocacy:**

- 3.1: Recommend Approval of Legislative Advocacy Goals – Staff and the Committee Reviewed and reached consensus on the proposed Legislative Advocate goals.
- 3.2: Recommend Approval of the 2019 Legislative Platform – Staff and the Committee reviewed and reached consensus on the proposed 2019 Legislative platform.
- 3.3: Recommend Approval to Move Current Legislative Advocacy Consultant Contracts to Month-to Month – Recommended actions for this item are included in a separate report being submitted at the December 4, 2018 Regular Board Meeting.

**Item 4: Public Outreach: Municipal Water Leader Magazine Partnership** – Staff and the Committee discussed a partnership with Municipal Water Leader Magazine.

**Item 5: Informational:**

- 5.1: Monthly Outreach Matrix – Staff and the Committee reviewed the monthly outreach matrix.
- 5.2: Legislative Tracking 2018 – Staff and the Committee reviewed the legislative tracking spreadsheet.

- 5.3:** Sponsorship Tracking 2018 – Staff and the Committee reviewed the sponsorship spreadsheet.
- 5.4:** Public Outreach Event Calendar 2018 – Staff and the Committee reviewed the public outreach event calendar.
- 5.5:** Committee Planning Calendar – Staff and the Committee reviewed the Public Outreach and Legislative Committee planning calendar.

The meeting adjourned at 7:30 PM.

Attachment



**Date:** November 8, 2018

**To:** **Public Outreach and Legislation Committee**  
 Jacque McMillan, Chair  
 B.J. Atkins  
 Kathy Colley  
 Jerry Gladbach  
 R.J. Kelly  
 Gary Martin  
 Lynne Plambeck

**From:** Steve Cole, Assistant General Manager *SM*

The **Public Outreach and Legislative Committee** is scheduled to meet on **Thursday, November 15, 2018 at 5:30 PM** at **Santa Clarita Water Division** located at 26521 Summit Circle, Santa Clarita, CA. 91350 in the Training Room.

**MEETING AGENDA**

<u>ITEM</u>	<u>PAGE</u>
1. Public Comments	
2. * Legislative Consultant Report:	
2.1 Anchor Consultant	1
2.2 California Advocates	7
2.3 Poole & Shaffery	11
3. * Legislative Advocacy	
3.1 Recommend Approval of Legislative Advocacy Goals	13
3.2 Recommend Approval of the 2019 Legislative Platform (Guidelines)	17
3.3 Recommend Approval to Move Current Legislative Advocacy Consultant Contracts to Month-to-Month	25
4. * Public Outreach:	
Discussion on Municipal Water Leader Magazine Partnership	27
5. * Informational:	
5.1 Monthly Outreach Matrix	31
5.2 Legislative Tracking 2018	33
5.3 Sponsorship Tracking 2018	35
5.4 Public Outreach Event Calendar 2018	37
5.5 Committee Planning Calendar	41

6. Adjournment

\* Indicates attachments

◆ To be distributed

**NOTICES:**

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning (661) 297-1600, or writing to Santa Clarita Valley Water Agency at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.


Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Santa Clarita Valley Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, California 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on November 8, 2018.

MGS



## BOARD MEMORANDUM

**DATE:** November 20, 2018  
**TO:** Board of Directors  
**FROM:** Eric Campbell   
Chief Finance and Administrative Officer  
**SUBJECT:** November 19, 2018 Finance and Administration Committee Meeting

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The Finance and Administration Committee met at 6:00 PM on Monday, November 19, 2018 in the Training Room of the Rio Vista Water Treatment Plant. In attendance were Committee Chair Dan Mortensen, Directors B. J. Atkins, Bob DiPrimio, Maria Gutzeit and R.J. Kelly. Staff members present were Erika Dill, Dirk Marks, Rochelle Patterson, Matt Stone and me. Financial consultants Robert Porr of Fieldman Rolapp and Mike Zizzi of Leaf and Cole were also present, as well as two members of the public. A copy of the agenda is attached.

**Item 1: Public Comment** – There was no public comment.

**Item 2: Recommend Receiving and Filing NCWD December 31, 2017 Financial Statements** – Recommended actions for this item are included in a separate report being submitted at the December 4, 2018 regular Board meeting.

**Item 3: Recommend Approval of Financing Plan and Underwriter for Bond Funding** – Recommended actions for this item are included in a separate report being submitted at the December 4, 2018 regular Board meeting.

**Item 4: Discuss Authorizing Amendment No. 21 (the Contract Extension Amendment) to Water Supply Contract between the State of California Department of Water Resources and the Santa Clarita Valley Water Agency for Continued Service and the Terms and Conditions Thereof** – Recommended actions for this item are included in a separate report being submitted at the December 18, 2018 regular Board meeting.

**Item 5: Recommend Receiving and Filing of September 2018 Monthly Financial Report** – The Committee reviewed the September 2018 Monthly Financial Report and recommended that the report be received and filed.

**Item 6: Committee Planning Calendar** – Staff and the Committee reviewed the FY 2018/19 Committee Planning Calendar.

**Item 7: General Report on Finance and Administration Activities** – Staff and the Committee discussed staff's inclination to transition from an annual fiscal year budget to a biennial budget. Based on positive feedback from the Committee, this idea will be further discussed with the balance of the Directors during the general report of a future Board meeting.

**Item 8: Adjournment** – The meeting adjourned at 7:47 PM.

EC/ed

Attachment

*MBS*


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**Date:** November 14, 2018

**To:** **Finance and Administration Committee**  
Dan Mortensen, Chair  
B. J. Atkins  
Ed Colley  
Robert DiPrimio  
Dean Efstathiou  
Maria Gutzeit  
R. J. Kelly

**From:** Eric Campbell   
Chief Financial and Administrative Officer

The **Finance and Administration Committee** is scheduled to meet on **Monday, November 19, 2018** at **6:00 PM** at **Rio Vista Water Treatment Plant** located at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350 in the Training Room.

#### MEETING AGENDA

<u>ITEM</u>	<u>PAGE</u>
1. Public Comments	
2. * Recommend Receiving and Filing NCWD December 31, 2017 Financial Statements	3
3. * Recommend Approval of an Underwriter for Issuance of 2019 Revenue Bonds	53
4. * Discuss Authorizing Amendment No. 21 (the Contract Extension Amendment) to Water Supply Contract between the State of California Department of Water Resources and the Santa Clarita Valley Water Agency for Continued Service and the Terms and Conditions Thereof	105
5. * Recommend Receiving and Filing of September 2018 Monthly Financial Report	391
6. * Committee Planning Calendar	483
7. General Report on Finance and Administration Activities	

8. Adjournment

- \* Indicates attachments
- ◆ To be distributed

**NOTICES:**

Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning (661) 297-1600, or writing to Santa Clarita Valley Water Agency at 27234 Bouquet Canyon Road, Santa Clarita, CA 91350. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that Agency staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the Agency to provide the requested accommodation.

Pursuant to Government Code Section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection at the Santa Clarita Valley Water Agency, located at 27234 Bouquet Canyon Road, Santa Clarita, California 91350, during regular business hours. When practical, these public records will also be made available on the Agency's Internet Website, accessible at <http://www.yourscvwater.com>.

Posted on November 14, 2018.



# BOARD MEMORANDUM

**DATE:** November 19, 2018  
**TO:** Board of Directors  
**FROM:** Brian J. Folsom, P.E. *BJF*  
 Chief Engineer  
**SUBJECT:** Engineering Services Section Report

## CAPITAL IMPROVEMENT PROJECTS (CIP) CONSTRUCTION

Project	Contractor	Contract Amount	Scheduled Completion	Notes
MWDSC Foothill Feeder Connection	GSE Construction	\$2,752,122	10/31/19	Valve and meter vaults completed. Delivery and installation of wafer check valve scheduled for January 2019. Connections to Foothill Feeder and Agency raw water line scheduled for February 2019.
ESFP Clearwell/CT Improvements	Clark Bros. Inc.	\$5,610,642	11/30/18	Construction activities are complete. Tracer study scheduled for November 13-16, 2018.
Well E-17 and Ancillary Facilities	Staats Construction, Padilla Electric, and General Pump	\$571,734	TBD	90% piping plans have been prepared. Major equipment has been ordered.

## CAPITAL IMPROVEMENT PROJECTS (CIP) DESIGN

1. ESFP Wastewater Return and Sludge Collection System – Lee & Ro is revising the 90% design plans and specifications to address constructability review comments. Staff prepared and submitted the Operating Permit amendment application to the State Water Resources Control Board Division of Drinking Water.
2. Castaic Conduit Bypass – Design is 90% complete. Staff is working with affected property owners to acquire necessary permanent and temporary easements.
3. Magic Mountain Pipeline No. 4 – Toro Enterprises Inc. is providing submittals to Lee & Ro for review. Construction activities are scheduled to begin in January 2019.
4. Magic Mountain Pipeline No. 5 – Design has been finalized and advertisement for the construction bids began on November 7, 2018.

5. Magic Mountain Pipeline No. 6 – Staff is preparing a design services work authorization to be issued to Michael Baker International.
6. Magic Mountain Reservoir – Michael Baker International is reviewing staff's comments to the draft technical memorandum for the reservoir site evaluation and is preparing a report that will recommend land requirements for the Magic Mountain Pump Station.
7. Replacement Wells – Staff is coordinating well site locations with the landowner, FivePoint. Work authorization has been issued to Jensen Design Services to design a portion of the pipeline along Commerce Center Drive that will connect to the Magic Mountain Pipeline.
8. Groundwater Treatment Improvements – Staff is reviewing strategies for potential cost recovery from responsible parties through the National Contingency Plan (NCP) process. One Statement of Qualifications was received in response to a Request for Qualifications that was issued to eight consultants for preparation of NCP required documentation.
9. Recycled Water Central Park (Phase 2A) – The project's Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program (MMRP) was adopted by the CLWA Board of Directors at its December 13, 2017 regular Board meeting. Final design proposals have been received. Design is on hold pending resolution of recycled water permitting and regulatory issues.
10. Recycled Water Vista Canyon (Phase 2B) – The PDR has been completed. On July 17, 2017, the Department of Water Resources (DWR) approved repurposing \$2.7 million in Proposition 84 Grant Funding from the Saugus Formation Dry Year Wells project to the Vista Canyon Recycled Water Project. The CLWA Board of Directors adopted the MND/MMRP on November 20, 2017. Final design Work Authorizations were issued on April 10, 2018 to Woodward & Curran for the pipeline and Kennedy/Jenks for the tank. Final design for the pipeline and tanks are approximately 75% complete. Tank site improvements are being evaluated based on findings from the geotechnical investigation.
11. Recycled Water South End (Phase 2C) – The PDR has been completed. NCWD, as the CEQA Lead Agency, certified the recirculated MND on August 10, 2017. The project MND/IS was adopted by the CLWA Board of Directors on August 23, 2017. Woodard & Curran is performing final design. Staff is reviewing 90% design drawings.
12. Recycled Water West Ranch (Phase 2D) – The PDR has been completed. On July 17, 2017, DWR approved repurposing \$1.8 million in Proposition 84 Grant Funding from the Saugus Formation Dry Year Wells project to the Phase 2D Project. The CLWA Board of Directors adopted the MND and MMRP at its July 28, 2017 regular Board meeting. Woodard and Curran has prepared 100% plans and specifications. Project is on hold pending resolution of recycled water permitting and regulatory issues.

**DEVELOPMENT PROJECTS – DESIGN AND CONSTRUCTION**

<b>Project Developer</b>	<b>Development Size</b>	<b>Infrastructure (Estimated at Build-out)</b>	<b>Schedule</b>	<b>Status</b>
Skyline Ranch Pardee	1220 Dwelling Units	17 miles pipelines, 3 pump stations, and 4 tanks	Complete construction of Phase 1 in Spring 2019 with backbone/in-tract pipelines and 1 pump station. Complete construction of two tanks by December 2019.	Construction of Phase 1 in-tract and backbone pipelines are substantially complete. Design for Phase 1 tank is 60% complete and in review. Developer awarded contract in October 2018 to construct the Phase 1 pump station civil/mechanical. Phase 1 pump station electrical design is complete.
Vista Canyon JSB Development	1100 Dwelling Units	5 miles potable and recycled pipelines	Complete construction of Phase 1 in 2018.	Construction of Phase 1 potable and recycled water pipelines is substantially complete. Design of Phase 2 is approximately 90% complete and in review.
Sheriff Station City of Santa Clarita	44,300 Square Feet	1 mile pipeline	Complete pipeline construction by March 2019.	Fire hydrant/lateral for grading water was installed in June 2018. Contract for construction of the main pipeline in Golden Valley was awarded November 2, 2018. Geotechnical investigation was completed in October 2018 for design of the bore & jack to cross under the LADWP aqueduct.
Avanti Tract (52455) Lennar	92 Dwelling Units	3100 feet of pipeline, 6 fire hydrants and 2 irrigation services	Construction completed.	As-built drawings are being prepared.
Mission Village Well 206/207 Piping Modifications Five Point	4055 Dwelling Units	Well 206/207 Piping Modifications	To be determined.	Design is 90% complete.

<b>Project Developer</b>	<b>Development Size</b>	<b>Infrastructure (Estimated at Build-out)</b>	<b>Schedule</b>	<b>Status</b>
Mission Village Phase 1 Five Point	3138 Dwelling Units	6.9 miles new pipeline, 1 Pressure Reducing Station (Petersen), 2 Booster Stations (Petersen & Magic Mtn.), and 2 Tanks (Petersen & Magic Mtn. No. 2)	Piping, Petersen Booster Station and Pressure Reducing Station and Magic Mtn. No.2 Tank complete construction by October 2019; others by January 2020.	Piping design 90% complete. Pressure Reducing Station design 10% complete. Booster Station design 60% complete. Magic Mountain Water Tank design is 90% complete.
Landmark Village (Tract 53108) Five Point	1444 Dwelling Units	3.5 miles Piping Pressure Reducing Station, 2MG Zone IA Tank, and 2 Hwy 126 crossings	TBD	Design is 30% complete.
Needham Ranch Trammell Crow Co.	2,550,000 Square Feet Industrial and Commercial	4 miles of pipelines, 1 pump station, 2 tanks, and 2 Pressure Reducing Stations	Construct Phase 1 in 2018 with 1 tank, 1 pump station and pipelines.	Phase 1 tank, pump and pipeline design plans are complete. Tank construction 5% complete.
Castaic High School Rasmussen	250,000 Square Feet	2 miles of pipelines, 1 tank, and 1 pump station	Construct facilities to meet scheduled school opening in Fall 2019.	Tank construction is substantially complete. Pump station and pipeline construction is 50% complete.

## **INSPECTION**

During October 2018, the Agency's Inspectors performed inspections of the following projects currently in construction:

- AT&T cell site upgrades at NWD's Newhall Tank 2. (Upgrades are 95% complete. Waiting on the coating contractor to start the coating on the antennas to match the tank.)
- T-Mobile cell site fiber optics upgrades at three water tank locations. (Upgrades are 10% complete.)
- Verizon/Sprint cell tower at NWD's Castaic Tank 1A. Re-designing plans. (5% complete. Waiting on contractor to resubmit the plans.)
- NWD 8" water main replacement on Windcrest Place. (Construction is complete and pipeline has been put in service.)
- Needham Ranch. (Tank walls are up and the roof is being constructed. The tank site is 30% complete. The pump station pump cans have been set and concrete is scheduled to be poured around them. The pump station is 5% complete. The in-tract pipeline is on hold.)
- Castaic High School. (Booster Station 3 electrical conduit has been installed and the floor is scheduled to be poured. The pump station is 70% complete. The 18" water main has been started from zone two to zone three. The pipeline is 5% complete. SCE conduit has been run to the water tank and the SCADA panel is being built for the tank site. The tank is 95% complete.)
- Pardee/Golden Valley Ranch Tract 71564. (The overall water system is 95% complete. Meter boxes and meters still need to be set for 40% of the tract.)
- Pardee/Skyline Ranch Tract 60922-01. (Phase 1 in-tract pipeline is 90% complete. Staats has been given the contract to build the Bension pump station. Construction has not yet started.)
- College of the Canyons Valencia Campus pipeline relocation. (The pipeline has been installed and construction is 99% complete. Waiting on the easement and the backfill next to the pipeline to be completed. The pipe is in service.)
- Vista Canyon recycled water. (Pipeline construction is 90% complete. The recycled water tank plans are being revised.)
- Vista Canyon potable water line. (Construction is 95% complete. Disinfection and bacteria sampling are in progress.)
- Mission Village project. (Plan checks have been done on the temporary water main, the Magic Mountain 4 MG tank, and the Magic Mountain pump station. A temporary water main is scheduled to be installed in November 2018.)

SCVWA Inspectors completed 114 dig alerts and 2 fire flow tests.

## **PERCHLORATE CONTAMINATION PROGRAM MANAGEMENT**

The last monthly Technical Committee meeting was held on November 7, 2018. The Whittaker-Bermite Multi-Jurisdictional Task Force last met on November 7, 2018. The Settlement Agreement among SCVWA (former CLWA and retail purveyors), Whittaker-Bermite (Whittaker) and the insurance carriers is in effect. Reimbursement requests for operational and maintenance (O&M) costs through August 2018 have been submitted.

As a result of the detection of perchlorate at Well V-201, modifications are being made to the Department of Toxic Substances Control (DTSC) Remedial Action Plan (RAP) and the perchlorate project DDW 97-005 Engineering Report. A perchlorate removal facility has been constructed and resumption of Well V-201 service will occur following successful completion of testing and State Water Resources Control Board (SWRCB) Division of Drinking Water (DDW)

approval. Until DDW approval is obtained, the perchlorate removal system is operating and the treated water is being discharged to the Santa Clara River.

In late December 2017, perchlorate was detected at Well V-205 just above the maximum contaminant level for drinking water of 6 ppb. A confirmation sample taken in March 2018 indicated a level of 8.1 ppb. The well was previously taken out of service in 2012. Staff is determining the course of action to pursue to return the well to service and potential cost recovery under the terms of the Settlement Agreement.

**WATER QUALITY LABORATORY**

The Environmental Laboratory Accreditation Program (ELAP) accepted all corrective actions submitted in response to the June 7, 2018 audit. As of November 8, 2018, no certificate has been received.

**FACILITY CAPACITY FEES (FCFs) AND CONNECTON FEES:**

<b>Month</b>	<b>Regional</b>	<b>Distribution</b>	<b>Total</b>
July 2018	\$ 363,105	\$ 40,866	\$ 403,971
August 2018	1,078,265	133,190	1,211,455
September 2018	540,716	58,297	599,013
October 2018	853,900	15,505	869,405
<b>FY 2018/19 to Date</b>	<b>2,835,986</b>	<b>247,858</b>	<b>3,083,844</b>
<b>FY 2018/19 Budget</b>	<b>8,000,000</b>	<b>1,000,000</b>	<b>9,000,000</b>

MBS





## BOARD MEMORANDUM

**DATE:** November 19, 2018  
**TO:** Board of Directors  
**FROM:** Eric Campbell *EC*  
Chief Finance and Administrative Officer  
**SUBJECT:** Finance, Administration and Information Technology Section Report

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### FINANCE & ADMINISTRATION

#### Key Accomplishments/Activities:

Financial statements are being prepared for CLWA and SCWD as of December 31, 2017 and have been completed for NCWD. In addition, financial statements are being prepared as of June 30, 2018 for all four divisions of SCV Water. Audits for these periods are in process and will be completed for each division during the next two months.

The Board of Directors approved the Reserve Policy at its November 6, 2018 regular Board meeting that integrates all the divisions into one policy.

#### Significant Upcoming Items:

Staff has addressed the provisions of SB 634 and LAFCO's Condition 19 related to developing a rate-setting process incorporating an independent ratepayer advocate. The Board of Directors approved the process at its November 6, 2018 regular Board meeting. The next step is to prepare a Request for Proposal (RFP) for the Board of Directors to review and approve.

SCV Water's Policies, Rules and Regulations binder is being created by the Administration staff. This binder will be made available to all staff and will hold all of the Agency's policies.

Staff is working with the Department of Motor Vehicles (DMV) on the title changes for the entire fleet of 115 on-road vehicles to reflect SCV Water as the new registered owner. As of October 2018, NWD vehicles are being smog-checked. Title change forms will be submitted to the Department of Motor Vehicles this month. VWD will be completed after the completion of the NWD vehicles.

Work will begin in 2019 on a Request for Proposal (RFP) for new financial accounting software to be used by all divisions of SCV Water, with an expected implementation date of January 1, 2021.

Work has begun on the next bond issuance to cover capital project funding for the next three years. The expected bond issuance date is May 2019.

## **CUSTOMER SERVICE**

### **Key Accomplishments/Activities:**

Cross-training between Meter Read Management staff for the Newhall Water Division (NWD) and Valencia Water Division (VWD) continues.

Staff continues its work on a comprehensive set of Customer Care FAQs to post on the public website.

Staff continues its efforts to outsource NWD's retail e-bill presentment to its current paper bill printer. At cut-over, this process will be aligned with that of Santa Clarita Water Division (SCWD).

All retail divisions have updated customer bill print to reflect SCV Water branding and logo. These changes have been deployed to the Newhall Water Division (NWD) and Valencia Water Division (VWD) production billing environments, and are expected to be deployed to Santa Clarita Water Division's (SCWD) production billing environment by December 1, 2018.

Efforts are ongoing to backfill a Customer Service Representative I (CSR I) position at the Santa Clarita Water Division (SCWD) vacated due to resignation. Rather than hiring a permanent employee at this time, staff has chosen to backfill the position with a temporary employee and reassess departmental staffing needs in the second quarter of 2019.

Staff attended the Harris Training Conference October 29 through November 2, 2018. The conference provided extensive training and networking opportunities for the Customer Care Management and Supervisory team.

Newhall Water Division (NWD) deployed a new pay-by-text payment method to its customers.

### **Significant Upcoming Items:**

Customer Care staff is scheduled to participate in quarterly training on December 14, 2018. The Water Quality Department is scheduled to present.

## **HUMAN RESOURCES**

### **Key Accomplishments/Activities:**

Staff will continue to work on the implementation of a new Human Resources and Payroll Information System in January/February 2019. Staff will identify if a new vendor is more suitable to meet Agency needs.

Staff is currently recruiting for the positions of Accounting Technician I (2 positions), Production Operator I/II and Senior Management Analyst.

Staff has successfully completed recruitment for Accountant.

The annual WageWorks Healthcare and Dependent Care Flexible Spending Account (FSA) Open Enrollment is underway incorporating all Divisions of the Agency. The maximum

contributions for the 2019 plan year remain at \$2,650 for the healthcare FSA and \$5,000 for the dependent care FSA.

The 2019 Deferred Compensation Plan limits were announced by the IRS and communicated to all benefit-eligible employees on November 5, 2018. The maximum Deferral increased from \$18,500 to \$19,000, and the 50+ Catch-Up Contribution remains at \$6,000 for 2019.

Staff continues resolving employee issues and grievances according to policies.

Staff attended the 2018 CalPERS Educational Forum in Indian Wells on October 22 through 24, 2018.

Staff attended the IPMA-HR's webinar, "*Building Employee Engagement – A Roadmap and Lessons Learned*," on November 14, 2018 presented by Robert J. Lavigna, Director, Institute for Public Sector Employee Engagement.

### **Significant Upcoming Items:**

Staff will prepare an RFP for next fiscal year's comprehensive classification study.

Staff will compile the different divisions' DMV Employee Pull Notice program into one account.

Staff will coordinate transitioning NWD employees to CalPERS medical.

## **RISK MANAGEMENT**

### **Key Accomplishments/Activities:**

Staff reviewed and approved three (3) insurance certificate requirement renewals on Agency contracts to ensure compliance with suggested insurance limits from ACWA/JPIA.

Staff requested four (4) certificates of insurance from ACWA/JPIA to provide to vendors.

### **Significant Upcoming Items:**

Staff plans to create new binders and files to transition all risk management insurance records from the different entities to SCV Water.

## **INFORMATION TECHNOLOGY SERVICES**

### **Key Accomplishments/Activities:**

The SCV Water Records Retention Policy was adopted by the Board of Directors on November 6, 2018.

Phase III – Network/Domain Consolidation Project has been completed at Regional and SCWD.

IT staff has met with all Agency departments and key personnel for the development of a Technology strategic plan.

### **Significant Upcoming Items**

Phase III – Network/Domain Consolidation Project is being planned and scheduled at Valencia Water Division for the month of December 2018.

IT staff continues to work with various departments to relocate respective teams to other offices as they consolidate locations.

GIS staff continues to work with a consultant to update and convert the customer water allocation database and application at VWD.

GIS staff continues to work on consolidating the various GIS databases for NWD, SCWD, Regional, and VWD.

Technology team has been meeting with departments to assess intranet needs.

Technology team has started developing a beta-test intranet site.

Field Mapplet is being deployed to the SCWD Operations team.

The IT team is currently evaluating mobile device management software.

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## BOARD MEMORANDUM

**DATE:** November 19, 2018  
**TO:** Board of Directors  
**FROM:** Keith Abercrombie   
 Chief Operating Officer  
**SUBJECT:** Treatment, Distribution, Operations and Maintenance Section Report

The Treatment, Distribution, Operations and Maintenance Section (TDOMS) provides reliable and high quality water through rigorous preventative maintenance programs and timely response to corrective action maintenance. Routine inspections and maintenance of each facility is part of the overarching goal of TDOMS. Below is a discussion on these activities for the month of October 2018.

### TREATMENT OPERATIONS AND MAINTENANCE

Monthly corrective and preventative maintenance work orders were completed at the following locations:

- Rio Vista Water Treatment Plant (RVWTP)
- Rio Vista Intake Pump Station (RVIPS)
- Earl Schmidt Filtration Plant (ESFP)
- Earl Schmidt Intake Pump Station (ESIPS)
- Saugus Perchlorate Treatment Facility (SPTF)
- Castaic and Pitchess Pipelines
- Recycled Water Pump Station
- Rio Vista Valve Vault No. 1
- Saugus Well 1
- Sand Canyon Reservoir
- Sand Canyon Pump Station

#### Preventative and Corrective Maintenance Work Order Summary

Work Orders	October 2018	FYTD 18/19
Corrective Maintenance	19	75
Preventative Maintenance	85	323
<b>Key Action Items Completed:</b> <ul style="list-style-type: none"> <li>- ESFP – Insertion flow meter replacement. Wash Water return piping modifications completed</li> <li>- ESFP and RVWTP – Replaced regulatory pressure relief devices</li> <li>- ESFP and RVWTP – Upgraded all regulatory NTU analyzers</li> <li>- ESIPS – Vault and pipeline project complete and ESFP back to full capacity</li> </ul>		

## Work in Progress - Treatment

- Distribution System – Valve exercising and repairs underway
- RV-3 motorized actuator and gear box replacement
- ESFP – Ozone Generator cleaning and repairs underway
- RVWTP – Ferric Chloride and Sodium Hydroxide chemical system replacement and upgrade underway

## Completed Work

- Motor efficiency testing at RVWTP, Saugus Well No. 2, SCPS, and SPTF
- DWR/MWD shutdown
- Minor Caustic and Anionic Polymer leaks repaired at RVWTP
- Sodium Hydroxide Tank at ESFP emptied and inspected for re-coating
- Chloramine Analyzer supply line at Sand Canyon Reservoir replaced
- ESFP – Sodium Hypochlorite tank interior recoated
- Perchlorate – Installed repaired Motor on Treated Water Pump No. 3
- Wash Water Return basins cleaned at ESFP
- Filter Gallery cleaned out at ESFP
- Wash Water Return line leak repaired at ESFP
- Tracer study injection quill and rotator installed at ESFP
- RVWTP Clearwells No. 1 and 2 floating covers cleaned and inspected
- ESFP – Sodium Hydroxide tank pad surface being rehabilitated

## Buildings and Grounds

An integral part of the TDOMS is maintaining the aesthetic quality and safety of the various office facilities and grounds. Staff has begun working on projects based on the needs of the various Divisions.

Monthly corrective and preventative maintenance work orders were completed at the following locations:

- SCV Water General Office Building
- Santa Clarita Water Division and Water Resources Section Buildings
- Visitor and Maintenance gates of SCV Water
- Newhall Water Division General Office Building

### Preventative and Corrective Maintenance Work Order Summary

Work Orders	October 2018	FYTD 18/19
Corrective Maintenance	53	245

## Work in Progress

- Gate access for approved personnel – Met with contractor for solution and price
- Agency signage on buildings and properties – Parts being powder coated
- Working with Agency personnel setting new work spaces – Ongoing
- Working with Contractor to consolidate key fob access security system at all SCV Water locations and approved proposal to move forward
- Getting quotes for carpet project in the RVWTP Administration Building – Ongoing
- Upgrade irrigation controls at the RVWTP for increased conservation and improved monitoring – Ongoing
- Installing LED bulbs on Maintenance Building at the RVWTP

## Completed Work

- Replaced all lights on the Chlorine Building at the RVWTP with LED bulbs
- Upgraded proportioning systems on heat exchanger for HVAC in the Administration Building at RVWTP
- Replaced failing HVAC System for entire Maintenance Building at RVWTP

## DISTRIBUTION OPERATIONS AND MAINTENANCE

General operational and maintenance activities within each distribution division include:

- Valve exercising
- Fire hydrant maintenance
- Air and Vacuum valve maintenance
- Blow off maintenance
- Meter reading
- Meter change-outs
- Control valve maintenance

In addition to routine operational and maintenance activities, there are a variety of other projects.

### Meter Change-out Summary

#### NWD

Meter Size	October 2018	Quantity FYTD 18/19
3/4"	51	147
1"	11	21
1 1/2"	1	4
2"	9	17
>2"	0	1

#### SCWD

Meter Size	October 2018	Quantity FYTD 18/19
3/4"	280	1191
1"	44	137
1 1/2"	30	30
2"	20	20
>2"	0	4

#### VWD

Meter Size	October 2018	Quantity FYTD 18/19
3/4"	17	354
1"	1	2
1 1/2"	0	0
2"	1	3
>2"	1	1

## Distribution System Leak Summary

### NWD – Approx. 9,679 Service Connections

Leak Type	October 2018	FYTD 18/19
Service Leaks	1	8
Main Leaks	2	5

### SCWD – Approx. 31,218 Service Connections

Leak Type	October 2018	FYTD 18/19
Service Leaks	5	28
Main Leaks	3	6

### VWD – Approx. 29,974 Service Connections

Leak Type	October 2018	FYTD 18/19
Service Leaks	11	51
Main Leaks	3	3

## Capital Improvement Projects FY 18/19

### Work in Progress – NWD

- Castaic High School – New Zone 3 Tank final coating inspection, New Zone 3 Booster Station under construction, Sloan Cyn piping under construction
- Pipeline Replacement in Pine Street – Developer soliciting bids
- Ebelden Ave – Pipeline replacement materials being delivered to NWD yard

### Work in Progress – SCWD

- AMI Infrastructure installed, programming and customer service integration underway
- Placerita PRV Station – Rehabilitation

### Work in Progress – VWD

- 10” meters at Six Flags Magic Mountain (complete) and COC being changed out

## PRODUCTION OPERATIONS AND MAINTENANCE

In addition to the general operation and maintenance of the production facilities, there are a variety of other projects within the Production Department.

## Capital Improvement Projects FY 18/19

### Work in Progress – NWD

- Pinetree N2 – Installation of soft starts
- Castaic Well 7 – Motor and pump pulled, Well Jet complete, scheduling video survey
- SCADA backbone radio upgrade underway – PO issued

### Completed Work

- Pinetree Tanks 2 and 3 – Disinfection mixers installed

### Work in Progress – SCWD

- SC-12 – Mechanical construction complete – Facility construction underway
- Seismic Valves Installation
- Pump Drive Replacement Program underway
- Via Princessa – Replacement of head shaft – Pumps being reinstalled



**Work in Progress – VWD**

- Well E17 – Facility construction underway
- Well 201 – Estimates received for sound enclosure structure – pending review
- Carnegie Booster Station – Pump and motor replacement underway, Pumps/Motors 18 & 19

Water production summary by Division and Source is provided in the table below.

**SCV Water Production Summary (Acre-Feet)**

<b>Division</b>	Groundwater Oct 2018 (AF)	Imported Water Oct 2018 (AF)	Total Production Oct 2018 (AF)	Groundwater FYTD 18/19 (AF)	Imported Water FYTD 18/19 (AF)	Total Production FYTD 18/19 (AF)	Recycled Water Production FYTD 18/19 (AF)
NWD	141	458	818	788	3,141	3,929	NA
SCWD	370	1,960	2,330	2,061	9,368	11,429	NA
VWD	1,462	1,300	2,762	6,143	6,991	13,133	172
<b>SCV Water Totals</b>	<b>2,191</b>	<b>3,719</b>	<b>5,910</b>	<b>8,992</b>	<b>19,499</b>	<b>28,491</b>	<b>172</b>
<b>Percent</b>	<b>37</b>	<b>63</b>		<b>32</b>	<b>68</b>		

**SCV Water Regional Raw Water and Wholesale Summary (Acre-Feet)**

<b>Source</b>	October 2018 (AF)	FYTD 18/19 (AF)
Wholesale (LA36)	0.56	2.02
Raw Water (RVWTP)	2,570	13,389
Raw Water (ESTP)	1,237	6,521
Wells (Saugus 1 & 2)	292	1,164

## WATER QUALITY

### Water Quality Complaints NWD

Type of Complaint	October 2018	# of Complaints FYTD 18/19
Hardness	0	0
Odor	0	0
Taste	1	1
Color	0	0
Air	0	0
Suspended Solids	0	0
<b>Totals</b>	<b>1</b>	<b>1</b>

### SCWD

Type of Complaint	October 2018	# of Complaints FYTD 18/19
Hardness	0	0
Odor	0	0
Taste	0	1
Color	0	0
Air	0	0
Suspended Solids	0	0
<b>Totals</b>	<b>0</b>	<b>1</b>

### VWD

Type of Complaint	October 2018	# of Complaints FYTD 18/19
Hardness	0	0
Odor	1	3
Taste	0	0
Color	0	2
Air	0	0
Suspended Solids	0	0
<b>Totals</b>	<b>1</b>	<b>5</b>

### Heterotrophic Plate Count Samples

#### NWD

Total # of HPCs Collected October 2018	# of HPCs Collected FYTD 18/19
1	2

#### SCWD

Total # of HPCs Collected October 2018	# of HPCs Collected FYTD 18/19
9	34

#### VWD

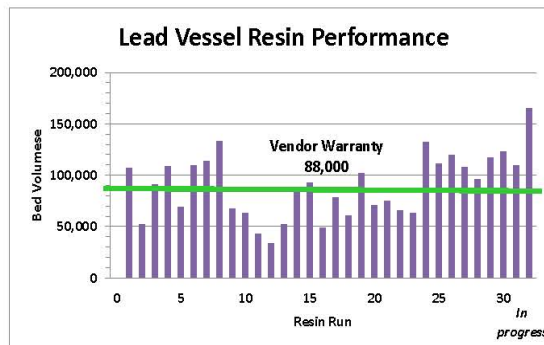
Total # of HPCs Collected October 2018	# of HPCs Collected FYTD 18/19
2	6

**Saugus Perchlorate Treatment Facility  
Resin Usage Summary  
Based on Time to Breakthrough**

Resin Run Number	Fill Date	Breakthrough Date*	Days	Volume Treated (Million Gallons)	Volume Treated (Acre-Feet)	Bed Volumes Treated	Replacement Costs	\$/BV	\$/AF	Combined (Lead and Lag)		
										MG	AF	BVs
0												
1	5/3/10	8/25/10	115	253	776	107,310	*	*	*			
2	9/8/10	11/8/10	62	120	368	52,289	\$ 105,728	\$ 2.02	\$ 287	373	1,144	159,599
3	12/10/10	3/26/11	107	239	735	90,841	\$ 115,458	\$ 1.27	\$ 157	359	1,103	143,130
4	5/5/11	8/9/11	97	288	883	108,745	\$ 112,255	\$ 1.03	\$ 127	527	1,618	199,586
5	8/17/11	10/14/11	59	180	554	68,941	\$ 112,255	\$ 1.63	\$ 203	468	1,437	177,686
6	11/6/11	4/10/12	157	288	883	109,850	\$ 112,048	\$ 1.02	\$ 127	468	1,437	178,790
7	4/20/12	7/16/12	88	260	860	113,905	\$ 112,048	\$ 0.98	\$ 130	568	1,743	223,754
8	7/11/12	11/5/12	118	349	1,070	133,044	\$ 112,048	\$ 0.84	\$ 105	629	1,930	246,949
9	11/16/12	1/10/13	56	177	544	67,744	\$ 112,258	\$ 1.66	\$ 206	526	1,614	200,788
10	1/10/13	3/10/13	60	165	505	62,836	\$ 43,567	\$ 0.69	\$ 86	342	1,049	130,579
11	3/19/13	5/4/13	47	112	344	42,769	\$ 118,213	\$ 2.76	\$ 344	276	849	105,605
12	5/8/13	6/15/13	39	95	293	33,577	\$ 141,989	\$ 4.23	\$ 485	207	637	76,346
13	6/10/13	8/20/13	72	179	551	52,099	\$ 118,212	\$ 2.27	\$ 215	275	844	85,676
14	9/12/13	11/30/13	80	217	667	83,031	\$ 118,212	\$ 1.42	\$ 177	397	1,218	135,130
15	11/21/13	2/9/14	81	246	755	92,790	\$ 118,212	\$ 1.27	\$ 157	463	1,422	175,821
16	2/24/14	3/31/14	36	128	393	48,854	\$ 105,494	\$ 2.16	\$ 269	374	1,148	141,644
17	4/28/14	8/8/14	103	205	629	78,423	\$ 105,494	\$ 1.35	\$ 168	333	1,022	127,277
18	8/21/14	12/3/14	105	158	485	60,237	\$ 105,494	\$ 1.75	\$ 218	363	1,114	138,660
19	12/4/14	3/16/15	103	266	816	101,458	\$ 105,494	\$ 1.04	\$ 129	424	1,301	161,695
20	3/17/15	5/28/15	73	184	565	70,380	\$ 105,494	\$ 1.50	\$ 187	450	1,381	171,838
21	5/29/15	8/3/15	67	195	598	74,610	\$ 105,494	\$ 1.41	\$ 176	379	1,163	144,990
22	8/4/15	10/15/15	73	171	525	65,484	\$ 105,494	\$ 1.61	\$ 201	366	1,123	140,094
23	10/16/15	12/8/15	54	165	506	62,988	\$ 105,494	\$ 1.67	\$ 208	336	1,031	128,472
24	12/9/15	3/31/16	114	346	1,062	131,983	\$ 105,494	\$ 0.80	\$ 99	511	1,568	194,971
25	4/1/16	7/7/16	98	291	893	111,167	\$ 105,494	\$ 0.95	\$ 118	637	1,956	243,150
26	7/8/16	10/17/16	102	314	964	119,919	\$ 105,494	\$ 0.88	\$ 109	605	1,857	231,086
27	10/21/16	1/25/17	97	283	869	107,984	\$ 105,494	\$ 0.98	\$ 121	597	1,832	227,903
28	1/26/17	4/18/17	83	252	773	96,192	\$ 105,494	\$ 1.10	\$ 136	535	1,642	204,176
29	4/25/17	8/5/17	103	306	939	116,938	\$ 105,494	\$ 0.90	\$ 112	558	1,713	213,130
30	8/11/17	1/3/18	146	322	988	122,845	\$ 105,494	\$ 0.86	\$ 107	628	1,927	239,783
31	1/16/18	6/9/18	145	289	887	109,395	\$ 105,494	\$ 0.96	\$ 119	611	1,875	232,240
32 (in progress)	6/18/18	11/5/18	141	432	1,326	165,076		\$ -	\$ -	721	2,213	274,471
<b>Total</b>			<b>2,881</b>	<b>7,496</b>	<b>23,006</b>	<b>2,863,702</b>	<b>\$3,240,407</b>	<b>NA</b>	<b>NA</b>	<b>14,307</b>	<b>43,911</b>	<b>5,455,018</b>
<b>Average</b>			<b>88</b>	<b>228</b>	<b>699</b>	<b>87,052</b>	<b>\$108,014</b>	<b>\$ 1.25</b>	<b>\$ 155.01</b>	<b>438</b>	<b>1,345</b>	<b>167,114</b>

+ Breakthrough defined as Lead Vessel effluent reaching 6 µg/L  
\* Initial resin delivery was included in construction contract

Runs 1-2 had 315 cubic feet of resin  
Runs 3-11 had 350 cubic feet of resin + 180 cubic feet of anthracite  
Run 12 has 434 cubic feet of resin + 180 cubic feet of anthracite  
Runs 13-present had 350 cubic feet of resin + 180 cubic feet of anthracite





## **Safety/Emergency/Risk Management**

A safe and healthful work environment is a critical component to the mission and values of SCV Water. Throughout the reporting month, a number of routine safety related training, inspections, and various other items were completed. The Safety Department has begun integrating health and safety programs for SCV Water. Some of the items completed and currently in progress are as follows:

### **Work in Progress**

- New combined Safety Data Sheet (SDS) Program
- A three-tiered safety incentive program
- The Safety Department is working on creating a combined SCV Water Health and Safety Manual by using the components and information from each Division

### **Completed Work**

#### Inspections

- Cal-OSHA conducted an audit of the Chlorine Building at RVWTP. Closing conference expected in mid-November
- Los Angeles County Fire Department (Certified Unified Program Agencies – CUPA) was onsite to conduct an inspection

#### Monthly Inspections

- Underground storage tank (UST) designated operator
- Fire extinguishers
- Emergency eye-wash/shower stations
- Self-Contained Breathing Apparatus (SCBA) units
- Automated External Defibrillator (AED) units
- Emergency flashlights

There were two recordable injuries in October 2018.

#### Safety Training

- Two ergonomic assessments were conducted in October 2018
- Two new hire safety orientations were conducted in October 2018
- Tailgate meetings took place at each Division in October 2018
- A Traffic Control and Flagger training was held in October 2018

#### New SCV Water Safety Committee:

- The second meeting of the newly formed SCV Water Safety Committee was held on October 31, 2018. Staff discussed the goals and objectives, roles and responsibilities of each member to further improve safety awareness and build safety culture at the Agency.

#### Focus Groups:

- The Safety Committee formed a focus group on Fall Protection with the goal to create universal safety practices for all Divisions where fall hazards are present.

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# BOARD MEMORANDUM

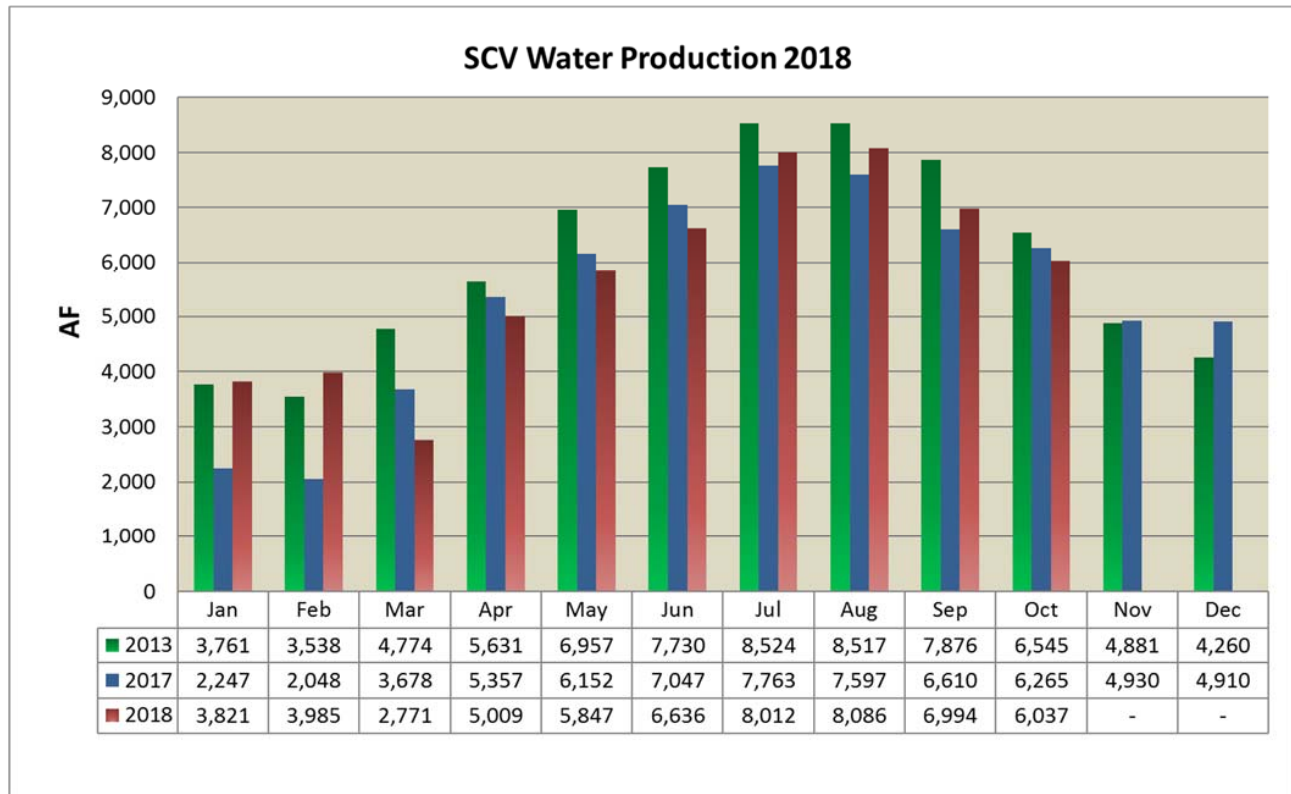
**DATE:** November 19, 2018  
**TO:** Board of Directors  
**FROM:** Steve Cole *[Signature]*  
 Assistant General Manager  
**SUBJECT:** Water Resources and Outreach Section Report

## WATER RESOURCES

### Key Accomplishments/Activities

#### Water Demand and Supply

Staff continues to monitor ongoing domestic water demands. As illustrated in the chart below, 2018 demands were approaching 2013 pre-drought levels during the early months of this year. Water demands in the spring months had moderated, but exceeded 2017 levels in July, August and September of 2018. October 2018 demands broke that trend, dipping below 2017 levels.



The trend of demand rebound is further illustrated by the following table:

Year	Annual Retail Water Demand
2013	73,460
2014	68,178
2015	54,491
2016	57,966
2017	63,555

As shown in the table below, from January 2018 through October 2018, SCV Water took delivery of an estimated 39,689 AF of imported water into SCV Water's service area:

Imported Water Supply Source	AF Water Delivered
SWP Table A	13,138
SWP Carryover	22,301
Carryover Credit	
Buena Vista/Rosedale-Rio Bravo	4,250
West Kern Water District Exchange	
Rosedale-Rio Bravo Banking	
Semitropic WSD Banking	
Yuba Accord Water	
Castaic Lake Terminal Reservoir Storage (Take)	
Castaic Lake Terminal Reservoir Storage (Backfilled)	
<b>Total Imported Water Delivered into Service Area</b>	<b>39,689</b>
<b>Total Recycled Water Delivered into Service Area</b>	<b>352</b>

Note: The balance of retail water demands were met with local groundwater resources.

SCV Water participates in water banking and exchange programs to provide water supplies during dry periods when State Water Project (SWP) supplies are reduced and to store water when supplies exceed demand. The table below shows beginning of the year storage, 2018 anticipated puts and takes, and end of year estimated storage.

Program	Storage (AF) as of December 2017	Estimated 2018 Put (Extraction)	Projected 2018 End of Year Storage (AF)
Rosedale Rio-Bravo (RRB)	100,000	0	100,000
Semitropic Water Storage District (SWSD)	40,770	0	40,770
RRB 2:1 Exchange	9,440	0	9,440
West Kern Water District 2:1 Exchange	500	0	500
Central Coast Water Authority	750	0	750
Flexible Storage	6,060	0	6,060
Carryover (Article 56)	42,700	(7,300) <sup>(1)</sup>	35,400
<b>Total:</b>	<b>200,220</b>		<b>192,920</b>

Note: (1) Estimated 2019 net carryover depends on actual service area demand and available storage space in San Luis Reservoir.



On May 21, 2018, the Department of Water Resources (DWR) increased the SWP allocation from 30% to 35% of Table A amount. Staff will continue to monitor imported water demand and hydrologic conditions.

An agreement to transfer up to 11,000 acre-feet of BV-RRB water to the Kern Westside Contractors has been executed. Delivery of 5,000 acre-feet to Kern Westside Contractors was completed in October 2018.

The 2017 Santa Clarita Valley Water Report was finalized and distributed in September 2018.

### **Imported Water Supplies Planning and Administration**

- Staff is participating in SWC workshops and meetings relating to the California WaterFix and ongoing administration of the State Water Project. Staff has prepared a memorandum seeking Board authorization to participate in the financing JPA and plans to seek authorization to participate in the design and construction JPA.
- Staff continues to participate in the Sites Reservoir development efforts. Participants have been asked to commit to the Phase 2 (design and permitting costs) by the end of calendar year 2018. It is anticipated that the \$350 Million Phase 2 costs will be divided into two sub-phases with the initial (2019) funding coming from a \$60/acre foot participating assessment. Staff is analyzing if Sites Reservoir may be cost effectively incorporated into SCV Water's SWP supply portfolio.
- Staff is monitoring construction activities for the Rosedale Water Bank Dry-Year Firming program. The current revised schedule indicates well completion in the fall of 2018 with full project operation in spring 2019.

### **Watershed**

DWR is revising the Prop 1 IRWM grant application process. Staff has engaged with other representatives within our funding area to provide comments to DWR. Also, the new process has created an opportunity for funding area representatives (Greater Los Angeles County, Watersheds Coalition of Ventura County (WCVC), and Upper Santa Clara River IRWM (USCR IRWM)) to consider new approaches for pre-allocating maximum grant shares for each region. On September 12, 2018, a meeting was held with funding area representatives to discuss options for pre-allocating funding. Staff briefed the Water Resources and Watershed Committee the same day. Staff anticipates that if an agreement to pre-allocate funding is reached among all regions, it will be reached by December 2018, and an MOU will then be developed. If no agreement is reached, regions are expected to apply for grants as they traditionally have, with the understanding regions are competing for funding from a single pool of money.

Staff, in its role as an USCR IRWM Disadvantaged Community Involvement Program Task Force member, is working with the City of Santa Clarita, Greater Los Angeles County, and the WCVC to review scopes of work and requests for proposals to conduct a Needs Assessment pursuant to the area-wide grant.

Staff has initiated discussions with other agencies which would support SCV Water playing a greater role in the stewardship of the Santa Clara River and its Watershed (River System) with the objectives of:

- 1) Ensuring the sustainability and reliability of the Santa Clarita Valley's water resources as they relate to the River System; and
- 2) Preserving and enhancing the environmental, aesthetic and recreational values of the River System.

On October 2, 2018, the Board Authorized the General Manager to Execute a Memorandum of Understanding with United Water Conservation District to facilitate cooperative watershed planning. Additionally, on November 16, 2018, SCV Water staff participated in a meeting with Ventura County's Invasive Weed Task Force to discuss a joint project to facilitate Arundo and Tamarisk removal in the upper and lower watersheds. SCV Water is evaluating an option to pursue Proposition 1 IRWM funding for development of a revised map showing invasive weeds. It has also begun discussions with a representative of the Santa Clara River Conservancy to review options for more consistent funding for invasive weed removal.

### **Santa Clarita Valley Groundwater Sustainability Agency (SCV-GSA)**

The Joint Powers Agreement (SCV-GSA JPA) was executed by all members. Execution of the SCV-GSA JPA is an important step and it provides additional details for governance of the SCV-GSA.

A SCV-GSA Board meeting was held on October 1, 2018 and the following took place:

- 1) Staff provided verbal updates regarding a number of topics including: the draft budget, the June 26, 2018 stakeholder work shop, input from stakeholders, an update on a grant and other administrative matters.
- 2) The Board approved a quarterly Board Meeting Calendar.
- 3) The Board adopted a Resolution directing the Board President to execute the Administrative Services Agreement with SCV Water to allow SCV Water to administer the SCV-GSA and develop the Groundwater Sustainability Plan.
- 4) The Board adopted a Resolution authorizing SCV Water to execute a grant agreement on behalf of the SCV-GSA.

The Proposition 1 grant work plan has been executed by SCV Water and returned to DWR for final execution.

Staff has reviewed proposals for consultant services to develop the Groundwater Sustainability Plan. Consultant interviews will take place the week of November 19, 2018. Consultant selection is anticipated to take place within 2-3 weeks after the interviews.

A special SCV-GSA Board meeting to adopt a budget and approve consultants for GSP development is scheduled to take place on December 17, 2018. This meeting may be delayed if the consultant selection process requires additional time.

Staff completed development of and launched a standalone website ([www.scvgsa.org](http://www.scvgsa.org)) for the SCV-GSA on November 5, 2018. A link to the new SCV-GSA website is available on the Agency website.

### **LEGISLATIVE/GOVERNMENT AFFAIRS**

The Public Outreach and Legislative Committee will discuss the 2019 Legislative Platform at its November 15, 2018 meeting, with anticipated Board review in December 2018. This document informs the Agency's participation in various legislative processes throughout the year.

SCV Water has sponsorship agreements for the following upcoming events:

- Green STEM Summit at College of the Canyons: November 17, 2018
- ACWA Fall Conference: November 27-30, 2018: The Agency is sponsoring the Wednesday morning opening breakfast, where we are also a finalist for the Huell Howser Best in Blue Award.
- Women in Water reception (at ACWA): November 28, 2018

## OUTREACH

### Key Accomplishments/Activities

- Facilitated interview of Matt Stone by the Municipal Water Leader, expected to be the cover story for the November 2018 issue.
- In a continuing effort to engage stakeholders invested in the health of the Santa Clara River watershed, SCV Water joined with TreePeople for a San Francisquito Canyon Field Restoration Day, on Friday, November 16, 2018. Members of the Sierra Club were also included. The group of 25 learned about the local watershed and restored a creek-side habitat.
- Formed an Employee Communication Workgroup, which is developing tools and processes for further increasing employee engagement.

### Social/Digital Media

Staff continues to share water news, conservation tips, featured plants and job openings on our social media and e-news channels.

Outlet	Description	Notable Activity	Audience
Facebook	Social media		317 likes 335 follows
Instagram			846
Twitter			1,773
Website	yourSCVwater.org	Total users. Increase of 10.13% from previous month	42,037
Water Currents	Customer e-newsletter	November 2018: 32% open (23.6% industry standard)	19,618
Garden Classes	E-news blast	Nov: 26% open; 2% click through	3,280

### Public Education

Activity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Calendar Year To Date
<b>Education</b>													
Students	755	1,506	1,683	1,120	1,926	556	272	192	606	1,051	*	*	9,967
Teachers	56	106	101	64	57	27	0	n/a	52	84	*	*	547
<b>Garden Classes</b>													
Evening	15	25	85	10	33	18	44	25	65	16	25	*	361
Saturday	18	15	50	36	28	28	17	23	32	28	27	*	302

\* Data not yet available

- As part of our ad buy and partnerships, *The Signal*, *SCVTV* and *KHTS* continue to share garden classes and other content on social media and in email blasts.

**Ongoing Outreach**

- Still in discussions for locations for Water Bottle Refill Stations pilot program.
- Working with City of Santa Clarita staff on possible joint “field day” for SCV Water Board and Sierra Club representatives for Arundo removal education.

**Significant Upcoming Items**

- Staff is working with a local graphic designer for production of an Annual Report for January 2019.
- Staff is working with the Redhill Group to conduct the 2018 social marketing and Agency awareness survey.
- Preparing social media policy and plan.
- Preparing media response policy and planning for media training for Directors and select staff.

**CONSERVATION**

**Key Accomplishments/Activities**

**Monthly Conservation Performance reported to the State Water Resources Control Board (SWRCB)**

Division	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	YTD
Newhall	-3.5%	+7.0%	-46.5%	-18.0%	-20.2%	-16.8%	-9.4%	-10.3%	-16.2%	-13.3%	-15.1%
Santa Clarita	+2.2%	+13.7%	-39.7%	-12.9%	-16.4%	-14.5%	-6.9%	-9.1%	-15.5%	-10.2%	-11.8%
Valencia	-.5%	+10.3%	-43.2%	-13.9%	-15.1%	-15.4%	-6.9%	-3.3%	-9.8%	-6.0%	-11.0%
<b>Total (SCVWA)</b>	<b>+3.4%</b>	<b>+11.2%</b>	<b>-42.3%</b>	<b>-14.1%</b>	<b>-16.4%</b>	<b>-15.2%</b>	<b>-7.2%</b>	<b>-6.7%</b>	<b>-13.1%</b>	<b>-8.7%</b>	<b>-11.9%</b>

**Notes** – Monthly percentages compared to 2013 baseline month and year (LAC#36 does not provide SWRCB monthly production/conservation data).

For October 2018, SCV Water customers conserved ~.183 billion gallons of water. Year-to-date conservation is ~2.440 billion gallons.

**Conservation Programmatic Performance**

Program	Description	September 2018 Notable Activity	Notes
Residential Water Check-Ups	The program includes, but is not limited to: home water use efficiency consultations, leak detection services, and a comprehensive irrigation system inspection.	25 Residential Check-Ups	High Consumption Letters (HCLs) provide a major source of marketing for the program. The HCL program has been temporarily discontinued pending program updates (expected completion November 2018)

Leak Alert Notifications	Customers with continuous flows recorded on their water meters are contacted for conservation education and guidance.	4 Leak Alert Notifications Sent	Conservation working with database developers to build agency-wide leak notification capacity. VWD expected to be completed in October 2018, followed by Newhall in November 2018 and SCWD in early 2019.
Residential Water Efficiency Kits	Water Efficiency Kits include 1 showerhead, 3 faucet aerators, 2 hose nozzles, 1 toilet flapper, 2 toilet leak detection dye tabs, 1 flow measuring bag, and instructions.	30 Kits	
HELP Rebates (Healthy and Efficient Landscape Programs)	The HELP Program provides rebates and irrigation device distribution for customers seeking to improve overall operation of their irrigation system.	0 Residential 0 Commercial	
WaterSMART Garden	VWD's WaterSMART Garden provides customers with access to low water using plants, HE irrigation technologies, etc.	10 Customer Visits	
Residential Lawn Replacement Program	Customers receive a rebate of \$2.00 per sf for turf that is removed and converted to low water using plants.	1 Completed Project (696 sf)	There are currently 4 projects in process totaling 5,829sf.
Residential Smart Controller Rebates	Customers can choose a WaterSense Certified Smart Controller that best suits their needs and proficiency capabilities.	32 Smart Controller Rebates (175 Stations)	Staff is currently processing an additional 21 controller rebates (125 zones).
Residential Pool Cover Rebates	Customers can receive up to \$200 towards the purchase of a pool cover to help conserve water, energy, and chemical costs.	1 Pool Cover Rebates	The EPA's WaterSense program recently published a NOI to include certification and labeling protocols for specific cover types.

Large Landscape Lawn Replacement Program	Customers receive a rebate of \$2.00 per sf for turf that is removed and converted to low water using plants.	1 Complete Project (30,670 sf)	Staff has pre-approved 118,091 sf for turf removal.
Large Landscape Smart Controller Rebate Program	Customers receive \$25 per active irrigation station when updated to a weather based controller.	Complete Project (0 stations)	Staff has pre-approved rebates for 242 stations.
Water Waste Complaints	Water Waste complaints include prohibited measures (SWRCB).	4 Complaint	SWRCB currently working on next phase of regulation including permanent prohibited water waste measures.

**Significant Upcoming Items**

Conservation completed the “How to Save Water at Home” video series to educate customers on how to use their water meters to conduct a leak investigation, how to find and fix toilet leaks, and FYI – fixing your irrigation system in 10 minutes or less. Staff is working with Public Outreach and IT to house the videos on SCV Water’s YouTube account and is in the process of developing a roll out plan for internal and external use.

Conservation staff is developing SCV Water’s Water Shortage Contingency Plan (previously Ordinance No. 44). Staff continues to monitor updates to the SWRCB’s Regulation Rulemaking on Waste and Unreasonable Water Uses. As of November 2018, the regulation remains "In Progress."

MBS

**Engineering and Operations Committee  
Planning Calendar  
FY 2018/19**

**ITEM NO.  
10.5**

Item	PowerPoint Presentation (Y/N/Length)	July 3 Board CANCELLED	July 5 Comm CANCELLED	Aug 2 Comm	Aug 7 Board	Sept 4 Board	Sept 6 Comm	Sept 18 Board	Oct 2 Board	Oct 3 Comm	Nov 1 Comm CANCELLED	Nov 6 Board	Dec 4 Board	Dec 10 Comm	Jan 2 Board	Jan 3 Comm	Feb 5 Board	Feb 7 Comm	March 5 Board	March 7 Comm	April 2 Board	April 4 Comm	May 2 Comm	May 7 Board	June 4 Board	June 6 Comm	July 2 Board	
1 Monthly Committee Planning Calendar	None			C			C			C																		
2 CIP Construction Status Report	None			C			C			C																		
3 Monthly Operations and Production Report	None			C			C			C																		
4 Third Party Funded Agreements Quarterly Report	None			C																								
5 Quarterly Safety Program Presentation	Yes 10 min			C																								
6 Recommend Approval of Construction Contract Funding and a Work Authorization for Inspection Services for Magic Mountain Pipeline No. 4	Yes 10 min			C																								
7 Approve Community Workforce Agreement	None			C																								
8 Recommend Approval of a Change Order to Contract with GSE Construction to Increase Budget for Foothill Feeder Connection Construction	None																											
9 Recommend Approval of a Work Authorization for TBD for final design of the Magic Mountain Pipeline No. 6	Yes 10 min																											
10 Recommend Approval of a Change Order with GSE Construction. Increase Vali Cooper's budget for Construction Management Services and increase MWDSC's Work Authorization for the Foothill Feeder Connection Project	TBD																											
11 Recommend approval of a Work Authorization for TBD for Engineering Services for VOC Response Action/NCP	TBD																											
12 Recommend approval of Resolution Awarding Construction Contract to TBD for Recycled Water Vista Canyon (Phase 2B) Tank	TBD																											
13 Recommend Approval of Resolution Awarding Construction Contract to TBD to Recoat Roof Interior of Honey Tank #1	TBD																											
14 Recommend Approval of Resolution Awarding Construction Contract to TBD to Recoat Exterior of Catala No. 4 Tank	TBD																											
15 Recommend Approval of Construction Contract Funding and a Work Authorization for Inspection Services for Magic Mountain Pipeline No. 5	TBD																											
16 TBD for final design of the Replacement Wells Pipeline/Infrastructure	TBD																											
17 TBD for final design of a Work Authorization for Replacement Wells (Wells only)	TBD																											
18 Recommend Approval of Resolution Authorizing SCVWA to Execute Consolidation and Water Service Agreement, and Financing Agreement for Construction of Pipeline to the Los Angeles Residential Community	TBD																											

C = Completed Item  
P = Planned Item

**Engineering and Operations Committee  
Planning Calendar  
FY 2018/19**

	Item	PowerPoint Presentation (Y/N/Length)	July 3 Board	July 5 Comm	July 5 Board	Cancelled	Aug 2 Comm	Aug 7 Board	Sept 4 Board	Sept 6 Comm	Sept 18 Board	Oct 2 Board	Oct 3 Comm	Nov 1 Comm	Cancelled	Nov 6 Board	Dec 4 Board	Dec 10 Comm	Jan 2 Board	Jan 3 Comm	Feb 5 Board	Feb 7 Comm	March 5 Board	March 7 Comm	April 2 Board	April 4 Comm	May 2 Comm	May 7 Board	June 4 Board	June 6 Comm	July 2 Board	
19	Recommend Approval of Resolution Awarding Construction Contract to TBD for Pipeline to the Los Angeles Residential Community	TBD		C										E								P										
20	Recommend approval of Resolution Awarding Construction Contract to TBD for Recycled Water Vista Canyon (Phase 2B) Pipelines	TBD		C										F								P										
21	Recommend Approval of Resolution Awarding Construction Contract to TBD for New Interlie and Pressure Regulating Station with Newhall County Water District at Gary Street	TBD		C										F													P					
22	Recommend Approval of Resolution Awarding Construction Contract to TBD for Pipeline in Rainbow Glen Drive	TBD		C										A													P					
23	Recommend Approval of Resolution Awarding Construction Contract to TBD for West Ranch Recycled Water Main Extension (Phase 2D) Project	TBD		C										N													P					
24	Recommend Approval of Resolution Awarding Construction Contract to TBD for Washwater Return and Sludge Systems Project	TBD		C										L													P					
25	MG Deane Tank and Cost Sharing Agreement with Developer	TBD		C										E													P					
26	Recommend Approval of a Work Authorization for TBD for final design of the Groundwater Treatment Improvements (VOC Treatment)	TBD		C										A													P					
27	Deane Zone Pump Station and Cost Sharing Agreement with Developer	TBD		C										N													P					
28	Recommend Approval of a Work Authorization for TBD for final design of the Magic Mountain Reservoir	TBD		C										E													P					
29	Recommend Approval of Construction Contract Funding and a Work Authorization for Inspection Services for Magic Mountain Pipeline No. 6	TBD		C										L													P					





**FINANCE AND ADMINISTRATION COMMITTEE  
PLANNING CALENDAR FY 2018/19**

**JULY 2018**

BOARD (1<sup>st</sup> meeting, July 3) – CANCELLED

JPA Meeting (1<sup>st</sup> meeting, July 3) – CANCELLED

COMMITTEE (July 16)

1. Recommend Approval of a Resolution Authorizing FY 2018/19 Water Supply Contract Payments
2. Recommend Approval of an Employee Travel and Expense Reimbursement Policy
3. Discuss Development of Rate-setting Process Incorporating an Independent Ratepayer Advocate Function
4. Recommend Receiving and Filing of April 2018 Monthly Financial Report
5. Recommend Receiving and Filing of May 2018 Monthly Financial Report
6. Committee Planning Calendar

**AUGUST 2018**

BOARD (1<sup>st</sup> meeting, August 7)

- ~~1. Approve a Resolution Authorizing FY 2018/19 Water Supply Contract Payments (consent)~~
- ~~2. Approve an Employee Travel and Expense Reimbursement Policy (consent)~~
- ~~3. Approve Resolutions Establishing Banking Authority with City National Bank~~
- ~~4. Approve Receiving and Filing of April 2018 Monthly Financial Report (consent)~~
- ~~5. Approve Receiving and Filing of May 2018 Monthly Financial Report (consent)~~

JPA Meeting (1<sup>st</sup> meeting, August 7)

COMMITTEE (August 20)

1. Recommend Approval of a Claims Policy
2. Recommend Approval of a Surplus Property Policy
3. Review, Discuss and Recommend an Option for Revising Employer's Contributions to PERS Medical Insurance
4. Continue Discussion of Development of Rate-setting Process Incorporating an Independent Ratepayer Advocate Function
5. Recommend Receiving and Filing of June 2018 Monthly Financial Report
6. Committee Planning Calendar

**SEPTEMBER 2018**

BOARD (1<sup>st</sup> meeting, September 4)

- ~~1. Approve a Claims Policy (consent)~~
- ~~2. Approve a Surplus Inventory and Equipment Policy (consent)~~
- ~~3. Approve a Resolution Adjusting Employer's Contribution for PERS Medical Insurance~~
- ~~4. Approve Receiving and Filing of June 2018 Monthly Financial Report (consent)~~

JPA Meeting (1<sup>st</sup> meeting, September 4) – CANCELLED



**FINANCE AND ADMINISTRATION COMMITTEE  
PLANNING CALENDAR FY 2018/19**

COMMITTEE (September 17)

- ~~1. Recommend Approval of an Emergency Response Specialist Classification~~
- ~~2. Recommend Approval of a Safety Incentive Plan~~
- ~~3. Review and Discuss New Agency Recruitments and Positions~~
- ~~4. Continue Discussion of Development of Rate-setting Process Incorporating an Independent Ratepayer Advocate Function~~
- ~~5. Recommend Receiving and Filing of July 2018 Monthly Financial Report~~
- ~~6. Committee Planning Calendar~~

~~BOARD (2<sup>nd</sup> meeting, September 18)~~

~~JPA Meeting (2<sup>nd</sup> meeting, September 18) – CANCELLED~~

**OCTOBER 2018**

~~BOARD (1<sup>st</sup> meeting, October 2)~~

- ~~1. Approve Receiving and Filing of July 2018 Monthly Financial Report (consent)~~

~~JPA Meeting (1<sup>st</sup> meeting, October 2) – CANCELLED~~

COMMITTEE (October 15)

1. Discuss USCVJPA Intent to Issue Tax Exempt Obligations
2. Recommend Approval of Resolution Authorizing Professional Services Agreement with AAC Utility Partners for Selection Services for New Financial Management System
3. Recommend Approval of a Resolution Adopting a Records Retention Policy and Schedule
4. Discuss Reserve Fund Policy
5. Continue Discussion of Development of Rate-setting Process Incorporating an Independent Ratepayer Advocate Function
6. Review Valencia Water Company January 22, 2018 and December 31, 2017 Financial Statements
7. Recommend Receiving and Filing of August 2018 Monthly Financial Report
8. Committee Planning Calendar

BOARD (2<sup>nd</sup> meeting, October 16)

1. Approve a Resolution Appointing Treasurer for SCV Water
2. Approve Resolutions Establishing Banking Authority

JPA Meeting (2<sup>nd</sup> meeting, October 16)

1. Approve a Resolution Appointing Treasurer for USCVJPA
2. Approve Resolutions Establishing Banking Authority



FINANCE AND ADMINISTRATION COMMITTEE  
PLANNING CALENDAR FY 2018/19

SPECIAL COMMITTEE (October 22)

1. ~~Discuss Reserve Fund Policy~~
2. ~~Continue Discussion of Development of Rate-setting Process Incorporating an Independent Ratepayer Advocate Function~~

**NOVEMBER 2018**

BOARD (1<sup>st</sup> meeting, November 6)

1. ~~Approve a Reserve Fund Policy~~
2. ~~Approve a Resolution Adopting a Rate-setting Process Incorporating an Independent Ratepayer Advocate Function~~
3. ~~Approve a Resolution of Intent for SCV Water to Enter Into a Retirement Contract with CalPERS to Provide for a Merger of the Contracts of the Former Castaic Lake Water Agency and Newhall County Water District~~
4. ~~Approve a Record Retention Policy (consent)~~
5. ~~Approve Receiving and Filing of Valencia Water Company January 22, 2018 and December 31, 2017 Financial Statements (consent)~~
6. ~~Approve Receiving and Filing of August 2018 Monthly Financial Report (consent)~~

JPA Meeting (1<sup>st</sup> meeting, November 6)

1. ~~Approve a Resolution of Intent to Issue Tax Exempt Obligations~~

COMMITTEE (November 19)

1. Recommend Receiving and Filing NCWD December 31, 2017 Financial Statements **(RP)**
2. Recommend Approval of an Underwriter for Issuance of 2019 Revenue Bonds **(EC)**
3. Discuss Authorizing Amendment No. 21 (the Contract Extension Amendment) to Water Supply Contract between the State of California Department of Water Resources and the Santa Clarita Valley Water Agency for Continued Service and the Terms and Conditions Thereof **(EC)**
4. Recommend Receiving and Filing of September 2018 Monthly Financial Report **(RP)**
5. Committee Planning Calendar **(RP)**

BOARD (2<sup>nd</sup> meeting, November 20)

JPA Meeting (2<sup>nd</sup> meeting, November 20) – CANCELLED



**FINANCE AND ADMINISTRATION COMMITTEE  
PLANNING CALENDAR FY 2018/19**

**DECEMBER 2018**

BOARD (1<sup>st</sup> meeting, December 4)

1. Approve CalPERS Resolutions for Retirement Plan **(RP)**
2. Approve CalPERS Resolutions for Medical Plan **(RP)**
3. Approve an Underwriter for Issuance of 2019 Revenue Bonds **(EC)**
4. Approve a Resolution Authorizing Amendment No. 21 (the Contract Extension Amendment) to Water Supply Contract between the State of California Department of Water Resources and the Santa Clarita Valley Water Agency for Continued Service and the Terms and Conditions Thereof **(EC)**
5. Approve Receiving and Filing NCWD December 31, 2017 Financial Statements (consent) **(RP)**
6. Approve Receiving and Filing of September 2018 Monthly Financial Report (consent) **(RP)**

JPA Meeting (1<sup>st</sup> meeting, December 4) – MAY BE CANCELLED

COMMITTEE (December 17)

1. Recommend Approval of Resolution Authorizing Professional Services Agreement with AAC Utility Partners for Selection Services for New Financial Management System **(EC)**
2. Discuss
3. Recommend Approval of a Resolution Authorizing the Issuance of Revenue Bonds and Approving the Execution and Delivery of Certain Documents in Connection Therewith and Certain Other Matters **(EC)**
4. Recommend Receiving and Filing of October 2018 Monthly Financial Report **(RP)**
5. Committee Planning Calendar **(RP)**

BOARD (2<sup>nd</sup> meeting, December 18)

**JANUARY 2019**

SPECIAL BOARD (1<sup>st</sup> meeting, January 2)

1. Approve a Resolution Authorizing Professional Services Agreement with AAC Utility Partners for Selection Services for New Financial Management System **(EC)**
2. Approve a Resolution Authorizing the Issuance of Revenue Bonds and Approving the Execution and Delivery of Certain Documents in Connection Therewith and Certain Other Matters **(EC)**
3. Approve Receiving and Filing of October 2018 Monthly Financial Report (consent) **(RP)**

SPECIAL JPA Meeting (1<sup>st</sup> meeting, January 2) – MAY BE CANCELLED

1. Approve a Resolution Authorizing the Issuance of Revenue Bonds and Approving the Execution and Delivery of Certain Documents in Connection Therewith and Certain Other Matters **(EC)**

FINANCING CORPORATION (tbd)

1. Annual meeting



**FINANCE AND ADMINISTRATION COMMITTEE  
PLANNING CALENDAR FY 2018/19**

SPECIAL COMMITTEE (January 14)

1. Recommend Approval of a Safety Incentive Policy **(RP)**
2. Recommend Approval of an Emergency Preparedness (TBD?) Specialist Classification **(RP)**
3. Discuss Financing of Developer-Contributed Capital and/or Facility Capacity Fees through Community Facilities Districts (CFDs) **(EC)**
4. Review Employee-Related Items Pre and Post Merger
5. Review Biennial Budget Process for Fiscal Years 2019/20 and 2020/21 **(RP)**
6. Recommend Receiving and Filing of November 2018 Monthly Financial Report **(RP)**
7. Committee Planning Calendar **(RP)**

**FEBRUARY 2019**

BOARD (1<sup>st</sup> meeting, February 5)

1. Approve a Safety Incentive Policy **(RP)**
2. Approve an Emergency Preparedness (TBD?) Specialist Classification **(RP)**
3. Approve Receiving and Filing of November 2018 Monthly Financial Report **(RP)**

JPA Meeting (1<sup>st</sup> meeting, February 5) – MAY BE CANCELLED

SPECIAL COMMITTEE (February 11)

1. Review Annual List of Professional Services Contracts **(RP)**
2. Recommend Receiving and Filing of FY 2018/19 Midyear Budget Report **(RP)**
3. Semi-annual Review of State Water Contract Fund **(EC)**
4. Recommend Receiving and Filing CLWA and SCWD December 31, 2017 Financial Statements **(RP)**
5. Recommend Receiving and Filing SCV Water June 30, 2018 Financial Statements **(RP)**
6. Recommend Receiving and Filing of December 2018 Monthly Financial Report **(ED)**
7. Committee Planning Calendar **(ED)**

BOARD (2<sup>nd</sup> meeting, February 19)

JPA Meeting (2<sup>nd</sup> meeting, February 19) – MAY BE CANCELLED

1. Re-adopt Investment Policy
2. Elect officers

**MARCH 2019**

BOARD (1<sup>st</sup> meeting, March 5)

1. Approve Receiving and Filing CLWA and SCWD December 31, 2017 Financial Statements (consent) **(RP)**
2. Approve Receiving and Filing SCV Water June 30, 2018 Financial Statements (consent) **(RP)**
3. Approve Receiving and Filing of FY 2018/19 Midyear Budget Report (consent) **(RP)**
4. Approve Receiving and Filing of December 2018 Monthly Financial Report (consent) **(ED)**

JPA Meeting (1<sup>st</sup> meeting, March 5) – MAY BE CANCELLED



**FINANCE AND ADMINISTRATION COMMITTEE  
PLANNING CALENDAR FY 2018/19**

**COMMITTEE (March 18)**

1. Recommend Approval of a Resolution Approving an Official Statement and Authorizing Certain Other Documents and Actions in Connection with the Issuance of the Series 2019A Revenue Bonds **(EC)**
2. Recommend Receiving and Filing of January 2019 Monthly Financial Report **(ED)**
3. Committee Planning Calendar **(ED)**

**APRIL 2019**

**BOARD (1<sup>st</sup> meeting, April 2)**

1. Approve a Resolution of the Santa Clarita Valley Water Agency Authorizing the Preparation and Distribution of the Preliminary Official Statement in Connection with the Issuance of the Series 2019A Revenue Bonds and Authorizing Certain Other Actions in Connection Therewith **(EC)**
2. Review and Provide Direction for Budget Baseline and Baseline Options **(RP)**
3. Approve Receiving and Filing of January 2019 Monthly Financial Report (consent) **(RP)**

**JPA Meeting (1<sup>st</sup> meeting, April 2) – MAY BE CANCELLED**

1. Approve POS and 2019A Revenue Bonds

**SPECIAL COMMITTEE (April 3)**

1. Continued Review of Policies (Annual) **(RP)**
2. Provide Direction for a Proposed Employee Salary Adjustment for FY 2019/20 **(RP)**
3. Review Draft FY 2019/20 Budget
4. Quarterly Review of State Water Contract Fund
5. Recommend Receiving and Filing of February 2019 Monthly Financial Report **(ED)**
6. Committee Planning Calendar **(ED)**

**BOARD (2<sup>nd</sup> meeting, April 16)**

1. Approve Proposed Employee Salary Adjustment for FY 2019/20 **(RP)**
2. Approve Receiving and Filing of February 2019 Monthly Financial Report (consent)

**MAY 2019**

**SPECIAL COMMITTEE (May 1)**

1. Recommend Approval of a Resolution Adopting the FY 2019/20 Budget **(RP)**
2. Recommend Approval of a Resolution Adopting the Appropriation of All As-Yet Unappropriated Funds for FY 2018/19 **(RP)**
3. Recommend Approval of a Resolution Adopting the Appropriation Limit for FY 2019/20 **(RP)**
4. Recommend Receiving and Filing of March 2019 Monthly Financial Report **(ED)**
5. Committee Planning Calendar **(ED)**



**FINANCE AND ADMINISTRATION COMMITTEE  
PLANNING CALENDAR FY 2018/19**

**JUNE 2019**

**BOARD (1<sup>st</sup> meeting, June 4)**

1. Approve a Resolution Adopting the FY 2019/20 Budget **(RP)**
2. Approve a Resolution Adopting the Appropriation of All As-Yet Unappropriated Funds for FY 2018/19 (consent) **(RP)**
3. Approve a Resolution Adopting the Appropriation Limit for FY 2019/20 (consent) **(RP)**
4. Approve Receiving and Filing of March 2019 Monthly Financial Report (consent) **(ED)**

**JPA Meeting (1<sup>st</sup> meeting, June 4) – MAY BE CANCELLED**

1. Approve a Resolution Adopting the Fiscal Year 2019/20 Budget **(RP)**

**COMMITTEE (June 17)**

1. Recommend Approval of Resolutions Setting Santa Clarita Valley Water Agency Tax Rate for FY 2019/20 and Requesting Levy of Tax by Los Angeles County and Ventura County **(RP)**
2. Recommend Approval of Resolution Authorizing July 2019 Water Supply Contract Payment **(RP)**
3. Recommend Receiving and Filing of April 2019 Monthly Financial Report **(ED)**
4. Committee Planning Calendar **(ED)**

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**PUBLIC OUTREACH AND LEGISLATION COMMITTEE  
AGENDA PLANNING CALENDAR 2018**

**March 21, 18 Special Committee**

1. Legislative Consultant Reports
2. Legislative Policy Guidelines Draft
3. Resolution in Support of Prop 68 Draft
4. Resolution in Support of California Water Bond of 2018 Draft
5. Outreach Communication Plan Discussion
6. Informational: Public Outreach Events 2018

**April 3, 18 Board Meeting**

1. Legislative Policy Guidelines
2. Resolution in Support of Prop 68

**April 19, 18 Committee**

1. Legislative Consultant Reports
2. Outreach Communication Plan Draft
3. Informational: Legislative Tracking 2018

**May 15, 18 Board Meeting**

1. Outreach Communication Plan

**May 17, 18 Committee**

1. Legislative Consultant Reports
2. Resolution in Support of Water Supply & Water Quality Act of 2018 Draft
3. Informational: Public Outreach Events 2018
4. Informational: Legislative Tracking 2018
5. Other Staff Activities: Stakeholder List
6. Other Staff Activities: Website reports & documents library search
7. Water Bottle Fill Station – PP Presentation

**June 5, 18 Board Meeting**

1. Approval of Resolution Supporting Water Supply and Water Quality Act of 2018  
(Moved to June 19 Board Meeting – Board requesting more information on financial considerations)

**June 19, 18 Board Meeting**

1. Approval of Resolution Supporting Water Supply and Water Quality Act of 2018

**June 21, 18 Committee**

1. Legislative Consultant Reports
2. Informational: Legislative Tracking 2018
3. Other Staff Activities: Semi-Annual Media Outreach Plan
4. Water Bottle Fill Station Pilot Program
5. ACWA Conference Sponsorship Options

**July 3, 18 Board Meeting Cancelled**

**July 17, 18 Board Meeting**

**July 19, 18 Committee Cancelled**

**August 7, 18 Board Meeting**



**PUBLIC OUTREACH AND LEGISLATION COMMITTEE  
AGENDA PLANNING CALENDAR 2018**

**August 16, 18 Committee**

1. Legislative Consultant Reports
2. Informational: Legislative Tracking 2018
3. Other Staff Activities: Sierra Club/SCV Water Collaboration
4. Other Staff Activities: CSDA's Award Nominations
5. Other Staff Activities: ACWA's Huell Howser Best in Blue Award Nomination

**August 21, 18 Board Meeting Cancelled**

**September 4, 18 Board Meeting**

**September 13, 18 Special Committee**

1. Legislative Consultant Reports
2. Discuss Legislative Advocacy
3. Informational: Legislative Tracking 2018
4. Informational: Sponsorship Tracking 2018
5. Committee Planning Calendar

**September 18, 18 Board Meeting**

**September 20, 18 Committee Cancelled**

**October 2, 18 Board Meeting**

1. Approve a Resolution Establishing Water Professionals Appreciation Week

**October 16, 18 Board Meeting**

**October 18, 18 Committee**

1. Legislative Consultant Reports
2. Discuss Legislative Advocacy
3. Public Outreach: Annual Report
4. Informational: Legislative Tracking 2018
5. Informational: Sponsorship Tracking 2018
6. Informational: Public Outreach Event Calendar
7. Informational: Committee Planning Calendar

**November 6, 18 Board Meeting**

**November 15, 18 Committee**

1. Legislative Consultant Reports
2. Discuss Legislative Advocacy
3. Public Outreach: Discuss Municipal Water Leader Magazine Partnership
4. Informational: Monthly Outreach Matrix
5. Informational: Legislative Tracking 2018
6. Informational: Sponsorship Tracking 2018
7. Informational: Public Outreach Event Calendar
8. Informational: Committee Planning Calendar

**November 20, 18 Board Meeting**



**PUBLIC OUTREACH AND LEGISLATION COMMITTEE  
AGENDA PLANNING CALENDAR 2018**

**December 4, 18 Board Meeting**

1. Approve Moving the Current Legislative Advocacy Consultant Contracts to Month-to-Month

**December 18, 18 Board Meeting**

**December 20, 18 Committee Cancelled**



**PUBLIC OUTREACH AND LEGISLATION COMMITTEE  
AGENDA PLANNING CALENDAR 2019**

**January 15, 2019 Board Meeting**

**January 17, 2019 Committee**

1. Legislative Consultant Reports
2. Tentative Agency's Media Policy
3. Informational: Monthly Outreach Matrix
4. Informational: Legislative Tracking
5. Informational: Sponsorship Tracking
6. Informational: Public Outreach Event Calendar
7. Informational: Committee Planning Calendar

**February 5, 2019 Board Meeting**

**February 19, 2019 Board Meeting**

**February 21, 2019 Committee**

1. Legislative Consultant Reports
2. Tentative Blue Ribbon Committee
3. Informational: Monthly Outreach Matrix
4. Informational: Legislative Tracking
5. Informational: Sponsorship Tracking
6. Informational: Public Outreach Event Calendar
7. Informational: Committee Planning Calendar

**March 5, 2019 Board Meeting**

**March 19, 2019 Board Meeting**

**March 21, 2019 Committee**

1. Legislative Consultant Reports

**April 2, 2019 Board Meeting**

**April 16, 2019 Board Meeting**

**April 18, 2019 Committee**

1. Legislative Consultant Reports

**May 7, 2019 Board Meeting**

**May 16, 2019 Committee**

**May 21, 2019 Board Meeting**

**June 4, 2019 Board Meeting**

**June 18, 2019 Board Meeting**

**June 20, 2019 Committee**

**July 2, 2019 Board Meeting**

**Santa Clarita Valley Water Agency  
Water Resources & Watershed Committee and Board Calendar**

**FY 2018/19**

Item	Jul 11 Comm	Jul 17 Board	Aug 7 Board	Aug 8 Comm	Sep 4 Board	Sep 12 Comm	Oct 2 Board	Oct 10 Comm	Nov 6 Board	Nov 14 Comm	Nov 20 Board	Dec 4 Board	Dec 5 Comm <i>Special</i>	Jan 2 Board	Jan 9 Comm	Jan 15 Board	Feb 5 Board	Feb 13 Comm	Mar 5 Board	Mar 13 Comm	Apr 2 Board	Apr 10 Comm	May 7 Board <i>to be moved/</i>	May 13 Comm <i>Special</i>	Jun 4 Board	Jun 12 Comm		
1 Update on Conservation Activities	C					C	Oct 2 Board	CNL	Nov 6 Board	C	Nov 14 Comm	Nov 20 Board	Dec 4 Board	Dec 5 Comm <i>Special</i>	Jan 2 Board	Jan 9 Comm	Jan 15 Board	Feb 5 Board	Feb 13 Comm	Mar 5 Board	Mar 13 Comm	Apr 2 Board	Apr 10 Comm	May 7 Board <i>to be moved/</i>	May 13 Comm <i>Special</i>	Jun 4 Board	Jun 12 Comm	
2 Devil's Den Semi-Annual Report	C																											
3 Status of Water Banking Programs	C				C																P							
4 Status of Sustainable Groundwater Management Act Implementation				C				CNL		C											P				P			
5 Status of Recycled Water Program		C																										
6 Status of Sites Reservoir Project				C		C																						
7 Status of Water Supplies													P															
8 Status of Integrated Regional Water Management Plan Update																												
9 Status of Upper Santa Clara River Salt and Nutrient Management Plan														P	P													
10 Status of Rosedale Rio-Bravo Water Storage District Banking and Exchange Program Extraction Facilities																P	P											
11 Status of Devil's Den Solar Generation Facilities														P														
12 Recommend Approval of a Resolution Authorizing the General Manager to Participate in Phase II of the Sites Reservoir Project								CNL							P	P		P										
13 Status of Request for Proposals for (1) Stakeholder Communication and Engagement Services, (2) Engineering and Hydrogeology Services and (3) Grant Administration Services for Development of a Groundwater Sustainability Plan on Behalf of the Santa Clarita Valley Groundwater Sustainability Agency														P														
14 Recommend Approval of a Resolution Authorizing the General Manager to Execute the Delta Conveyance Financing Authority Joint Power Agreement								CNL		C	C																	
15 CLOSED SESSION: Anticipated Litigation										C	C																	
16 CLOSED SESSION: Anticipated Litigation										C	C																	
17 Recommend Approval of a Resolution Authorizing the General Manager to Enter into Contracts for (1) Stakeholder Communication and Engagement Services, (2) Engineering and Hydrogeology Services and (3) Grant Administration Services for Development of a Groundwater Sustainability Plan on Behalf of the Santa Clarita Valley Groundwater Sustainability Agency															P	P												
18 Review of Watershed Recharge Feasibility Study															P													
19 Recommend Approval of a Resolution Adopting Lead Agency CEQA Findings and Submit LAFCO Application for Annexation of Tesoro Del Valle (Revised Vesting Tentative Tract Map 51644-1)																												

**Santa Clarita Valley Water Agency  
Water Resources & Watershed Committee and Board Calendar**

**FY 2018/19**

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20	Recommend Approval of a Resolution Authorizing the General Manager to Execute an Amendment to the State Water Project Water Supply Contract to Allocate California WaterFix Costs and Provide for the Transfer and Exchange of State Water Project Water Supplies																				P					
21	Approve Authorizing the General Manager to Approve the Agreement in Principle to Amend the Agency's Water Supply Contract with the California Department of Water Resources		C																							
22	Recommend Approval of a Resolution Authorizing the General Manager to Execute an Agreement Forming the Joint Powers Authority for the Santa Clarita Valley Groundwater Sustainability Agency (SCV-GSA) and to Execute a Contract for SCV Water to Provide Management and Technical Services to SCV-GSA		C																							
23	Appoint a Fourth Santa Clarita Valley Groundwater Sustainability Agency Director and Alternate Director, and Designate a Single Alternate Director for Each Existing Director		C																							
24	Recommend Approval of a Resolution Authorizing the General Manager to Execute an Assignment of Buena Vista-Rosedale Rio Bravo Water Supply to the Proposed Tapia Annexation		C																							
25	Recommend Adoption of a Resolution Approving a Labor Compliance Program on Certain Grant-Funded Public Works Capital Improvement Projects and Authorize Staff to Pursue Approval of the Labor Compliance Program by the Department of Industrial Relations					C	C																			
26	Recommend Authorizing the General Manager to Execute a Memorandum of Understanding with United Water Conservation District to Facilitate Cooperative Watershed Planning					C	C																			
27	Review Proposed Integrated Regional Water Management Proposition 1 Grant Funding Allocation Strategy					C																				
28	Recommend Adoption of a Resolution Authorizing the General Manager to Execute a Grant Agreement on Behalf of the Santa Clarita Valley Groundwater Sustainability Agency (SCV-GSA) with the California Department of Water Resources for Preparation of Portions of a Groundwater Sustainability Plan (GSP)					C	C																			