

**NOTICE OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
OLIVENHAIN MUNICIPAL WATER DISTRICT
1966 Olivenhain Road, Encinitas, CA 92024
Tel: (760) 753-6466 • Fax: (760) 753-5640**

Pursuant to AB3035, effective January 1, 2003, any person who requires a disability related modification or accommodation in order to participate in a public meeting shall make such a request in writing to Stephanie Kaufmann, Executive Secretary, for immediate consideration.

DATE: WEDNESDAY, APRIL 19, 2023

TIME: 4:00 P.M.

PLACE: DISTRICT OFFICE

*NOTE: ITEMS ON THE AGENDA MAY BE TAKEN OUT OF SEQUENTIAL ORDER
AS THEIR PRIORITY IS DETERMINED BY THE BOARD OF DIRECTORS*

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. DETERMINATION OF A QUORUM
5. ADOPTION OF AGENDA
6. PERSONAL APPEARANCES AND PUBLIC COMMENTS
7. PRESENTATION OF AWARDS AND HONORABLE MENTIONS

Service Awards, Promotions and Honorable Mentions

- * Bryan Rickards – Systems Operator I – 5 Years – April
- * Mark Wilson – Operations Supervisor – 10 Years – April
- * Tiger Team/A Better Way Award – Headquarters Lighting/Dimming Project – Marvin Cohen – Facilities Coordinator
- * CA Society of Municipal Finance Officers Operating Budget Excellence Award for Fiscal Years 2022-2023 & 2023-2024
- * California Water Environment Association's State Plant of the Year Award – 4S Ranch Water Reclamation Facility

8. CONSIDER APPROVAL OF THE MINUTES OF THE MARCH 15, 2023, REGULAR BOARD OF DIRECTORS MEETING

9. CONSENT CALENDAR

*NOTE: ANY ITEM MAY BE REMOVED FROM THE CONSENT CALENDAR
 FOR DISCUSSION*

C-a	CONSIDER ADOPTION OF A MOTION APPROVING THE PAYMENT OF LISTED WARRANTS FROM THE DISTRICT'S REVOLVING AND REGULAR ACCOUNTS; LISTED TRANSFERS OF FUNDS; REIMBURSEMENT OF EXPENSES TO BOARD MEMBERS AND STAFF; AND MONTHLY INVESTMENT REPORT
C-b	CONSIDER ADOPTION OF A MOTION APPROVING THE DISTRICT'S CONSOLIDATED STATEMENT OF NET POSITION, CONSOLIDATED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION, CONSOLIDATED STATEMENT OF CASH FLOWS, CONSOLIDATED ACTUAL VS BUDGET SUMMARY, AND CONSTRUCTION IN PROGRESS REPORT
C-c	CONSIDER 2023 ANNUAL OBJECTIVES AND TIGER TEAM STATUS REPORT
C-d	PROVIDE UPDATE ON THE 4S WATER RECLAMATION FACILITY WIRING AND CHEMICAL FEED EMERGENCY REPLACEMENT PROJECT AS AN EMERGENCY PROJECT IN ACCORDANCE WITH CALIFORNIA PUBLIC CONTRACT CODE SECTION 1102
C-e	CONSIDER ACCEPTANCE OF THE 17075 THORN MINT COURT FIRE HYDRANT INSTALL (FIRESTONE BUILDERS, INC.) INTO OMWD'S SYSTEM AND ORDER A NOTICE OF COMPLETION BE FILED
C-f	CONSIDER APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 420 FOR DEL MAR REAL ESTATE INVESTMENTS, LLC., TO LANDSCAPE WITHIN EASEMENT 834 LOCATED AT 6398 CLUBHOUSE DRIVE AND ORDER THE PERMIT BE RECORDED
C-g	CONSIDER APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 421 FOR TRC ENCINITAS VILLAGE, LLC., TO CROSS WATER EASEMENT 512 LOCATED WITHIN THE ENCINITAS VILLAGE SHOPPING CENTER AT 119 N EL CAMINO REAL AND ORDER THE PERMIT BE RECORDED

10. CONSIDER INFORMATIONAL REPORT FROM OLIVENHAIN MUNICIPAL WATER DISTRICT'S ACCOUNT REPRESENTATIVE AT CALIFORNIA BANK AND TRUST
11. CONSIDER ANNUAL UPDATE OF THE DISTRICT'S FIVE YEAR STAFFING ANALYSIS
12. CONSIDER INFORMATIONAL REPORT ON WATER SUPPLY CONDITIONS AND LONG-TERM WATER USE EFFICIENCY LEGISLATION
13. CONSIDER APPROVAL OF GENERAL LIABILITY, PROPERTY, AUTOMOBILE, EQUIPMENT, TERRORISM, EXCESS, AND CYBERSECURITY INSURANCE POLICIES FOR FISCAL YEAR 2024 WITH AMERICAN MUTUAL INSURANCE COMPANY IN AN AMOUNT NOT TO EXCEED \$668,000, AUTHORIZING THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT
14. CONSIDER VOTE FOR SAN DIEGO COUNTY CONSOLIDATED REDEVELOPMENT OVERSIGHT BOARD

15. INFORMATIONAL REPORTS

- A. PRESIDENT
- B. GENERAL MANAGER
- C. CONSULTING ENGINEER
- D. GENERAL COUNSEL
- E. SAN DIEGO COUNTY WATER AUTHORITY REPRESENTATIVE
- F. LEGISLATIVE
- G. TWELVE MONTH CALENDAR / OTHER MEETINGS / REPORTS BY
BOARD MEMBERS PER AB 1234
- H. BOARD COMMENTS

16. CORRESPONDENCE

17. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS

18. FUTURE AGENDA ITEMS

19. CONSIDER PUBLIC COMMENTS

20. CLOSED SESSION

- A) CONSIDER LITIGATION – HILLSIDE PATIO HOMES HOA [PURSUANT TO GOVERNMENT
CODE SECTION 54956.9] • Additional Facts: Claim received on August 17, 2020. Claim
rejected on September 9, 2020.
- B) CONSIDER POTENTIAL LITIGATION – ONE CASE [PURSUANT TO GOVERNMENT CODE
SECTION 54956.9]

21. OPEN SESSION

22. ADJOURNMENT



Memo

To: Board of Directors
From: Stephanie Kaufmann, Executive Secretary
Via: Kimberly A. Thorner, General Manager
Subject: BOARD MEETING MINUTES

Draft minutes of the most recently held Board of Directors meeting will be provided separately. Following board approval, the minutes will be posted on OMWD's website.

Memo

Date: April 19, 2023
To: Olivenhain Municipal Water District Board of Directors
From: Rainy Selamat, Finance Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER ADOPTION OF A MOTION APPROVING THE PAYMENT OF LISTED WARRANTS FROM THE DISTRICT'S REVOLVING AND REGULAR ACCOUNTS; LISTED TRANSFERS OF FUNDS; REIMBURSEMENT OF EXPENSES TO BOARD MEMBERS AND STAFF; AND MONTHLY INVESTMENT REPORTS**

The following monthly financial reports are enclosed for review and approval by the Board of Directors:

- March 2023 Summary of payment of listed warrants from the District's checking account and listed transfer of funds.
- March 2023 Monthly Summary of Reimbursement Expenses to Board Members and Staff.
- February 2023 Monthly Investment Reports.

Olivenhain Municipal Water District
Proposed Motions for April 19, 2023 Board of Directors Meeting
March 2023 Activities
Consent Calendar Item # C-a

Proposed Motions:

I. That the following warrants and transfers be approved:

Regular Account	Warrants - by check	033004	to	033210	\$	1,551,564.60
	Warrants - by EFT	EFT000000000402	to	EFT000000000444		374,962.81
						<u>1,926,527.41</u>
	ACH Payments - Payroll					215,737.73
	Wire - SDCWA - Monthly Purchased Water Payment					1,577,307.03
	ACH Payments - Payroll					211,320.55
	ACH Payments - Payroll					214,209.04
					\$	<u>4,145,101.76</u>

Major Category of Disbursements

Total warrants from the District's checking account:

\$ 1,926,527.41

Following is a breakdown of this total by major categories:

Category

Outside services	\$	1,121,840.30
Inventory and supplies		467,269.60
Utilities		146,888.83
Repairs and maintenance		16,508.44
Other		2,128.84
Refunds		15,381.06
Insurance		154,012.34
Permit Fees		2,498.00

Total \$ 1,926,527.41

Sincerely,


Rainy K. Selamat/Finance Manager

Olivenhain Municipal Water District
Proposed Motions for April 19, 2023 Board of Directors Meeting
March 2023 Activities

California Bank and Trust

Regular Account

Warrants - by check	033004	to	033210	\$	1,551,564.60
Warrants - by EFT	EFT000000000402	to	EFT000000000444		374,962.81
					<hr/>
					1,926,527.41
3/2/2023 ACH Payments - Payroll					215,737.73
3/15/2023 Wire - SDCWA - Monthly Purchased Water Payment					1,577,307.03
3/16/2023 ACH Payments - Payroll					211,320.55
3/30/2023 ACH Payments - Payroll					214,209.04
Total				\$	<hr/> <hr/>
					4,145,101.76

Approved:

For Board Consideration and Approval

Olivenhain Municipal Water District
March 2023 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference	Multiple Invoices?
033004	3/8/2023	4S Ranch Gasoline & Car Wash	311.98	WWTP GASOLINE	
033005	3/8/2023	Ababa Bolt Inc	1,783.48	SUPPLIES	Yes
033006	3/8/2023	American Messaging	60.65	L1-072035	
033007	3/8/2023	AT & T	588.35	District phones	Yes
033008	3/8/2023	Bay City Electric Works	652.56	OMWD HQ GENERATOR SVCS	Yes
033009	3/8/2023	Bee Rescue LLC	580.00	RANCHO SUMMIT RD	
033010	3/8/2023	Adam Calm	75.55	WELDING SKILLS CLASS EXP REIMB	
033011	3/8/2023	Carollo Engineers	17,296.30	DCMWTP Condition Assessment Project	Yes
033012	3/8/2023	Cash	197.66	PETTY CASH REIMBURSEMENT - Meal tickets, etc.	
033013	3/8/2023	Construct & Maintain Corp	1,793.40	REF:1090342_303015- Customer Refund	
033014	3/8/2023	County Of San Diego	840.00	3535 MANCHESTER AVE	Yes
033015	3/8/2023	Daniel Falkenberg	98.44	REF:1089526_159700- Customer Refund	
033016	3/8/2023	Edco Waste & Recycling	632.83	25-4A 861816	Yes
033017	3/8/2023	Fedex Kinko'S National A/R	325.04	SUPPLIES WTP	Yes
033018	3/8/2023	Ferguson Enterprises Inc. #1083	4,432.83	6" DISC RETAINER & SEAT	Yes
033019	3/8/2023	Ginger Reynolds	835.42	REF:1080635_120815-Customer Refund	
033020	3/8/2023	Ignacio Tool Supply Inc.	61.42	MISC SHOP TOOLS	
033021	3/8/2023	Infosend	10,170.16	WATER BILLS	Yes
033022	3/8/2023	Ingersoll-Rand Company	5,908.79	4 year Ingersoll Rand Package Care Agreement	Yes
033023	3/8/2023	Interstate Battery Of San Diego Inc	603.74	SHOP SUPPLIES	
033024	3/8/2023	Jessica Allen	49.68	REF:1088547_198125-Customer Refund	
033025	3/8/2023	Jilcara Reynolds	73.46	REF:1089491_218110-Customer Refund	
033026	3/8/2023	Joseph Gaydos	107.53	REF:1011560_201295-Customer Refund	
033027	3/8/2023	Masi Wahab	132.63	REF:1063143_145950-Customer Refund	
033028	3/8/2023	Michael Schlegal	101.80	REF:1085077_233485-Customer Refund	
033029	3/8/2023	Pacific Pipeline Supply	3,093.73	SUPPLIES	Yes
033030	3/8/2023	Paul Martinez	99.17	MILEAGE REIMBURSEMENT	
033031	3/8/2023	Paul Zamora	105.00	WTO EXAM/CERT FEE REIMB.	
033032	3/8/2023	Republic Services	1,230.55	4-450-0333405-Waste Disposal	
033033	3/8/2023	Republic Services #661	693.89	3-0661-10017776-Waste Disposal	
033034	3/8/2023	Samba Holdings Inc	223.60	DRIVER RECORD MONITORING	
033035	3/8/2023	San Diego Gas & Electric	488.52	Utilities	Yes
033036	3/8/2023	US Bank	2,190.51	Printers lease	
033037	3/8/2023	USA Blue Book	2,664.83	WWTP SUPPLIES	
033038	3/8/2023	West Coast Sand & Gravel	1,983.62	COLD MIX TEMPORARY ASPHALT	
033039	3/8/2023	West Yost & Associates, Inc	7,893.82	INSPECTION SERVICES- RW LOCATIONS (VARIOUS)	
033040	3/15/2023	Advanced Air & Vacuum	6,237.23	Overhaul sludge feed pump	Yes
033041	3/15/2023	Aqua Metric	59,599.36	MXUS and meters for AML project	Yes
033042	3/15/2023	Bee Rescue LLC	240.00	3452 TOSCANO CT	
033043	3/15/2023	Brainstorm, Inc.	4,391.53	QUICKHELP SUBSCRIPTION	
033044	3/15/2023	Bruce A Geier	1,073.22	REF:1011595_141660-Customer Refund	
033045	3/15/2023	California State Disbursement Unit	123.23	Employee Garnishment	
033046	3/15/2023	Adam Calm	167.17	WELDING CLASS LODGING REIMB	
033047	3/15/2023	Canyon Industries	30,812.50	D120115 WRT ERT-124 Amendment No.2	Yes
033048	3/15/2023	Computer Protection Technology, Inc.	3,379.50	HT2000 DEKA UPS BATTERIES (4)	
033049	3/15/2023	Core & Main LP	4,501.33	60 Lb Pressure Gauge Liquid Marsh or Winters ONLY	Yes
033050	3/15/2023	Corodata Shredding, Inc	57.87	PAPER DESTRUCTION SERVICES	
033051	3/15/2023	DIVINE DESIGNS GENERAL CONTRACTING	182.26	RM REFUND: DEBIT000000000564	
033052	3/15/2023	Dudek	2,885.00	Design Services	Yes
033053	3/15/2023	EcosConnect LLC	310.00	1/23 BACKFLOW REPORTS	
033054	3/15/2023	Encinitas Ford	2,098.46	VEHICLE (SHOP) SUPPLIES	Yes
033055	3/15/2023	Fallbrook Printing Corp	864.03	WTP BROCHURE, RATES & RULES BROCHURE	Yes
033056	3/15/2023	Ferguson Enterprises Inc. #1083	1,188.96	1" U-Branch Twinsetter	Yes
033057	3/15/2023	Global Power Group Inc	2,380.83	WWTP PREVENT MAINT	Yes
033058	3/15/2023	Heartland Automotive Ser Inc	78.02	REF:1014057_199675-Customer Refund	
033059	3/15/2023	Home Depot/Gecf	2,757.03	2/23 SUPPLIES	Yes
033060	3/15/2023	Ignacio Tool Supply Inc.	224.93	SHOP TOOLS	Yes
033061	3/15/2023	Infrastructure Engineering Corporation	21,832.25	PACIFIC RNCH WTR SYS ANALYSIS	Yes
033062	3/15/2023	Innovative Automotive Enterprises Inc	20,394.84	Vault Upgrade	Yes
033063	3/15/2023	Integrity Municipal Systems	1,303.00	WWTP ODOR SCRUBBER SVCS	
033064	3/15/2023	James Purdy	87.66	REF:1060043_119290-Customer Refund	
033065	3/15/2023	Marina Landscape, Inc.	37,857.50	HQ Courtyard Garden 22AGR012	Yes
033066	3/15/2023	Morton Salt Inc	6,126.62	WTP CHEMICALS	
033067	3/15/2023	Pacific Pipeline Supply	2,401.11	WTP SUPPLIES	Yes
033068	3/15/2023	Palomar Health	180.00	EMPLOYEE SERVICES	
033069	3/15/2023	Peterson Structural Engineers, Inc.	1,973.30	REHAB CONCRETE TANKS	Yes
033070	3/15/2023	PWLC I, INC	375.00	WIEGAND RSVR TREE SERVICES	
033071	3/15/2023	R & R Industries Inc	2,343.90	SAFETY SHIRTS	
033072	3/15/2023	RCP Block & Brick Inc	703.83	SAND BAGS	Yes
033073	3/15/2023	RECON Environmental, Inc.	26,630.75	For Lusardi Phase II Cathodic Protection, HOA Pipeline Extension, Unit A - RSF Road Pipeline Replacement, Valve 153 replacement projects	Yes
033074	3/15/2023	Republic Services #661	3,171.13	3-0661-2000037- Waste Disposal	
033075	3/15/2023	Robert Cantrell	55.48	REF:1004824_207175-Customer Refund	
033076	3/15/2023	San Diego Gas & Electric	24,935.78	Utilities	Yes

Olivenhain Municipal Water District
March 2023 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference	Multiple Invoices?
033077	3/15/2023	San Elijo Joint Powers Auth.	7,080.00	2/23 4.0 AF RECYCLED WATER	
033078	3/15/2023	Santa Fe Irrigation Dist	512.39	008128-005	Yes
033079	3/15/2023	TASC	456.90	2/28 VEBA CLAIMS PROCESSING	
033080	3/15/2023	Tetra Tech Inc	38,968.48	PLC Replacement PW Design	Yes
033081	3/15/2023	Traffic Supply Inc	380.53	ASPHALT COVER UP PAINT	
033082	3/15/2023	UniFirst Aid Corp	372.09	FIRST AID SUPPLIES	
033083	3/15/2023	United Parcel Service	27.49	SHIPPING	
033084	3/15/2023	USA Blue Book	990.38	WWTP SUPPLIES	Yes
033085	3/15/2023	Victoria Fernandez	1,319.59	REF:1010173_222935-Customer Refund	
033086	3/15/2023	Water for People	66.00	WTRPL 3/16/2023	
033087	3/15/2023	West Coast Sand & Gravel	1,905.96	SCREENED FILL SAND	Yes
033088	3/15/2023	West Yost & Associates, Inc	4,340.00	Support for Manchester Recycled Water site connections	Yes
033089	3/15/2023	WestAir Gases & Equipment	634.65	WELDING CABLE 50 FOOT (2)	
033090	3/15/2023	Xylem Water Solutions USA, Inc.	2,380.93	Inventory -Wiper Ring Assemblies (50)	Yes
033091	3/15/2023	Quinn Communities, INC	2,941.53	RM REFUND: DEBIT000000000574	
033092	3/22/2023	Aflac	1,445.50	Supplemental Insurance	
033093	3/22/2023	AG Tech Llc	1,502.88	BIOSOLIDS DISPOSAL SERVICES	
033094	3/22/2023	Alfa Laval Inc.	12,355.22	MAINTENANCE/REPAIRS (BELT PRESS) & WTP SUPPLIES	Yes
033095	3/22/2023	Alpha Mechanical, Inc	7,213.00	2023 HVAC Preventive Maintenance Services	Yes
033096	3/22/2023	Astro Pak Corporation	11,022.00	Pickle and passivating SS hardware	Yes
033097	3/22/2023	AT & T	1,132.09	District phones	Yes
033098	3/22/2023	Brittany Skalman	33.39	REF:1090728_196485-Customer Refund	
033099	3/22/2023	Bryan Rickards	50.00	5 YEAR SERVICE AWARD	
033100	3/22/2023	C E Wilson Corporation	72,090.75	VRP FY22/23 -Construction	Yes
033101	3/22/2023	CCL Contracting Inc.	157,593.31	Construction Services - Manchester Recycled Water Project	Yes
033102	3/22/2023	City Treasurer	701.76	2/23 METER CHARGE	
033103	3/22/2023	Marvin Cohen	300.00	BETTER WAY AWARD	
033104	3/22/2023	Corodata	296.92	RECORDS STORAGE	
033105	3/22/2023	County Of San Diego	940.00	3535 MANCHESTER AVE PERMIT	Yes
033106	3/22/2023	County of San Diego, RCS	171.00	2/23 RADIO SERVICES	
033107	3/22/2023	Dale Tourtelotte	144.65	REF:1087002_163070-Customer Refund	
033108	3/22/2023	Duncan Custom Homes	140.53	REF:1008923_302880-Customer Refund	
033109	3/22/2023	EcosConnect LLC	859.00	BACKFLOW REPORTS/NOTICES	
033110	3/22/2023	Edco Waste & Recycling	1,327.60	25-4R 912759	Yes
033111	3/22/2023	Encinitas Ford	124.97	PU94 SUPPLIES	Yes
033112	3/22/2023	Farwest Corrosion	83,809.00	Lusardi Cathodic Protection Replacement	Yes
033113	3/22/2023	Ferrellgas	150.00	TANK RENTAL	
033114	3/22/2023	First Choice Technology	167.24	13001474	Yes
033115	3/22/2023	Global Power Group Inc	2,341.79	FIREHOUSE PS SERVICES	
033116	3/22/2023	Golden State Labor	2,189.00	Manchester Recycled Water Labor Compliance Program	Yes
033117	3/22/2023	Hazen and Sawyer	26,822.50	Pre Lim and Final Design Services - DCMWTP CENTRIFUGE PROJECT	Yes
033118	3/22/2023	Stephen Lee Mowry DBA	615.00	WELDING SERVICES	Yes
033119	3/22/2023	IKG Environmental	7,941.72	Quarterly Well Monitoring for San Dieguito Valley Groundwater	Yes
033120	3/22/2023	Integrity Municipal Systems	1,303.00	WWTP ODOR SCRUBBER MAINT	
033121	3/22/2023	Interstate Battery Of San Diego Inc	325.65	SHOP SUPPLIES	
033122	3/22/2023	Jennette Company Inc.	4,880.00	WWTP - CONCRETE PAD REPAIRS	
033123	3/22/2023	Kristin Greathouse	134.25	REF:1062729_161240-Customer Refund	
033124	3/22/2023	Line X Of Escondido	2,385.25	VALVE TURNING TRUCK BED LINER	Yes
033125	3/22/2023	Mega Engineering Co	1,399.03	REF:1022253_303200-Customer Refund	
033126	3/22/2023	Napa Auto Parts	1,294.63	2/23 SUPPLIES	
033127	3/22/2023	Natashia Blach	103.51	REF:1091480_102785-Customer Refund	
033128	3/22/2023	Neal Meyers	177.66	DESAL CONF. EXPENSE REIMB	
033129	3/22/2023	Pacific Pipeline Supply	14,338.56	WTP SUPPLIES	Yes
033130	3/22/2023	Pacific Safety Center	1,990.00	TRENCHING & EXCAVATING TRNG	Yes
033131	3/22/2023	Jaroht Inc., dba	78.00	760-489-9971	
033132	3/22/2023	Parkhouse Tire Inc	1,737.50	FB74 SUPPLIES	Yes
033133	3/22/2023	Patriot Environmental	1,150.00	ROLL OFF TRUCK SERVICES	Yes
033134	3/22/2023	Productive Computing Inc	786.00	EMPLOYEE REVIEW SOFTWARE SVC	
033135	3/22/2023	PWLC I, INC	14,848.00	LANDSCAPE MAINTENANCE	Yes
033136	3/22/2023	Raftelis Financial Consultant	4,972.50	WATER CAP FEES	Yes
033137	3/22/2023	Republic Services	748.55	4-4530-0333405	
033138	3/22/2023	San Diego Building Maintenance	5,396.00	2/23 JANITORIAL SERVICES	
033139	3/22/2023	San Diego County Recorder	58.00	CALLE HERMOSA ESMNT RECORDING	Yes
033140	3/22/2023	San Diego County Recorder	41.00	EP #418 RECORDING FEE	Yes
033141	3/22/2023	San Diego Gas & Electric	85,736.14	0099949341729	Yes
033142	3/22/2023	Siddharth Chhokar	55.47	REF:1090299_100225-Customer Refund	
033143	3/22/2023	Steven Biebel	137.30	REF:1090961_118280-Customer Refund	
033144	3/22/2023	Tesco Controls Inc	2,580.00	WWTP SERVICES	
033145	3/22/2023	The Dumbell Man Fitness Equipment	175.00	GYM EQUIPMENT MAINT SERVICES	
033146	3/22/2023	Tri Signal Integration Inc	387.25	WTP SERVICES	
033147	3/22/2023	Underground Service Alert	363.50	DIG ALERT TICKETS	
033148	3/22/2023	VWR International LLC	237.33	WTP SUPPLIES	
033149	3/22/2023	WEST Consultants, Inc.	535.00	4SR DAM INUNDATION STUDY	
033150	3/22/2023	Mark Wilson	100.00	10 YEAR SERVICE AWARD	
033151	3/22/2023	Zoe Bagger	143.58	REF:1081427_206280-Customer Refund	
033152	3/22/2023	Vallecitos Water District	48,481.86	RECLAIMED WATER SALES	
033153	3/29/2023	Ababa Bolt Inc	289.85	SUPPLIES	Yes
033154	3/29/2023	Advanced Air & Vacuum	2,563.57	WTP TRAIN 8 COOL BLUE KIT	
033155	3/29/2023	American Conservation & Billing Solutions, Inc.	3,251.00	4/23 AQUAHAWK SERVICES	
033156	3/29/2023	Applied Best Practices	1,700.00	FINALIZED/FILED FY2021-22 CDAR	
033157	3/29/2023	Aqua Metric	60,241.00	5/8" Sr-li Tr/PI Meter	Yes
033158	3/29/2023	AT & T	563.87	District phones	

Olivenhain Municipal Water District
March 2023 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference	Multiple Invoices?
033159	3/29/2023	Balboa Engineering Inc.	30,155.75	Preliminary & Final Design Services for VP West PRS Replacement Project	Yes
033160	3/29/2023	California State Disbursement Unit	123.23	Employee Garnishment	
033161	3/29/2023	Carol Case-Lieberman	448.49	REF:1019607_170335-Customer Refund	
033162	3/29/2023	Carollo Engineers	30,895.50	DCMWTP Condition Assessment Project	Yes
033163	3/29/2023	CBIONE	48.71	WWTP SUPPLIES	
033164	3/29/2023	CCL Contracting Inc	1,914.03	REF:1088574_303240-Customer Refund	
033165	3/29/2023	Claudia Pratson	4,000.00	Conflict Resolution/Employee Development Training	
033166	3/29/2023	Conterra Inc.	1,831.40	4S RANCH RSVR LINER REPAIRS	
033167	3/29/2023	Core & Main LP	55.23	SUPPLIES	
033168	3/29/2023	County Of San Diego	718.00	8250 PASEO ESPLANADA-PERMIT	
033169	3/29/2023	CWEA	95.00	AWARDS LUNCHEON-KIM THORNER	
033170	3/29/2023	Cyber Marketing Network Inc	304.44	Safety Boots	Yes
033171	3/29/2023	Cynthia White	68.99	REF:1061504_145450-Customer Refund	
033172	3/29/2023	Dudek	3,577.50	4SWRF HEADWORKS SCREENING SYS	Yes
033173	3/29/2023	Jason Emerick	125.00	EDUCATION INCENTIVE PAY	
033174	3/29/2023	Emily Heil	136.36	REF:1084407_191960-Customer Refund	
033175	3/29/2023	Encinitas Ford	267.63	PU112 SUPPLIES	Yes
033176	3/29/2023	Fallbrook Printing Corp	1,322.94	WATER SAMPLE LABELS	Yes
033177	3/29/2023	Ferguson Enterprises Inc. #1083	1,936.27	SUPPLIES	
033178	3/29/2023	Geoscience Support Svcs, Inc.	11,811.50	San Dieguito Valley Groundwater Services	Yes
033179	3/29/2023	Global Power Group Inc	463.75	FIREHOUSE PUMP STATION PM SVCS	
033180	3/29/2023	Guardian	948.60	4/23 DENTAL ADMIN FEES	
033181	3/29/2023	Hill Brothers Chemical Company	13,643.06	WTP CHEMICALS	
033182	3/29/2023	Stephen Lee Mowry DBA	590.00	ENCINITAS PUMP RM-WELDING SVC	
033183	3/29/2023	Jody Martin	157.70	REF:1049924_233755-Customer Refund	
033184	3/29/2023	Marcela Novy	49.17	MILEAGE REIMBURSEMENT	
033185	3/29/2023	MGM Plastics Inc	215.50	SUPPLIES	Yes
033186	3/29/2023	Mission Electric Supply, Inc.	397.38	WWTP SUPPLIES	Yes
033187	3/29/2023	NBS	10,905.26	4/23-6/23 BONDED ASSESSMENT	
033188	3/29/2023	Nese Alyuz Civitci	35.01	REF:1091387_103030-Customer Refund	
033189	3/29/2023	North County Powder Coating	1,030.54	REFURBISHMENT SERVICES - BEAMS	Yes
033190	3/29/2023	Orion Construction Corporation	284,380.15	Construction Services	Yes
033191	3/29/2023	Pacific Pipeline Supply	5,289.95	WTP SUPPLIES	Yes
033192	3/29/2023	Public Affairs Dept - COWU	110.00	4/18 LUNCH MTG - KT & NM	
033193	3/29/2023	Quality Chevrolet	425.40	FB74 SERVICES	Yes
033194	3/29/2023	RECON Environmental, Inc.	3,336.86	ELFIN FOREST OVERFLOW PARKING	Yes
033195	3/29/2023	Rick Post Welding &	550.00	4G RD WELDING SERVICES	Yes
033196	3/29/2023	Safelite Fulfillment Inc	434.32	D652 SUPPLIES	Yes
033197	3/29/2023	San Diego Gas & Electric	4,227.19	Utilities	Yes
033198	3/29/2023	Sara Hannan	143.26	REF:1060514_239930-Customer Refund	
033199	3/29/2023	Southern Contracting	11,579.35	Megger 600 MCM feeders	Yes
033200	3/29/2023	Sunbelt Rentals, Inc.	407.11	SKIDSTEER RENTAL (PARKS)	Yes
033201	3/29/2023	Taylor Morrison of CA	1,148.42	REF:1054864_303165-Customer Refund	
033202	3/29/2023	Tetra Tech Inc	31,257.14	PLC Replacement PW Design	Yes
033203	3/29/2023	TS Industrial Supply	1,686.35	SUPPLIES	Yes
033204	3/29/2023	United Parcel Service	18.53	SHIPPING	
033205	3/29/2023	US Bank	2,190.51	777321	
033206	3/29/2023	USA Blue Book	851.94	WWTP SUPPLIES	
033207	3/29/2023	Utility Cost Management Llc	20,294.34	SDGE ELECTRICITY SERVICE	
033208	3/29/2023	Water for People	66.00	WTRPL 3/30/2023	
033209	3/29/2023	West Coast Sand & Gravel	936.77	MATERIAL	
033210	3/29/2023	William Blansett	106.97	REF:1091225_165240-Customer Refund	
EFT0000000000402	3/8/2023	DLM Engineering Inc	13,531.25	ENGINEER CONSULTING SERVICES	Yes
EFT0000000000403	3/8/2023	Westamerica Communications, Inc.	4,648.16	WATCHING WATER	
EFT0000000000404	3/8/2023	B. Weber Consulting LLC	8,709.77	1/23 & 2/23 IT CONSULTING SERVICES	Yes
EFT0000000000405	3/8/2023	McMaster-Carr Supply Co.	906.01	SUPPLIES	Yes
EFT0000000000406	3/8/2023	CyberlinkASP Technology	8,435.79	DYNAMICS/CIS HOSTING SERVICES & DEDICATED SERVERS	
EFT0000000000407	3/8/2023	Volt Management Corp	1,262.83	SDCWA INTERNS W/E 2/3 & 2/10	
EFT0000000000408	3/8/2023	Parsons	15,993.71	Preliminary and Final Design Services FOR RSF Potable Pipeline Replacement	Yes
EFT0000000000409	3/8/2023	Inductive Automation	10,280.01	Inductive Automation Support Renewal	Yes
EFT0000000000410	3/8/2023	CDW Government Inc	63.10	SUPPLIES	Yes
EFT0000000000411	3/8/2023	Univar Solutions Usa Inc	3,164.40	WWTP CHEMICALS	
EFT0000000000412	3/8/2023	Valley Construction Management	6,313.00	Construction Management and Inspection Services	Yes
EFT0000000000413	3/8/2023	Harrington Industrial Plastics Inc	801.32	WTP SUPPLIES	Yes
EFT0000000000414	3/15/2023	ACWA - JPIA	139,905.66	4/23 GROUP INSURANCE PREM	
EFT0000000000415	3/15/2023	Sloan Electric	393.98	CIELO PUMP STATION SERVICES	
EFT0000000000416	3/15/2023	Calif. Surveying & Drafting Supply	410.22	SUPPLIES	
EFT0000000000417	3/15/2023	Woodard & Curran	5,728.25	NSDCRRWP 202 GRANT ADMIN	
EFT0000000000418	3/15/2023	Volt Management Corp DBA	1,280.95	SDCWA INTERN W/E 2/17/23	
EFT0000000000419	3/15/2023	Transnet Investigative Group Inc.	542.40	PRE-EMPLOYMENT BACKGROUND	
EFT0000000000420	3/15/2023	Martin Marietta Materials Inc	431.25	DUMP BOBTAIL - CONCRETE	
EFT0000000000421	3/15/2023	Softchoice	2,834.06	SERVICE AGREEMENT (MICROSOFT)	Yes
EFT0000000000422	3/15/2023	CDW Government Inc	1,484.48	SUPPLIES	Yes
EFT0000000000423	3/15/2023	Nossaman LLP	20,774.50	1/23 LEGAL SERVICES	
EFT0000000000424	3/15/2023	Harrington Industrial Plastics Inc	2,412.46	WWTP SUPPLIES	Yes
EFT0000000000425	3/22/2023	Southern Counties Lubricants, LLC.	6,217.38	UNLEADED & DIESEL FUEL	
EFT0000000000426	3/22/2023	Evoqua Water Technologies	535.36	WWTP SERVICES	Yes
EFT0000000000427	3/22/2023	McMaster-Carr Supply Co.	400.80	SUPPLIES	
EFT0000000000428	3/22/2023	Sloan Electric	5,744.97	Motor overhaul labor	Yes
EFT0000000000429	3/22/2023	Radwell International, Inc.	275.04	WWTP SUPPLIES	
EFT0000000000430	3/22/2023	Calif. Surveying & Drafting Supply	22.52	SUPPLIES	

Olivenhain Municipal Water District
March 2023 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference	Multiple Invoices?
EFT0000000000431	3/22/2023	Volt Management Corp DBA	1,885.31	SDCWA INTERN W/E 2/10 & 2/24	
EFT0000000000432	3/22/2023	Harrington Industrial Plastics Inc	2,621.87	WWTP SUPPLIES	Yes
EFT0000000000433	3/29/2023	Standard Insurance Co.	11,712.58	4/23 LTD & LIFE INSURANCE PREM	Yes
EFT0000000000434	3/29/2023	Brown & Bigelow	8,030.12	THERMO COOLER (150)	Yes
EFT0000000000435	3/29/2023	Westamerica Communications, Inc.	563.87	BUSINESS CARDS	
EFT0000000000436	3/29/2023	PSI Water Technologies, Inc	15,933.42	WTP SUPPLIES	Yes
EFT0000000000437	3/29/2023	McMaster-Carr Supply Co.	1,470.66	SUPPLIES	Yes
EFT0000000000438	3/29/2023	Volt Management Corp DBA	1,256.79	SDCWA INTERN W/E 3/3/23	
EFT0000000000439	3/29/2023	Traffic Safety Solutions	1,795.00	RANCHO DIEGUENO RD/RSF FARMS	Yes
EFT0000000000440	3/29/2023	Martin Marietta Materials Inc	254.56	MATERIALS	
EFT0000000000441	3/29/2023	CDW Government Inc	51,987.00	Falcon Complete with Threat Graph Standard - subscription license (1 year)	Yes
EFT0000000000442	3/29/2023	Nossaman LLP	6,750.00	2/23 LOBBYING & ADVOCACY SVCS	
EFT0000000000443	3/29/2023	Valley Construction Management	6,407.00	CONSTRUCTION MGMT SERVICES	
EFT0000000000444	3/29/2023	Konecranes Inc	791.00	Crane & Hoist Inspections at DCMWTP	Yes
			<u>1,926,527.41</u>		

Olivenhain Municipal Water District
Monthly Directors Fee and Reimbursed Expenses for Directors and Staff
March 2023

<u>Name</u>	<u>Payment Date</u>	<u>Check#/ Credit Card</u>	<u>Meals & Lodging</u>	<u>Travel & Transport</u>	<u>Other</u>	<u>Total Reimbursed Expenses</u>	<u>Directors Fee</u> *
Director Guerin			0.00	0.00	0.00	0.00	1,350.00
			0.00	0.00	0.00	0.00	1,350.00
Director Hahn			0.00	0.00	0.00	0.00	750.00
			0.00	0.00	0.00	0.00	750.00
Director Meyers	3/22/2023	33128	31.96	145.70	0.00	177.66	1,050.00
			31.96	145.70	0.00	177.66	1,050.00
Director San Antonio			0.00	0.00	0.00	0.00	750.00
			0.00	0.00	0.00	0.00	750.00
Director Watt			0.00	0.00	0.00	0.00	1,200.00
			0.00	0.00	0.00	0.00	1,200.00
General Manager Thorner			0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	
Human Resources Manager Joslin			0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	
Finance Manager Selamat			0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	
Operations Manager Fulks			0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	
Engineering Manager Stephenson			0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	
Assistant General Manager Randall			0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	
Customer Service Manager Carnegie			0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	

*Includes February and March Director fees.

Notes:

- (1) Reviewed and discussed with the Finance Committee (02/05/18).
- (2) Reimbursement of expenses are in compliance with Article 19 of the District's Administrative and Ethics Code.
- (3) Travel and other expenses charged to District's credit cards and paid by the District are recorded and maintained separately.

Olivenhain Municipal Water District
MONTHLY CASH AND INVESTMENT SUMMARY
As of February 28, 2023

Active Deposits

	<u>Book Value</u>
Checking Accounts	\$ 5,284,568
Cash Restricted for Specific Use	4,513,204
Petty Cash/Disaster Preparedness	1,491
Total Active Deposits	<u>\$ 9,799,263</u>

Deposits Not Covered by Investment Policy

Cash with Fiscal Agents	3,460,128
-------------------------	-----------

<u>Investments</u>	<u>Face Value</u>	<u>Market Value</u>	<u>Current Yield</u>	
LAIF	\$ 9,350,737	9,176,713	2.62%	\$ 9,350,737
CAMP - US Bank	23,052,251	23,052,251	4.73%	23,052,251
Money Market Funds	182,580	182,580	4.33%	182,580
Medium Term Notes	500,000	491,815	2.34%	497,940
Municipal Bonds	1,000,000	1,005,350	4.97%	1,216,760
U.S. Treasury Securities	15,530,000	15,197,344	4.12%	15,256,136
U.S. Agency Securities	34,426,111	31,422,775	1.03%	34,381,024
Total Investments	<u>\$ 84,041,678</u>	<u>\$ 80,528,828</u>	<u>2.92%</u>	<u>\$ 83,937,427</u>

Total - All Deposits/Investments

\$ 97,196,818

Maturity Analysis of Investments

	<u>Percent</u>	<u>Balance</u>
Demand Deposits	38.8%	\$ 32,585,567
Maturity within the next two months	4.9%	4,118,747
Maturity within three months and one year	19.7%	16,523,191
Maturity beyond one year	36.6%	30,709,922
Total Investments	<u>100.0%</u>	<u>\$ 83,937,427</u>

Weighted Average Days to Maturity

393

Other Required Disclosures:

Accrued interest receivable as of 02/28/2023 \$ 238,459

The above investments are in accordance with the portfolio limitations in the Investment Policy approved by the Board in December 2022.

The District has sufficient funds on hand to meet the next 30 days' obligations.

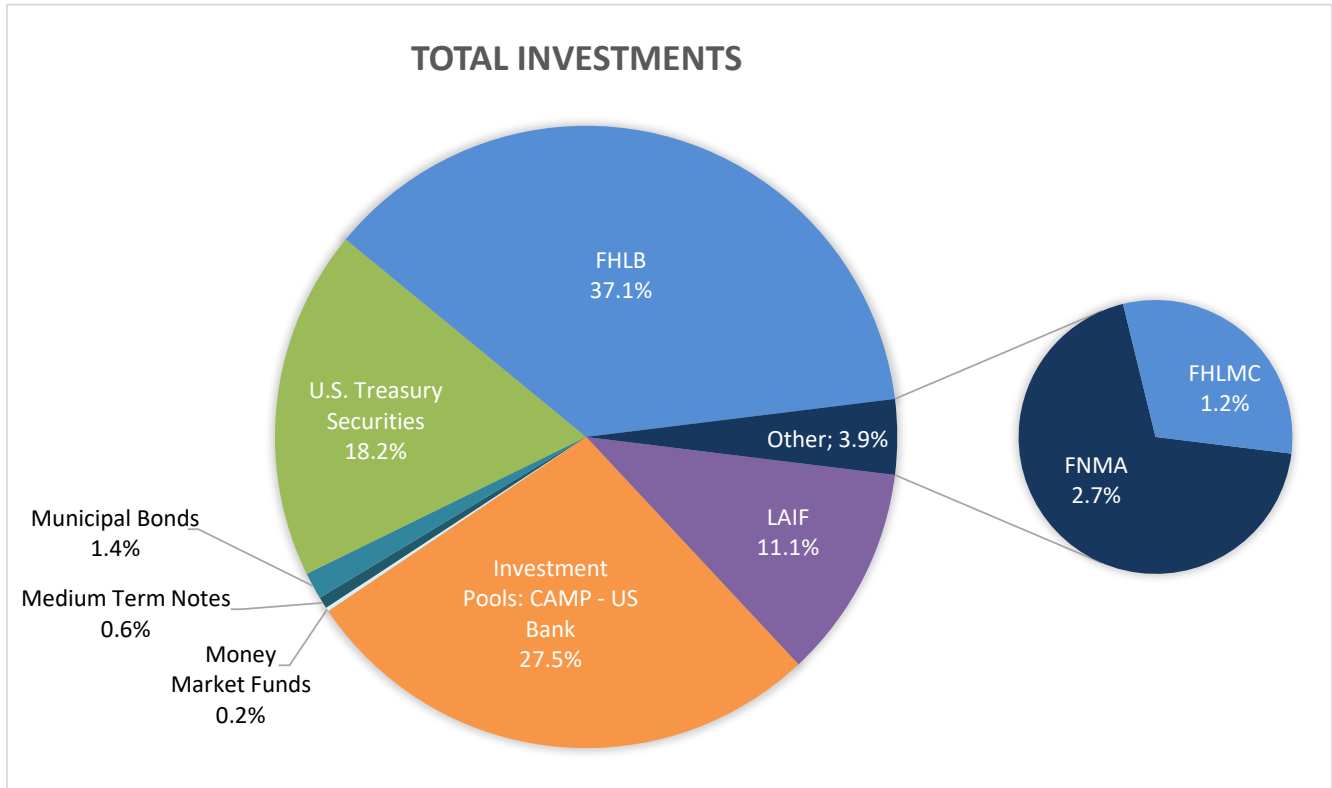
Olivenhain Municipal Water District
PORTFOLIO LIMITATIONS ANALYSIS PER INVESTMENT POLICY
February 28, 2023

	<u>Book Value</u>	<u>Percent</u>	<u>Permitted Percent</u>	<u>In Compliance?</u>
LAIF	\$ 9,350,737	11.1%	50.0% ⁽¹⁾	Yes
Investment Pools: CAMP - US Bank	23,052,251	27.5%	30.0%	Yes
Money Market Funds	182,580	0.2%	20.0% ⁽²⁾	Yes
Medium Term Notes	497,940	0.6%	30.0% ⁽³⁾	Yes
Municipal Bonds	1,216,760	1.4%	30.0%	Yes
U.S. Treasury Securities	15,256,136	18.2%	100.0% ⁽⁴⁾	Yes
U.S. Agency Securities	34,381,024	41.0%	50.0%	Yes
<i>FHLB</i> <i>Federal Home Loan Bank</i>	31,131,024	37.1%		
<i>FNMA</i> <i>Fannie Mae</i>	2,250,000	2.7%		
<i>FHLMC</i> <i>Freddie Mac</i>	1,000,000	1.2%		

Total Investments **\$ 83,937,427** **100%**

Note:

- ⁽¹⁾ No more than 50% of the total value of all District Investments or \$40 million.
- ⁽²⁾ May not exceed 5% in any money market fund.
- ⁽³⁾ May not exceed 5% per issuer.
- ⁽⁴⁾ No limit.



* Total may not add up to 100% due to rounding.

Olivenhain Municipal Water District
MONTHLY INVESTMENTS DETAIL
February 28, 2023

ACTIVE DEPOSIT

										Book Value
Checking A/C: California Bank and Trust for General Purpose										5,284,568
California Bank and Trust for Specific Purpose										138,449
CAMP 2021A Bond										4,374,755
Petty Cash/Disaster Preparedness										1,491
Total - Active Deposits										9,799,263

DEPOSITS NOT COVERED BY INVESTMENT POLICY

Cash with Fiscal Agents:

Union Bank - RAD 96-1 Refunding Bond	873,038
Union Bank - 2015A Refunding Bond	938,729
SRF Loan	964,062
Union Bank - 2016A Refunding Bond	286,918
Union Bank - 2021A WW Revenue Bond	107,319
Union Bank - 2021B Refunding Bond	290,061

Total Deposits Not Covered by Investment Policy

RATING		DATE				Weighted Average Days to Maturity	Call	Stated Coupon	Current Yield	Market Value	Face Value	Book Value
Moody's	S&P	Purchase	Maturity	Next Call	Next S-U							

INVESTMENTS

Invest. Pools:	US Bank Calif. Asset Mgmt Prgm (CAMP)	Demand	1	4.73%	\$ 23,052,251	\$ 23,052,251	\$ 23,052,251
	State Local Agency Investment Fund (LAIF)	Demand	1	2.62%	9,176,713	9,350,737	9,350,737
	First American Government 31846V567	Demand	1	4.33%	182,580	182,580	182,580

U.S. Treasury Notes/Bills

912796YM5	U.S. Treasury Bills	Aaa	-	09/29/22	03/30/23	31		3.91%	3.92%	1,992,980	2,000,000	1,961,780
912796YN3	U.S. Treasury Bills	Aaa	-	10/06/22	04/06/23	38		3.94%	3.96%	1,194,696	1,200,000	1,176,886
912796YU7	U.S. Treasury Bills	Aaa	-	10/13/22	04/13/23	45		4.08%	4.10%	994,670	1,000,000	980,081
912796ZG7	U.S. Treasury Bills	Aaa	-	12/01/22	06/01/23	94		4.68%	4.74%	1,976,020	2,000,000	1,954,392
912796X53	U.S. Treasury Bills	Aaa	-	12/15/22	06/15/23	108		4.66%	4.73%	986,210	1,000,000	977,290
912796ZQ5	U.S. Treasury Bills	Aaa	-	12/22/22	06/22/23	115		4.65%	4.72%	1,970,480	2,000,000	1,954,680
912796XQ7	U.S. Treasury Bills	Aaa	-	01/13/23	07/13/23	136		4.74%	4.82%	1,964,640	2,000,000	1,954,100
912796Y29	U.S. Treasury Bills	Aaa	-	01/30/23	07/27/23	150		4.77%	4.86%	1,304,078	1,330,000	1,299,765
912796Z36	U.S. Treasury Bills	Aaa	-	02/16/23	08/17/23	171		4.93%	5.05%	977,280	1,000,000	976,000
91282CBQ3	U.S. Treasury Notes	Aaa	-	03/09/21	09/30/24	581		0.50%	0.56%	889,020	1,000,000	984,478
912828YH7	U.S. Treasury Notes	Aaa	-	03/09/21	02/28/26	1,097		1.50%	1.58%	947,270	1,000,000	1,036,684
						87		4.04%	4.12%	\$ 15,197,344	\$ 15,530,000	\$ 15,256,136

U.S. Agency Securities

3130AJZJ1	FHLB Callable	Aaa	AA+	09/02/20	08/25/23	Anytime	179	1	0.32%	0.33%	1,123,496	1,151,111	1,151,111
3130AS3J6	FHLB Callable	Aaa	AA+	05/24/22	11/24/23	05/24/23	270	86	2.50%	2.55%	538,720	550,000	550,000
313384QR3	FHLB Discount Note	Aaa	AA+	01/19/23	12/18/23		294		4.77%	4.96%	960,350	1,000,000	957,913
3135GAEU1	FNMA Callable	Aaa	AA+	02/13/23	02/09/24	08/09/23	347	163	5.13%	5.13%	998,250	1,000,000	1,000,000
3130ARYU9	FHLB Callable	Aaa	AA+	05/23/22	02/23/24	05/23/23	361	85	3.00%	3.07%	977,770	1,000,000	1,000,000
3136G4P56	FNMA Callable	Aaa	AA+	08/26/20	02/26/24	05/26/23	364	88	0.40%	0.42%	1,191,013	1,250,000	1,250,000
3130AL6Q2	FHLB Callable	Aaa	AA+	02/26/21	02/26/24	Anytime	364	1	0.22%	0.23%	951,090	1,000,000	1,000,000
3130AMMV1	FHLB Callable	Aaa	AA+	06/03/21	06/03/24	03/03/23	462	4	0.40%	0.43%	470,310	500,000	500,000
3130ALHM9	FHLB Callable	Aaa	AA+	03/10/21	06/10/24	03/10/23	469	11	0.30%	0.32%	938,610	1,000,000	999,000
3130ANTP5	FHLB Callable	Aaa	AA+	09/16/21	09/16/24	03/16/23	567	17	0.50%	0.54%	930,150	1,000,000	1,000,000
3130ANSP6	FHLB Callable	Aaa	AA+	09/17/21	10/17/24	03/17/23	598	18	0.50%	0.54%	926,890	1,000,000	1,000,000
3130AKEW2	FHLB Callable	Aaa	AA+	11/04/20	11/04/24	Anytime	616	1	0.43%	0.47%	1,848,120	2,000,000	2,000,000
3130ANGN4	FHLB Step-up Callable	Aaa	AA+	08/18/21	02/18/25	05/18/23	722	80	0.50%	0.54%	922,500	1,000,000	1,000,000
3130AMKE1	FHLB Callable	Aaa	AA+	05/27/21	02/27/25	05/27/23	731	89	0.66%	0.72%	916,710	1,000,000	1,000,000
3134GWAQ9	FHLMC Callable	Aaa	AA+	07/28/20	07/28/25	07/28/23	882	151	0.65%	0.72%	902,750	1,000,000	1,000,000
3130AKGX8	FHLB Step-up Callable	Aaa	AA+	12/15/20	12/15/25	03/15/23	1,022	16	0.40%	0.44%	1,810,060	2,000,000	2,000,000
3130AKMD5	FHLB Callable	Aaa	AA+	01/26/21	01/26/26	04/26/23	1,064	58	0.50%	0.57%	881,980	1,000,000	999,500
3130AKU53	FHLB Callable	Aaa	AA+	01/28/21	01/28/26	04/28/23	1,066	60	0.52%	0.59%	882,350	1,000,000	1,000,000
3130AKN69	FHLB Callable	Aaa	AA+	01/28/21	01/28/26	01/28/24	1,066	335	0.50%	0.57%	881,820	1,000,000	1,000,000
3130AKVN3	FHLB Callable	Aaa	AA+	01/29/21	01/29/26	11/29/23	1,067	275	0.52%	0.59%	882,270	1,000,000	1,000,000
3130AKWK8	FHLB Callable	Aaa	AA+	02/12/21	02/12/26	05/12/23	1,081	74	0.51%	0.58%	878,910	1,000,000	1,000,000
3130AKX43	FHLB Step-up Callable	Aaa	AA+	02/24/21	02/24/26	05/24/23	1,093	86	0.70%	0.79%	1,766,320	2,000,000	2,000,000
3130AL7M0	FHLB Callable	Aaa	AA+	02/24/21	02/24/26	05/24/23	1,093	86	0.63%	0.71%	880,990	1,000,000	1,000,000
3130AKYR1	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	02/25/24	1,094	363	0.55%	0.63%	878,860	1,000,000	1,000,000
3130AL6K5	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	02/25/24	1,094	363	0.58%	0.66%	879,680	1,000,000	1,000,000
3130ALD76	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	05/25/23	1,094	87	0.70%	0.79%	882,960	1,000,000	1,000,000
3130ALCW2	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	02/25/24	1,094	363	0.63%	0.71%	880,910	1,000,000	998,500
3130ALGJ7	FHLB Callable	Aaa	AA+	03/23/21	03/23/26	03/23/23	1,120	24	1.00%	1.12%	869,807	975,000	975,000
3130ALPQ1	FHLB Step-up Callable	Aaa	AA+	03/30/21	03/30/26	03/30/23	1,127	31	0.75%	0.83%	904,200	1,000,000	1,000,000
3130ALVC5	FHLB Step-up Callable	Aaa	AA+	04/14/21	04/14/26	04/14/23	1,142	46	0.75%	0.83%	900,190	1,000,000	1,000,000
3130APAY1	FHLB Callable	Aaa	AA+	10/21/21	10/21/26	04/21/23	1,332	53	1.10%	1.25%	878,150	1,000,000	1,000,000
3130APL78	FHLB Callable	Aaa	AA+	10/28/21	10/28/26	04/28/23	1,339	60	1.38%	1.55%	886,590	1,000,000	1,000,000
							834	97	0.94%	1.03%	\$ 31,422,775	\$ 34,426,111	\$ 34,381,024

Medium Term Notes

740816AJ2	Pres & Fellows of Harvard	Aaa	AAA	05/06/22	10/01/23	04/01/23	216	33	2.30%	2.34%	491,815	500,000	497,940
							3	33	2.30%	2.34%	\$ 491,815	\$ 500,000	\$ 497,940

Municipal Bonds

882724RA7	TEXAS ST PUB FIN AUTH	Aaa	AAA	10/30/20	10/01/25		947		5.00%	4.97%	1,005,350	1,000,000	1,216,760
							34		5.00%	4.97%	\$ 1,005,350	\$ 1,000,000	\$ 1,216,760

Total Investments

						393		2.80%	2.92%	\$ 80,528,828	\$ 84,041,678	\$ 83,937,427
TOTAL - ALL DEPOSITS AND INVESTMENTS										\$	97,196,818	

Olivenhain Municipal Water District
INVESTMENTS TRANSACTION
February 28, 2023

PURCHASED

DATE				Investment Description	<i>Stated</i>	<i>Current</i>	Face Value	Book Value
Purchase	Maturity	Call	Step-Up		Coupon	Yield		
02/13/23	02/09/24	08/09/23		FNMA Callable	5.125%	5.134%	1,000,000	1,000,000
02/16/23	08/17/23			U.S. Treasury Bills	4.931%	5.046%	1,000,000	976,000

MATURED / REDEEMED / CALLED

DATE				Investment Description	<i>Stated</i>	<i>Current</i>	Face Value	Book Value
Redemption	Maturity	Call	Step-Up		Coupon	Yield		
02/09/23	02/09/23			U.S. Treasury Bills	2.978%	2.981%	1,000,000	985,445
02/16/23	02/16/23			U.S. Treasury Bills	3.046%	3.051%	1,000,000	985,036

Olivenhain Municipal Water District
UNAUDITED CASH POSITION BY FUNDING SOURCES
As of February 28, 2023

<u>Water Funds (Potable & Recycled)</u>		<u>Balance</u>
10050-100	Cash - Petty Cash Fund	1,491
10010-100	Cash - Operating Fund	17,733,090
10030-100	Cash - Capital and Equipment Fund	36,665,532
10040-100	Cash - Rate Stabilization Fund	11,824,972
10080-100	Cash - Pension Stabilization Fund	437,135
10060-100	Cash - Deposit Work for Other	98,691
14000-500	Restricted Cash - Capacity Fee Fund	6,360,955
Total Water Funds (Potable & Recycled)		<u>73,121,866</u>
 <u>Wastewater Funds</u>		
10010-110	Wastewater - Operating Fund	3,716,025
10030-110	Wastewater - Capital Replacement Fund	9,703,157
10040-110	Wastewater - Rate Stabilization Fund	2,642,243
10080-110	Cash - Pension Stabilization Fund	40,196
Total Wastewater Funds		<u>16,101,620</u>
 <u>Non Fiscal Agent Debt Service Cash</u>		
14020-570	Cash non-agent - RAD 96-1	127,249
10070-561	Cash non-agent - Bond 2015A	621
10070-581	Cash non-agent - Bond 2016A	10,580
14020-521	Cash non-agent - Bond 2021A	4,374,755
Total Non Fiscal Agent Debt Service Cash		<u>4,513,204</u>
 <u>Debt Service Funds</u>		
14030-510	SRF Loan - Fiscal Agent	964,062
14105-570	Redemption fund - RAD 96-1	803,790
14110-570	Reserve fund - RAD 96-1	69,248
14100-561	Redemption fund - Bond 2015A	938,729
14100-581	Redemption fund - Bond 2016A	286,918
14100-521	Redemption fund - Bond 2021A	107,319
14100-522	Redemption fund - Bond 2021B	290,061
Total Debt Service Funds		<u>3,460,128</u>
TOTAL FUND BALANCES		<u><u>97,196,818</u></u>

Memo

Date: April 19, 2023
To: Olivenhain Municipal Water District Board of Directors
From: Rainy K. Selamat, Finance Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER ADOPTION OF A MOTION APPROVING THE DISTRICT'S
CONSOLIDATED STATEMENT OF NET POSITION, CONSOLIDATED
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION,
CONSOLIDATED STATEMENT OF CASH FLOWS, CONSOLIDATED ACTUAL VS
BUDGET SUMMARY, AND CONSTRUCTION IN PROGRESS REPORT**

The following unaudited monthly financial reports are enclosed for review and approval by the Board of Directors:

- January 2022 Monthly Statement of Net Position Report.
- January 2022 Statement of Revenues, Expenses, and Changes in Net Position Report.
- January 2022 Consolidated Statement of Cash Flows
- January 2022 Monthly Consolidated Actual VS Budget Summary and explanation of significant variance report.
- January 2022 Construction In Progress Report.

OLIVENHAIN MUNICIPAL WATER DISTRICT
Statement of Net Position (Unaudited)
All Funds
1/31/2023

Assets

Current assets:

Unrestricted assets:

Cash and cash equivalents	\$80,858,801
Accounts receivable - water and sewer, net	4,564,622
Interest Receivable	228,387
Taxes receivable	184,365
Other receivables	176,741
Lease receivable	394,170
Inventories	1,615,455
Prepaid expenses and deposits	1,256,499
Total unrestricted assets	<u>89,279,042</u>

Restricted assets:

Cash and cash equivalents	14,814,756
Assessments receivable	50,798
Grants receivable	89,492
Total restricted assets	<u>14,955,045</u>
Total current assets	<u>104,234,087</u>

Noncurrent assets:

Capital assets, nondepreciable	46,309,014
Capital assets, depreciable/amortizable, net	<u>330,423,944</u>
Capital assets, net	376,732,958
Prepaid bond insurance	18,678
Lease receivable	<u>9,955,712</u>
Total noncurrent assets	<u>386,707,348</u>
Total assets	<u>490,941,435</u>

Deferred Outflows of Resources

Deferred amount on refunding	(923,862)
Deferred amount from pension	<u>(2,731,692)</u>
Total deferred outflows of resources	<u>(3,655,554)</u>

Liabilities

Current Liabilities

Liabilities payable from unrestricted assets:

Accounts payable	4,614,041
Accrued payroll	414,017
Customer deposits	368,781
Payable related to work in progress	98,252
Compensated absences, current portion	996,839
Current portion of long-term debt:	
Wastewater Revenue Bonds 2021A	207,240
Wastewater Refunding Revenue Bonds 2021B	569,840
Water Revenue Refunding Bonds 2016A	560,000
Water Revenue Refunding Bonds 2015A	1,845,000
Special Assessment Debt with Government Commi...	883,019
Notes Payable	<u>827,001</u>
Total liabilities payable from unrestricted assets	<u>11,384,030</u>

Liabilities payable from restricted assets:

Accounts payable	17,662
Interest payable	249,033
Total liabilities payable from restricted assets	<u>266,695</u>
Total current liabilities	<u>11,650,726</u>

Noncurrent liabilities

Compensated absences	971,470
Net pension liability	7,819,768
Long-term debt, excluding current portion:	
Wastewater Revenue Bonds 2021A	4,589,160
Wastewater Refunding Revenue Bonds 2021B	2,944,060
Water Revenue Refunding Bonds 2016A	13,076,188
Water Revenue Refunding Bonds 2015A	11,574,344
Special Assessment Debt with Government Commi...	3,711,672
Notes Payable	<u>9,929,472</u>
Total noncurrent liabilities	<u>54,616,135</u>
Total liabilities	<u>66,266,860</u>

OLIVENHAIN MUNICIPAL WATER DISTRICT
Statement of Net Position (Unaudited)
All Funds
1/31/2023

Deferred Inflows of Resources	
Deferred amounts on pension	6,995,887
Deferred amounts on leases	9,796,852
Total deferred inflows of resources	<u>16,792,739</u>
Net Position	
Investment in Capital Assets, net of related debt	332,047,352
Restricted Net Position	9,580,821
Unrestricted Net Position	<u>69,909,217</u>
Total Net Position	<u><u>411,537,390</u></u>

OLIVENHAIN MUNICIPAL WATER DISTRICT
Statement of Revenues, Expenses and Changes in Net Position (Unaudited)
All Funds
For the Seven Months Ending 1/31/2023

	<u>2023</u>
Operating Revenues:	
Water Sales	\$34,380,429
Sewer Charges	3,074,111
Other Water Operating revenues	394,512
Total Operating Revenues	<u>37,849,053</u>
Operating Expenses	
Cost of Purchased Water Sold	18,527,783
Pumping and Water Treatment	2,524,575
Transmission and Distribution	2,800,256
Sewer Collection and Treatment	1,199,413
Elfin Forest Recreation Operations	252,382
Facilities Maintenance	725,324
Customer Service	1,155,914
General and Administrative	4,587,787
Depreciation and Amortization	6,429,150
Total Operating Expenses	<u>38,202,584</u>
Operating Income (Loss)	(353,531)
Nonoperating Revenues (Expenses)	
Investment income	959,423
Property taxes	2,605,331
Capacity charges	902,983
Benefit assessments	595,615
Other nonoperating revenues	505,960
Interest expense, net	(718,749)
Other nonoperating expenses	(395,531)
Total nonoperating revenues (expenses)	<u>4,455,032</u>
Income before capital contributions	4,101,501
Capital contributions	110,504
Change in net position	4,212,005
Net Position, Beginning of year	<u>407,325,385</u>
Net Position, End of year	<u><u>411,537,390</u></u>

OLIVENHAIN MUNICIPAL WATER DISTRICT
CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
AS OF JANUARY 31, 2023

CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts from water and sewer customers	\$ 42,835,409
Payments for water	(20,762,572)
Payments for services and supplies	(5,428,177)
Payments for employee wages, benefits and related costs	(8,956,264)
Net cash provided by operating activities	<u>7,688,396</u>

CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES:

Property taxes and benefit assessments received	3,189,440
Net cash provided by noncapital and related financing activities	<u>3,189,440</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Acquisition and construction of capital assets	(8,028,162)
Proceeds from Grants	253,028
Principal paid on long-term debt	(1,510,680)
Interest paid on long-term debt	(601,925)
Capacity charges received	902,983
Other capital financing receipts (expenses)	204,833
Net cash used by capital and related financing activities	<u>(8,779,923)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Investment income received	875,163
Net cash provided (used) by investing activities	<u>875,163</u>

Net increase (decrease) in cash and cash equivalents 2,973,076

Cash and cash equivalents, beginning of year 55,947,025

Cash and cash equivalents, end of period \$ 58,920,101

FINANCIAL STATEMENT PRESENTATION:

Cash and cash equivalents - current assets	46,437,064
Cash and cash equivalents - restricted assets	12,483,037
Total cash and cash equivalents	<u>\$ 58,920,101</u>

CASH AND CASH EQUIVALENTS RECONCILIATION

		Balance Includes Mkt Securities	Without Mkt Securities
Unrestricted cash	1/31/2023	80,858,801	46,437,064
Restricted cash	1/31/2023	14,814,756	12,483,037
Total cash and cash equivalents			<u>58,920,101</u>

OLIVENHAIN MUNICIPAL WATER DISTRICT
Consolidated Actual vs Budget Summary
For the Seven Months Ending 1/31/2023

	Approved Budget	Actual YTD	Budget YTD	Variance Amt	Variance %	Notes
Operating Revenues						
Commodity Water Sales	\$43,373,000.00	\$25,053,355.08	\$26,519,600.00	(\$1,466,244.92)	(5.5%)	1
Water Fees and Services	17,376,000.00	9,730,787.27	10,003,650.00	(272,862.73)	(2.7%)	
Sewer Revenue	5,598,000.00	3,074,111.36	3,035,500.00	38,611.36	1.3%	
Total Operating Revenues	66,347,000.00	37,858,253.71	39,558,750.00	(1,700,496.29)	(4.3%)	
Operating Expenses						
Purchased Water - Variable	23,798,000.00	13,591,065.78	14,151,060.00	559,994.22	4.0%	1
Purchased Water - Fixed	8,443,000.00	4,936,716.77	4,927,600.00	(9,116.77)	(0.2%)	
General Manager Dept	2,044,000.00	1,120,332.13	1,191,750.00	71,417.87	6.0%	2
Engineering Dept	2,428,000.00	1,163,016.13	1,418,400.00	255,383.87	18.0%	2
Finance Dept	1,633,000.00	933,393.15	952,770.00	19,376.85	2.0%	2
Customer Service Dept	3,003,000.00	1,595,587.90	1,752,702.00	157,114.10	9.0%	2
Human Resources Dept	783,000.00	468,377.17	457,016.00	(11,361.17)	(2.5%)	2
Water Operations and Maintenance Dept	11,774,500.00	6,250,436.45	6,867,483.00	617,046.55	9.0%	2
Parks Dept	478,000.00	275,460.80	279,762.00	4,301.20	1.5%	2
Other Operating Expenses	50,000.00		29,400.00	29,400.00	100.0%	
Sewer Operations and Maintenance Dept	2,974,000.00	1,728,463.37	1,735,454.00	6,990.63	0.4%	2
Recycled Water Operations Dept	1,287,000.00	713,928.67	752,290.00	38,361.33	5.1%	2
Paygo Transfers						
Water Operations	6,400,000.00	3,731,000.00	3,731,000.00		0.0%	
Sanitation Operations	1,590,000.00	931,000.00	931,000.00		0.0%	
Recycled Operations	2,200,000.00	1,281,000.00	1,281,000.00		0.0%	
Capitalized Operations Expenditures	(1,843,000.00)	(517,194.89)	(1,078,490.00)	(561,295.11)	52.0%	3
Total Operating Expenses	67,042,500.00	38,202,583.43	39,380,197.00	1,177,613.57	3.0%	
Net Operating Income (Loss)	(695,500.00)	(344,329.72)	178,553.00	(522,882.72)		
Nonoperating Revenues						
Water Funds	6,033,000.00	3,660,526.00	2,864,990.00	795,536.00	27.8%	4
Debt Service Funds	1,044,000.00	701,936.77	627,460.00	74,476.77	11.9%	5
Sewer Funds	32,000.00	56,859.34	18,900.00	37,959.34	200.8%	5
Recycled Water Funds	52,000.00	74,314.52	30,660.00	43,654.52	142.4%	5
Total Nonoperating Revenue	7,161,000.00	4,493,636.63	3,542,010.00	951,626.63	26.9%	
Nonoperating Expense						
Capacity Fee Funds	30,000.00	21,410.60	17,360.00	(4,050.60)	(23.3%)	
Debt Service Funds	1,569,000.00	770,896.90	915,250.00	144,353.10	15.8%	6
Potable Water Funds	610,000.00	321,973.09	355,600.00	33,626.91	9.5%	7
Total Nonoperating Expense	2,209,000.00	1,114,280.59	1,288,210.00	173,929.41	13.5%	
Inc before Cap Fees and Capital Contributions	4,256,500.00	3,035,026.32	2,432,353.00	602,673.32		
Capacity Fee Funds	356,000.00	1,075,675.59				
Capital contributions	1,897,000.00	110,504.18				
Change in Net Position		4,221,206.09				

OLIVENHAIN MUNICIPAL WATER DISTRICT
Actual vs Budget Variance
For the Seven Months Ending 1/31/2023

1. Water Sales revenue was lower than Budget YTD by approximately \$1.47 million resulting in an unfavorable variance of 5.5%. The negative variance is primarily due to lower water consumption than budgeted due to excessive amounts of rainfall throughout the winter months. Consequently, purchased water variable expenses were also lower than the Budget YTD for a favorable variance of \$560 thousand or 4%.
2. Actual departmental expenses varied from the Budget YTD amounts due to the timing of actual operating expenses. The Budget YTD amounts assume expenditures are incurred evenly throughout the year.
3. Actual Capitalized Operating Expenses were lower than the Budget YTD amount due to the timing of capitalized labor spent on District projects. The Budget YTD amount assumes expenditures are incurred evenly throughout the year.
4. Actual Non-operating Revenues – Water Funds were greater than Budget YTD for a positive variance due to a higher amount of interest income earned on investments from increased yields on short-term investments, the timing of property tax revenues received from the County, and the fourth rebate payment from SDCWA for attorney fees of \$19,000.
5. Actual Non-operating Revenues – Debt Service Funds, Sewer Funds, and Recycled Water Funds were greater than Budget YTD for a positive variance due to a higher amount of interest income earned on investments from increased yields on short-term investments.
6. Actual Non-operating Expenses - Debt Service Funds were lower than the Budget YTD amount for a positive variance because amortization of the issuance premium is not included in the 2015A Bonds interest expense.
7. Actual Non-operating Expenses – Potable Water Funds were lower than the Budget YTD amount for a positive variance due to a lower amount of Rate Reimbursement Credits issued to customers than anticipated in the budget due to decreased consumption as stated in note 1 above.

Construction Work In Progress Report as of 1/31/2023

Project Name	Budget	Appropriation to Date	Expenditures & Encumbrance	(Over) / Under
Replace Neighborhood 1 SPS	\$7,732,000	\$7,732,000	\$7,189,786	\$542,214
Manchester Recyc PL Exten.	\$5,225,000	\$5,225,000	\$4,920,873	\$304,127
San Dieguito Desalination	\$42,837,000	\$4,562,000	\$4,517,331	\$44,669
HOA Pipeline Ext - CB, VP, SH	\$2,645,000	\$2,145,000	\$231,466	\$1,913,534
RSFe Rd Unit A North PL	\$2,294,000	\$1,450,000	\$340,706	\$1,109,294
Replace Pipelines	\$8,983,000	\$1,305,000	\$165,038	\$1,139,962
Replace Valves	\$8,856,000	\$1,085,000	\$566,028	\$518,972
DCMWTP 4th Stage Centrifuge	\$1,040,000	\$1,040,000	\$266,909	\$773,091
Fixed Base AMI	\$2,416,000	\$853,000	\$444,493	\$408,507
Replace DCMWTP Membranes	\$8,970,000	\$800,000	\$750,086	\$49,914
Hydropower Turbine Refurb	\$800,000	\$800,000	\$710,336	\$89,664
DCMWTP PH Control System	\$737,000	\$737,000	\$690,566	\$46,434
Replace Headworks Manual Sys	\$3,160,000	\$619,000	\$359,864	\$259,136
DCMWTP Condition Assessment	\$585,000	\$585,000	\$570,791	\$14,209
Residuals Handling Bldg Canopy	\$438,000	\$438,000	\$76,615	\$361,385
Pot & Recycled Master Plan	\$583,000	\$438,000	\$423,418	\$14,582
Lone Jack PRS	\$385,000	\$385,000	\$398,144	(\$13,144)
Parking & Access Improvements	\$575,000	\$332,000	\$84,020	\$247,980
Replace Potable Meters	\$4,921,000	\$315,000	\$227,341	\$87,659
DCMWTP Analyzer Replace.	\$727,000	\$305,000	\$292,367	\$12,633
Steel Mains Protection	\$3,375,000	\$281,000	\$130,715	\$150,285
DCMWTP 2nd Stage Memb. Train	\$845,000	\$270,000	\$6,601	\$263,399
District-Wide Scada Upgrades	\$256,000	\$256,000	-	\$256,000
Backup Generator SFV RW Pump	\$250,000	\$250,000	-	\$250,000
Ext. 153 Flow Meter	\$385,000	\$230,000	\$14,628	\$215,372
4SWRF Emergency Wiring Replmnt	\$240,000	\$224,000	\$1,584	\$222,416
Network User Enhancements	\$200,000	\$200,000	\$198,152	\$1,848
Village Park PRS	\$960,000	\$200,000	\$112,838	\$87,162
Gardendale PRS	\$960,000	\$200,000	\$109,942	\$90,058
Cielo SPS Flow Meters	\$443,000	\$193,000	-	\$193,000
District-Wide PLC replacements	\$1,066,000	\$180,000	\$169,008	\$10,992
District-Wide PLC Repl (WW)	\$901,000	\$180,000	\$169,280	\$10,720
Rancho Cielo Pipeline Replmnt	\$831,000	\$173,000	-	\$173,000
Collection System SPS Rehab	\$912,000	\$169,000	-	\$169,000
Replace WW Pumps/ Motors/Equip	\$2,024,000	\$169,000	\$64,903	\$104,097
Network Security	\$1,175,000	\$165,000	\$92,082	\$72,918
Rancho La Cima/Aliso Canyon PL	\$300,000	\$165,000	\$63,152	\$101,848
Golem 14" Pipeln Cond. Assess.	\$150,000	\$150,000	-	\$150,000
Replace Meter Anodes	\$1,754,000	\$146,000	\$33,873	\$112,127
Encinitas Blvd Insp. & Repair	\$682,000	\$145,000	-	\$145,000
4S Ranch Pipe Replacement	\$660,000	\$136,000	-	\$136,000
Chlorine Gen Rm Lining Rehab	\$125,000	\$125,000	-	\$125,000
District-Wide Facility Securit	\$240,000	\$120,000	\$27,438	\$92,562
SWPPP Facility Improvements	\$100,000	\$100,000	\$11,007	\$88,993
Replace Pot. Pumps and Motors	\$1,022,000	\$94,000	\$58,272	\$35,728
Wanket RW Reservoir Rehab	\$150,000	\$75,000	-	\$75,000
Palms I and II Reservoirs	\$1,307,000	\$73,000	\$72,785	\$215
Gaty II Safety Improvements	\$590,000	\$67,000	\$1,700	\$65,300
4S WRF Scada Upgrades	\$64,000	\$64,000	-	\$64,000
Recycled Conversions	\$719,000	\$60,000	\$55,249	\$4,751
Replace PRS Valves	\$602,600	\$56,600	\$11,845	\$44,755
EFRR Parking Lot Repair	\$55,250	\$55,250	\$53,486	\$1,764
Landscape HQ Courtyards	\$54,000	\$54,000	\$51,325	\$2,675
Rancho Cielo Manhole Lining	\$586,000	\$48,000	-	\$48,000
Pot. Office Furniture/Equip.	\$47,000	\$47,000	\$12,357	\$34,643
Rehab Concrete Tanks	\$904,000	\$45,000	\$67,633	(\$22,633)
4S Physical Security Upgrades	\$210,000	\$40,000	-	\$40,000
DCMWTP Backpulse Pipeln Repair	\$34,000	\$34,000	\$32,191	\$1,809
Physical Security Upgrades	\$250,000	\$25,000	\$1,847	\$23,153
Replace Overflow Pond Strainer	\$231,000	\$25,000	\$1,048	\$23,952
Meter Replacement, Recycled	\$241,000	\$21,000	\$11,648	\$9,352
Vault Upgrades	\$98,400	\$20,400	-	\$20,400
4S System Manhole Lining	\$206,000	\$17,000	-	\$17,000
WW Master Plan	\$110,000	\$10,000	\$1,853	\$8,148
Total:	\$130,224,250	\$36,509,250	\$24,864,618	\$11,644,632

Notes:

(1) Overage is due to more staff labor on the project than anticipated to complete the project in a timely manner. Overage is within the manager approval limit.

(2) Project overage due to encumbrance from prior fiscal year that was not rolled forward. More work carried over from the prior fiscal than staff anticipated. Overage within manager approval limit.

Memo

Date: April 19, 2023
To: Olivenhain Municipal Water District Board of Directors
From: Teresa L. Chase, Administrative Analyst
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER 2023 ANNUAL OBJECTIVES AND TIGER TEAM STATUS REPORT**

Purpose

The purpose of this agenda item is to provide the board with a status update on the 2023 annual objectives and stretch objectives for the period beginning January 1, 2023, as well as an update on the Tiger Team program.

Recommendation

This is an informational item; no action is required.

Alternative(s)

Not applicable.

Background

At the February 15 board meeting, 70 annual objectives and eight stretch objectives were approved for calendar year 2023. This is the first full status update presented to the board.

Fiscal Impact

There are no costs associated with this item.

Discussion

This report is presented to the Board of Directors to provide updates on staff's progress toward completion of the 2023 annual objectives and stretch objectives. The report also includes a status update on the Tiger Team program, which tracks funds saved or generated through grant funding, cost savings, and alternative revenue generation.

Of note, Objective 38 relied on California's State Water Resources Control Board setting a test date for OMWD that was initially anticipated to fall in Calendar Year 2023. However, OMWD received notice that its test date is not scheduled until 2024. Staff has made the following revision to Objective 38.

Original: Complete Unregulated Contaminant Monitoring Rule 5 sampling and report results to State Water Resources Control Board

Revised: Register with the US Environmental Protection Agency to perform Unregulated Contaminant Monitoring Rule 5 requirements in 2024 and select a water quality laboratory

The next status update will be provided at the July 19, 2023 board meeting. The objectives featured herein are to be completed by December 31, 2023.

Attachments: Annual Objectives PowerPoint

2023 Annual Objectives

April 19, 2023

Board of Directors Meeting



2023 Annual Objectives

- A total of 70 objectives and eight stretch objectives were adopted for calendar year 2023

1. Providing safe, reliable, high-quality drinking water to each customer in a cost-effective manner.

Objective

1. Complete Train 4 membrane replacement at David C. McCollom Water Treatment Plant (DCMWTP)
2. Commence Second Stage Membrane Hardware Refurbishment Project at DCMWTP
3. Develop plan to complete Customer Side Lead Service Line Inventory (LSLI); classify 30 percent of service connections
4. Commence replacement of programmable logic controllers at DCMWTP

Progress Toward Completion

1. 75% - Train 4 membrane cassettes will be installed by April 30
2. 100% - Work commenced on the project in March
3. 25% - Developing Lead Service Line Inventory plan and geographic information systems (GIS) module to track and report service line inventory
4. 0% - Replacement will commence in July

1. Providing safe, reliable, high-quality drinking water to each customer in a cost-effective manner.

Objective	Progress Toward Completion
5. Complete design of additional fourth stage centrifuge at DCMWTP	5. 75% - Final design in progress
6. Complete design for the Unit A North Rancho Santa Fe Road Potable Water Pipeline Replacement Project	6. 50% - Final design in progress
7. Complete design of two pressure reducing station replacements	7. 25% - Final design in progress on Village Park and Gardendale pressure reducing stations
8. Outside of bird breeding season, complete maintenance of five impacted easements	8. 25% - Maintenance in progress and on track for completion after nesting season

1. Providing safe, reliable, high-quality drinking water to each customer in a cost-effective manner.

Objective

Progress Toward Completion

Stretch

Complete maintenance of three additional impacted easements beyond Objective 8

0% - Staff will review after achievement of Objective 8

2. Providing wastewater collection and treatment services in an environmentally responsible manner, and producing and supplying high-quality recycled water to irrigation customers in support of regional water conservation efforts.

Objective	Progress Toward Completion
9. Complete installation of flow meters at two Rancho Cielo sewer pump stations	9. 10% - Onsite meetings were held at the pump stations; meters and materials have been ordered
10. Make five new connections to the recycled water distribution system	10. 80% - Four new connections were completed in The Lakes community
11. Complete installation of recycled water flow meter on Extension 153	11. 80% - Installed pipeline and valve; awaiting delivery of meter and solar equipment for SCADA

2. Providing wastewater collection and treatment services in an environmentally responsible manner, and producing and supplying high-quality recycled water to irrigation customers in support of regional water conservation efforts.

Objective	Progress Toward Completion
12. Complete construction of the Manchester Avenue Recycled Water Pipeline Project	12. 100% - Notice of Completion approved at the March 15 board meeting
13. Commence construction on Calle Barcelona, Village Park, and Summerhill recycled water pipelines	13. 90% - Final design in progress
14. Commence start-up on Neighborhood 1 Sewer Pump Station Replacement Project	14. 30% - Construction underway
15. Sign on as an Advocacy Agency for the Encina Wastewater Potable Reuse Project	15. 100% - Board approved signing on as an Advocacy Agency at its January 18 board meeting; first partner meeting set for April

2. Providing wastewater collection and treatment services in an environmentally responsible manner, and producing and supplying high-quality recycled water to irrigation customers in support of regional water conservation efforts.

Objective

Progress Toward Completion

Stretch

Complete installation of flow meter at one additional sewer pump station beyond Objective 9

10% - An additional meter is planned for concurrent installation with the two meters from Objective 9

3. Operating Elfin Forest Recreational Reserve in the most cost-effective, safe, environmentally responsive, and service-oriented manner.

Objective	Progress Toward Completion
16. Continue education program for elementary schools in partnership with the Escondido Creek Conservancy as COVID restrictions allow, providing at least 2,000 students with in-person field trips to EFRR	16. 40% - Approximately 800 students have visited EFRR for in-person field trips in 2023
17. Utilize volunteer groups such as San Diego Mountain Biking Association and EFRR trail patrol for two trail maintenance/repair projects	17. 100% - EFRR docents and trail patrol volunteers performed creek cleanups on February 1 and 8
18. Participate in I Love a Clean San Diego Creek to Bay Cleanup event	18. 75% - Creek to Bay Cleanup will be held on April 22

3. Operating Elfin Forest Recreational Reserve in the most cost-effective, safe, environmentally responsive, and service-oriented manner.

Objective	Progress Toward Completion
19. Launch seventeenth 17 th annual photo contest	19. 0% - Annual photo contest will launch in November
20. Conduct third round of Golden Spotted Oak Borer (GSOB) monitoring at EFRR; report findings to EFRR Executive Committee	20. 80% - Trained twelve new monitoring volunteers; commenced GSOB monitoring on February 2; data collected on over 200 trees
21. Utilize past GSOB monitoring data to identify and treat problem areas for GSOB, focusing on "high value" trees for spraying (e.g., 12"+ diameter, in aesthetically valuable area, etc.)	21. 40% - Contractor selected and will conduct spraying in May or June, depending on weather conditions

3. Operating Elfin Forest Recreational Reserve in the most cost-effective, safe, environmentally responsive, and service-oriented manner.

Objective	Progress Toward Completion
22. Host water conservation workshop at Elfin Forest Interpretive Center Honoring Susan J. Varty	22. 10% - Water conservation workshop tentatively scheduled for late summer
23. Investigate legal obligations for providing access for disabled persons at EFRR; report findings to EFRR Executive Committee	23. 10% - Initiated discussion with Nossaman in February

3. Operating Elfin Forest Recreational Reserve in the most cost-effective, safe, environmentally responsive, and service-oriented manner.

Objective

Progress Toward Completion

Stretch

Work with volunteer groups on two additional trail maintenance events beyond Objective 17

0% - Additional trail maintenance events have not yet been scheduled

4. Pursuing alternative and renewable energy sources as a means of offsetting costs and energy charges, providing sustainability.

Objective

Progress Toward Completion

- 24. Initiate feasibility and conceptual plan on OMWD's strategy to address California Air Resources Board zero-emission vehicle requirements, including timeline, compliance, phasing, budgets, and financing options
- 25. Continue partnerships with energy providers and third-party consultants to optimize energy costs
- 26. Complete refurbishment of one DCMWTP energy recovery turbine to ensure continuous energy savings

- 24. 25% - Developing fleet electrification RFP
- 25. 15% - Working with Utility Cost Management on SDG&E rate audit
- 26. 50% - Work progressing on refurbishment

5. Providing a safe, healthful, and rewarding work environment which encourages communication as well as values employee participation and personal achievement.

Objective	Progress Toward Completion
27. Conduct departmental briefings with new board directors prior to the end of March	27. 100% - Completed all briefings with the new board directors
28. Conduct a lunch-and-learn for staff explaining the performance review process, merit system, and merit matrix	28. 10% - Lunch-and-learn is planned for early May
29. As COVID restrictions previously limited in-person training, hold onsite supervisory skills training; Microsoft Excel computer skills training; and at least two safety-related joint trainings with other local water agencies	29. 50% - Conducted Microsoft Excel and supervisory training classes in March

5. Providing a safe, healthful, and rewarding work environment which encourages communication as well as values employee participation and personal achievement.

Objective

Progress Toward Completion

30. Conduct departmental teambuilding exercises for staff to promote cooperation

30. 0% - Teambuilding exercises will be scheduled later in the year

31. Prepare staffing analysis succession planning document; present to Personnel Committee and full board

31. 100% - Staffing analysis succession planning document presented to Personnel Committee on March 30; presentation to full board scheduled for the April 19 board meeting

32. Conduct mandated sexual harassment prevention training for supervisors as well as non-supervisors

32. 50% - Training completed for supervisors

5. Providing a safe, healthful, and rewarding work environment which encourages communication as well as values employee participation and personal achievement.

Objective

Progress Toward Completion

- 33. Enhance employee health and wellness by hosting a voluntary wellness challenge for all staff
- 34. Initiate construction of the Bob Topolovac Memorial Courtyard
- 35. Reassess the email record retention policy, including a survey of other public agencies, and report findings to the board

- 33. 10% - Planned for early summer
- 34. 25% - Reviewing budgets; have initial design; likely to initiate construction on project elements in the fall
- 35. 25% - Completed survey of other public agencies

6. Exceeding all federal, state, and local regulatory requirements for providing potable water, wastewater treatment, and recycled water.

Objective	Progress Toward Completion
36. Complete and submit to California Department of Water Resources the Annual Water Loss Audit utilizing DWR's updated data validity criteria	36. 0% - Planned for fourth quarter; audit due to DWR January 1, 2024
37. Implement appropriate stage of Water Shortage Contingency Plan as necessary	37. 25% - OMWD remains at Level 1, which is appropriate for current supply/demand conditions
38. Register with US Environmental Protection Agency to perform Unregulated Contaminant Monitoring Rule 5 requirements in 2024 and select a water quality laboratory	38. 0% - Planned for third quarter

6. Exceeding all federal, state, and local regulatory requirements for providing potable water, wastewater treatment, and recycled water.

Objective

- 39. Complete the replacement of 50 valves in support of the annual Valve Replacement Project
- 40. Implement improvements at headquarters to enhance Stormwater Pollution Prevention Plan, ensure regulatory compliance, and reduce potential violation exposure

Progress Toward Completion

- 39. 22% - Eleven valves have been replaced by in-house staff
- 40. 50% - Working with consultant to finalize plan

6. Exceeding all federal, state, and local regulatory requirements for providing potable water, wastewater treatment, and recycled water.

Objective

41. Continue to develop messaging to protect customers' interests and ensure customer awareness of SWRCB water use efficiency regulations and new legislative requirements

Stretch

Continue interdepartmental Stormwater Pollution Prevention Plan committee to provide greater oversight for stormwater issues at headquarters and 4S Ranch Water Reclamation Facility; conduct four quarterly meetings

Progress Toward Completion

41. 25% - Ongoing; featured in February newsletter, in social media, and on OMWD's drought webpage

25% - Held first quarterly meeting

7. Minimizing all of OMWD's operational costs while maintaining a high level of customer service.

Objective	Progress Toward Completion
42. Continue to pursue local, state, federal, and private grant funding to offset costs	42. 25% - Ongoing; application submitted to MWD's Community Partnering Program for \$2,000 for educational signage at 4S WRF; pursuing \$2.5 million Community Project Funding for San Dieguito Groundwater Project from Representative Peters' office; requesting \$5.1 million line item in state budget for water loss minimization project
43. Implement campaign to increase customer use of online billing services, targeting 500 accounts newly enrolled in online payments	43. 25% - Ongoing; featured in bill message; 663 newly enrolled customers as of March 23

7. Minimizing all of OMWD's operational costs while maintaining a high level of customer service.

Objective	Progress Toward Completion
44. Complete Phase 8 of the Advanced Metering Infrastructure Expansion Project, upgrading over 2,000 meters to AMI technology	44. 72% - Completed upgrade of 1,617 meters out of 2,264
45. Conduct audit of agricultural customers to confirm eligibility for agricultural programs	45. 25% - Eligibility confirmed for all but four customers; staff working with ineligible customers to bring them into compliance or remove them from the program
46. Partner with Asterra on satellite leak detection program and present cost-benefit analysis to Ad Hoc Facilities Committee	46. 25% - Received Asterra scan results; investigating points of interest

7. Minimizing all of OMWD's operational costs while maintaining a high level of customer service.

Objective	Progress Toward Completion
47. Pilot new acoustic leak monitoring devices in the distribution system and present findings to Ad Hoc Facilities Committee	47. 25% - Piloted two separate platforms; evaluating field results
48. Transition customers on the legacy Direct Payment Program to online autopayment to improve data security and customer self-service	48. 25% - Nearly 200 DPP customers have converted to online autopay; staff is developing messaging to directly engage remaining DPP customers
Stretch	
Achieve one or more new grant awards	100% - Received notice of award for \$850,000 from Department of Parks and Recreation for EFRR Visitor Access Expansion Project
Add 500 new subscribers to the MyWaterUse by AquaHawk digital dashboard	61% - 354 newly enrolled customers as of March 23

8. Maintaining open communication and participation with the public through active conservation and educational programs as well as continually seeking customer input for informed decision-making.

Objective	Progress Toward Completion
49. Implement campaign to raise customer awareness on the value/cost of water; report efforts to Ad Hoc Customer Outreach & Conservation Committee	49. 25% - Campaign is underway; messaging featured in January newsletter, January eblast, social media, and slide in lobby
50. Implement campaign to raise customer awareness of rebates on water-saving devices; report efforts to Ad Hoc Customer Outreach & Conservation Committee	50. 25% - Campaign is underway; messaging featured in February and April newsletters, January eblast, social media, and bill message

8. Maintaining open communication and participation with the public through active conservation and educational programs as well as continually seeking customer input for informed decision-making.

Objective

51. Partner with local businesses, vendors, and community organizations on a public service announcement and/or event about water use efficiency

Progress Toward Completion

51. 25% - Ongoing; partnered with SDCWA, CMWD, and Agua Hedionda Lagoon Foundation for World Water Day event; partnered with Olivenhain Fire Safe Council on Community Wildfire Protection Plan; participated in Carlsbad Chamber of Commerce's Green Business Expo event; partnered with BCK Programs on hydroponic school and local scout troop programs; partnered with SDWD and SFID on April 3 workshop; partnered with SDCWA and California Landscape Contractors Association on April 19 meeting and tour of DCMWTP

8. Maintaining open communication and participation with the public through active conservation and educational programs as well as continually seeking customer input for informed decision-making.

Objective	Progress Toward Completion
52. Calculate OMWD's water use objective prior to the January 1, 2024 deadline once methodology has been adopted by State Water Resources Control Board	52. 25% - SWRCB has yet to adopt methodology to calculate water use objective; preliminary analysis based on proposed methodology indicates that OMWD customers will not be required to reduce demands
53. Analyze impacts to customers of Metropolitan Water District of Southern California moving to water supply allocations and communicate results to customers	53. 100% - MWD board determined in March that allocations will not be implemented in 2023

8. Maintaining open communication and participation with the public through active conservation and educational programs as well as continually seeking customer input for informed decision-making.

Objective	Progress Toward Completion
54. Commemorate 4S Ranch Water Reclamation Facility's 20th anniversary	54. 25% - National Public Works Week luncheon to be held at 4S WRF; 20th anniversary logo on letterhead and OMWD shirts will have logo added to commemorate
55. Increase customer/agricultural awareness of hydroponics; report efforts to Ad Hoc Customer Outreach and Conservation Committee	55. 25% - Installed hydroponics tower unit in OMWD's demonstration garden and planted with assorted fruits, vegetables, and herbs; additional unit donated to BCK Programs for use in their local school program; BCK Programs will train local scout troops to conduct maintenance

8. Maintaining open communication and participation with the public through active conservation and educational programs as well as continually seeking customer input for informed decision-making.

Objective

56. Investigate cost, feasibility, and potential viewer engagement of live public streaming of OMWD public meetings

Stretch

Win award from California Special Districts Association, Association of California Water Agencies, California Water Environment Association, or other industry group

Progress Toward Completion

56. 25% - Completed data collection from other agencies; staff obtaining quotes for hardware/upgrades and other less expensive alternatives

100% - 4S WRF won CWEA's 2023 Plant of the Year award at both the local and state levels

9. Ensuring that financial plans, policies, and practices maintain the ability of OMWD to construct, operate, and maintain all approved facilities including replacement funds for future needs.

Objective

Progress Toward Completion

57. Conduct annual review of water and wastewater rates and charges

57. 50% - Completed annual review of water rates and charges in February; annual review of wastewater rates and charges will be completed as part of FY 2024 mid-term budget review (May/June 2023)

58. Complete water capacity fee study update

58. 75% - Draft capacity fee study report will be presented to the Finance Committee and the full board before June 2023; capacity fee public hearing date and time will be proposed to the board at its July 19 meeting

9. Ensuring that financial plans, policies, and practices maintain the ability of OMWD to construct, operate, and maintain all approved facilities including replacement funds for future needs.

Objective	Progress Toward Completion
59. Conduct request for proposal (RFP) process for auditing services	59. 50% - Staff released auditing services RFP in March
60. Complete audit and Fiscal Year 2023 Annual Comprehensive Financial Report	60. 0% - Work on the ACFR will commence after the fiscal year ends on June 30
61. Complete midterm budget adjustment in June	61. 25% - Midterm budget under review by department managers and project managers; midterm budget workshops with the Finance Committee and full board have been scheduled for May

9. Ensuring that financial plans, policies, and practices maintain the ability of OMWD to construct, operate, and maintain all approved facilities including replacement funds for future needs.

Objective

Progress Toward Completion

Stretch

Maintain annual revenue adjustment at or below prior-year inflation adjustment

0% - Pending FY 2024 midterm budget adjustment; San Diego's current inflation adjustment is approximately 6.5% (based on SDCWA's March data)

10. Planning and constructing the Master Plan of Facilities to meet the long-term water storage, treatment, transmission, and distribution needs of OMWD.

Objective	Progress Toward Completion
62. Present to Ad Hoc Facilities Committee the results and recommendations from DCMWTP condition assessment and plan for moving forward	62. 30% - Commenced condition assessment
63. Complete hydraulic model calibrations in support of Potable Water and Recycled Water Master Plan updates	63. 25% - Hydraulic model calibrations underway
64. Commence update to Wastewater Master and Capital Improvement Plan	64. 25% - RFP issued; anticipate commencement in summer

11. Establishing programs and policies to develop alternative water supplies to serve existing and future customers.

Objective

Progress Toward Completion

- 65. Continue water rights and facility planning investigation for the San Dieguito Valley Groundwater Project and present update to board
- 66. Coordinate tours for board members of existing brackish groundwater desalination facilities similar in size to proposed OMWD facility

- 65. 25% - Ongoing; special board meeting scheduled for May 31
- 66. 10% - Ongoing; two potential facilities have been identified

12. Cultivating supportive and positive relationships with the federal, state, and local agencies which may impact OMWD's operations.

Objective	Progress Toward Completion
67. Engage and influence SWRCB regulations and water use efficiency legislation utilizing OMWD's advocate in Sacramento	67. 25% - Ongoing; provided input on AB 1572 and AB 1573, relating to the ban on irrigating non-functional turf; provided input on new SWRCB monthly drought and conservation reporting; provided comment letter to SWRCB on Proposed Regulatory Framework for Making Conservation a California Way of Life
68. Conduct emergency training at EFRR with Rancho Santa Fe Fire Protection District	68. 10% - Rancho Santa Fe Fire Protection District targeting April for training event with EFRR rangers

12. Cultivating supportive and positive relationships with the federal, state, and local agencies which may impact OMWD's operations.

Objective

Progress Toward Completion

69. Continue efforts with Solve the Water Crisis coalition, focusing on educating legislators and conducting media events

69. 30% - Ongoing; working with coalition to generate awareness and educate policymakers; support is now focused on collaborating on SB 366 and "CA Water for All" with California Municipal Utilities Association

70. Conduct series of educational presentations to board with speakers from external agencies

70. 25% - Encina Wastewater Authority presented on its Encina Wastewater Potable Reuse Project at the January 18 board meeting; California Bank & Trust is scheduled to present at the April 19 board meeting

Tiger Team Report

Fiscal Year 2023



Grants and Alternative Funding

Awarded

- \$471,148—OMWD's portion of \$3,731,783 funding award for Regional Recycled Water Program: 2020 Project through DWR's Integrated Regional Water Management Proposition 1/Round 2 Implementation Grant Program
- \$2,000—Awarded MWD Community Partnering Program funding for October 8 Open House
- \$25,000—Awarded San Diego County Community Enhancement program funding for EFRR Equine Incline Trail Rehabilitation Project
- \$849,216—Awarded Department of Parks and Recreation Recreational Trails Program funding for EFRR Visitor Access Expansion Project
- \$2,805,802—OMWD's portion of the second funding award of \$17,826,952 for Regional Recycled Water Program: 2020 Project through WaterSMART: Title XVI Water Reclamation and Reuse Projects funding program

Total Awarded
\$4,153,166

Tiger Team Report

Fiscal Year 2023



Grants and Alternative Funding

Under Pursuit

- \$500,000—Pursuing USBR's WaterSMART Water and Energy Efficiency program funding for AMI phases 9 and 10
- \$2,000—Pursuing funding for 4S WRF education signage through MWD's Community Partnering Program
- \$50,850—Pursuing Federal Emergency Management Agency COVID funding
- \$TBD—Pursuing American Rescue Plan Act's Coronavirus Local Fiscal Recovery Fund (requested funds toward \$2,984,370 in unmet needs)

Total Pursued
\$552,850

Cost Savings

- Savings of \$700—Shared expenses on WaterSmart Landscape Design workshop with San Dieguito Water District and Santa Fe Irrigation District
- Savings of \$1,400—Partnered with Tower Garden to obtain two free hydroponics systems, one for OMWD's demonstration garden and another to donate to BCK Programs for school education and outreach

Total Cost Savings
\$2,100

Tiger Team Report

Alternative Revenue



**OLIVENHAIN MUNICIPAL WATER DISTRICT
SCHEDULE OF OTHER BUSINESS (NON-WATER RELATED) REVENUES
FOR THE SIX MONTHS ENDED DECEMBER 31, 2022 (UNAUDITED)**

	ACTUAL	SIX MONTH BUDGET
REVENUES:		
CELL SITE LEASES + RENTAL	368,321	407,500
MISCELLANEOUS INCOME	7,895	
ROGER MILLER HYDROELECTRIC REVENUES	77,028	50,000
CB&T VISA CASH INCENTIVE*	8,459	N/A
ESTIMATED DCMWTP ENERGY OFFSETS**	224,816	N/A
	<u>686,518</u>	457,500
 TOTAL REVENUE FOR THE SIX MONTHS ENDED DECEMBER 31, 2022	 <u><u>686,518</u></u>	

Notes:

*This amount is neither recorded nor budgeted until fully realized.

** This is an unrealized revenue. This amount is calculated for internal reporting only.

Total alternative revenue in first and second quarters of FY 2023: \$686,518

Tiger Team Report



Summary

Total FY 2023 grant and alternative funding, alternative revenue, and cost savings (less third quarter alternative revenue):

\$4,841,784

Total grant funding and potential alternative funding sources under pursuit:

\$552,850

Since Inception of the Program (2005)

Total grant funding and cost savings to date:

\$49,101,401

Total alternative revenue generated to date:

\$17,837,018

Memo

Date: April 19, 2023
To: Olivenhain Municipal Water District Board of Directors
From: Geoff Fulks, Operations Manager
Via: Kimberly A. Thorner, General Manager
Subject: **PROVIDE UPDATE ON THE 4S WATER RECLAMATION FACILITY WIRING AND CHEMICAL FEED EMERGENCY REPLACEMENT PROJECT AS AN EMERGENCY PROJECT IN ACCORDANCE WITH CALIFORNIA PUBLIC CONTRACT CODE SECTION 1102**

Purpose

The purpose of this agenda item is to provide an update on the declaration of the 4S Water Reclamation (WRF) Facility Wiring and Chemical Feed Emergency Replacement Project as an Emergency Project in accordance with California Public Contract Code Section 1102.

In accordance with Section 22050(b)(3) of the Public Contract Code, staff will also provide a status of the project for review at subsequent regularly scheduled Board meetings until such time as the work is complete.

Alternative(s)

There is no alternative to performing the temporary process wiring and chlorine feed highline and associated repair work. California Public Contract Code Section 1102 states, "Emergency, as used in this code, means a sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services." The failure to complete

the 4S WRF Wiring and Chemical Feed Emergency Replacement Project could have caused public property damage, impacts to public health, impacts to the environment, and limited wastewater treatment services to customers within a portion of OMWD thereby creating a loss of essential public services.

Background

OMWD owns and operates the 4S Ranch Water Reclamation Facility (4S WRF), located in Director Division 4 (Hahn), which treats incoming wastewater flows from 4S Ranch and Rancho Cielo via multiple unit processes producing tertiary recycled water for use in the OMWD service area. On December 27th, staff discovered process irregularities in Headworks at the 4S WRF. Staff immediately investigated and discovered water in an electrical vault with an elevated level of chlorine residual. A leak was discovered in the chlorine feed system containment piping that passes near the electrical vault and this leak, aided by recent rains, migrated into the vault. Unfortunately, the chlorine was able to partially dissolve a grounding rod in the bottom of the vault allowing water to infiltrate the electrical vault. The chlorinated water was then able to penetrate electrical conduits damaging the insulation of the wiring and causing shorts that significantly affected operation of numerous processes at Headworks. Critical to these processes are the control wires which allow for automation and operational data acquisition. The chlorine line feeds the Headworks odor scrubber, a vital piece of equipment used to eliminate odors and is permitted through the San Diego County Air Pollution Control District.

The General Manager declared an emergency on January 3, 2023. Pursuant to the Olivenhain Municipal Water District's (OMWD) Administrative and Ethics Code Section 3.2.1. On January 18, 2023, the Board reviewed the General Manager's emergency action and found that an emergency exists within the meaning of Public Resources Code Sections 21080(b)(2) requiring the commencement of immediate emergency repair work.

The Board also determined that pursuant to CEQA, the 4S Water Reclamation Facility Wiring and Chemical Feed Emergency Replacement Project is considered an Emergency Project under Public Resources Code 21080(b)(2) and Statutorily Exempt under CEQA guidelines Section 15269(b) and (c). Staff filed the NOE with the San Diego County Clerk.

Fiscal Impact

The 4S Water Reclamation Facility Wiring and Chemical Feed Emergency Replacement Project budget covers 1) construction contract with Southern for the wiring replacement, highlines and insulation resistance testing, 2) construction contract with Jennette for replacement of the chlorine feed line, 3) materials being provided or procured for the

project, 4) OMWD Engineering, Field Services, and Operations staff time to plan and monitor the work, 5) permit and filing fees associated with the work.

Is this a Multi Fiscal Year Project? **No**

In which FY did this capital project first appear in the CIP budget? **N/A**

Total Project Budget: **\$224,000**

Current Fiscal Year Appropriation: **\$224,000**

Target Project Completion Date: **April 15, 2023**

Expenditures and Encumbrances as of (March 23, 2023): **\$144,589**

Is this change order within the appropriation of this fiscal year? **N/A**

If this change order is outside of the appropriation, Source of Fund: **N/A**

Discussion

Due to the potential catastrophic consequences of losing process control and operation of the 4S WRF, OMWD mobilized staff to highline the chlorine feed line and required immediate assistance from Southern to highline the process wiring. Public Contract Code Section 22035 authorizes OMWD, "In cases of emergency ... may proceed at once to replace or repair any public facility without ... giving notice for bids to let contracts." OMWD staff contacted multiple contractors to assist with repairs and Southern responded that they had the availability and scope to assist OMWD on a not to exceed, time and materials basis to highline and replace the wiring.

Southern has completed pulling new process wires and the 4S WRF is operating as designed with automated controls. The wiring highline that was initially implemented has been removed and Southern's work is complete.

OMWD staff contacted multiple contractors to assist with the chemical feed repairs and Jennette, who recently completed a chemical feed project at the DCMWTP, responded immediately and had the availability to replace the damaged chlorine feed system. Work on the removal and replacement of the chlorine feed system is in progress. The existing

chlorine feed line did not match plans and Jennette is carefully trenching a new line to the odor scrubber. Recent rains have delayed the work and completion is expected by mid-April. The highline remains in place as a temporary emergency measure to ensure the odor scrubber is operational and in compliance. OMWD requested that Jennette lay down an additional spare conduit as a preventative measure for any future replacements. Changes to the construction scope were made and documented through Construction Change Order No. 1, which was approved under the General Manager's approval authority on March 1, 2023.

In accordance with Section 22050(b)(3) of the Public Contract Code, staff will present a status of the project for review at subsequent regularly scheduled Board meetings until such time as the work is complete. Staff is available to answer questions.

*Attachment(s):
Site Photographs;
Location Map;*

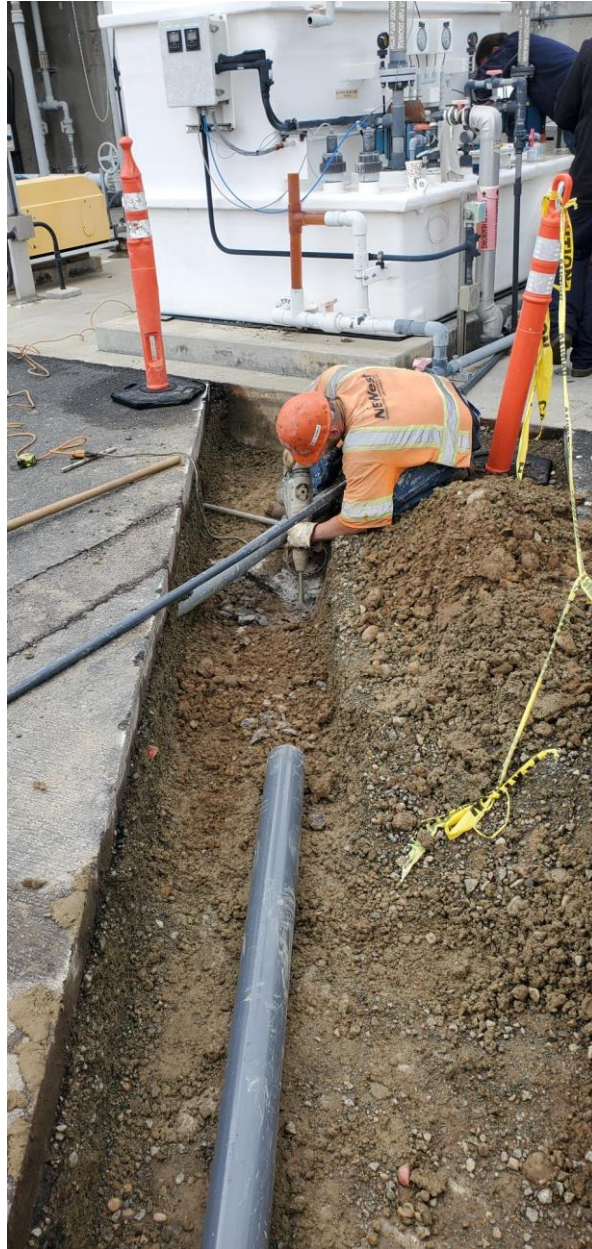
Highlines Installed



Chemical Feed System Repair

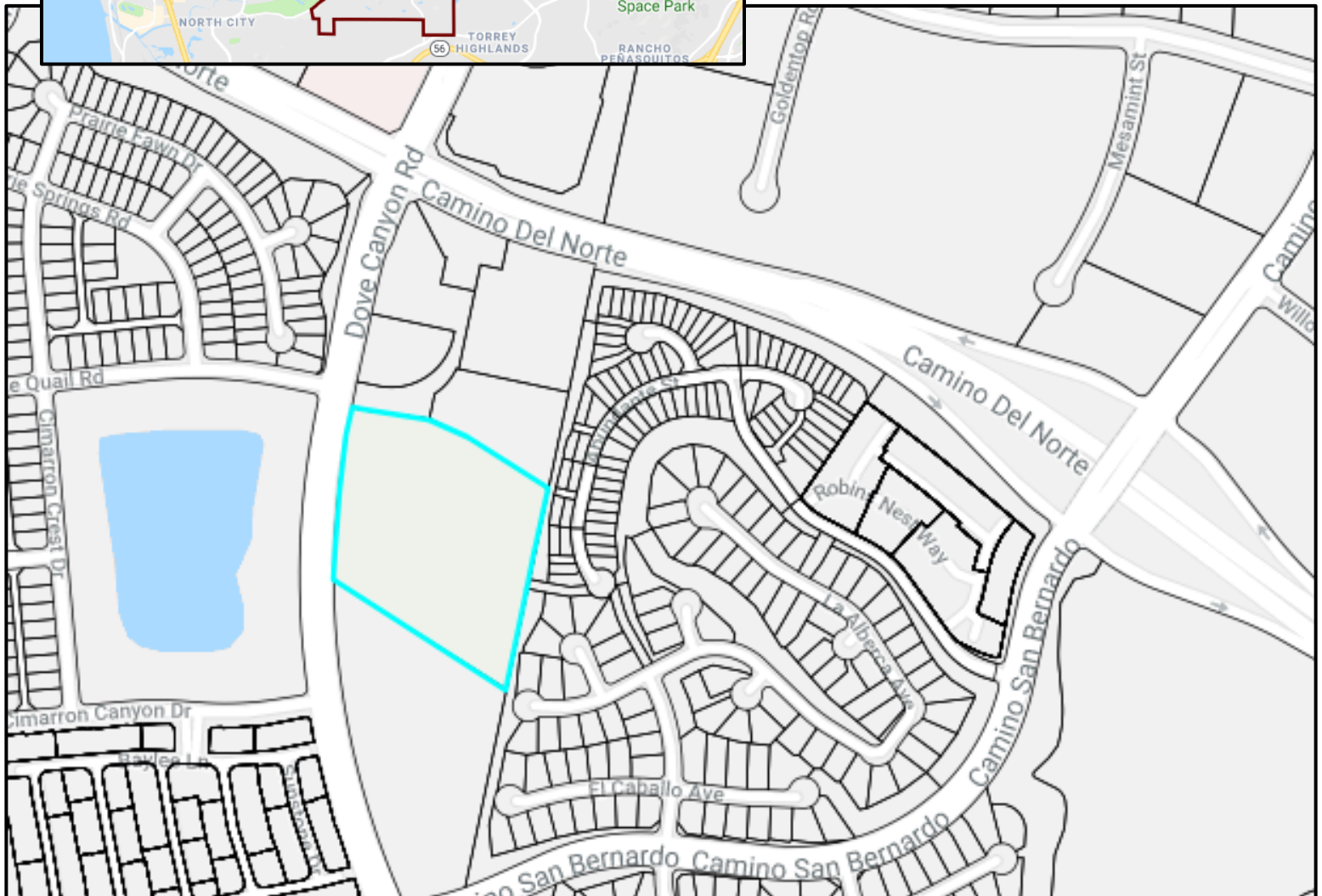
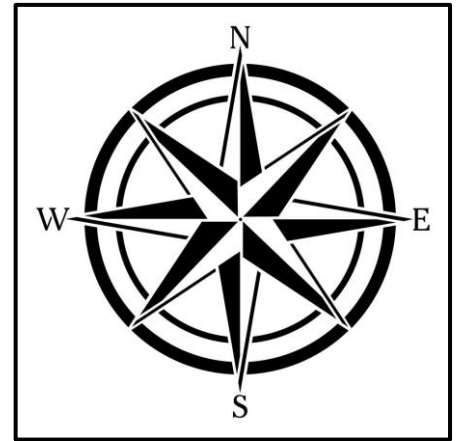
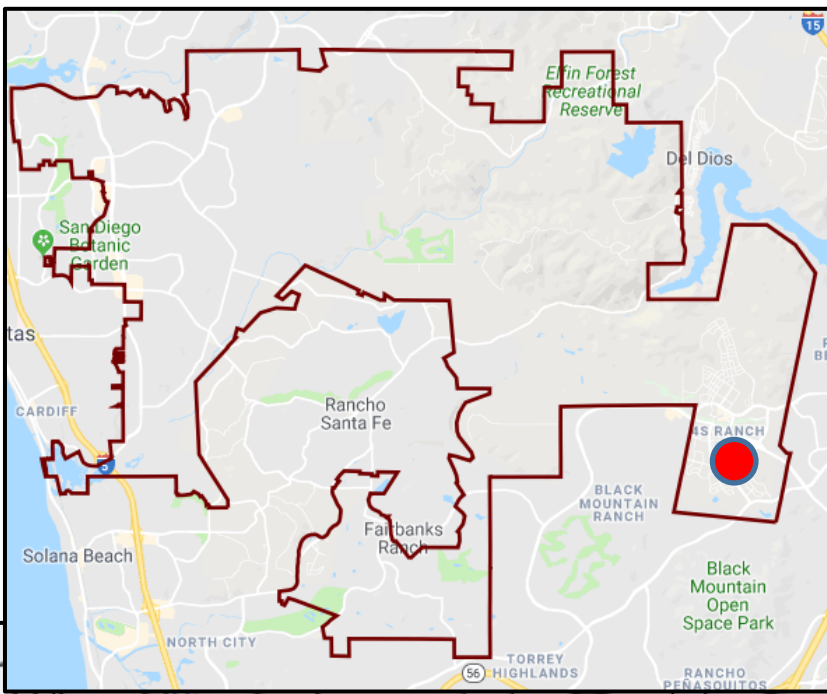


Chemical System Feed Repair



Removed Wires





4S WATER RECLAMATION FACILITY
EMERGENCY WIRING AND CHEMICAL FEED REPLACEMENT PROJECT
DISTRICT PROJECT NO. D700043

Memo

Date: April 19, 2023
To: Olivenhain Municipal Water District Board of Directors
From: Paul Martinez, Engineering Technician I
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER ACCEPTANCE OF THE 17075 THORN MINT COURT FIRE HYDRANT INSTALL (FIRESTONE BUILDERS, INC.) INTO OMWD'S SYSTEM AND ORDER A NOTICE OF COMPLETION FILED**

Purpose

The purpose of this agenda item is to consider acceptance of the transfer of the potable water facilities constructed by Firestone Builders, Inc., (Developer) into OMWD's system and authorize the filing of a Notice of Completion with the San Diego County Recorder.

Recommendation

Staff recommends acceptance of the potable water facilities into OMWD's system.

Alternative(s)

None; the project is complete, and facilities were constructed to OMWD's standards and specifications per the Development Construction Agreement.

Background

The 17075 Thornmint Court Fire Hydrant Installation Project is located on Thornmint Court, north of Thornmint Road in Director Division 4 (Hahn). The Project consisted of the installation of one fire hydrant.

OMWD entered into an agreement with the Developer in October of 2022 to construct the facilities and dedicate said facilities to OMWD. The facilities are now complete and have been built in accordance with OMWD Standards and Specifications. The warranty period will terminate one (1) year following the acceptance of the facilities by OMWD's Board.

Fiscal Impact

There is no fiscal impact to accepting the facilities into OMWD's system. The new assets will be reported to Finance for capitalization.

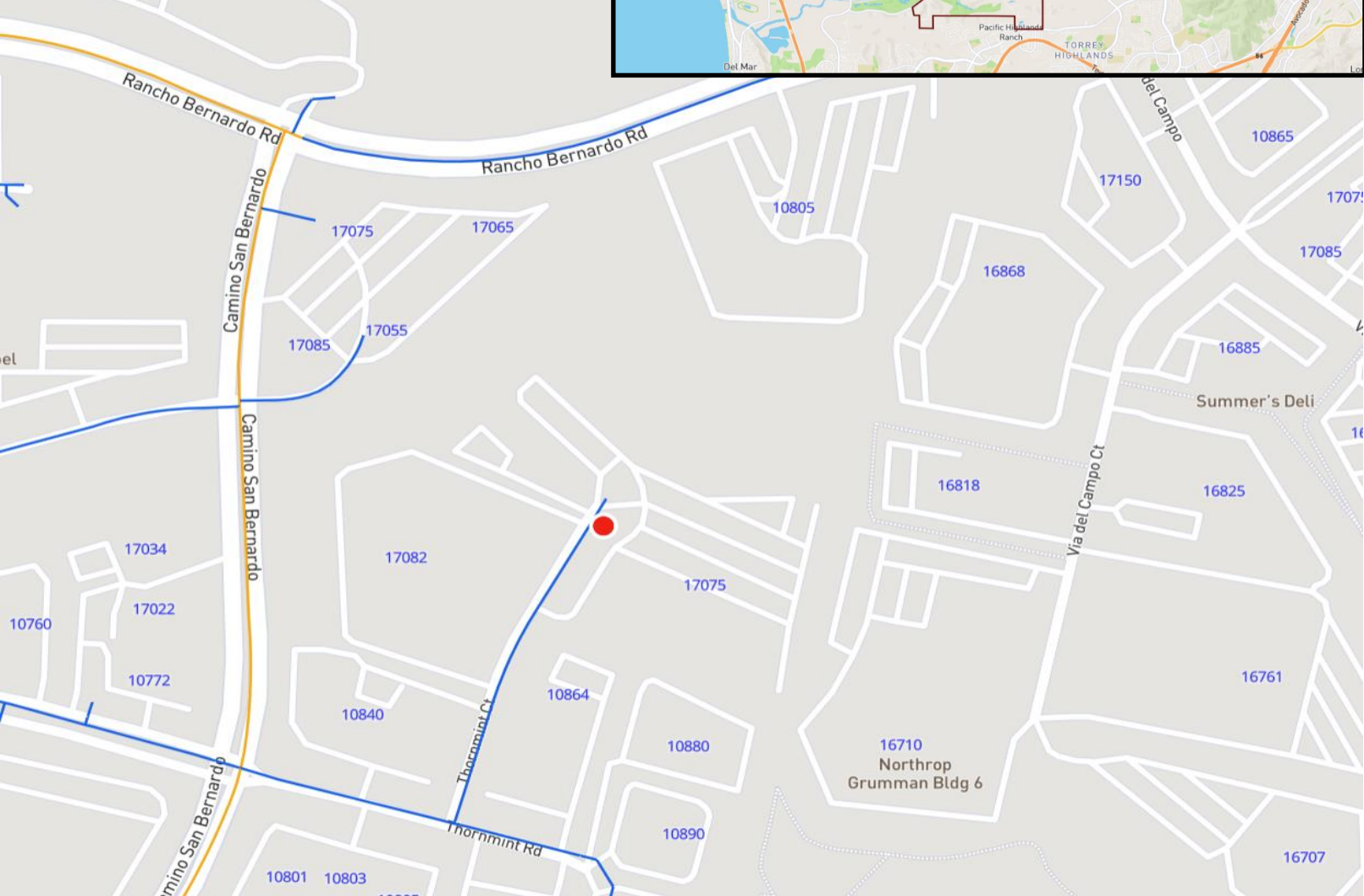
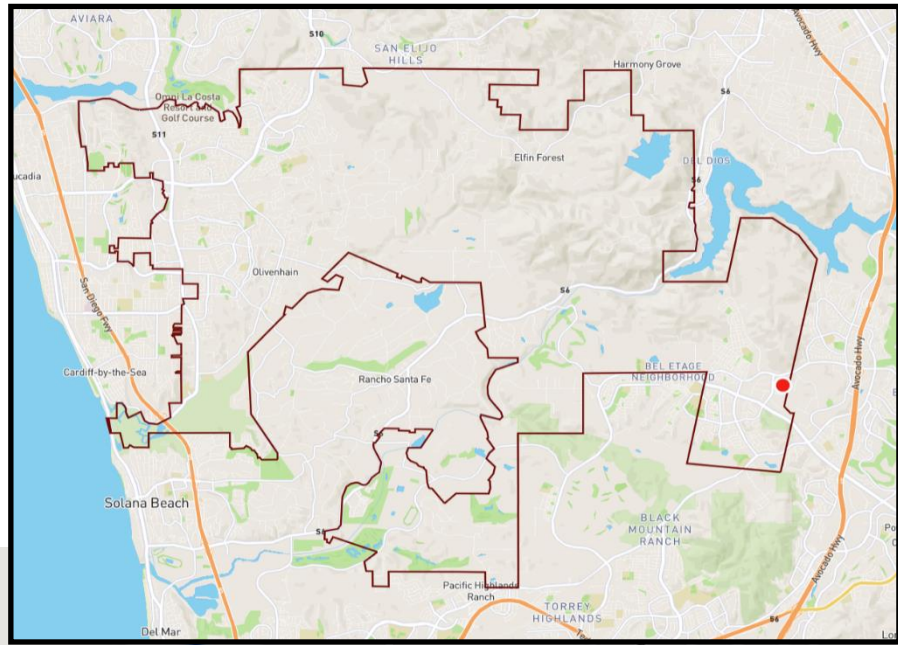
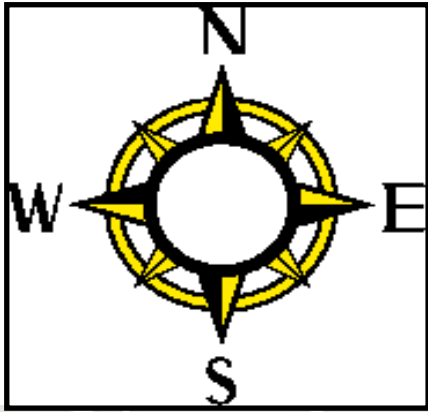
Discussion

Staff is available to answer questions.

Attachments:

Location Map

Notice of Completion



LOCATION MAP

17075 THORNMINT COURT – FIRE HYDRANT INSTALL
DISTRICT PROJECT NO. W590314

**RECORDING REQUESTED BY &
WHEN RECORDED RETURN TO:**

Olivenhain Municipal Water District
1966 Olivenhain Road
Encinitas, California, 92024-5699

(This space for recorder's use)

NOTICE OF COMPLETION

NOTICE IS HEREBY GIVEN that the facilities shown on improvement plans for Parcel 678-291-36-00 of Map No. 11984, recorded on January 7th, 1988 located in the County of San Diego, State of California for which Firestone Builders, Inc., ("Developer") contracted with the OLIVENHAIN MUNICIPAL WATER DISTRICT ("Owner," in fee, of the facilities), headquartered at 1966 Olivenhain Road, Encinitas, CA 92024, have been completed in accordance with the plans and specifications as of March 14th, 2023. The facilities have been accepted by the Board of Directors of the OLIVENHAIN MUNICIPAL WATER DISTRICT on this 19th day of April 2023.

In witness whereof this Notice of Completion has been executed under authority from the Board of Directors of said OLIVENHAIN MUNICIPAL WATER DISTRICT by Kimberly A. Thorner, General Manager.

KIMBERLY A. THORNER, being first duly sworn, deposes and says that she is General Manager of the OLIVENHAIN MUNICIPAL WATER DISTRICT and is familiar with the facts stated in the foregoing Notice of Completion executed for and on behalf of said Agency, that she has read the foregoing Notice of Completion and knows the contents thereof and that the same are true.

OLIVENHAIN MUNICIPAL WATER DISTRICT

Date: _____, 20__

By: _____
Kimberly A. Thorner
General Manager

District Project No. W590314 – 17075 Thornmint Ct Fire Hydrant Install

Memo

Date: April 19, 2023
To: Olivenhain Municipal Water District Board of Directors
From: Paul Martinez, Engineering Technician I
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 420 FOR DEL MAR REAL ESTATE INVESTMENTS, LLC., TO LANDSCAPE WITHIN EASEMENT 834 LOCATED AT 6398 CLUBHOUSE DRIVE AND ORDER THE PERMIT BE RECORDED**

Purpose

The purpose of this agenda item is to consider approval of Encroachment Permit Agreement No. 420 with Del Mar Real Estate Investments, LLC for the encroach facilities to serve 6398 Clubhouse Drive in the City of Rancho Sante Fe. The proposed landscaping encroaches upon OMWD's water Easement No. 834. Approval would additionally authorize the General Manager to sign the Encroachment Permit on behalf of OMWD for recordation by the County of San Diego Recorder's Office.

Recommendation

Staff recommends approval of Encroachment Permit No. 420 and authorization for the General Manager to sign the permit on behalf of OMWD.

Alternative(s)

The Board could direct Staff to not allow the proposed encroachment or proceed in a manner otherwise directed.

Background

The proposed encroachment consists of landscaping within OMWD's water Easement No. 834 to accommodate a remodel at 6398 Clubhouse Drive in Director Division 1 (San Antonio), as outlined in Exhibit B.

Fiscal Impact

There is no fiscal impact to OMWD approving Encroachment Permit No. 420. The Encroachment Permit Agreement stipulates that the permittee is responsible for all costs incurred to remove and rebuild the encroaching facilities should OMWD need access to its facilities within the easement. The permit also sets forth OMWD's limitations of liability for any damage to the encroaching facilities which may be caused by OMWD's use of the easement.

Discussion

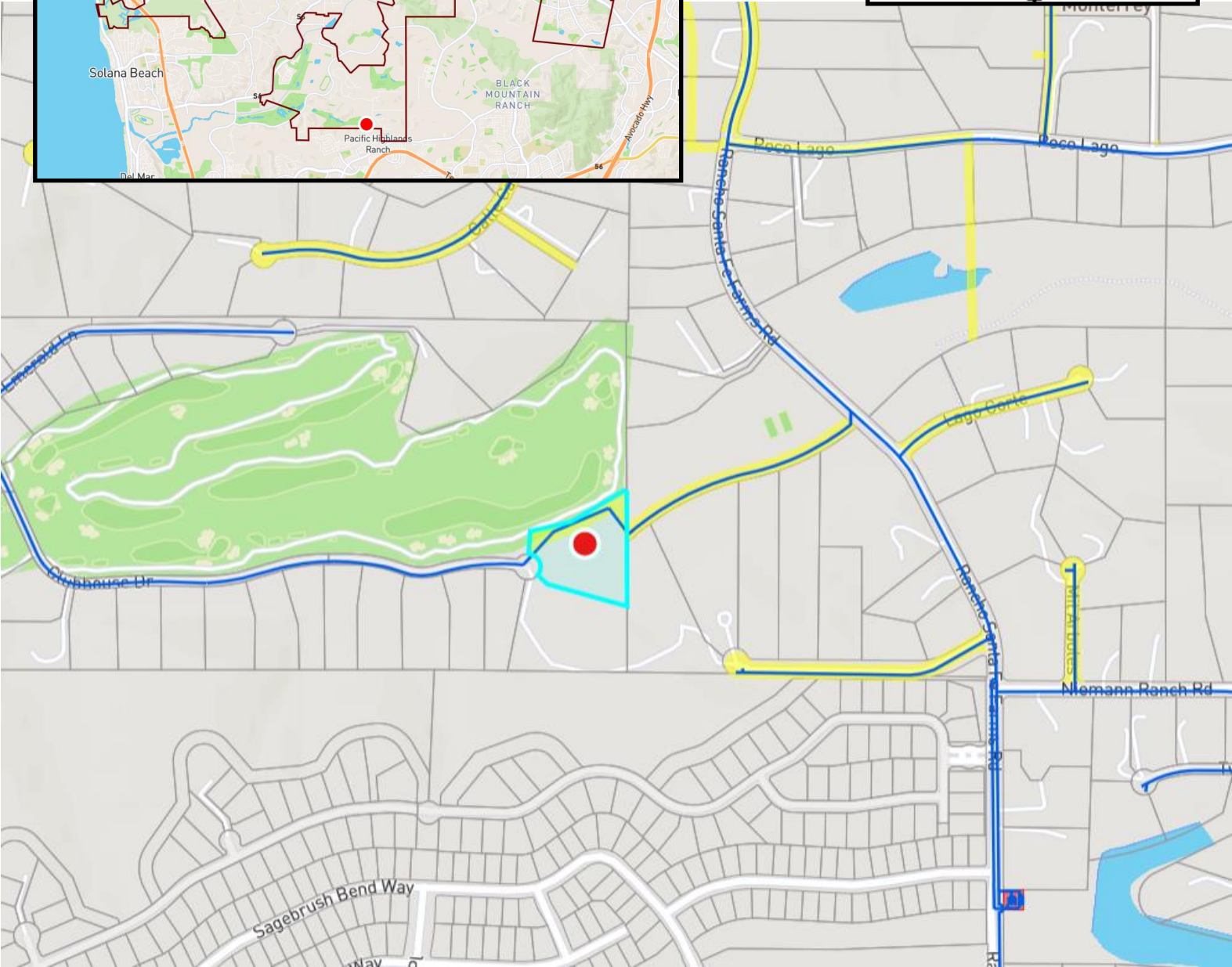
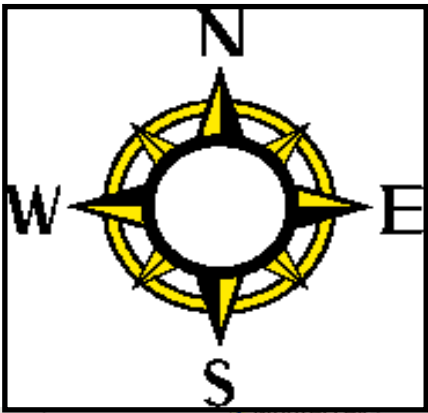
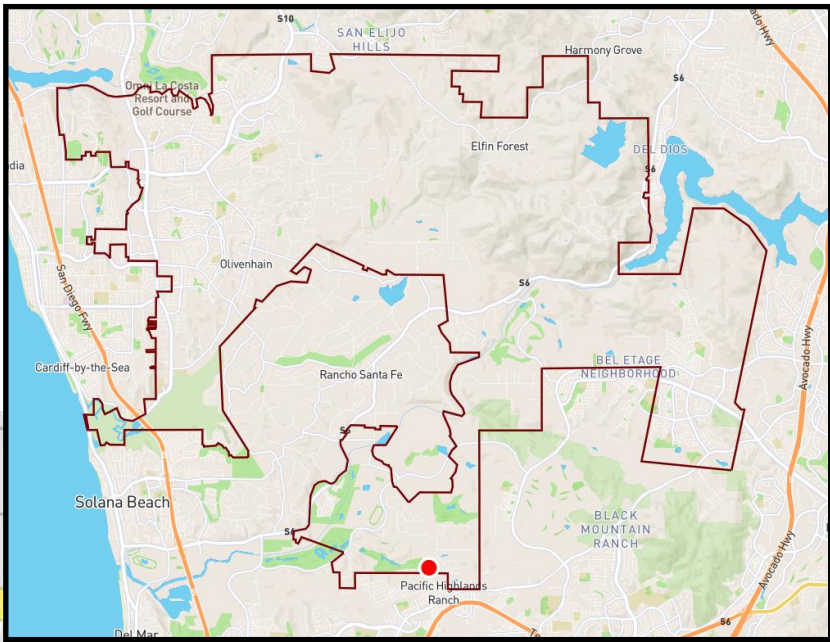
The encroachment will be constructed in a manner that will not unduly affect OMWD's daily operations or maintenance of OMWD facilities located in the easement. Staff recommends approval, and a copy of the Encroachment Permit is attached for review.

Staff is available to answer any questions.

Attachments:

Location Map

Encroachment Permit Agreement No. 420



LOCATION MAP

ENCROACHMENT PERMIT 420

DISTRICT PROJECT NO. W430057

**RECORDING REQUESTED BY &
WHEN RECORDED RETURN TO:**

Olivenhain Municipal Water District
1966 Olivenhain Road
Encinitas, California, 92024-5699

(This space for recorder's use)
A.P.N. No. 305-071-33-00

**OLIVENHAIN MUNICIPAL WATER DISTRICT
PRIVATE ENCROACHMENT PERMIT AGREEMENT NO. 420**

THIS ENCROACHMENT PERMIT No. 420 (hereinafter "Agreement") entered into by and between the OLIVENHAIN MUNICIPAL WATER DISTRICT organized and existing pursuant to the Municipal Water District Act of 1911, California Water Code §71000, et seq. (hereinafter "DISTRICT"), and DEL MAR REAL ESTATE INVESTMENTS, LLC., (hereinafter "PERMITTEE").

R-E-C-I-T-A-L-S

1. The DISTRICT presently holds title to an easement as more particularly described in the DISTRICT's document no. 834, recorded March 16th, 1990, as File/Page 90-142148, Official Records, San Diego County, not attached hereto, but incorporated herein by reference.
2. PERMITTEE desires to encroach upon this easement.
3. PERMITTEE is the owner of property described in Exhibit "A" attached hereto.
4. The parties agree that PERMITTEE shall be entitled to encroach upon this easement only to the extent and in the manner specified in this Agreement. No other encroachments shall be allowed without the express prior written consent of the DISTRICT.

C-O-V-E-N-A-N-T-S

1. **Permission to Encroach on Easement:** PERMITTEE is hereby granted permission to encroach upon the easement referred to above in the manner specified in Exhibit “B” subject to all conditions specified in Exhibit “B” and subject to all terms of this Agreement.

2. **Limitations of Rights Granted to PERMITTEE:** Rights being granted to PERMITTEE in accordance with this Agreement shall extend only to such rights as the DISTRICT may grant to PERMITTEE in accordance with the terms of the easement presently held by DISTRICT. PERMITTEE shall be solely responsible for verifying that the rights being granted by DISTRICT may be granted to PERMITTEE in accordance with the terms of the DISTRICT’s easement.

3. **Construction of Encroachment:** PERMITTEE shall be solely responsible for all fees, costs, and expenses of whatever type or nature associated with construction of the encroachment. The DISTRICT shall be notified at least forty-eight (48) hours prior to commencement of construction of the encroachment and shall be permitted to inspect and approve all encroachment construction. All encroachment construction shall be carried out as specified by the DISTRICT, in its sole discretion.

3.1. PERMITTEE shall pay all costs of the DISTRICT’s, including, but not limited to, the costs of inspection, administration, legal fees, and engineering relating to the construction and exercise of permission granted to PERMITTEE by this Agreement.

4. **Maintenance of Encroachment Facilities and Area:** PERMITTEE shall maintain the encroachment facilities and encroachment area at all times in a safe, sanitary, and good condition at PERMITTEE’s sole cost and expense. PERMITTEE shall promptly perform all maintenance and repair of the facilities and encroachment area requested by the DISTRICT from time to time, in its sole discretion.

5. **Protection of DISTRICT Facilities in Encroachment Area:** All facilities of the DISTRICT in the encroachment area shall be protected by PERMITTEE as directed by the DISTRICT from time to time, in its sole discretion.

6. **Payment for all Damages and Expenses Caused by Encroachment:** PERMITTEE shall pay for all damages, of whatever type or nature, which may occur to the DISTRICT’S easement or

facilities within the easement as a result of construction, maintenance, use, repair, removal, or relocation of PERMITTEE's facilities.

6.1. PERMITTEE shall also pay for all fees and costs incurred by the DISTRICT to remove, demolish, or relocate PERMITTEE's facilities in order to repair, maintain, replace, relocate, or remove DISTRICT's facilities in the easement or to install new facilities in the easement as the DISTRICT may determine in its sole discretion.

6.2. Should the DISTRICT determine that PERMITTEE's facilities must be relocated, as the DISTRICT may determine in its sole discretion, PERMITTEE shall pay all fees and costs to remove and relocate these facilities.

6.3. All such payments shall be made within thirty (30) consecutive days following receipt of a written demand from the DISTRICT. The written demand shall specify the amount due and the type of losses or expenses incurred. Any amounts not received by the DISTRICT within this thirty (30) consecutive day period shall earn interest at the maximum rate authorized by California law.

7. **Indemnity:** PERMITTEE hereby agrees to hold harmless, defend and indemnify the DISTRICT and its agents, servants, employees, consultants, and officers from any and all claims, actions, liability, losses, costs, damage, or expense of whatever type or nature to any persons, entities, or property caused by, or claimed to be caused, in whole or in part, by the construction, maintenance, repair, replacement or use of the encroachment facilities or encroachment areas except claims caused by the sole active negligence or intentional misconduct of the DISTRICT or its agents or employees. This indemnity shall include all DISTRICT's attorney's fees, expert fees and costs, and court costs if the DISTRICT is named as a party in any litigation related to the encroachment.

8. **DISTRICT not Liable for Damage to Encroachment or Encroachment Area:** The DISTRICT shall not be liable for any damages whatsoever to the encroachment facilities or encroachment area related in any way to the DISTRICT's continued use of the easement or as a result of the DISTRICT's construction, use, repair, replacement, or relocation of any DISTRICT facilities within the easement.

9. **Other Uses Forbidden:** PERMITTEE is limited to the specific encroachment area and facilities granted by this Agreement. No other encroachment is permitted without the express prior written consent of the DISTRICT.

10. Prior Rights: This Agreement shall not alter, modify, or terminate, in any way, any of the prior rights of DISTRICT to use of the easement in accordance with its terms. PERMITTEE shall not be considered as acquiring any permanent interest of any kind or nature in the easement which is inconsistent with the rights of the DISTRICT.

11. General Conditions: The encroachment shall be subject to each of the following general conditions (where applicable):

11.1. The existing ground level over the DISTRICT's underground facilities shall not be changed without the prior written consent of the DISTRICT.

11.2. All landscaping done per Exhibit B within the easement is to be 10' clear horizontal of the District's water main if the root system is intrusive and 5' for nonintrusive plants.

11.3. The horizontal clearance to be maintained between the DISTRICT's facilities and the above ground encroachment facilities shall be determined at the sole discretion of the DISTRICT.

11.4. Heavy equipment is not permitted on the easement without DISTRICT notification and approval.

12. Termination: Violation of any of the terms of this Agreement by PERMITTEE shall constitute a material breach of this Agreement entitling the DISTRICT to unilaterally terminate this Agreement by written notice to PERMITTEE, in addition to all other relief afforded by applicable law. Upon receipt of notice of termination from the DISTRICT, PERMITTEE shall promptly remove all encroachment facilities and restore the encroachment area in the manner directed by the DISTRICT, in its sole discretion. All fees, costs, and expenses of removal and restoration shall be paid solely by PERMITTEE.

13. Agreement as Covenant Running with Land and Binding on Successors: The parties expressly agree that this Agreement shall be construed as a valid and binding equitable servitude and covenant running with the land which shall be binding upon the heirs, personal representatives, successors, assigns, or transferees of the parties hereto. The parties expressly waive the right to challenge

the enforceability of this Agreement as a legal and binding equitable servitude and covenant running with the land in any subsequent arbitration or litigation between the parties or their successors.

14. Attorney's Fees: In the event of any legal or equitable proceeding to enforce or interpret the terms or conditions of this Agreement, the prevailing party shall be entitled to all reasonable attorney fees and court costs in addition to such other relief as may be afforded by applicable law.

15. Law Applied: The validity, interpretation, construction, and performance of this Agreement shall be construed under the laws of the State of California and the applicable rules and regulations of the DISTRICT.

16. Venue: In the event of any arbitration or litigation to interpret or enforce the terms of this Agreement, venue shall lie only in the state or federal courts in or nearest to the North County Judicial District, County of San Diego, State of California.

17. No Warranties: There are no warranties or representations of any kind being made.

18. Modification: This Agreement shall not be altered in whole or in part except by a modification in writing executed by both parties to this Agreement.

19. Meaning of "PERMITTEE": The word PERMITTEE as used in this Agreement shall mean the PERMITTEE or any person or entity deriving any interest in this encroachment permit from PERMITTEE or its successors-in-interest.

20. Attorney Representation: The PERMITTEE acknowledges that this Agreement has been prepared by the Law Offices of Nossaman LLP, who represents only the DISTRICT. The PERMITTEE is hereby notified to seek the advice of independent counsel concerning this Agreement and its terms. PERMITTEE acknowledges that PERMITTEE has had the opportunity to do so prior to executing this Agreement.

21. **Effective Date**: The effective date of this permit is _____, 20 ____.

22. **Board of Director's Approval**: This Agreement is executed by the DISTRICT pursuant to Board action of _____, 20____.

“DISTRICT”

OLIVENHAIN MUNICIPAL WATER DISTRICT

Dated: _____, 20____

By: _____
Kimberly A. Thorner
General Manager

“PERMITTEE”

DEL MAR REAL ESTATE INVESTMENTS, LLC.

Dated: _____, 20____

By: _____
Christopher R. Hildebrant
CEO

*PERMITTEE’S SIGNATURE MUST BE NOTARIZED WITH NOTARY SEAL.

EXHIBIT "A"
Sheet 1 of 1

Legal Description

PARCEL 1:

PARCEL 1 OF PARCEL MAP NO. 17708, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JUNE 18, 1996 AS FILE NO. 1996-0304620 OF OFFICIAL RECORDS.

EXHIBIT “B”
Sheet 1 of 3

1. **Encroachment Facilities:**

- A. Please see Exhibit ‘B’ sheet 2 of 3 for details regarding landscaping through easement.
- B. Please see Exhibit ‘B’ sheet 3 of 3 for plant schedule regarding landscape plan.

2. **Encroachment Area:**

The encroachment facilities encroach upon District Easement No. 834 as shown on Exhibit ‘C’ sheet 1 of 1.

3. **Special Conditions of Encroachment:**

A. No facilities other than those identified in this encroachment permit shall be placed within the DISTRICT’s easement without the DISTRICT’s prior written approval.

B. The DISTRICT shall not be responsible for the placement of encroaching facilities placed within the easement area should they be required to be removed for installation, construction, repair, relocation or maintenance of DISTRICT facilities or any other work undertaken at the sole discretion of the DISTRICT.

C. No work may begin or proceed without direction of DISTRICT’s Inspector. Contractor shall notify the DISTRICT inspections department 48 hours prior to the beginning of work to arrange for inspection of the project. The Contractor must call "Dig Alert of Southern California" to have underground service utilities located prior to construction. This call will be made at least 48 hours in advance prior to any work being performed in public right-of-way. (Dig Alert phone: 800-227-2600).

EXHIBIT 'B'

Sheet 2 of 3

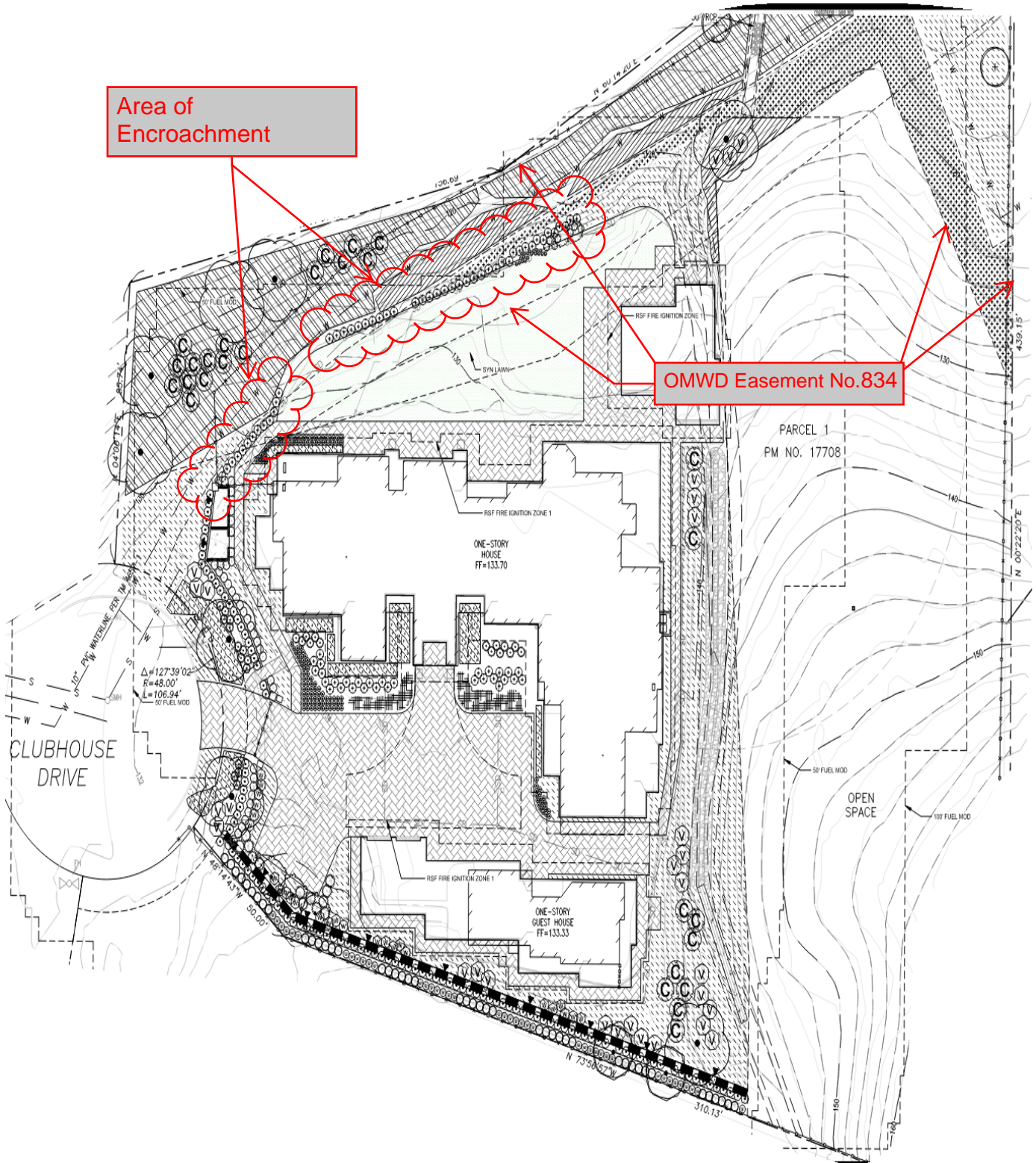




























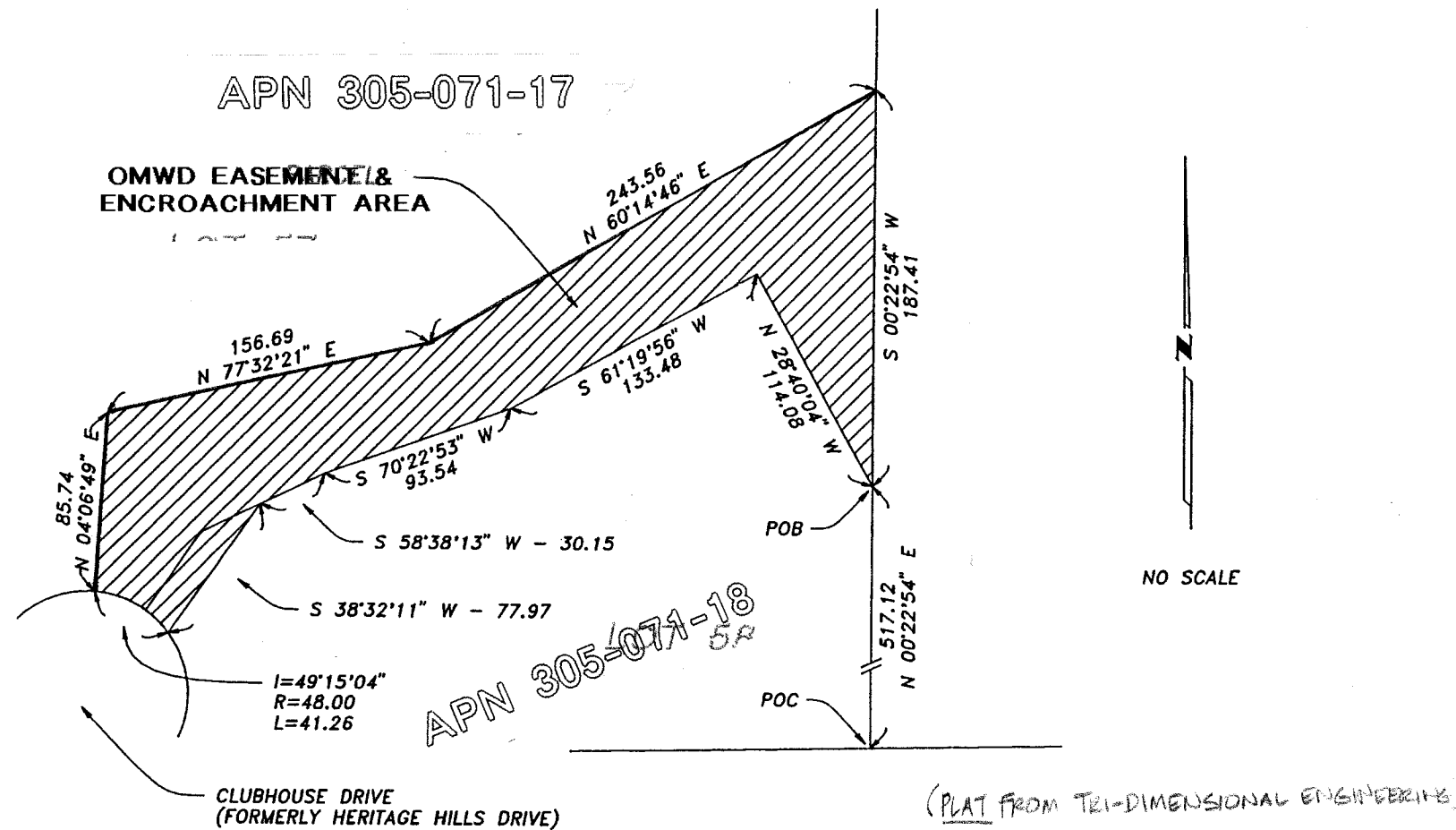
EXHIBIT 'B'

Sheet 3 of 3

PLANT SCHEDULE

TREES		BOTANICAL / COMMON NAME	CONT	QTY	
		CITRUS / FRUIT / SELECTION PER OWNER	15 GAL	7	
		JACARANDA MIMOSIFOLIA / JACARANDA MULTI-TRUNK	24"BOX	8	
		LOPHOSTEMON CONFERTUS / BRISBANE BOX	15 GAL	2	
		MAGNOLIA GRANDIFLORA 'LITTLE GEM' / DWARF SOUTHERN MAGNOLIA	24"BOX	3	
SHRUBS		BOTANICAL / COMMON NAME	SIZE	QTY	
		AEONIUM URBICUM / DINNER PLATE AEONIUM	1 GAL	19	
		AGAPANTHUS AFRICANUS 'PETER PAN' / DWARF BLUE LILY OF THE NILE	1 GAL	139	
		CALLIANDRA CALIFORNICA / RED BAJA FAIRY DUSTER	5 GAL	13	
		CEANOTHUS X 'JOYCE COULTER' / CEANOTHUS JOYCE COULTER	5 GAL	27	
		DIANELLA TASMANICA 'VARIEGATA' / FLAX LILY	5 GAL	7	
		ELAEOCARPUS DECIPIENS 'LITTLE EMPEROR' / DWARF JAPANESE BLUEBERRY TREE	5 GAL	113	
		FEIJOA SELLOWIANA / PINEAPPLE GUAVA	15 GAL	2	
		FICUS NITIDA 'INDIAN LAUREL' / WEEPING FIG	5 GAL	45	
		FICUS REPENS / CREEPING FIG	5 GAL	10	
		LIGUSTRUM JAPONICUM / WAX LEAF PRIVET	5 GAL	38	
		OLEA EUROPAEA 'LITTLE OLLIE' TM / LITTLE OLLIE OLIVE	15 GAL	79	
		PODOCARPUS MACROPHYLLUS 'MAKI' / SHRUBBY YEW PINE	15 GAL	42	
		ROSA FLORIBUNDA 'ICEBERG' / ICEBERG ROSE	15 GAL	28	
		VITEX TRIFOLIA PURPUREA / SIMPLELEAF CHASTE TREE	5 GAL	29	
		WESTRINGIA FRUTICOSA / COAST ROSEMARY	5 GAL	26	
SHRUB AREAS		BOTANICAL / COMMON NAME	CONT	SPACING	QTY
		PITTOSPORUM TOBIRA / TOPIARY BALL	5 GAL	30" o.c.	1,280
		PITTOSPORUM TOBIRA 'TURNER'S DWARF' / TURNER'S DWARF JAPANESE PITTOSPORUM	5 GAL	24" o.c.	300
		ROSMARINUS OFFICINALIS 'TUSCAN BLUE' / TUSCAN BLUE ROSEMARY	5 GAL	36" o.c.	178
GROUND COVERS		BOTANICAL / COMMON NAME	CONT	SPACING	QTY
		CARISSA MACROCARPA 'TOMLINSON' / TOMLINSON NATAL PLUM	5 GAL	36" o.c.	441 SF
		CONVOLVULUS MAURITANICUS / MORNING GLORY	1 GAL	24" o.c.	322 SF
		ROSMARINUS OFFICINALIS 'HUNTINGTON CARPET' / HUNTINGTON CARPET ROSEMARY	1 GAL	36" o.c.	2,964 SF
		TRACHELOSPERMUM JASMINIODES / STAR JASMINE	1 GAL	24" o.c.	10,821 SF

978



WHISPERING PALMS CSD - HERITAGE HILLS SEWER EXTENSION

APN 305-071-18

SD-001-315-05

date OCT. 5, 1993

by *[Signature]*

OLIVENHAIN MUNICIPAL WATER DISTRICT

olivenhain road encinitas, california 92024 1(619) 753-6466 (omwdshet.gem)

1-81000
E00158-1

Memo

Date: April 19, 2023
To: Olivenhain Municipal Water District Board of Directors
From: Paul Martinez, Engineering Technician I
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 421 FOR TRC ENCINITAS VILLAGE, LLC., TO CROSS WATER EASEMENT 512 LOCATED WITHIN THE ENCINITAS VILLAGE SHOPPING CENTER AT 119 N EL CAMINO REAL AND ORDER THE PERMIT BE RECORDED**

Purpose

The purpose of this agenda item is to consider approval of Encroachment Permit Agreement No. 421 with TRC Encinitas Village, LLC for the encroaching facilities to serve 119 N El Camino Real in the City of Encinitas. The proposed sewer facilities encroach upon OMWD's water Easement No. 512. Approval would authorize the General Manager to sign the Encroachment Permit on behalf of OMWD for recordation by the County of San Diego Recorder's Office.

Recommendation

Staff recommends approval of Encroachment Permit No. 421 and authorization for the General Manager to sign the permit on behalf of OMWD.

Alternative(s)

The Board could direct Staff to not allow the proposed encroachment or proceed in a manner otherwise directed.

Background

The encroaching facilities will be installed within OMWD's water Easement No. 512—at 119 N. El Camino Real in Director Division 2 (Watt). The encroaching facilities consist of 4 sewer laterals crossing within the water Easement No. 512 to accommodate existing and future development within the Encinitas Village shopping center located at 119 N. El Camino Real, as outlined in Exhibit B and shown on Exhibit C.

Fiscal Impact

There is no fiscal impact to OMWD approving Encroachment Permit No. 421. The Encroachment Permit Agreement stipulates that the permittee is responsible for all costs incurred to remove and rebuild the encroaching facilities should OMWD need access to their facilities within the easement. The permit also sets forth OMWD's limitations of liability for any damage to the encroaching facilities which may be caused by OMWD's use of the easement.

Discussion

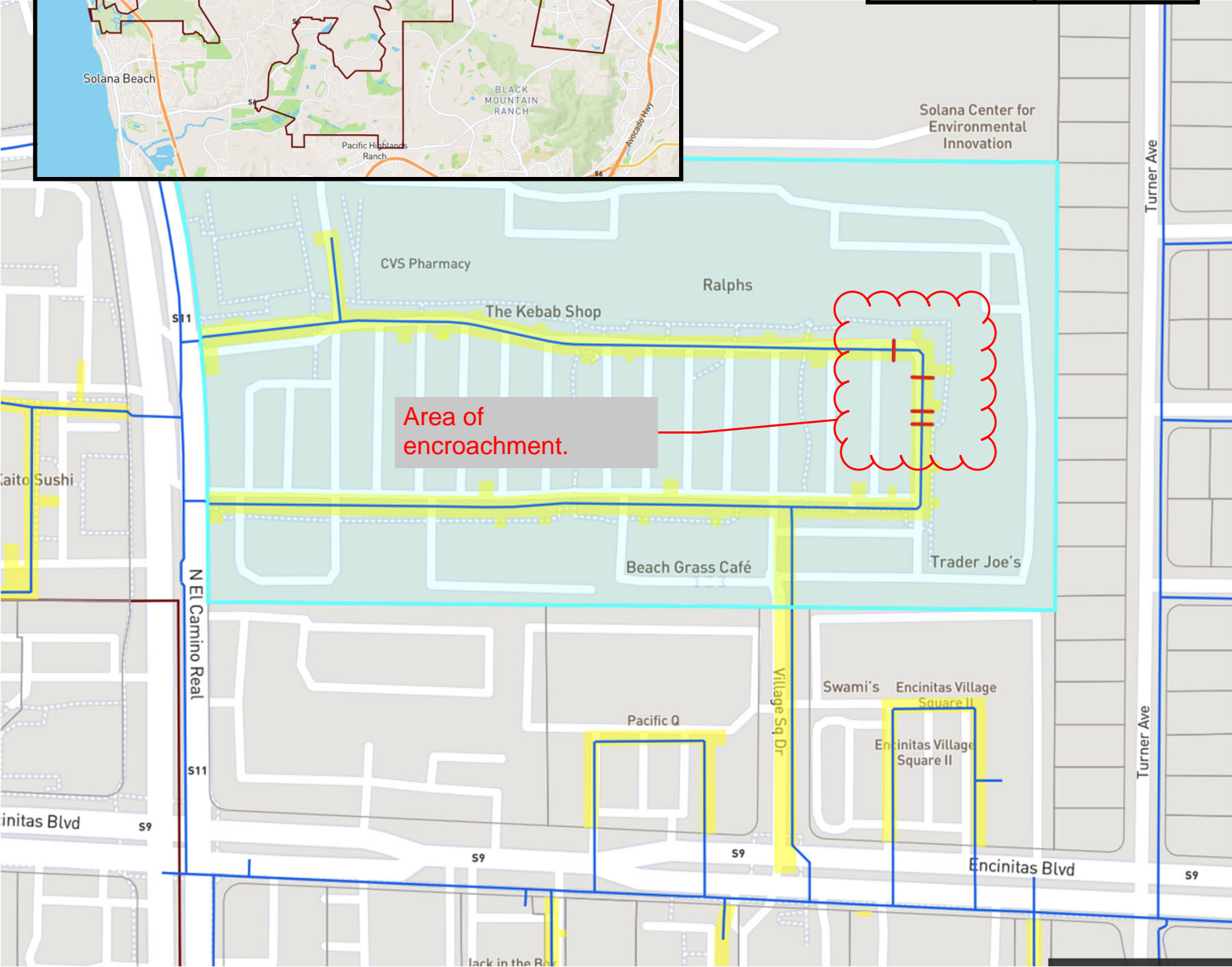
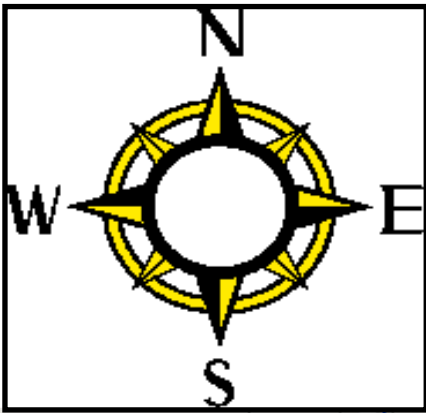
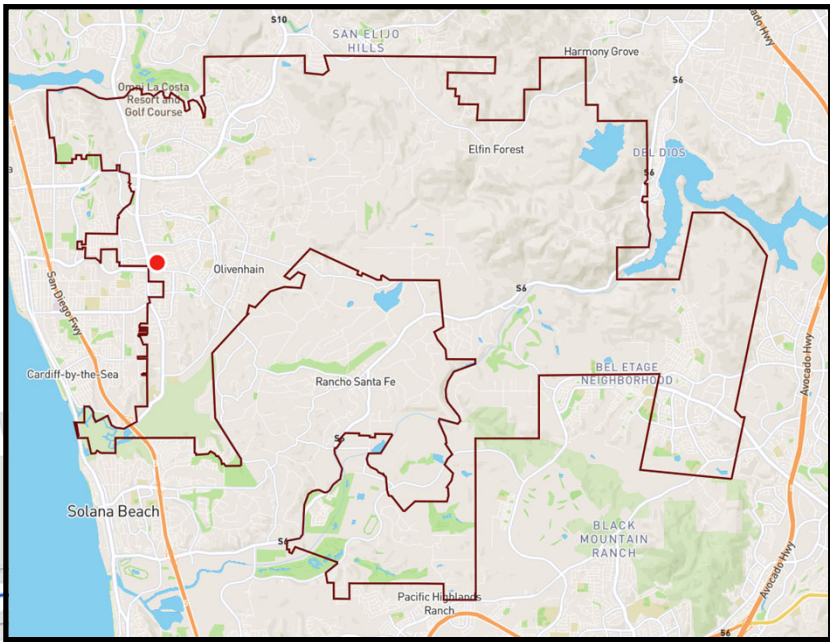
The encroaching facilities will be constructed in a manner that will not unduly affect OMWD's daily operations or maintenance of OMWD facilities located in the easement. Staff recommends approval and a copy of the Encroachment Permit is attached for review.

Staff is available to answer any questions.

Attachments:

Location map

Encroachment Permit Agreement No. 421



LOCATION MAP

ENCROACHMENT PERMIT 421

DISTRICT PROJECT NO. W430058

**RECORDING REQUESTED BY &
WHEN RECORDED RETURN TO:**

Olivenhain Municipal Water District
1966 Olivenhain Road
Encinitas, California, 92024-5699

(This space for recorder's use)
A.P.N. No. 259-121-24-00

**OLIVENHAIN MUNICIPAL WATER DISTRICT
PRIVATE ENCROACHMENT PERMIT AGREEMENT NO. 421**

THIS ENCROACHMENT PERMIT No. 421 (hereinafter "Agreement") entered into by and between the OLIVENHAIN MUNICIPAL WATER DISTRICT organized and existing pursuant to the Municipal Water District Act of 1911, California Water Code §71000, et seq. (hereinafter "DISTRICT"), and TRC ENCINITAS VILLAGE, LLC., (hereinafter "PERMITTEE").

R-E-C-I-T-A-L-S

1. The DISTRICT presently holds title to an easement as more particularly described in the DISTRICT's document no. 512, recorded July 14th, 1980, as File/Page 80-208195, Official Records, San Diego County, not attached hereto, but incorporated herein by reference.
2. PERMITTEE desires to encroach upon this easement.
3. PERMITTEE is the owner of property described in Exhibit "A" attached hereto.
4. The parties agree that PERMITTEE shall be entitled to encroach upon this easement only to the extent and in the manner specified in this Agreement. No other encroachments shall be allowed without the express prior written consent of the DISTRICT.

C-O-V-E-N-A-N-T-S

1. **Permission to Encroach on Easement:** PERMITTEE is hereby granted permission to encroach upon the easement referred to above in the manner specified in Exhibit “B” subject to all conditions specified in Exhibit “B” and subject to all terms of this Agreement.

2. **Limitations of Rights Granted to PERMITTEE:** Rights being granted to PERMITTEE in accordance with this Agreement shall extend only to such rights as the DISTRICT may grant to PERMITTEE in accordance with the terms of the easement presently held by DISTRICT. PERMITTEE shall be solely responsible for verifying that the rights being granted by DISTRICT may be granted to PERMITTEE in accordance with the terms of the DISTRICT’s easement.

3. **Construction of Encroachment:** PERMITTEE shall be solely responsible for all fees, costs, and expenses of whatever type or nature associated with construction of the encroachment. The DISTRICT shall be notified at least forty-eight (48) hours prior to commencement of construction of the encroachment and shall be permitted to inspect and approve all encroachment construction. All encroachment construction shall be carried out as specified by the DISTRICT, in its sole discretion.

3.1. PERMITTEE shall pay all costs of the DISTRICT’s, including, but not limited to, the costs of inspection, administration, legal fees, and engineering relating to the construction and exercise of permission granted to PERMITTEE by this Agreement.

4. **Maintenance of Encroachment Facilities and Area:** PERMITTEE shall maintain the encroachment facilities and encroachment area at all times in a safe, sanitary, and good condition at PERMITTEE’s sole cost and expense. PERMITTEE shall promptly perform all maintenance and repair of the facilities and encroachment area requested by the DISTRICT from time to time, in its sole discretion.

5. **Protection of DISTRICT Facilities in Encroachment Area:** All facilities of the DISTRICT in the encroachment area shall be protected by PERMITTEE as directed by the DISTRICT from time to time, in its sole discretion.

6. **Payment for all Damages and Expenses Caused by Encroachment:** PERMITTEE shall pay for all damages, of whatever type or nature, which may occur to the DISTRICT’S easement or

facilities within the easement as a result of construction, maintenance, use, repair, removal, or relocation of PERMITTEE's facilities.

6.1. PERMITTEE shall also pay for all fees and costs incurred by the DISTRICT to remove, demolish, or relocate PERMITTEE's facilities in order to repair, maintain, replace, relocate, or remove DISTRICT's facilities in the easement or to install new facilities in the easement as the DISTRICT may determine in its sole discretion.

6.2. Should the DISTRICT determine that PERMITTEE's facilities must be relocated, as the DISTRICT may determine in its sole discretion, PERMITTEE shall pay all fees and costs to remove and relocate these facilities.

6.3. All such payments shall be made within thirty (30) consecutive days following receipt of a written demand from the DISTRICT. The written demand shall specify the amount due and the type of losses or expenses incurred. Any amounts not received by the DISTRICT within this thirty (30) consecutive day period shall earn interest at the maximum rate authorized by California law.

7. **Indemnity:** PERMITTEE hereby agrees to hold harmless, defend and indemnify the DISTRICT and its agents, servants, employees, consultants, and officers from any and all claims, actions, liability, losses, costs, damage, or expense of whatever type or nature to any persons, entities, or property caused by, or claimed to be caused, in whole or in part, by the construction, maintenance, repair, replacement or use of the encroachment facilities or encroachment areas except claims caused by the sole active negligence or intentional misconduct of the DISTRICT or its agents or employees. This indemnity shall include all DISTRICT's attorney's fees, expert fees and costs, and court costs if the DISTRICT is named as a party in any litigation related to the encroachment.

8. **DISTRICT not Liable for Damage to Encroachment or Encroachment Area:** The DISTRICT shall not be liable for any damages whatsoever to the encroachment facilities or encroachment area related in any way to the DISTRICT's continued use of the easement or as a result of the DISTRICT's construction, use, repair, replacement, or relocation of any DISTRICT facilities within the easement.

9. **Other Uses Forbidden:** PERMITTEE is limited to the specific encroachment area and facilities granted by this Agreement. No other encroachment is permitted without the express prior written consent of the DISTRICT.

10. Prior Rights: This Agreement shall not alter, modify, or terminate, in any way, any of the prior rights of DISTRICT to use of the easement in accordance with its terms. PERMITTEE shall not be considered as acquiring any permanent interest of any kind or nature in the easement which is inconsistent with the rights of the DISTRICT.

11. General Conditions: The encroachment shall be subject to each of the following general conditions (where applicable):

11.1. The existing ground level over the DISTRICT's underground facilities shall not be changed without the prior written consent of the DISTRICT.

11.2. A clearance of one (1) foot shall be maintained between the DISTRICT's underground facilities and the approved underground encroachment facilities.

11.3. The vertical clearance to be maintained between the DISTRICT's facilities and the above ground encroachment facilities shall be determined at the sole discretion of the DISTRICT.

11.4. No blasting shall be permitted without the prior inspection and approval of the DISTRICT.

11.5. Heavy equipment is not permitted on the easement without DISTRICT notification and approval.

12. Termination: Violation of any of the terms of this Agreement by PERMITTEE shall constitute a material breach of this Agreement entitling the DISTRICT to unilaterally terminate this Agreement by written notice to PERMITTEE, in addition to all other relief afforded by applicable law. Upon receipt of notice of termination from the DISTRICT, PERMITTEE shall promptly remove all encroachment facilities and restore the encroachment area in the manner directed by the DISTRICT, in its sole discretion. All fees, costs, and expenses of removal and restoration shall be paid solely by PERMITTEE.

13. Agreement as Covenant Running with Land and Binding on Successors: The parties expressly agree that this Agreement shall be construed as a valid and binding equitable servitude and covenant running with the land which shall be binding upon the heirs, personal representatives,

successors, assigns, or transferees of the parties hereto. The parties expressly waive the right to challenge the enforceability of this Agreement as a legal and binding equitable servitude and covenant running with the land in any subsequent arbitration or litigation between the parties or their successors.

14. Attorney's Fees: In the event of any legal or equitable proceeding to enforce or interpret the terms or conditions of this Agreement, the prevailing party shall be entitled to all reasonable attorney fees and court costs in addition to such other relief as may be afforded by applicable law.

15. Law Applied: The validity, interpretation, construction, and performance of this Agreement shall be construed under the laws of the State of California and the applicable rules and regulations of the DISTRICT.

16. Venue: In the event of any arbitration or litigation to interpret or enforce the terms of this Agreement, venue shall lie only in the state or federal courts in or nearest to the North County Judicial District, County of San Diego, State of California.

17. No Warranties: There are no warranties or representations of any kind being made.

18. Modification: This Agreement shall not be altered in whole or in part except by a modification in writing executed by both parties to this Agreement.

19. Meaning of "PERMITTEE": The word PERMITTEE as used in this Agreement shall mean the PERMITTEE or any person or entity deriving any interest in this encroachment permit from PERMITTEE or its successors-in-interest.

20. Attorney Representation: The PERMITTEE acknowledges that this Agreement has been prepared by the Law Offices of Nossaman LLP, who represents only the DISTRICT. The PERMITTEE is hereby notified to seek the advice of independent counsel concerning this Agreement and its terms. PERMITTEE acknowledges that PERMITTEE has had the opportunity to do so prior to executing this Agreement.

21. **Effective Date**: The effective date of this permit is _____, 20 ____.

22. **Board of Director's Approval**: This Agreement is executed by the DISTRICT pursuant to Board action of _____, 20____.

“DISTRICT”

OLIVENHAIN MUNICIPAL WATER DISTRICT

Dated: _____, 20____

By: _____
Kimberly A. Thorner
General Manager

“PERMITTEE”

TRC ENCINITAS VILLAGE, LLC.

Dated: _____, 20____

By: _____
Scott Grady
SVP Development

*PERMITTEE’S SIGNATURE MUST BE NOTARIZED WITH NOTARY SEAL.

EXHIBIT "A"
Sheet 1 of 1

Legal Description

PARCEL 1:

ALL THAT PORTION OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECT10N 14, TOWNSHIP 13 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECT10N 14 WITH THE EASTERLY LINE OF ROAD SURVEY NO. 682, AS DESCRIBED IN DEED TO THE COUNTY OF SAN DIEGO, RECORDED NOVEMBER 27, 1961 AS INSTRUMENT NO. 204794 OF OFFICIAL RECORDS; THENCE EASTERLY ALONG THE NORTHERLY LINE OF SAID SOUTH HALF, A DISTANCE OF 110.00 FEET; THENCE AT RIGHT ANGLES SOUTHERLY, A DISTANCE OF 60.00 FEET; THENCE WESTERLY PARALLEL WITH THE NORTHERLY LINE OF SAID SOUTH HALF TO THE EASTERLY LINE OF SAID ROAD SURVEY NO. 682; THENCE NORTHERLY ALONG THE SAID EASTERLY LINE TO THE POINT OF BEGINNING.

PARCEL 2:

THE SOUTH HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 13 SOUTH, RANGE 4 WEST, SAN BERNARDINO MERIDIAN, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF. EXCEPTING THEREFROM THAT PORTION LYING WITHIN PARCEL 1, HEREIN ABOVE DESCRIBED

EXHIBIT “B”
Sheet 1 of 2

1. **Encroachment Facilities:**

- A. Please see Exhibit ‘B’ sheet 2 of 2 for details regarding path of construction through easement.

2. **Encroachment Area:**

The encroachment facilities encroach upon District Easement No. 512 as shown on Exhibit ‘C’ sheet 1 of 1.

3. **Special Conditions of Encroachment:**

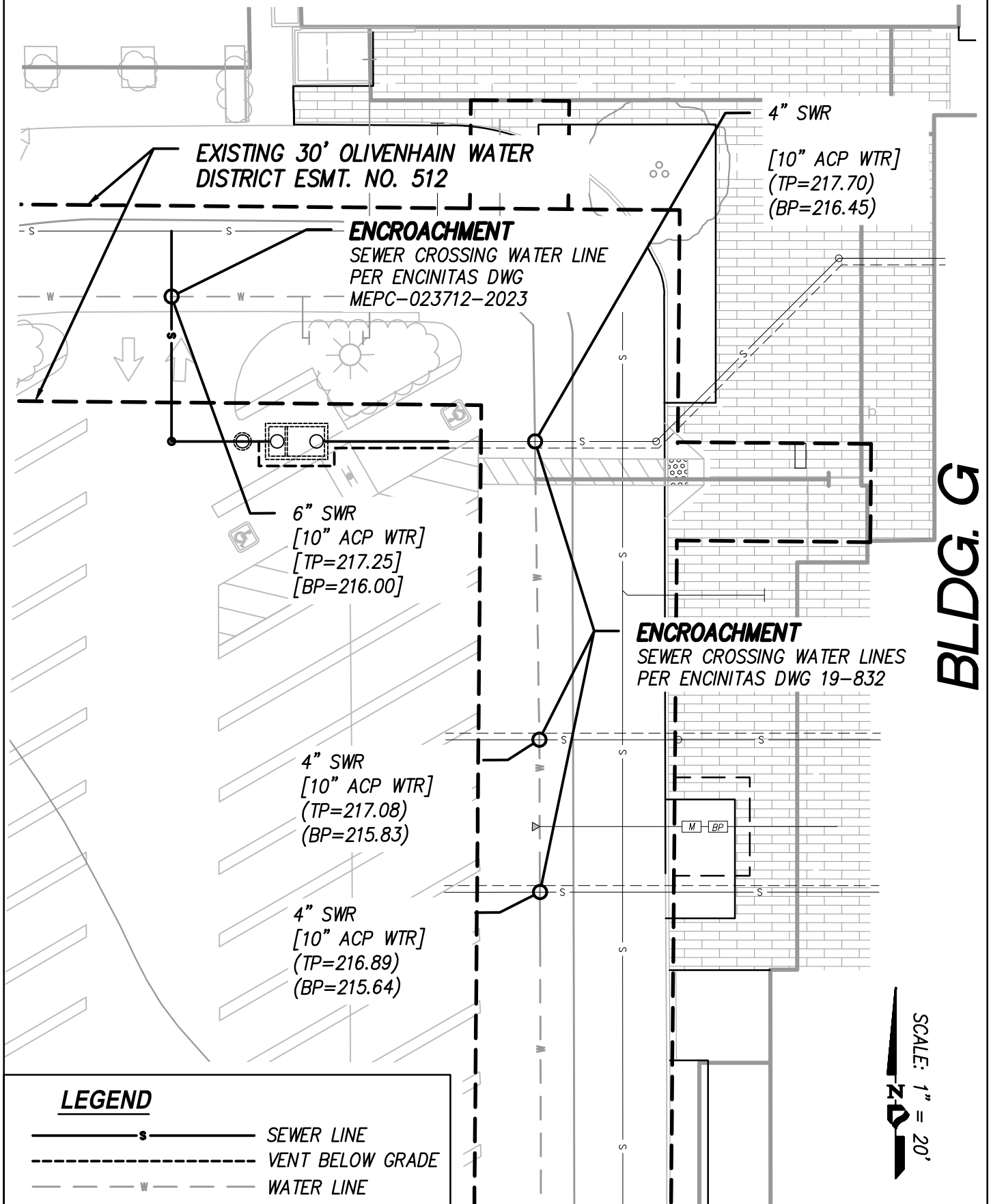
A. No facilities other than those identified in this encroachment permit shall be placed within the DISTRICT’s easement without the DISTRICT’s prior written approval.

B. The DISTRICT shall not be responsible for the placement of encroaching facilities placed within the easement area should they be required to be removed for installation, construction, repair, relocation or maintenance of DISTRICT facilities or any other work undertaken at the sole discretion of the DISTRICT.

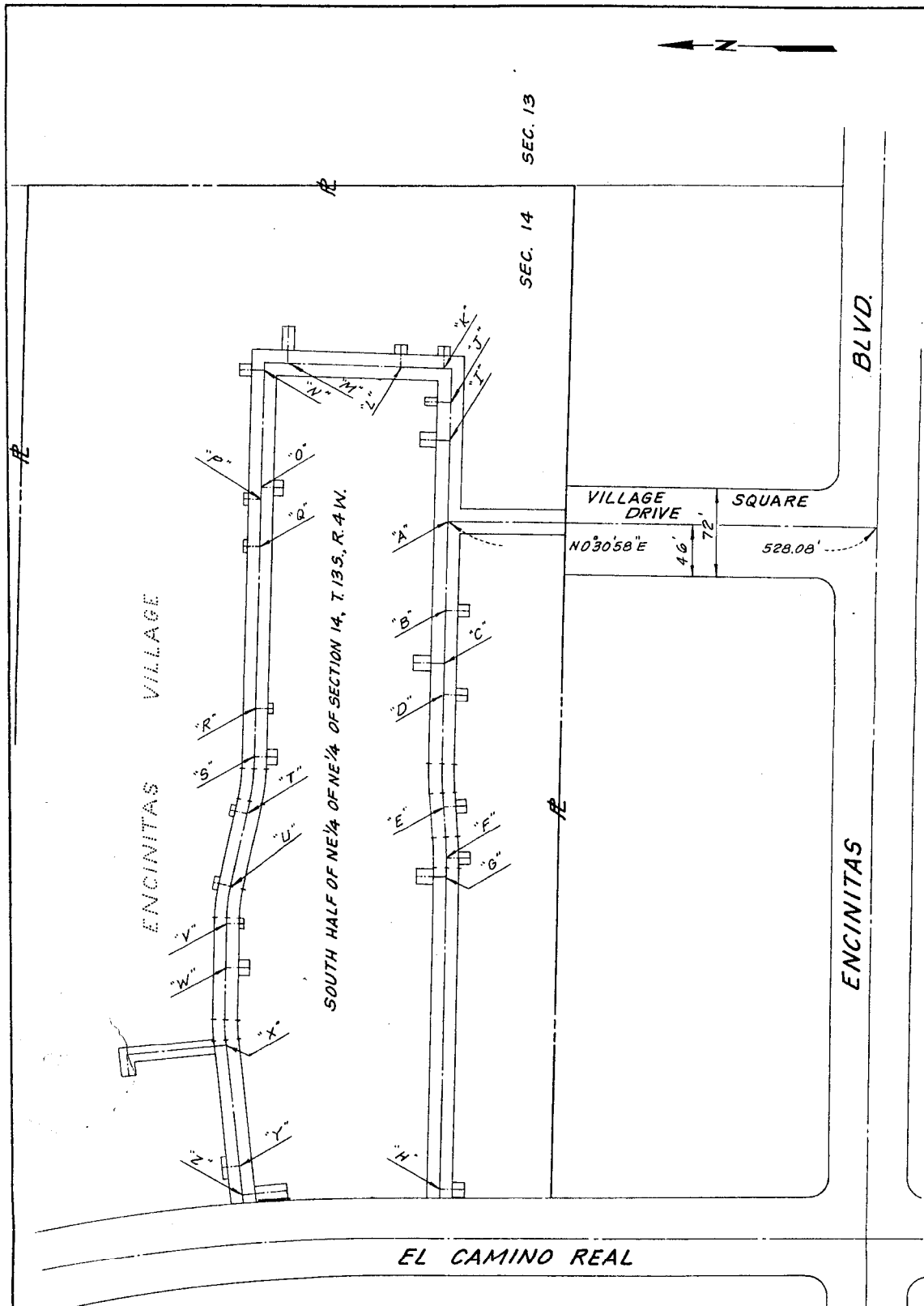
C. No work may begin or proceed without direction of DISTRICT’s Inspector. Contractor shall notify the DISTRICT inspections department 48 hours prior to the beginning of work to arrange for inspection of the project. The Contractor must call "Dig Alert of Southern California" to have underground service utilities located prior to construction. This call will be made at least 48 hours in advance prior to any work being performed in public right-of-way. (Dig Alert phone: 800-227-2600).

EXHIBIT 'B'

SHEET 2 OF 2



1339



Memo

Date: April 19, 2023
To: Olivenhain Municipal Water District Board of Directors
From: Rainy Selamat, Finance Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER INFORMATIONAL REPORT FROM OLIVENHAIN MUNICIPAL
WATER DISTRICT'S ACCOUNT REPRESENTATIVE AT CALIFORNIA BANK AND
TRUST**

Purpose

The purpose of this item is to receive information from Robert Hulterstom, Executive Vice President, at California Bank and Trust (CB&T), about the strength and stability of CB&T and the reasons that the District can continue to be confident in its banking choice with Mr. Hulterstom and CB&T.

Recommendation

Staff is recommending the Board receive information from Mr. Hulterstom about the District's funds (checking account) in CB&T.

Alternative

None. This is an informational report.

Background

The District has been banking with CB&T for more than 20 years. Mr. Hulterstrom has been the District's account representative for more than 26 years and has consistently provided excellent customer service to the District. CB&T's customer service team has helped staff with various types of water payment and deposit issues over the years.

The District uses cash available in CB&T for working capital, which includes payments of District vendors and payroll. The District also uses CB&T's lockbox services to expedite the processing of about 2,700 monthly customer check payments.

CB&T is a commercial bank that provides a range of financial services to businesses, individuals, and non-profit organizations throughout California. The bank operates more than 80 branches throughout the state. The bank offers a variety of financial products and services, including checking and savings accounts, credit cards, loans, and investment services.

CB&T is a subsidiary of Zions Bancorporation, a publicly traded bank holding company based in Salt Lake City, Utah. Zions Bancorporation is one of the top 50 bank holding companies in the United States, with over \$90 billion in assets.

Due to current events in the banking industry as well as to keep the Board informed on District finances, staff has asked Mr. Hulterstrom to prepare a brief informational report to the Board about the strength and stability of CB&T.

Fiscal Impact

The uninsured portion (over the FDIC limit) of the District's cash at CB&T is collateralized at 110%. The custodian for the collateral is US Bank. As of the writing of this memo, the District has about \$4.2 million in cash in its California Bank and Trust General Account.

Discussion

District staff and Mr. Robert Hulterstrom will be available at the meeting for discussion.

Attachment: Presentation

Olivenhain Municipal Water District



ZIONS BANCORPORATION

April 2023

Forward-Looking Statements; Use of Non-GAAP Financial Measures

Forward Looking Information

This earnings presentation includes “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements, often accompanied by words such as “may,” “might,” “could,” “anticipate,” “expect,” and similar terms, are based on management’s current expectations and assumptions regarding future events or determinations, all of which are subject to known and unknown risks and uncertainties. Forward-looking statements are not guarantees, nor should they be relied upon as representing management’s views as of any subsequent date. Factors that could cause our actual results, performance or achievements, industry trends, and results or regulatory outcomes to differ materially from those expressed or implied in the forward-looking statements are discussed in our 2021 Form 10-K and subsequent filings with the Securities and Exchange Commission (SEC) and are available on our website (www.zionsbancorporation.com) and from the SEC (www.sec.gov). Except to the extent required by law, we specifically disclaim any obligation to update any factors or to publicly announce the revisions to any forward-looking statements to reflect future events or developments.

Use of Non-GAAP Financial Measures:

This document contains several references to non-GAAP measures, including but not limited to, pre-provision net revenue and the “efficiency ratio,” which are common industry terms used by investors and financial services analysts. Certain of these non-GAAP measures are key inputs into Zions’ management compensation and are used in Zions’ strategic goals that have been and may continue to be articulated to investors. Therefore, the use of such non-GAAP measures are believed by management to be of substantial interest to the consumers of these financial disclosures and are used prominently throughout the disclosures. A full reconciliation of the difference between such measures and GAAP financials is provided within the document, and users of this document are encouraged to carefully review this reconciliation.

Don't tell my mother I'm a
Banker; she thinks I'm making an
honest living playing piano in a
brothel.

Popular Joke from Depression Era

Zions Bancorporation Safety and Soundness can be defined by our:

- Management, capital adequacy, asset quality, reasonable earnings, strong liquidity, and adequately controlled sensitivity to market risk

What differentiates Zions Bancorporation compared to recent bank failures:

- Zions deposits are held in 1.4 million accounts which tend to be smaller in size and operational in nature
 - The average balance of SVB was 22 times larger than the average balance of Zions
 - 52.2% of Zions deposit balances are uninsured compared to 89.3% at SVB
- Zions has access to tens of billions of dollars of readily available liquidity, without having to sell securities
- Zions is more diversified than the failed banks with a loan portfolio that is both geographically diversified as well as diversified in customer base
- Credit quality, securities portfolio, and capital remain strong

(1) Safety and Soundness as defined by the Federal Reserve Bank <https://www.stlouisfed.org/in-plain-English/safety-and-soundness>

Capital Adequacy: Basel III Requirements

Zions is subject to Basel III capital requirements. As of December 31, 2022, the bank exceeded all capital adequacy requirements

Key Metrics	4Q22	Requirements
Listing	NASDAQ: ZION	
Market Capitalization (as of 2/6/23)	\$8.0B	
Basel III risk-based capital ratios:		
Common Equity Tier 1 Capital	\$6.5B	
Common Equity Tier 1 Capital Ratio	9.7%	4.5%
Tier 1 risk-based	10.5%	6.0%
Total risk-based	12.2%	8.0%
Zions Bancorp. Rating (S&P/Fitch/Kroll) ²	BBB+/BBB+/A-	
Tier 1 leverage	7.7%	3.0%
Rating Outlook (S&P/Fitch/Kroll) ²	Stable / Stable/ Positive	

Source: S&P Global and internal data, as of 4Q22 except where noted.

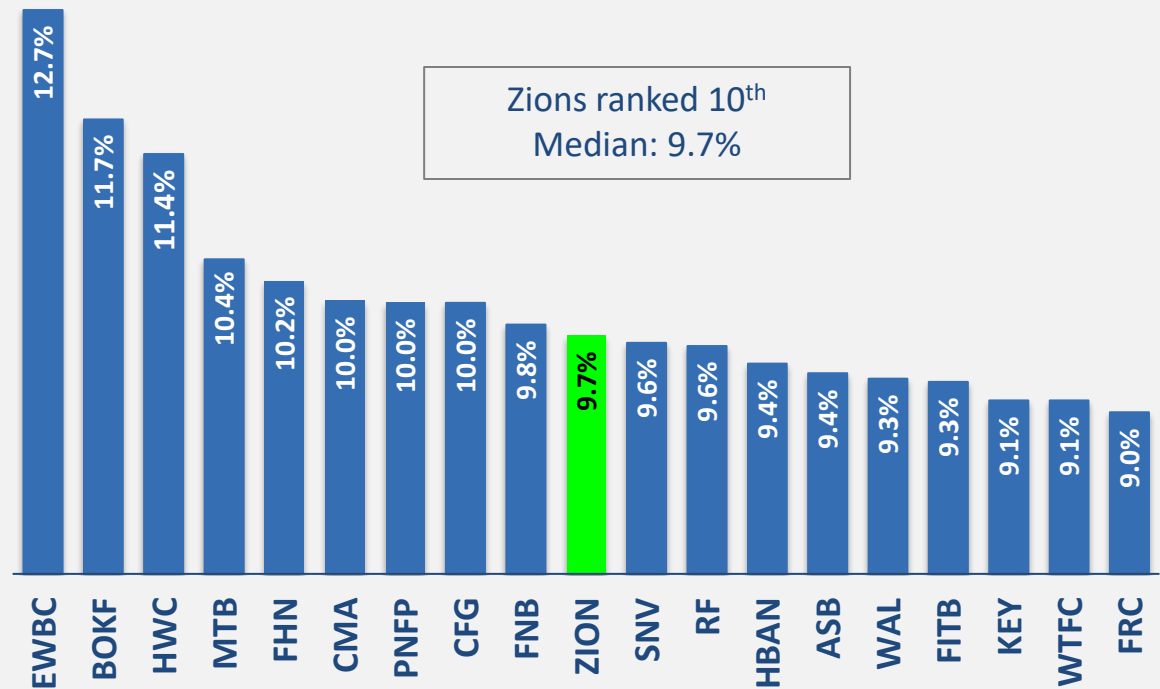
¹ December 31, 2022, ending balances.

² Represents long-term debt / senior debt issuer rating, as of January 25, 2023.

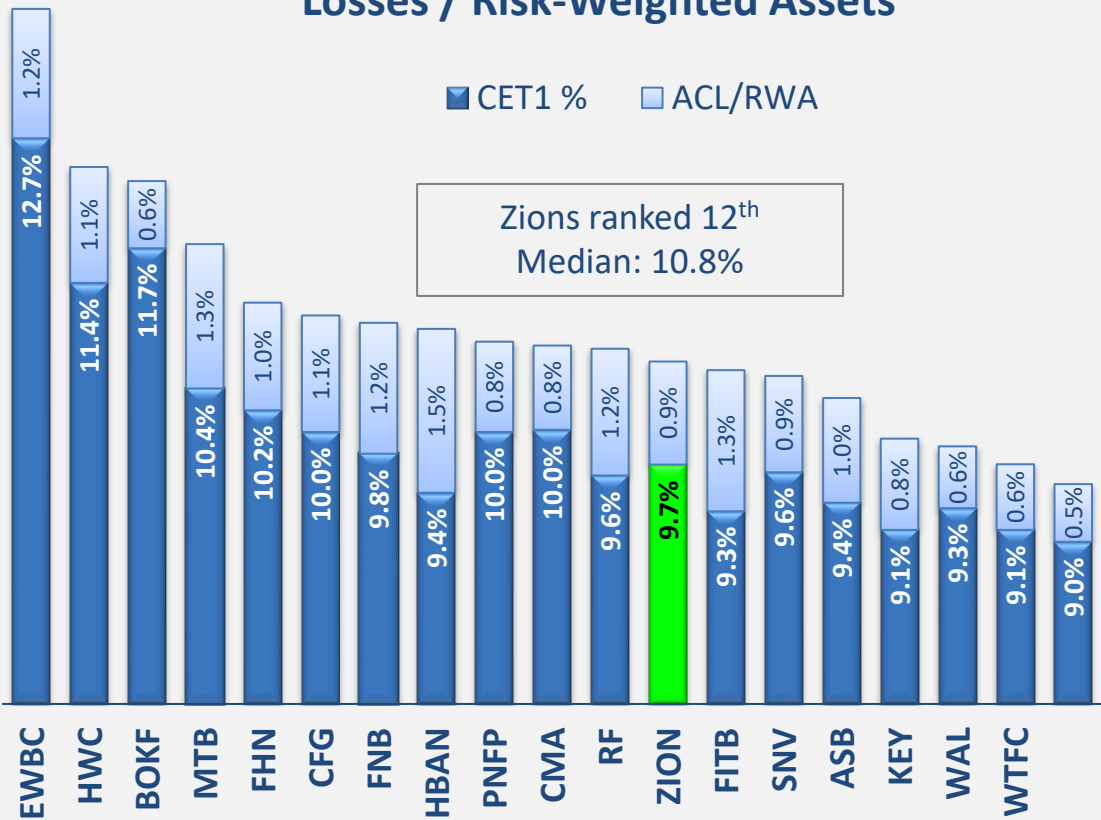
Capital Adequacy: Loss-Absorbing Capital

In context with the risk profile of the Bank, our Common Equity Tier 1 capital plus the allowance for credit loss compares well relative to peers

Common Equity Tier 1 Capital Ratio



CET1 Capital and Allowance for Credit Losses / Risk-Weighted Assets



Source: Company data and S&P Global. Data as of 4Q22, where available. Zions' Allowance for Credit Loss to Loan Ratio excluding PPP Loans was 1.15% in 4Q22. Total Risk-Based Capital for Zions at 4Q22 was 12.0%

Liquidity: Balance Sheet Profile

Zions' liquidity profile is notably stronger, with higher securities. Funding advantages include granularity and more noninterest bearing deposits.

Earning Asset Composition

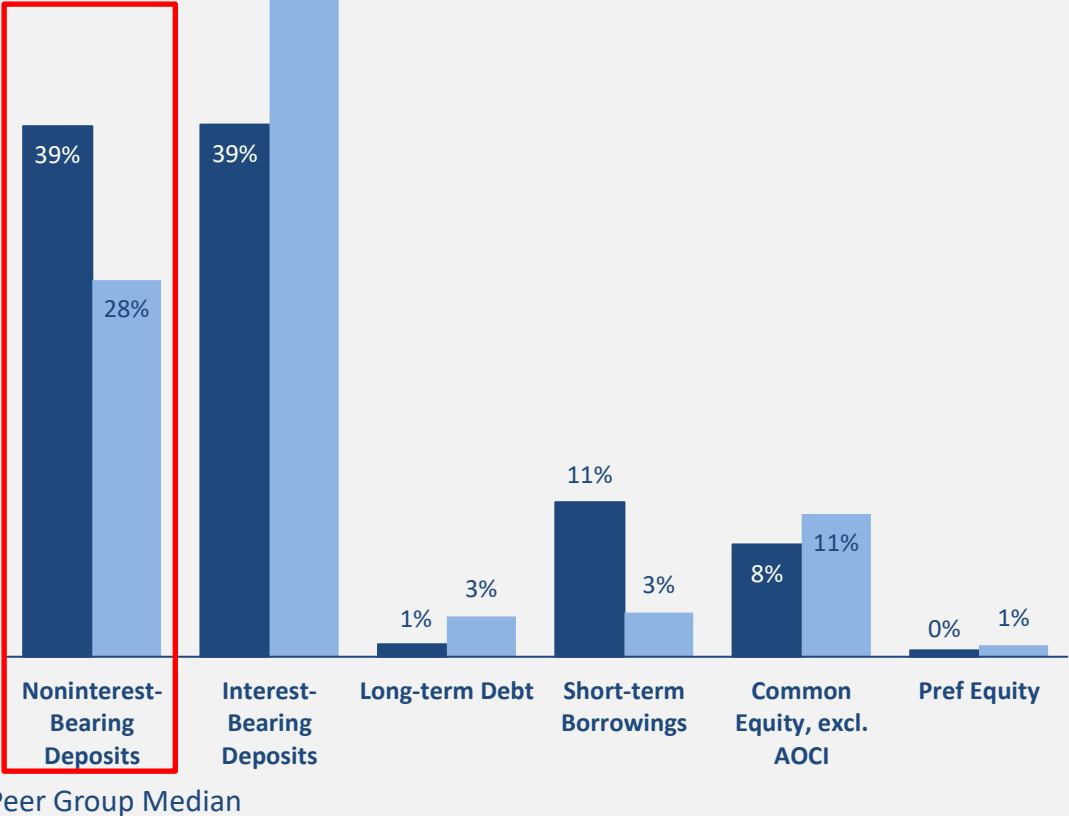
More liquid assets = superior liquidity profile, superior "dry powder"

Very substantial funding advantage with stable household and business operating accounts

...less CRE than peers



Liabilities and Equity Composition



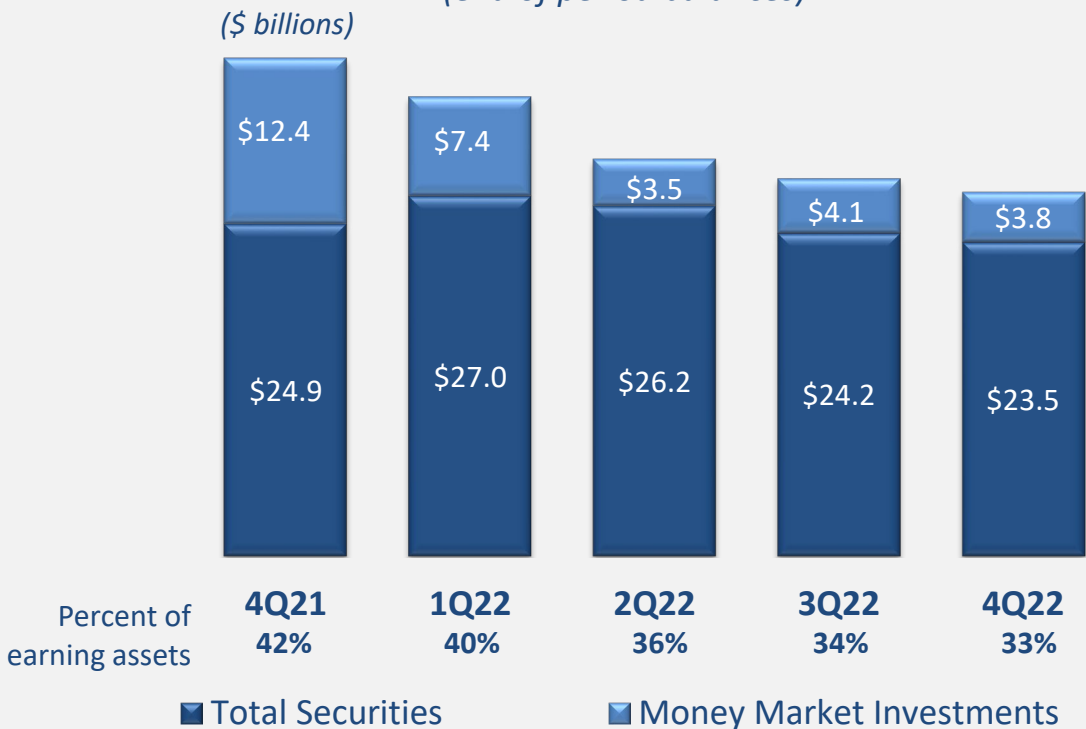
S&P Global as of 4Q22, period-end balances. Major categories of assets and liabilities included, and percentages expressed as a sum of the total of the categories; does not include other assets or liabilities, such as property, equipment, accounts payable, etc. Owner-Occupied loans are included in Commercial.

Liquidity: Securities, Money Market Investments

We have strong on-balance sheet liquidity

Total Securities Portfolio (at Fair Value) and Money Market Investments

(end of period balances)



We expect to use a portion of our highly liquid assets to fund loan growth and deposit attrition in the immediate future

- Money market investments and securities make up 33% of earning assets, compared to 24% immediately preceding the pandemic
- 4Q22 period-end securities declined \$676 million. Securities account for 28% of period-end interest-earning assets
 - Cash flow of the securities portfolio was \$717 million
- We moved \$10.7B of fair value (\$13.1B of amortized cost) balances to Held to Maturity from Available for Sale during the fourth quarter
 - \$1.8 billion of after-tax accumulated other comprehensive loss was locked in and is expected to be amortized over time at a rate of approximately 15% (subject to prepayment speeds) per year

Securities portfolio duration as of December 31, 2022: 4.2 years (3.9 in 3Q22); it is not expected to extend materially under a higher interest rate environment

Interest on total securities includes \$23 million and \$31 million of taxable-equivalent premium amortization for the fourth quarters of 2022 and 2021, respectively, and \$105 million and \$118 million for the year-ended 2022 and 2021, respectively.

Asset/Credit Quality

Net charge-offs remain low, with last 12 months net charge-offs at just 0.08% of average loans

All Ratios Exclude PPP Loans

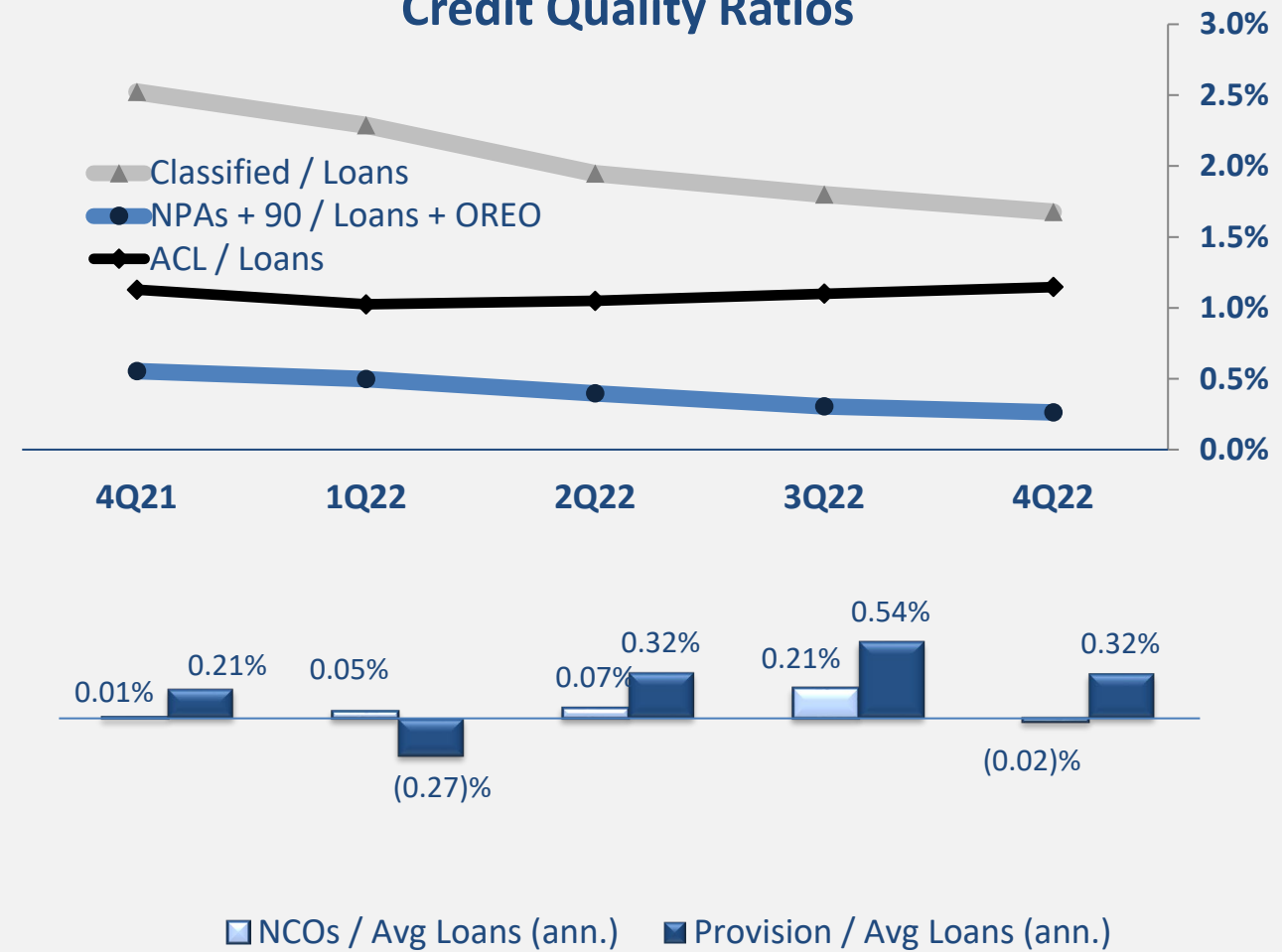
Key credit metrics:

- **1.7%:** Classified loans/loans
 - **Classified balance improved (declined) by 4%** in 4Q22 from 3Q22
- **0.26%:** NPAs+90⁽¹⁾/loans + OREO
 - **NPA balance improved (declined) by 11%** in 4Q22 from 3Q22
- Net charge-offs (recoveries), relative to average loans:
 - **(0.02)%** annualized in 4Q22
 - **0.08%** over the last 12 months

Allowance for credit losses:

- 1.15% of total loans and leases, up 5 basis points from 3Q22

Credit Quality Ratios



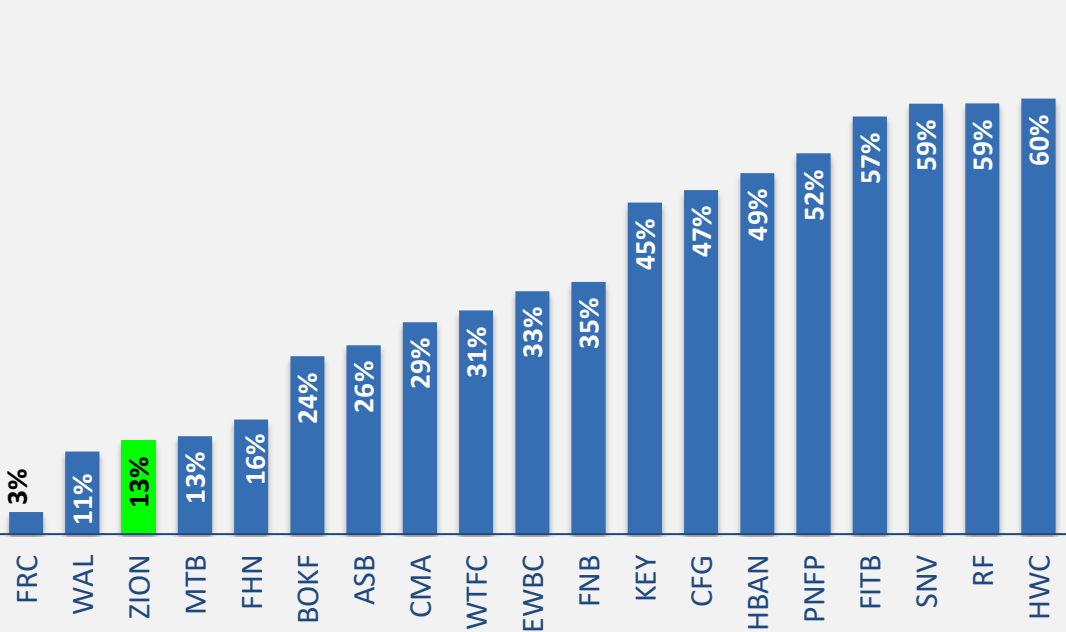
(1) Nonperforming assets plus accruing loans that were ≥ 90 days past due

Note: Net charge-offs / average loans and provision / average loans ratios are annualized for all periods shown

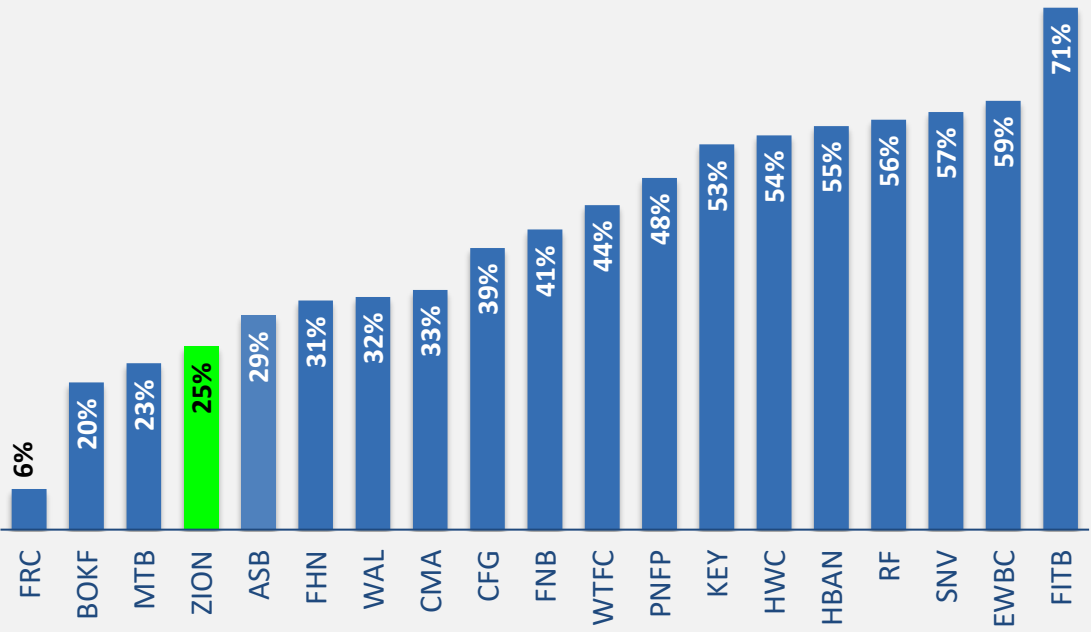
Asset Quality: Loan Loss Severity

When problems arise, Zions generally experiences less severe loan losses due to strong collateral

Annualized NCOs / Nonaccrual Loans
Five Year Average (2018 – 2022)



Annualized NCOs / Nonaccrual Loans
Fifteen Year Average (2008 – 2022)

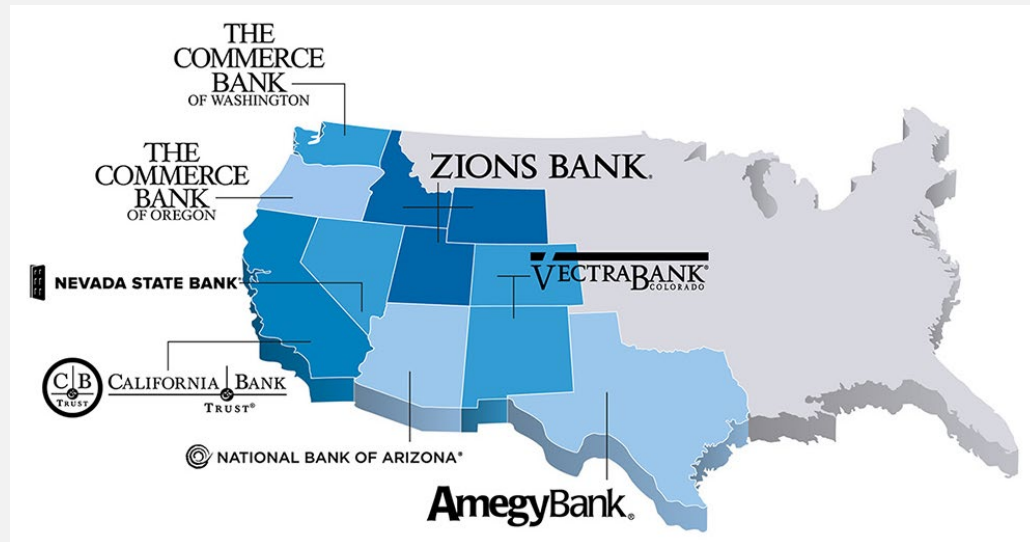


Source: S&P Global. Calculated using the average of annualized quarterly results. Note: Survivorship bias: some banks that may have been included in Zions' peer group have been excluded due to their failed or merged status.

Management: Local authority

Key Differentiators: Local decision-making and top-notch service, commercial banking focus, granular and low-cost deposit base

- Strategic local “ownership” of market opportunities and challenges
- Roughly **2/3** of revenue from commercial customers
- High quality, granular deposit franchise
 - **51%**: Noninterest bearing deposits (avg) to total deposits
 - **0.20%**: Cost of deposits consistently among the lowest of peers



Zions' Markets¹

Bank	Headquarters	Ending Deposits	% of Total
Zions Bank	Salt Lake City	\$21.4B	30%
CB&T	San Diego	\$14.8B	21%
Amegy	Houston	\$14.1B	20%
NB AZ	Phoenix	\$7.3B	10%
NSB	Las Vegas	\$7.1B	10%
Vectra	Denver	\$3.9B	5%
Commerce	Seattle	\$1.4B	2%
Brokered Deposits & Other	—	\$1.7B	2%
Zions Bancorporation	Salt Lake City	\$71.7B	100%

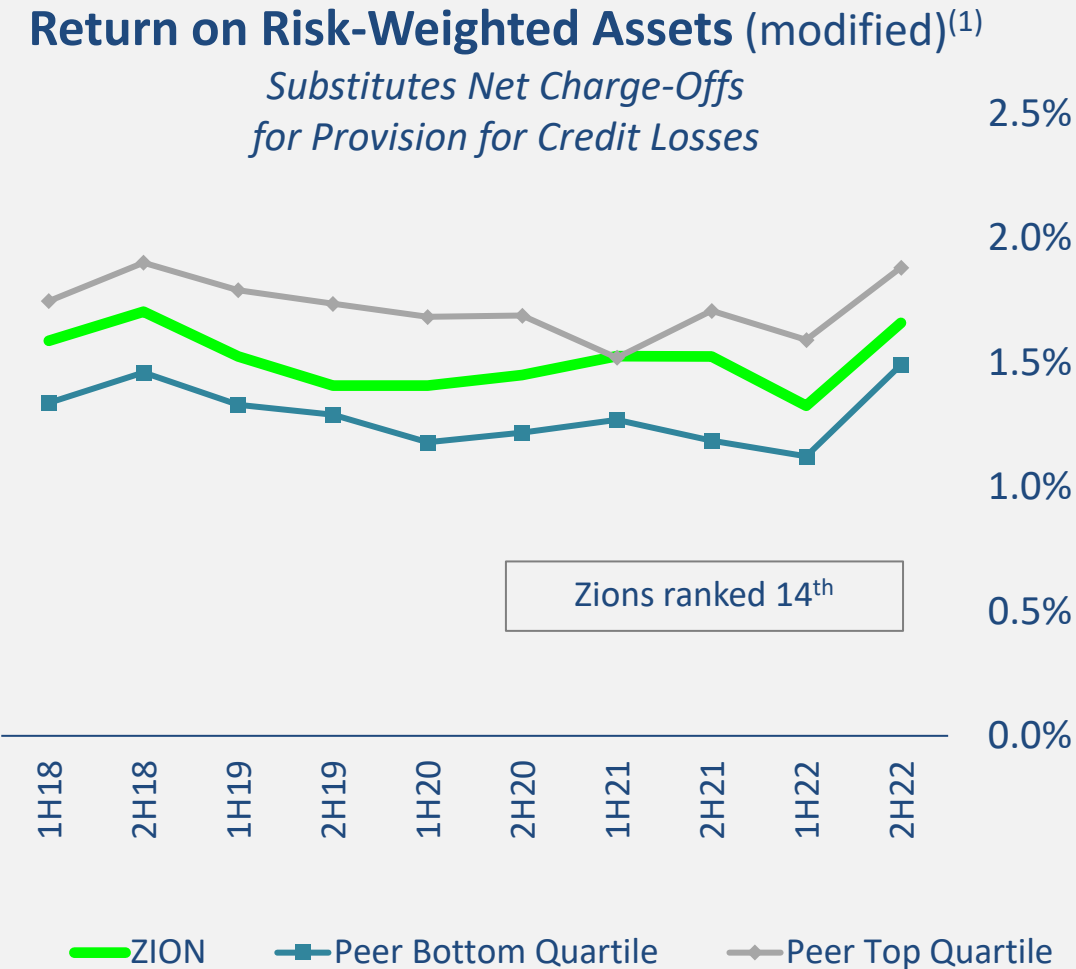
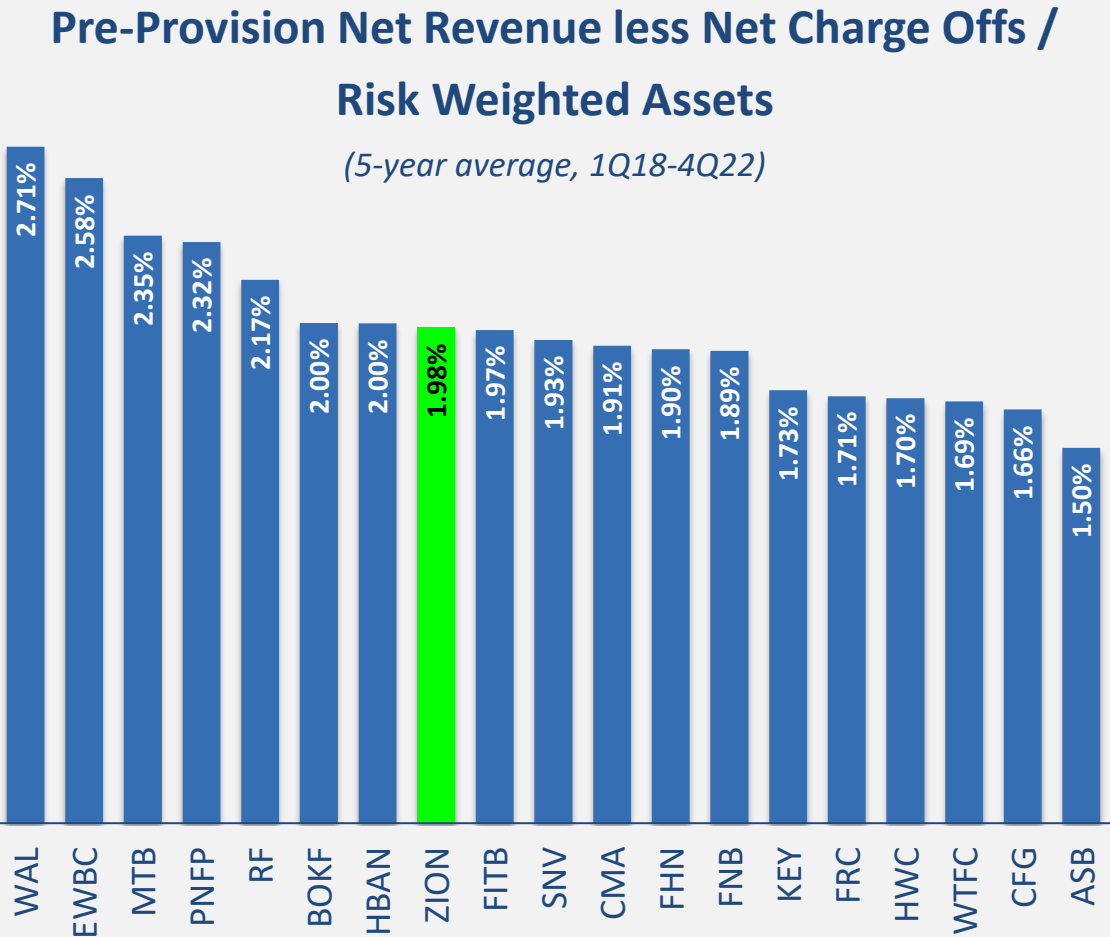
Source: S&P Global and internal data, as of 4Q22 except where noted.

¹ December 31, 2022, ending balances.

² Represents long-term debt / senior debt issuer rating, as of January 25, 2023.

Earnings: Profitability Measures

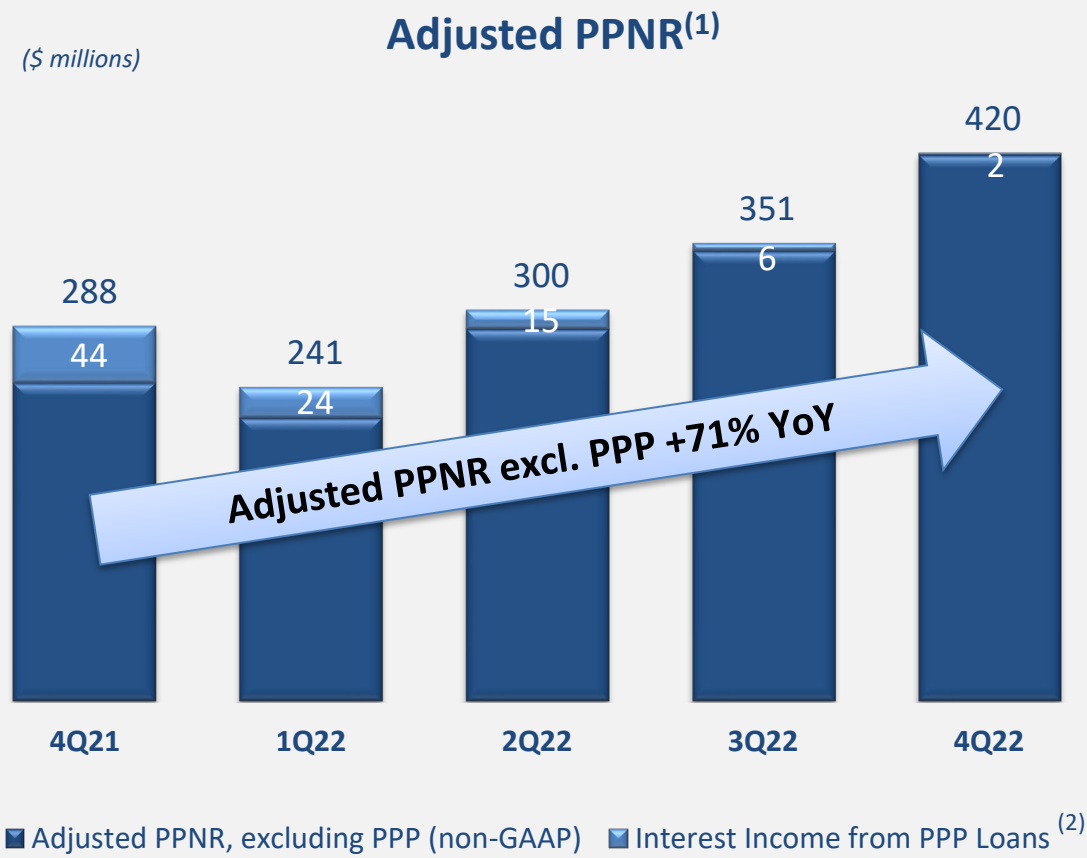
Risk-Adjusted PPNR as a percent of risk-weighted assets & return on risk-weighted assets are in line with peer median



Source: S&P Global. (1) The modified RoRWA is calculated using reported annualized net income less tax-effected securities gains/losses, Zions’ pension termination expense (2Q20), Zions’ one-time charitable contribution (3Q20 & 4Q21) and annualized net charge-offs, plus annualized provisions for credit losses, expressed as a percentage of risk-weighted assets.

Earnings: Adjusted Pre-Provision Net Revenue (“PPNR”)

Adjusted PPNR increased 20% from the prior quarter, primarily due to the benefit of higher rates



Linked quarter:

- Adjusted PPNR increased 20% primarily from
 - An 8% increase in adjusted revenue
 - Significantly higher yields on all major asset categories from rising interest rates combined with modest change in funding costs
 - Growth of higher yield assets (e.g., loans vs. money market)
 - A 1% decrease in adjusted noninterest expense

Year-over-year:

- Adjusted PPNR increased 46%
 - Loan yields, excluding PPP, grew by 126 basis points; loan balances increased \$4.8 billion (9.4%), or \$6.5 billion (13.2%), excluding PPP loans
 - Taxable-equivalent net interest income increased 30%
 - Stable level of customer-related noninterest income
 - Net revenue growth partially offset by a 6% increase in adjusted noninterest expense

(1) Adjusted for items such as severance costs, restructuring costs, other real estate expense, pension termination-related expense, securities gains and losses, and accruals for investment and advisory expenses related to the unrealized gains/(losses) on SBIC investments. See Appendix for GAAP to non-GAAP reconciliation table.

(2) Interest income from PPP, as shown, is net of professional services expense associated with forgiveness.

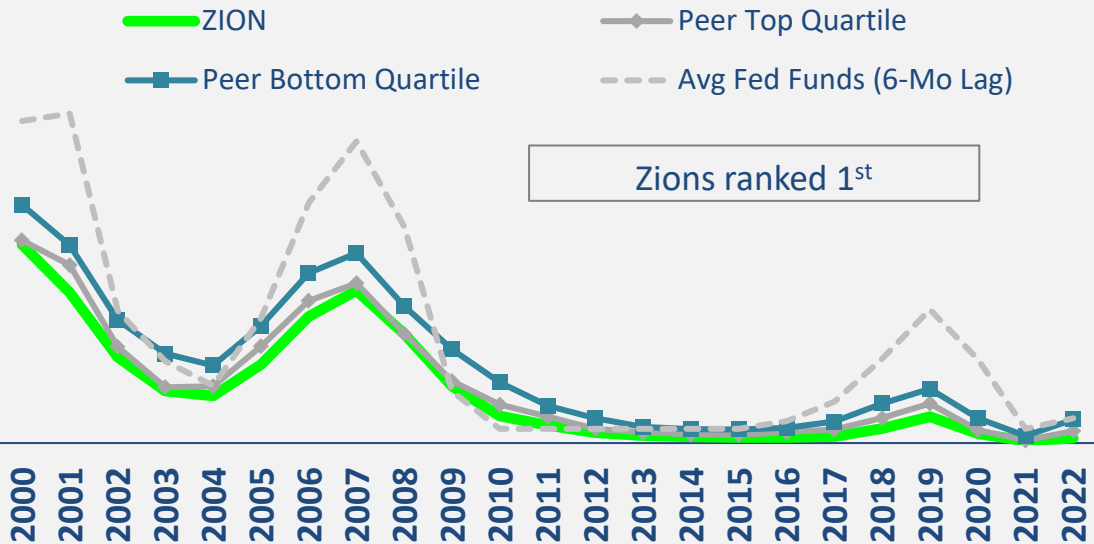
Earnings: Cost of Total Deposits and Cost of Total Funding

Through multiple rate cycles, Zions' total deposit and funding costs have been consistently among the best of peers

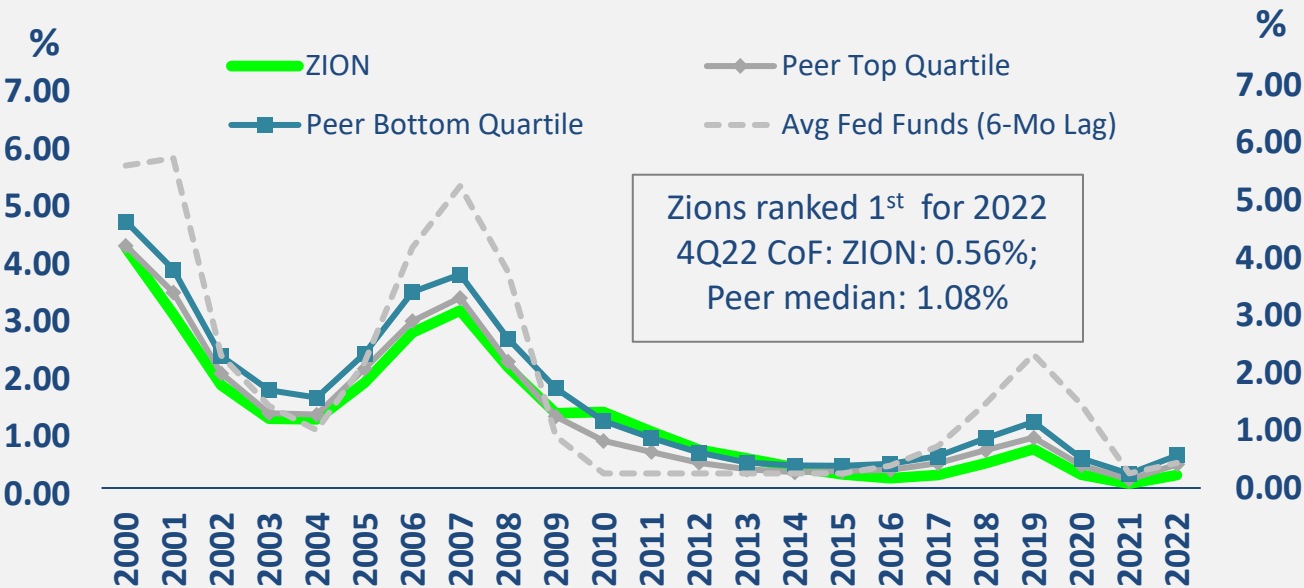
Under higher interest rate environments (FF > 3%), Zions' cost of deposits has averaged ~40bps better than the peer median

Under higher interest rate environments (FF > 3%), Zions' cost of funding has averaged ~40bps better than the peer median

Average Cost of Total Deposits



Average Cost of Total Funding



Source: S&P Global. The federal funds rate shown on this page has been adjusted such that, for example, the 2007 peak rate of 5.25% is the daily average rate from July 1, 2006 to June 30, 2007, which attempts to reflect the delay between the Fed's increase or decrease and the response by Zions and the banking industry to increase or decrease rates paid on deposits.

Key Themes

The high quality, low-cost nature of our deposits, along with strong loan growth helped to drive a significant increase in PPNR

■ The value of our deposit base contributed to a strong increase in net interest income

- Our low-cost deposits have been a catalyst for growth in our quarterly net interest income (excl. PPP) of 41% over the year-ago quarter, and of pre-provision net revenue (excl. PPP), which increased 71%
- Deposit attrition has primarily been the result of “surge” deposit attrition; our particularly strong liquidity profile going into 2022 positioned Zions to allow for deposit runoff. Deposit pricing will likely increase at a faster rate in the near term

■ We generated strong loan growth

- We generated \$1.8 billion of loan growth in the fourth quarter (13.8% annualized, excl. PPP) and \$6.4 billion of net growth in 2022 (13.2%, excl. PPP) while using underwriting standards and concentration limits that have produced superior credit performance
 - A substantial 36% of our 2022 loan growth (excl. PPP) was in lower-risk categories including 1-4 family and municipal loans
 - Commercial and industrial loans accounted for another 36% of the loan growth in 2022, increasing 17% over the prior year’s level

■ Our balance sheet composition allows for a great deal of flexibility

- Our loan-to-deposit ratio of 78% continues to provide a cushion to absorb future loan growth and deposit migration
- Our deposit strategy includes optimizing the size of the balance sheet and the cost of funding; rate cycle-to-date total deposit cost beta¹ of just 5%

■ We are prepared for a recession

- We have a strong stream of earnings (4Q22 annualized PPNR of \$1.6 billion), significant loss-absorbing regulatory capital and allowance for credit losses
- We have well-managed concentrations and smaller hold limits in higher-risk categories; we have very little unsecured consumer exposure; our loans are underwritten to withstand the effects of moderately higher interest rates

(1) Deposit beta is calculated as the change in the cost of total average deposits (including both interest and noninterest bearing) from 4Q21 to 4Q22 which was 17 basis points, relative to the change in the target (high) federal funds rate for the same period, which increased 360 basis points to a quarterly average of 3.85% in 4Q22 from 0.25% in 4Q21.

Financial Outlook (FY 2023E vs FY 2022A), as of January 23, 2023

	Outlook	Comments
Loan Balances (period-end)	Moderately Increasing	
Net Interest Income (NII)	Increasing	<ul style="list-style-type: none"> ▪ We expect full year 2023 NII to increase at a rate in the high single digits relative to FY22 ▪ We expect 4Q23 NII to increase slightly relative to 4Q22, assuming a cumulative cycle-to-date deposit beta in the mid- to high-teens
Customer-Related Noninterest Income	Moderately Increasing	<ul style="list-style-type: none"> ▪ Customer-related noninterest income excludes securities gains/losses
Adjusted Noninterest Expense	Moderately Increasing	<ul style="list-style-type: none"> ▪ Subject to normal seasonality
CET1 Regulatory Capital Ratio	Moderately Increasing	<ul style="list-style-type: none"> ▪ Capital ratios are expected to increase by YE23, although some capital may be returned to shareholders through share repurchases

Generally, Zions does not provide an intra quarter update to its financial outlook. The outlook contained within this presentation is as of Zions' last earnings report (January 23, 2023).

- Company Abbreviation Key

Company Abbreviation (Ticker Symbol) Key

ASB: Associated Banc-Corp
BAC: Bank of America
BOKF: BOK Financial Corporation
C: Citigroup, Inc.
CFG: Citizens Financial Group, Inc.
CMA: Comerica Incorporated
EWBC: East West Bancorp, Inc.
FHN: First Horizon National Corporation
FITB: Fifth Third Bancorp
FNB: FNB Corp
FRC: First Republic Bank
HCW: Hancock Whitney Corp

GREEN TEXT: Included in Zions' 2022 peer group as listed in the annual proxy statement; this group is used by Zions' board in determining management compensation.

HBAN: Huntington Bancshares Incorporated
JPM: JPMorgan Chase & Co.
KEY: KeyCorp
MTB: M&T Bank Corporation
PNFP: Pinnacle Financial Partners
RF: Regions Financial Corporation
SNV: Synovus Financial Corp.
USB: US Bank
WFC: Wells Fargo & Co.
WAL: Western Alliance Bancorporation
WTFC: Wintrust Financial Corp.
ZION: Zions Bancorporation, N.A.

BLUE TEXT: Not included in Zions' peer group as listed in the annual proxy statement, but may be particularly relevant to the topic discussed within these slides

Memo

Date: April 19, 2023
To: Olivenhain Municipal Water District Board of Directors
From: Jennifer Joslin, Human Resources Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER ANNUAL UPDATE OF THE DISTRICT'S FIVE YEAR STAFFING ANALYSIS**

Purpose

The purpose of this agenda item is to update the five year Staffing Analysis for the District. The Staffing Analysis forecasts organizational and personnel changes required to maintain a successful workforce plan for the next five fiscal years (FY 2023-2024 to 2027-2028). This document will continue to be updated and presented to the Board annually with consideration of the two year budget constraints. Staff is requesting the Board approve only the recommendation for the coming 2023-2024 fiscal year.

Most importantly, this document shows the necessary staffing levels for the coming fiscal year in order to increase department efficiencies, provide better business practices, and prepare our future leaders (including Grow Your Own "GYO" promotional opportunities). This Staffing Analysis also serves as a key reference tool for District succession planning purposes.

This memo and the included five year proposed organizational charts have been presented to the Board Personnel Committee (President Guerin and Director Hahn) and the Human Resources/Employee Association Team "HEART" Committee (composed of BUMA, DEA, Supervisor, and Manager group representatives).

Recommendations

The recommended staffing level for the coming 2023-2024 fiscal year will be 95 total positions as two additional positions are being requested compared to the Board approved staffing level of 93 for the current 2022-2023 fiscal year. Please note that two vacant Utility positions were frozen by the General Manager in 2020-2021 due to COVID-19 and continue to be frozen, therefore, the actual headcount will be 93 until the positions are unfrozen.

93 Board Approved Positions (current)
+ 2 Position Requested
=95 Recommended Positions

This year's recommendations for Board approval are for the Operations and Customer Services Departments. The staffing recommendations for FY 2023-2024 are summarized below with further details on the following pages.

- 1) Allow for the addition of a new Collection System Operator. This position was projected in last year's Staffing Analysis for 2023-2024. This would create a new multi-level I/II/III series Collection System Operator job classification.
- 2) Allow for the addition of one Customer Service Representative I.

Recommendation #1

Allow for the addition of one new Collection System Operator. The Collection System Operator position is proposed to be organized progressively with I, II and III levels to allow for growth and retention. This position was originally forecasted started back in the 2020-2021 Staffing Analysis and anticipated being added in 2023-2024. As this position has been projected for several years, it was included in the current two year budget for 2023-2024. This position will report to the Water Reclamation Facilities Supervisor. If approved, this position will serve to meet the increased maintenance and regulatory requirements of the aging 4S Ranch collection system.

The District began operating the 4S Water Reclamation Facility (WRF) and the 4S Ranch Collection Systems in 1999. The following four years saw an expansion of the 4S WRF and the beginning of a ten year period that saw the vast expansion of the 4S Ranch and Rancho Cielo Collection System. OMI was the contract operator for the 4S WRF and Collection System when the District assumed control from the County of San Diego. In 2001 the District moved away from contract operations and hired a full staff to operate

the plant and collection systems. The District staffed the plant and collection system operations with five operators, however the staffing emphasis was heavily skewed to the operations of the plant and not the collection system.

The combined collection systems currently have 14 pump stations, approximately 65 miles of gravity lines and approximately 22 miles of force main lines. The collection systems are now over 20 years old and require increased attention, especially with regards to line cleaning and inspections, FOG (fats, oils, and grease) programs and troubleshooting problem areas. Extra attention is needed to address the operation and maintenance of the collection system. Operating a collection system is complex and multifaceted. Listed below are the Best Management Practices (BMPs) that this new position will enhance and develop:

- Properly manage, operate, and maintain all portions of the wastewater collection system to minimize Sanitary Sewer Overflows (SSO)
- Meet all applicable regulatory notification and reporting requirements
- Protect public health and safety, and the environment
- Prevent unnecessary property damage
- Perform all operation and maintenance activities in a safe manner
- Prevent adverse impacts to surface waters and their beneficial uses
- Ensure corrective action is taken in a timely manner
- Ensure compliance with current regulatory requirements
- Document and define procedures to address SSO prevention and response
- Prepare for emergencies
- Maintain and improve the condition and performance of the collection system
- Understand the condition of and maintain infrastructure to maximize the life of the collection system
- Properly operate and maintain the collection system to minimize financial impacts on customers
- Adhere to the components of the Sewer System Management Plan (SSMP)
- Identify, prioritize, and continuously renew and replace sewer system facilities to maintain reliability
- Implement regular, proactive maintenance of the system to remove roots, debris, and FOG in areas prone to blockages that may cause sewer backups or SSOs
- Uphold high standards and specifications on newly constructed and/or rehabilitated public and private sewers

Under direction of the Water Reclamation Facilities Supervisor, this new collection system operator position will oversee, operate, maintain, and support all portions of the wastewater collection systems. This will include organizing, planning, performing, and

facilitating work; make recommendations for action; and assisting with developing budget recommendations. The Collection System Operator will be performing the following key duties:

- SSMP Compliance
- Pump Station Operations
- Manhole Inspections
- Customer Service and Emergency Response
- Smart Cover Operations
- Manhole Rehabilitations
- Plan and supervise Closed Circuit Television Inspections (CCTV)
- Plan and supervise Line Cleaning
- Grease Interceptor Inspections (FOG Program)
- General Business/Industrial Site Inspections
- Infiltration and Inflow Study, Pipeline integrity, and Follow-up
- Private Collection Systems compliance
- Flow data - Analytics, future patterns related to overall water use relative to collection systems
- Work closely with wastewater staff to offer support

Regulatory compliance plays an important part in creating the need for this new position. The California State Water Resources Control Board (SWRCB) promulgated a waste discharge requirement (“WDR”) permit in 2006 to regulate sanitary sewer systems. This permit is known as SWRCB Order No. 2006-0003, Statewide General Waste Discharge Requirements for Sanitary Sewer Systems. In 2013, Attachment A to the Order was promulgated and became effective as SWRCB Order No. WQO 2013-0058-EXEC, amending the Monitoring and Reporting Program for Statewide General Waste Discharge Requirements for Sanitary Sewer Systems (together these documents constitute the “SSS WDR”). This permit, among other things, requires local public sewer collection system agencies, referred to as “Enrollees,” to develop a Sewer System Management Plan (“SSMP”).

The original SSMP required approval by the governing board of the Enrollee at a public meeting and was initially updated every five years, but it is now six years, from the original adoption date by the board. The District adopted the first SSMP on May 13, 2010. The five year updates occurred on May 23, 2015 and May 20, 2020. The next update needs to be completed by May of 2026. The six year SSMP update must also be approved and certified. The SSMP and the adoption documents approved by the board must be publicly available on the agency website or submitted to the SWRCB upon adoption or recertification. The State recently released the draft WDR in September

2022 with further updates in December 2022. This update has been in the works for several years and was previously delayed due to COVID-19. Below are some highlights of the new order that will take effect in June 2023:

- Expanded regulation to protect waters of the State (e.g., expanding the prohibition on discharge from a sanitary system to include waters of the State and requiring Sewer System Management Plans to identify deficiencies in addressing spills to waters of the State);
- Planning requirements to address system-specific climate change impacts;
- Requirements for coordinated inter-agency response to sanitary spills;
- Reduction in the frequency of Sewer System Management Plan updates, local audits, and lateral spill reporting; and
- Modifying receiving water sampling requirements for 50,000+ gallon spills to surface waters.

In April 2018, District staff conducted an internal workshop to evaluate and gain a deeper understanding of all of the tasks and responsibilities related to the operation of the collection systems. The review team was composed of the Operations Manager, Operations Coordinator, Pump & Motor Technicians, and all Water Reclamation Facility Operators. Through this process it was revealed that numerous items were not consistently being addressed. The 4S Ranch and Rancho Cielo Collection Systems require a great deal of effort to properly maintain the systems and stay compliant with increasing regulations. Currently, plant operators are performing some of the collection system duties, however some of the tasks such as SSMP compliance, full and complete manhole inspections on both systems, follow-up on CCTV and FOG inspections, detailed follow-up on Infiltration and Inflow studies, Industrial Site Inspections, odor, and rag/debris investigations are not being fully addressed due to plant staffing demands. SSMP compliance, audit, and FOG compliance are currently being outsourced and would be brought in-house under the new Collection System Operator position offsetting costs of approximately \$60,000 annually.

Due to the combination of increasing maintenance workload as the system ages, increasing regulatory requirements, and areas that need dedicated attention, it became clear that the current level of staff and resources would not be sufficient to meet the needs of the collection system. A dedicated collection system position is required in order to ensure that the District maintains best management practices, avoids sewer overflows, and meets and exceeds all standards and regulations in line with our mission statement.

Human Resources staff conducted a comprehensive labor market salary survey for Collection System Operators. Survey results found that the proposed job classification should be budgeted at pay grades 3, 4, and 5 for levels I, II, and III respectively. Survey results also showed that all local agencies with collection operators utilize a multi-level I/II/III job classification structure. Staff anticipate filling the position at the higher pay grade 5 (level III) in order to recruit then fill the position with an experienced candidate. However, if staff is unable to fill the position at the III level, it could potentially be filled at the lower pay grade 4 or even 3 level with less fiscal impact.

This additional position will result in an estimated \$165,292 fully bundled cost increase over the fiscal year. However, it is important to note that \$60,000 in costs will be offset as tasks currently outsourced will be brought in-house resulting in a \$105,292 budget increase.

Recommendation #2

Allow for the addition of another Customer Service Representative (CSR) I position. This will bring the total count to four positions, three Customer Service Representative I, and one Customer Service Representative II. This position was not specifically budgeted for, however, the cost for potentially unfreezing a Utility I position at the same pay grade was included for 2023-2024 that will cover the additional labor cost. The CSRs serve as the face of the District directly assisting customers with questions and issues regarding OMWD services. They are often the first, and in many cases the main, point of contact that customers and members of the public have with OMWD. CSRs prepare over 23,000 customers' bills each month. CSRs perform administrative and accounting support including but not limited to; answering over 1,000 phone calls monthly, processing all district mail sent to headquarters, creating up to 100 service orders monthly, scheduling 200 past due phone calls, and preparing appropriately 1,000 delinquent and 100 disconnection of service notices monthly.

In 1990, the District had approximately 12,600 metered accounts and a population of approximately 40,000. At the time, there were three employees with the primary job responsibility equivalent to a customer service representative (process billing and delinquent notices, start/stop service, assist with customer inquiries, process customer payments, etc.) This equates to one employee performing these job responsibilities per 13,333 customers and 4,200 accounts.

Over the last three decades, the number of accounts has nearly doubled (from 12,600 to 23,000), while the population served has more than doubled (from 40,000 to 87,000).

Despite this growth, the number of customer service representatives has remained at three. Presently, this equates to one CSR per 29,000 customers and 7,666 accounts.

To meet the demands of the growing population, OMWD has taken several steps over the years to improve the efficiency of providing various services. OMWD now uses automated calling services to notify customers of important events, such as service interruptions and delinquency notices. Disconnection notices for non-payment are delivered to the property by FedEx, rather than requiring staff to prepare door tags to be hung at the property. Not only does OMWD's webpage offer many self-service options (start/stop service requests, online bill pay, rebates, etc.) but it also serves as a resource of information on frequently asked about topics, such as rates, leaks, water pressure, conservation, drought, etc. Customers are able to view their current balance and pay their bill online and by phone.

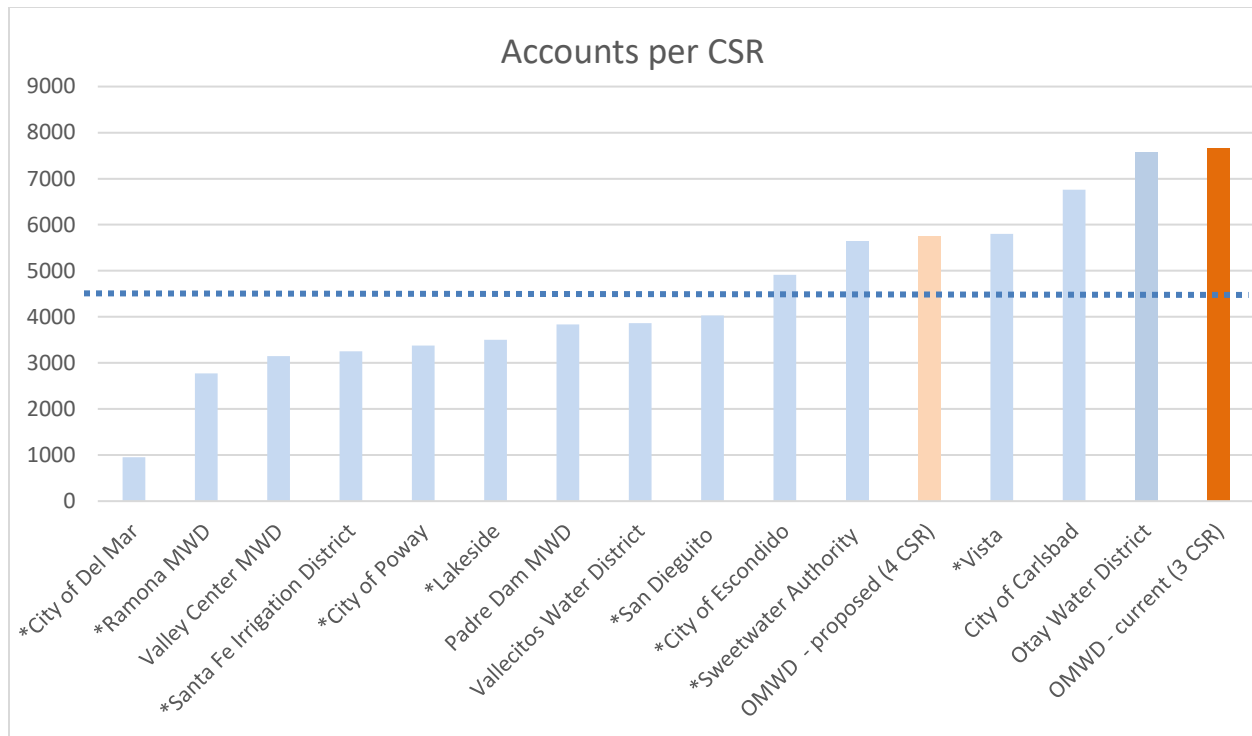
The MyWaterView dashboard allows customers to view their water consumption and set up usage alerts. Staff now processes service orders remotely, which eliminates the need for the CSR to print the service order and track down an available service technician to assign the work to. In 2022, OMWD shifted to multiple billing cycles, allowing the customer service demands associated with billing and past due notices to be divided and spread out over the month. This also decreased the latency from reading the customer's meter to issuing their bill, improving the cause and effect of changes in water consumption on their water bill, which reduces customers questions on increases in bills and allows for earlier leak detection.

While the self-service options have aided in keeping the number of customer calls and inquiries to a minimum, the nature of customer service has also evolved. For example, with the advancement in technology, CSRs are now able to provide detailed information regarding many customers' usage patterns. Customers now frequently want to know how much water they used and when, and ask increasingly complex questions when a CSR reviews the data with them. While this is a valuable service to our customers, it requires additional staff time.

OMWD utilizes internal, non-CSR positions (e.g, Administrative Analysts, Field Service Technicians I/II/III, Department Assistants, Customer Service & Public Affairs Supervisor, Customer Services Manager) to assist with front desk coverage, answer phones, and assist with customer inquiries when necessary. While this practice does allow for responsive customer service, non-CSR staff are pulled away from their primary duties, which is not without impact. As recently as 2016, Accountants were included in the customer overflow calls. Due to their workload demands, they were removed from the overflow call group. Consequently, when the Administrative Analyst job description was

most recently updated in 2019, 10% of their workload was dedicated to customer service duties. Since the addition of customer service duties to the Analyst job description, there has been an increase in overtime for the Analyst positions of approximately \$1,100 (total annual average). The addition of a fourth CSR position is expected to decrease the overtime for the higher-grade Analysts. Additionally, non-CSR staff may be less proficient in assisting the customer in areas they are less familiar with, thereby delivering a non-optimal level of service. To meet customer service demands, the use of overtime is also routinely required. Additionally, OMWD frequently relies on temporary labor services to meet coverage demands during periods of personnel transitions and/or when staff is on extended leave. OMWD has averaged \$38,500 in temporary CSR labor each year for the past 3 years.

OMWD regularly meets and discusses with other water agencies on procedures to identify further potential areas for improved efficiency. A survey (figure 1) of neighboring water agencies revealed a regional average of 4,550 accounts that are served per customer service representative for the agencies that responded to the survey questions. Of note for OMWD's CSR positions, 20% of CSR I and 40% of CSR II workload is dedicated to customer billing duties. Several agencies that responded do not bill monthly, rather they issue bills bimonthly. Though billing bimonthly requires less staff time, monthly billing not only provides customers with a timelier response regarding their water usage but also has better cash flow for OMWD. Currently, OMWD has the highest number of accounts served by a CSR of the agencies that responded. Adding an additional CSR would put OMWD around the 75th percentile.



*Figure 1: Survey of the number of accounts divided by the number of Customer Service Representatives. *agency issues bills bimonthly*

There are several benefits expected from the addition of a fourth CSR position:

- Improved customer service and satisfaction. A full-time CSR is expected to provide vastly improved service compared to that from a temporary employee. Temporary employees are trained to handle frequent tasks and inquiries but lack the experience and knowledge of a full-time employee. OMWD's 2022 customer opinion survey conducted by True North Research revealed that 70.7% of respondents were very satisfied with the courtesy of the service representative, but fewer respondents (62.3%) were very satisfied with the knowledge and expertise of the service representative. Given that the main priority for the temporary receptionist position is to answer calls, they often serve as the face of the district, and may be the customer's only interaction with OMWD staff.
- Improved customer service response time. More staff to assist with customers is expected to decrease the time customers have to wait for assistance. In the 2022 customer opinion survey, only 58.5% of respondents were very satisfied with the ability to reach a service representative. The maximum ring time is a measure of the longest time a customer had to wait to have their call answered in a day. The

median maximum ring time on days with three CSRs and a temporary receptionist working is five and a half minutes. On days with 3 CSRs, the median maximum ring time increases to seven and a half minutes. When there are two CSRs, the median maximum ring time increases to over eight minutes. One CSR working results in a median maximum ring time of twelve and a half minutes.

- Ability to spend more time discussing services that may be of benefit to customers, such as the MyWaterView portal and water use evaluations. For example, if a CSR is discussing a leak with a customer while there is an incoming call, the CSR is likely to inform the customer of the MyWaterView portal, but in interest of time would not likely go into detail or get the customer to sign up for alerts right then and there.
- Reduced impact to non-CSR staff. Increased CSR coverage will result in less need to call upon non-CSR staff to assist with customer service tasks, allowing them to focus on their primary job tasks.
- Eliminate use of temporary labor under normal circumstances.
- Reduced use of overtime.
- Improved ability to overcome employee attrition. There has been significant turnover at the CSR position in recent years due to the entry-level nature of the position, labor market disruption due to the pandemic, and other factors. Between May 2021 and June 2022, seven different employees held one of the three full-time CSR positions. Having an additional full-time CSR position better assures that experienced staff members are available to fulfill critical functions like sending bill statements even when Customer Service is short-staffed or training newer employees.
- Improved employee retention. The last two CSRs that resigned from OMWD listed, among other things, workload demands as a primary reason why they chose to leave.
- Improved Friday coverage. Currently, every other Friday is staffed with one CSR. Having four CSR positions would allow for two CSRs to be scheduled every Friday. Additionally, the work schedule for Fridays, 8:00 a.m. to 5:00 p.m., is the same as the office's open hours and does not allow for regular time to perform preopening tasks (logging into CIS Infinity, collecting overnight payments, unlocking the door, retrieving voice messages, etc.) or post-closing tasks (closing

out the cash drawer, locking doors, shutting down CIS Infinity, etc.). Two CSRs each Friday would alleviate some of the challenges associated with accomplishing these tasks while still being available for phone coverage.

The CSR I position is a pay grade 2. This additional position will result in an estimated \$93,057 fully bundled cost increase over the fiscal year. However, if approved, an additional CSR I position is expected to offset costs in temporary labor and overtime. Since the conversion to OMWD's current billing and customer information system in 2016, overtime dedicated to customer service has averaged over \$6,800 per year, and temporary labor dedicated customer service has averaged over \$38,500 per year. Thus, approximately \$45,300 in costs will be offset. This is an annual budget increase of \$47,757. The cost for potentially unfreezing a Utility I position at the same pay grade (that will remain unfilled) was included in the budget for 2023-2024 and will cover the additional labor cost for the CSR I position.

Alternative(s)

The Board could elect not to approve the recommendations described for FY 2023-2024.

The Board could make other recommendations for staff to analyze and bring back for consideration.

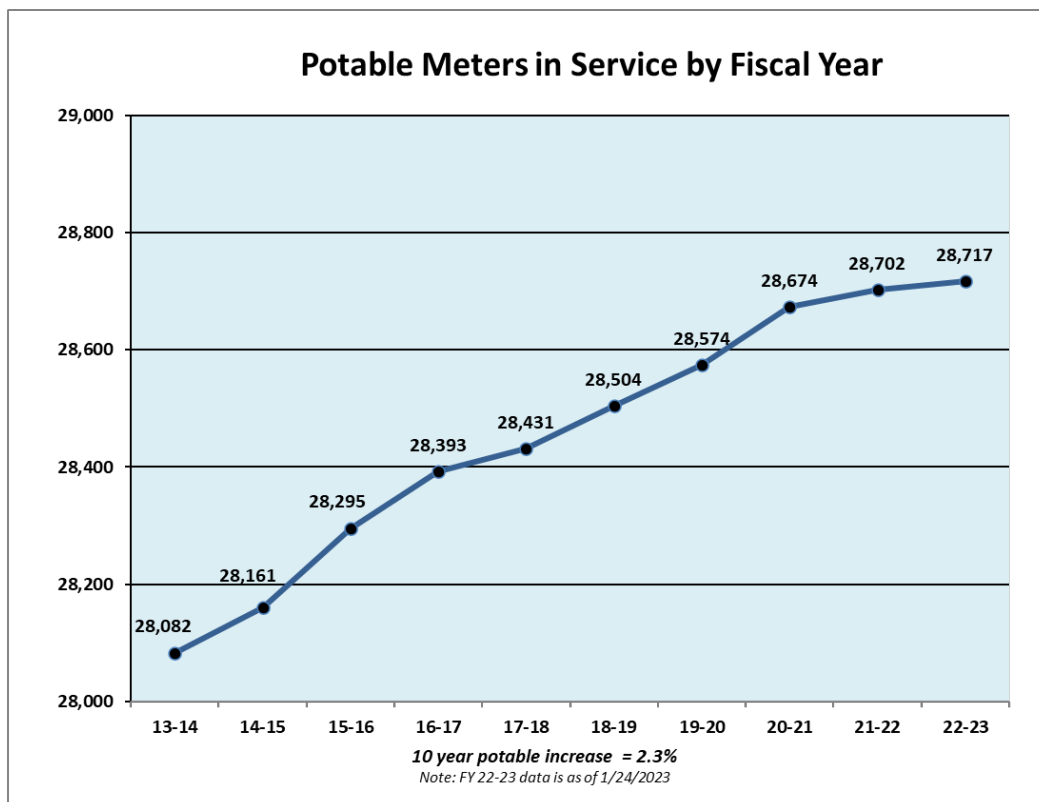
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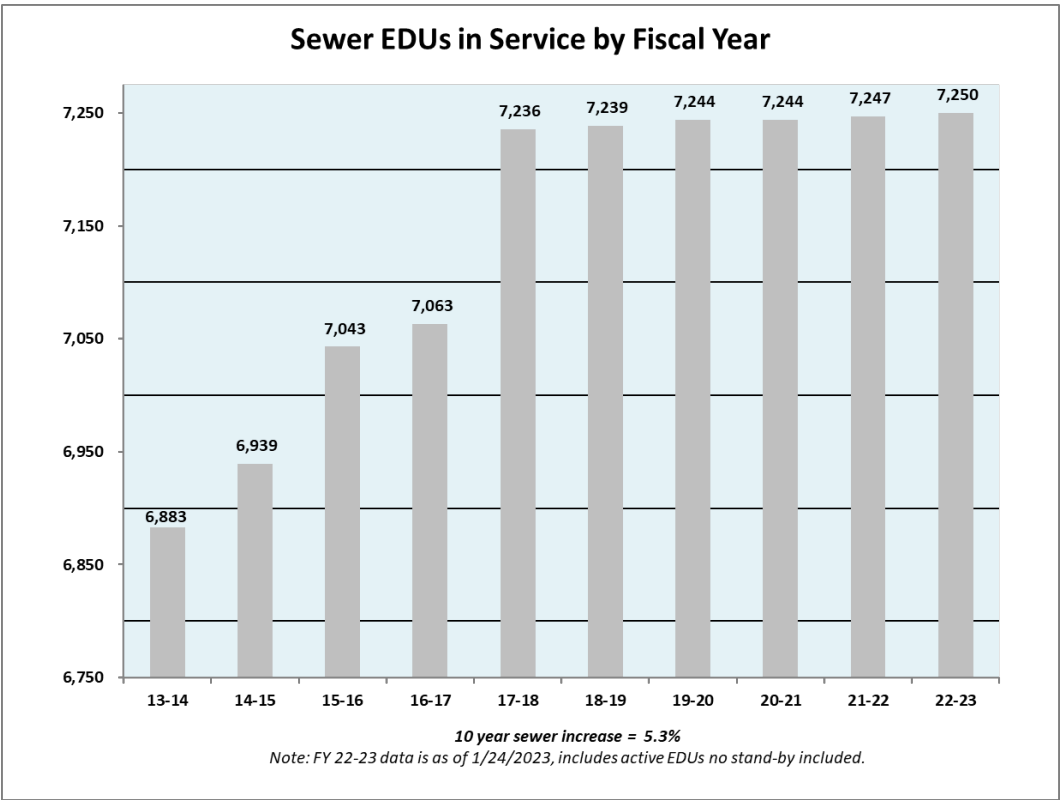
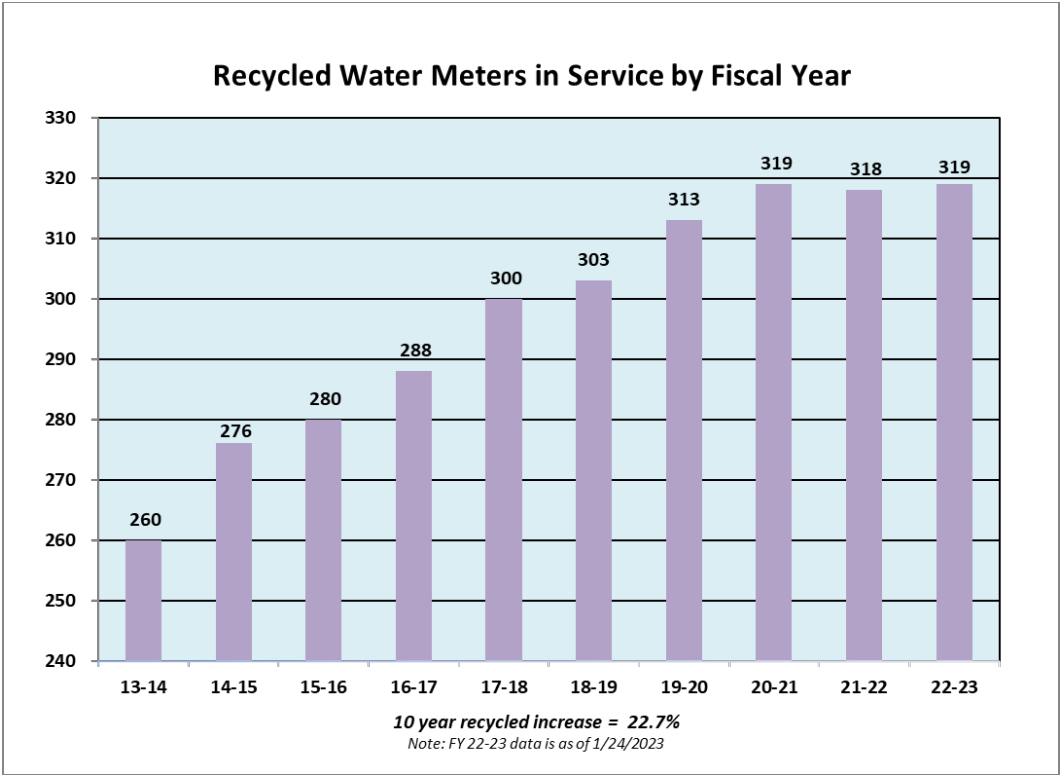
This Staffing Analysis was first presented to the Board and accepted in May of 2005 to forecast staffing levels and to serve as a succession planning tool for the District. The analysis continues to be a collaborative staff process with all District Departments participating. The Staffing Analysis takes into consideration the District's Mission Statement, Goals and Objectives, budget, economic revenue and constraints, and the Comprehensive Water Master Plan. Areas that impact the forecasting of the analysis include determining the levels of service provided, operating satellite facilities (including the Water Treatment Plant, 4S Water Reclamation Facility, and Elfin Forest Recreational Reserve), and contracting labor.

As a living document, the most extended projections are subject to the most change. Staff is committed to seeking innovative and better ways of doing business to contain costs, improve efficiency, and meet regulatory requirements while meeting customer expectations. The challenge facing the District is to effectively perform the core District functions while maintaining established customer service levels, costs, and staffing at acceptable levels.

Since the Staffing Analysis was first presented to the Board nearly 20 years ago, the District has continued to grow and has experienced an increase in service demand in potable water, sewer, and recycled water. The District continues to increase recycled water sites throughout its service area and recycled water purchase agreements with other agencies. The District plans to continue expanding recycled water infrastructure by way of projects such as the Manchester Avenue, South El Camino Real, Calle Barcelona, Village Park, and Summerhill Recycled Water Projects.

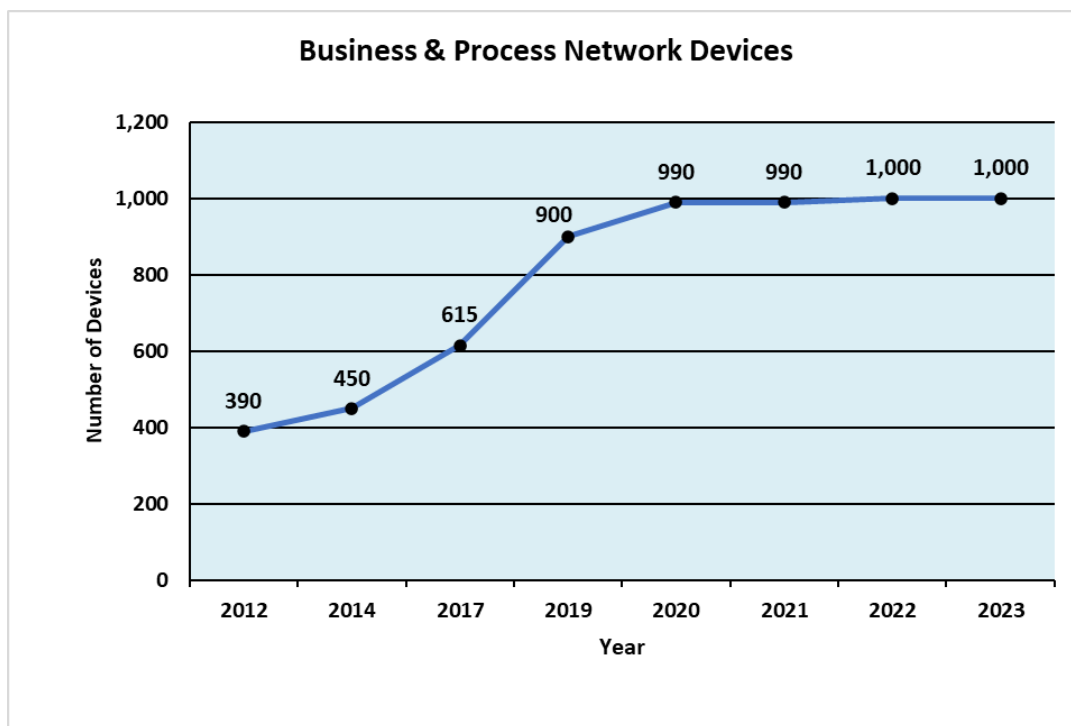
As of February 2023, the District had 28,717 active potable meters and 319 active recycled meters. It is anticipated that four additional recycled water meters will come online serving The Lakes by the end of March 2023. The graphs on the next pages depict historical District growth as shown by the number of in service potable water meters (2.3% increase), recycled water meters (22.7% increase), and sewer equivalent dwelling units (EDUs) (5.3% increase) over the past 10 years.



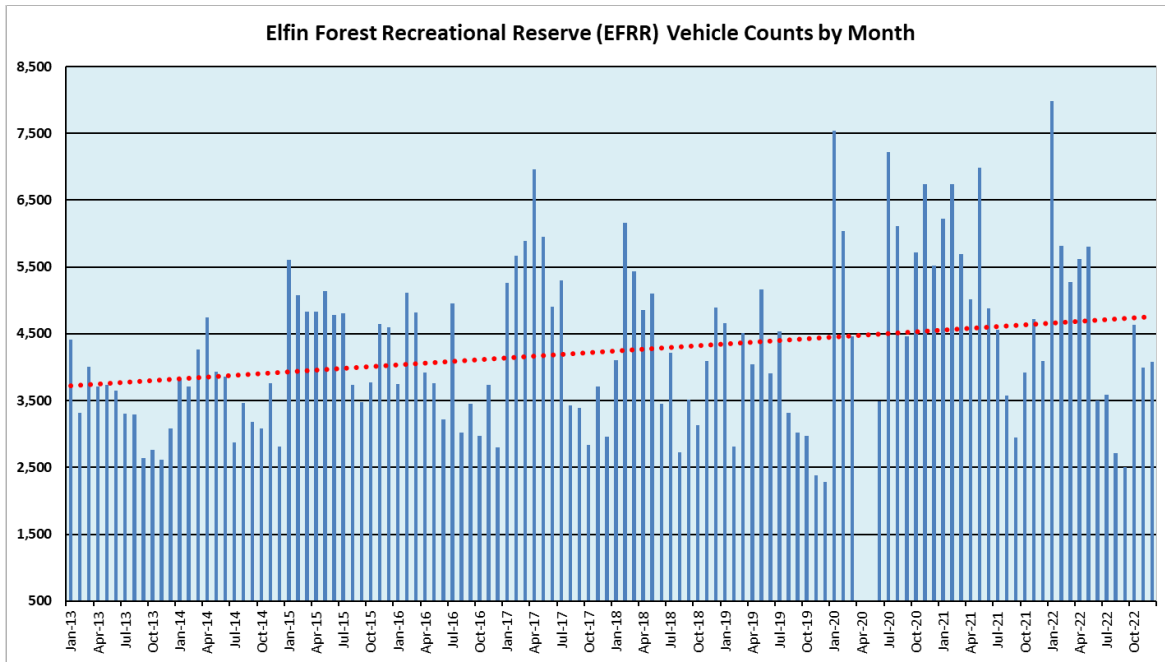


In addition to customer meters and sewer EDUs, the District's IT infrastructure has continued to expand as well. The IT infrastructure is made up of a wide variety of hardware assets and devices which serve to support the District's business and process SCADA networks.

Network devices include workstations, laptops, iPads, MacBook, touchscreens, smartphones, routers, firewalls, wireless access points, servers, and switches, all of which require configuration, monitoring, updates, testing and periodic replacement. In 2012, there were approximately 390 devices that resided on various District networks. In early 2023, there are approximately 1,000 devices which is a 256% increase over ten years. The following graph shows this increase over time, which is expected to continue for the foreseeable future.

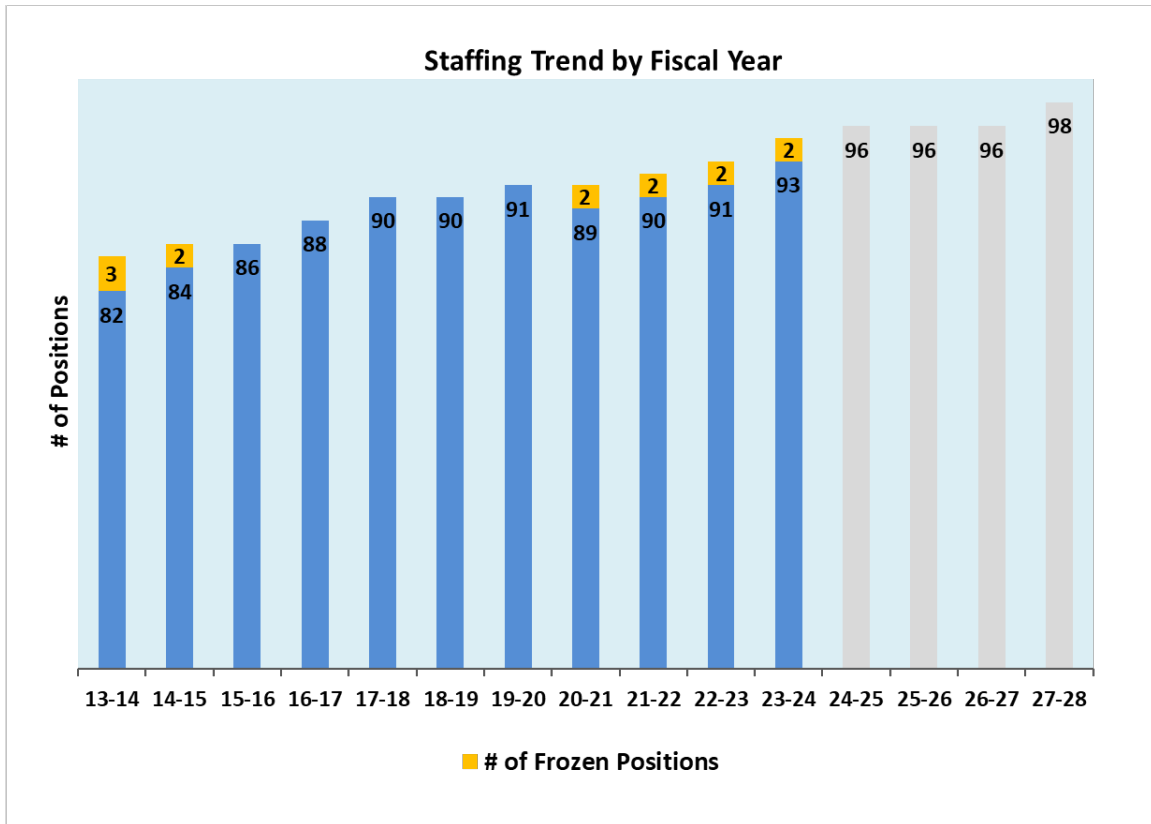


The following chart indicates a general increase in the number of vehicles and corresponding visitors to the Elfin Forest Recreational Reserve (EFRR) over time as highlighted by the trend line. The data represented is the actual number of vehicles the EFRR park car counter captured each month during the last ten years through December of 2022. While the data varies from month to month, and EFRR visitation over the last two years was impacted by COVID-19, the total number of vehicles continues to steadily increase.

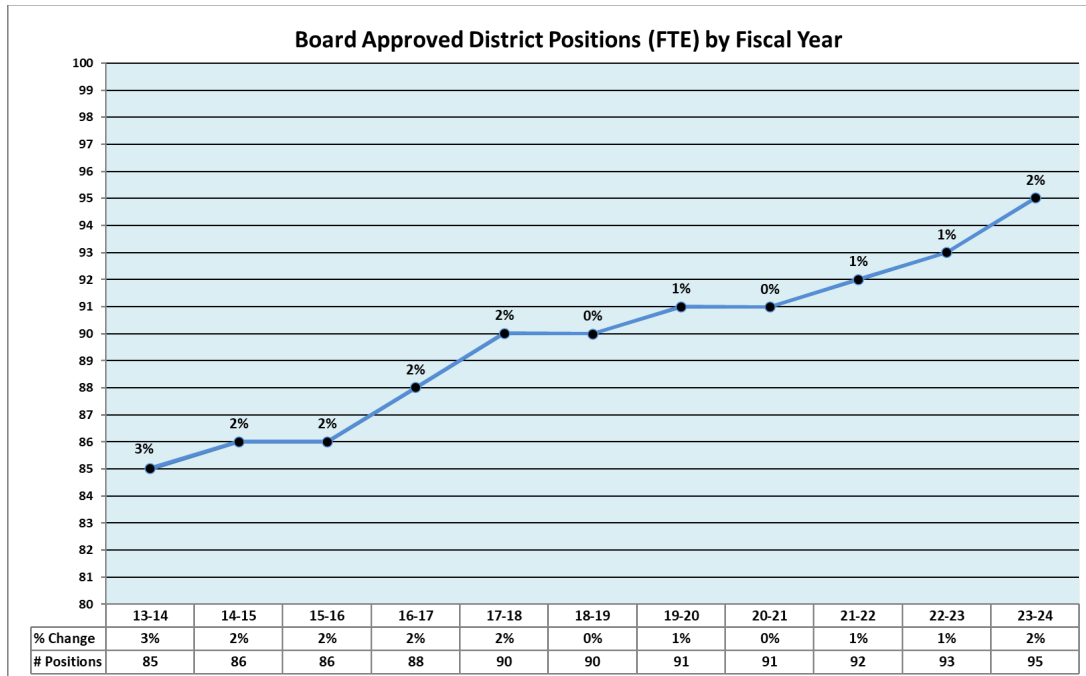


The following chart depicts the District’s total approved staffing levels over the past ten fiscal years as well as the projected future staffing levels for the next five fiscal years. A reduction in headcount took place starting in FY 2010-2011 as indicated by the number of frozen positions (in yellow) which were part of “holding the line” with positions continuing to be frozen each year through FY 2014-2015.

In addition to the frozen positions, one limited term Utility I position was eliminated in FY 2010-2011 and one Park Ranger position was eliminated from the budget starting in FY 2011-2012 which also contributed to the decrease in total staffing levels during the “holding the line” period. In FY 2020-2021, two vacant Utility positions were frozen due to COVID-19, therefore, the actual headcount was 89, in FY 2021-2022 the headcount was 90, and in FY 2022-2023 the headcount was 91. For the coming, 2023-2024 fiscal year, two Utility positions will continue to be frozen (with the exact level Utility I/II/III dependent on department need).

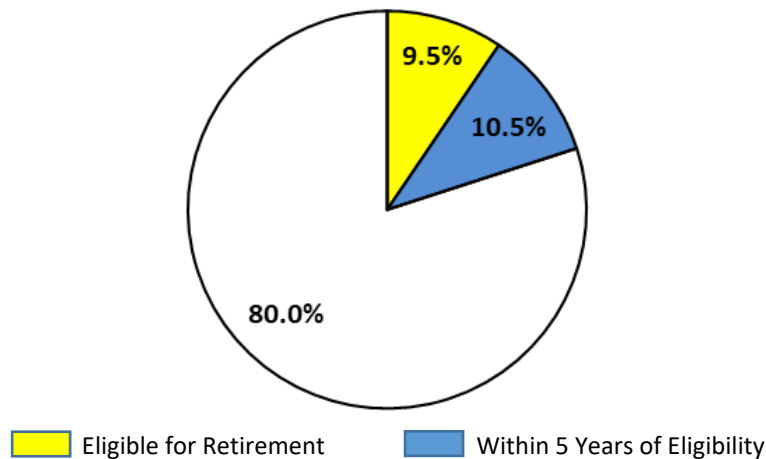


The following chart also shows the approved staffing level as a trend over the past 10 years including percent change in approved staffing from year to year. Staffing levels were reduced during the “holding the line” period, then slowly increased until reaching the pre-freeze level in FY 2015-2016 with 86 approved positions. Two new positions were added in FY 2016-2017, the Assistant General Manager (AGM) and Department Assistant I for the new AGM. In FY 2017-2018 two new additional positions were also approved, the IT Senior Systems Administrator and the Cathodic Protection Technician. For FY 2018-2019, no additions were requested. In FY 2019-2020, one Administrative Analyst position was approved. For FY 2020-2021, no additions were requested. For FY 2021-2022, one IT Systems Administrator position was approved. For FY 2022-2023, one Water Treatment Plant Operator Level II position was approved. For FY 2023-2024, one Collection System Operator and one Customer Service Representative I are being requested. Thus, the recommended staffing level will be 95 total positions, with two positions frozen.

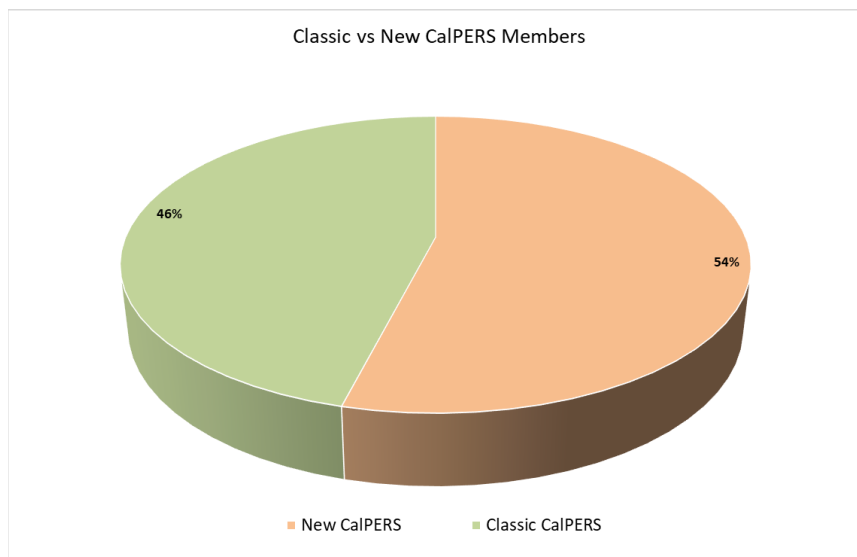


The number of employees that will be eligible for retirement places an additional emphasis on workforce stability and the need for succession planning. For FY 2023-2024 approximately 9.5% of staff will be eligible for full CalPERS retirement benefits based on their age and CalPERS retirement benefits formula (classic versus new members.) In addition, another 10.5% of staff will be within five years of full retirement eligibility. Thus, as illustrated on the following chart, approximately 20% of total staff (19 of proposed 95 total employees) will be either already eligible or within 5 years of eligibility for retirement during the coming FY 2023-2024.

FY 2023-2024 Potential Retirement Eligibility



Currently a little less than half (46%) of the employees are CalPERS classic members while the other half (54%) are new PEPRAs as required for new CalPERS members hired after January 1, 2013. Under the classic 2.5% at 55 formula the minimum retirement age is 50, while under the new 2% at 62 formula the minimum age is 52 with full benefits at the retirement age of 55 and 62 respectively.



The amount of new CalPERS (PEPRA) members will be increasing over time as new hires come on board replacing classic members especially for more entry-level positions that do not require prior water industry or public sector experience. For higher level positions that require more experience, positions may be filled with classic or new members depending on job requirements and candidate experience. Five years ago, approximately a third (34%) of employees were new members while now they comprise over half (54%) of total staff.

The District CalPERS employer contribution cost is significantly less for new versus classic members. These required employer retirement pension costs are determined annually by CalPERS. The employer cost is composed of two components, a percentage of bi-weekly payroll plus an annual unfunded lump sum liability payment.

CalPERS lowered their assumed rate of investment return, also known as the discount rate, from 7.5% to 7.0% over a three year period. The CalPERS Board then voted to lower the discount rate further to 6.8% on July 1, 2021. The CalPERS Board also changed their actuarial amortization policy assumptions effective on June 30, 2019 starting with the 2021-2022 fiscal year. The actuarial policy changes include a shorter amortization period from 30 to 20 years, level dollar amortization payments for unfunded accrued liability and elimination of the 5 year ramp up and ramp down “rate smoothing.” These

changes will impact future employer contribution requirements by increasing the percentage of payroll costs and the employer annual unfunded liability payments. As a result, employers that contract with CalPERS will see additional increases in their normal costs and unfunded actuarial liabilities over the next few years even as the number of classic members decreases.

Per the most recent Annual Valuation Report for FY 2023-2024, the District required employer contributions (normal cost plus unfunded liability payment) will be increasing over the next five years as shown on the following tables.

Employer CalPERS Contributions – Classic Members					
Fiscal Year	2023-24 (Actual)	2024-25 (Projected)	2025-26 (Projected)	2026-27 (Projected)	2027-28 (Projected)
Employer Normal Cost - % of Payroll	13.34%	13.3%	13.3%	13.3%	13.3%
Annual Unfunded Liability Payment	\$1,184,077	\$1,156,000	\$1,094,000	\$1,028,000	\$938,000

Employer CalPERS Contributions – New Members					
Fiscal Year	2023-24 (Actual)	2024-25 (Projected)	2025-26 (Projected)	2026-27 (Projected)	2027-28 (Projected)
Employer Normal Cost - % of Payroll	7.68%	7.7%	7.7%	7.7%	7.7%
Annual Unfunded Liability Payment	\$0	\$0	\$0	\$0	\$0

For the current 2022-2023 fiscal year, the District has budgeted the required payroll based employer contribution portion (11.59% of payroll for classic members and 7.47% for new members) plus the required annual unfunded liability payments (\$1,291,742 for

classic members and \$8,208 for new members) for a total of approximately \$2.1 million in required employer CalPERS contributions.

For last fiscal year 2021-2022, the District paid a total of \$1.85 million for payroll based and unfunded liability CalPERS employer contributions. For the same 2021-2022 year, the District CalPERS fringe expenses were approximately \$2.5 million including unfunded liability payments, the employer contribution portion based on payroll, the year-end GASB 68 entry, as well as deferred inflows/outflows of resources and pension expenses.

Fiscal Impact

The breakdown of the fiscal impact of supporting the proposed organizational chart for FY 2023-2024 is described below. The salary ranges used are based on the Memorandum of Understanding (MOU) with the employees including a 7.5% increase in salary ranges for the new fiscal year. Five percent (5%) increases have been assumed for merit and promotional changes in pay rate. When calculating costs, a “rolled-up” rate with an additional 75% above base pay rate was used that takes into account comprehensive benefits costs (including CalPERS retirement, full insurance package, and Social Security costs). Actual costs will vary based on salary hired at, insurance plan and coverage level selected, and if a new or classic CalPERS member.

- 1) It is expected that a new Collection System Operator Level III with higher level industry experience will come on board near the midpoint of the grade 5 salary range at \$44.30 per hour (\$36.92 - \$51.68). Thus, the addition of this new staff member will cost approximately $\$44.30 \times 1.75 \times 1,040 = \$80,626$ for the first half of the year (there are 2,080 work hours in a full year.) Then, following an estimated 5% pay increase (\$2.22 per hour) at the end of six months in the position, the cost would be $\$46.52 \times 1.75 \times 1,040 = \$84,666$ for the second half of the year.

Therefore, the estimated cost of the FY 2023-2024 recommendation for the new Collection System Operator Level III position would be approximately \$165,292 offset by a savings of \$60,000 for contracted support labor. Thus, the actual cost would be approximately \$105,292.

- 2) It is anticipated that a new Customer Service Representative I with entry level experience will come on board near the start of the grade 2 salary range at \$24.94 per hour (\$24.94 - \$34.87). Thus, the addition of this new staff member will cost approximately $\$24.94 \times 1.75 \times 1,040 = \$45,391$ for the first half of the year. Then, following an estimated 5% pay increase (\$1.25 per hour) at the end of six months in

the position, the cost would be $\$26.19 \times 1.75 \times 1,040 = \$47,666$ for the second half of the year.

Therefore, the estimated cost of the FY 2023-2024 recommendation for the new Customer Service Representative I position would be approximately \$93,057 offset by an estimated savings of \$45,300 for overtime and temporary labor dedicated to customer service. Thus, the actual cost would be approximately \$47,757. The two recommendations amount to less than 1% of the proposed FY 2023-2024 \$16.82 million budget for salary and benefits.

Discussion

Organizational Charts

The following organizational charts reflect current and anticipated workforce needs required to maintain service levels. These charts serve as projections of forecasted staffing changes which will later need budget approval. The organizational charts were color coded to identify anticipated changes and employees currently eligible for retirement (in yellow) or close to retirement age (in blue) for succession planning. Color pie charts were also included to depict workforce age as employees near eligibility for retirement. For those employees eligible for or within five years of retirement age, it has also been noted if a CalPERS new or classic member. The current 2022-2023 organizational chart is included for comparison purposes.

Organizational charts projecting labor needs for the next 5 fiscal years are attached as follows:

- 2023-2024
- 2024-2025
- 2025-2026
- 2026-2027
- 2027-2028

Please note staff is only requesting the Board approve the recommendation for FY 2023-2024. The organizational charts for FY 2024-2025 and beyond reflect possible future projections. Staff will continue to present to the Board the Staffing Analysis document with recommendations for Board consideration and approval each fiscal year.

The FY 2023-2024 Organizational chart reflects:

For FY 2023-2024, staff recommends the addition of a new Collection System Operator I/II/III classification and an additional Customer Service Representative I position. Two Utility positions will remain frozen. The total employee headcount will then be 95 employees.

The FY 2024-2025 Organizational chart reflects:

For FY 2024-2025, staff recommends the addition of a new Senior Administrative Analyst position. This position will be primarily responsible for assisting the Human Resources and General Manager's departments with litigation preparation and claims processing. The proposed total headcount for FY 2024-2025 will then be 96 total employees.

The FY 2025-2026 Organizational chart reflects:

No changes anticipated for 2025-2026.

The FY 2026-2027 Organizational chart reflects:

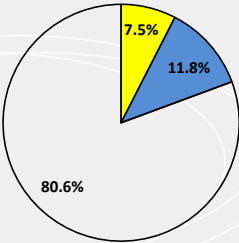
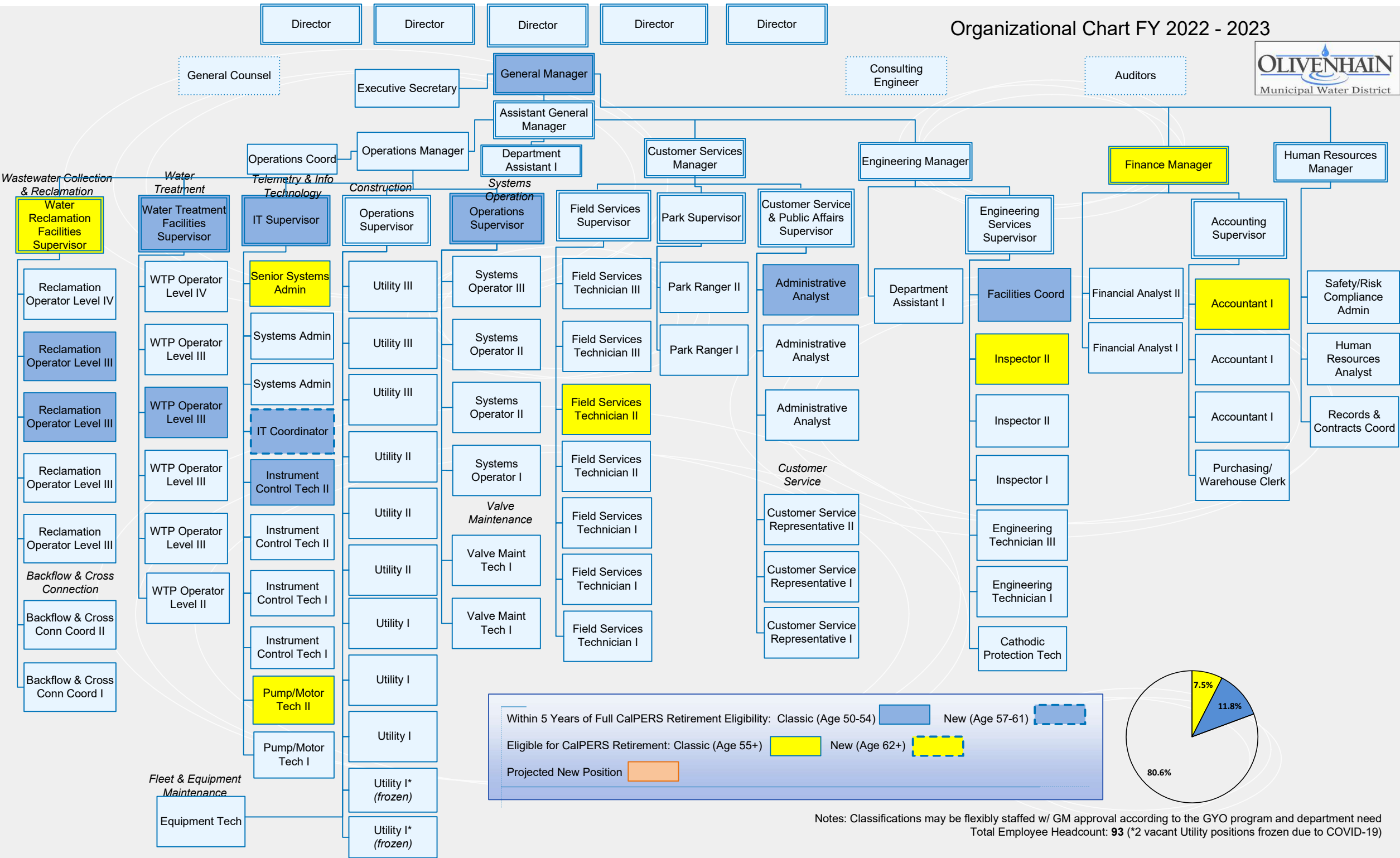
No changes anticipated for 2026-2027.

The FY 2027-2028 Organizational chart reflects:

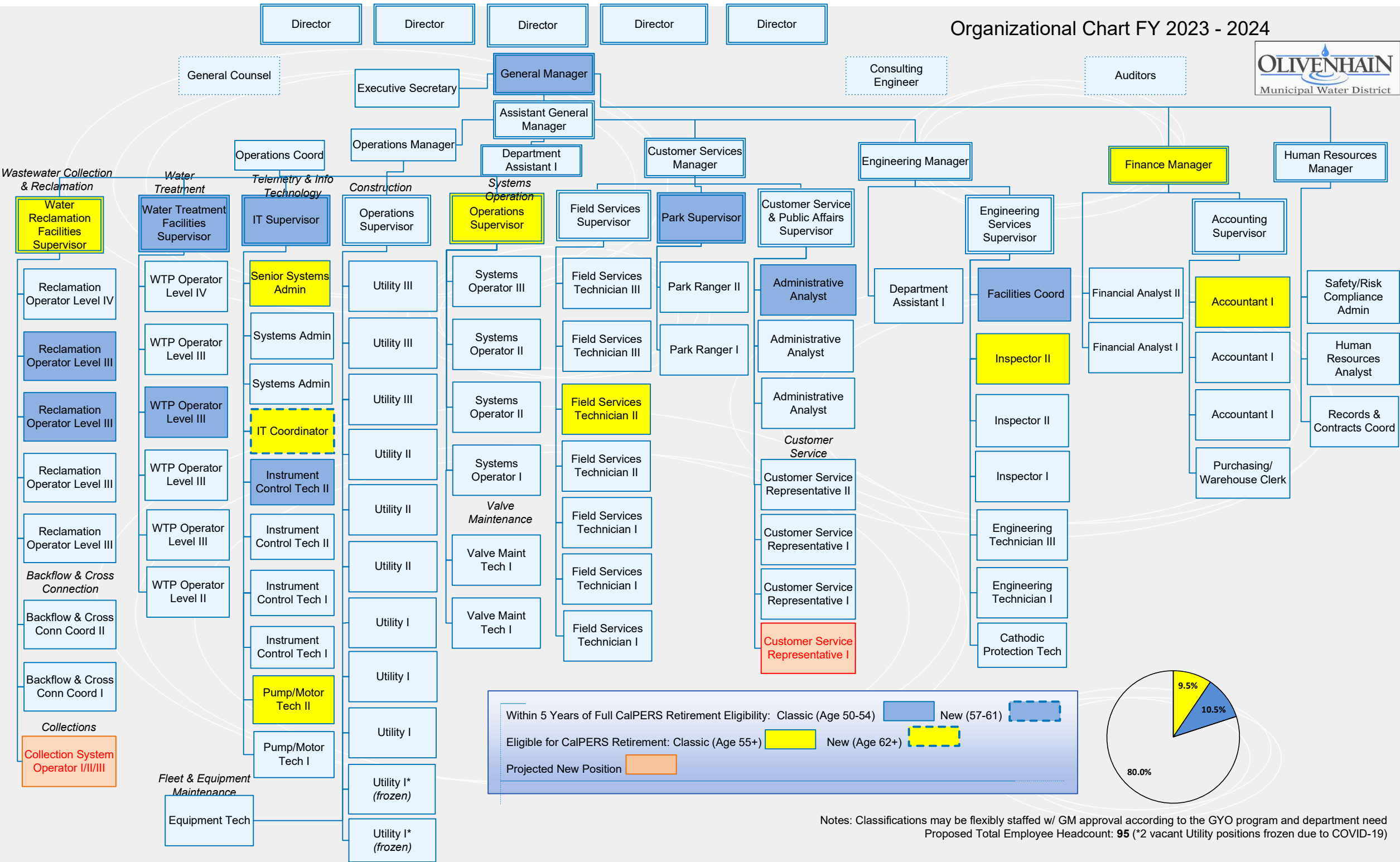
For FY 2027-2028, staff recommends the addition of a new Technical Services Manager. This Manager is expected to oversee the operations of the 4S Ranch Water Reclamation Facility and Water Treatment Plant and their staff members. In addition, the brackish/reuse plant and staff are anticipated to come on-line during this timeframe which will also be managed by the Technical Services Manager position. The Information Technology division (including Pump/Motor Technicians and Instrument Control Technicians) is also projected to be moved under this new Technical Services Manager; however, this will be determined as we move closer in time.

In addition, a Department Assistant I position is projected to be added to assist with the necessary various administrative duties of the plants and the new Manager. This position will report directly to the Technical Services Manager. Of note, the Technical Services Manager and Department Assistant I position addition is contingent upon the addition of the new brackish plant. The proposed total headcount for FY 2027-2028 will then be 98 total employees.

Organizational Chart FY 2022 - 2023

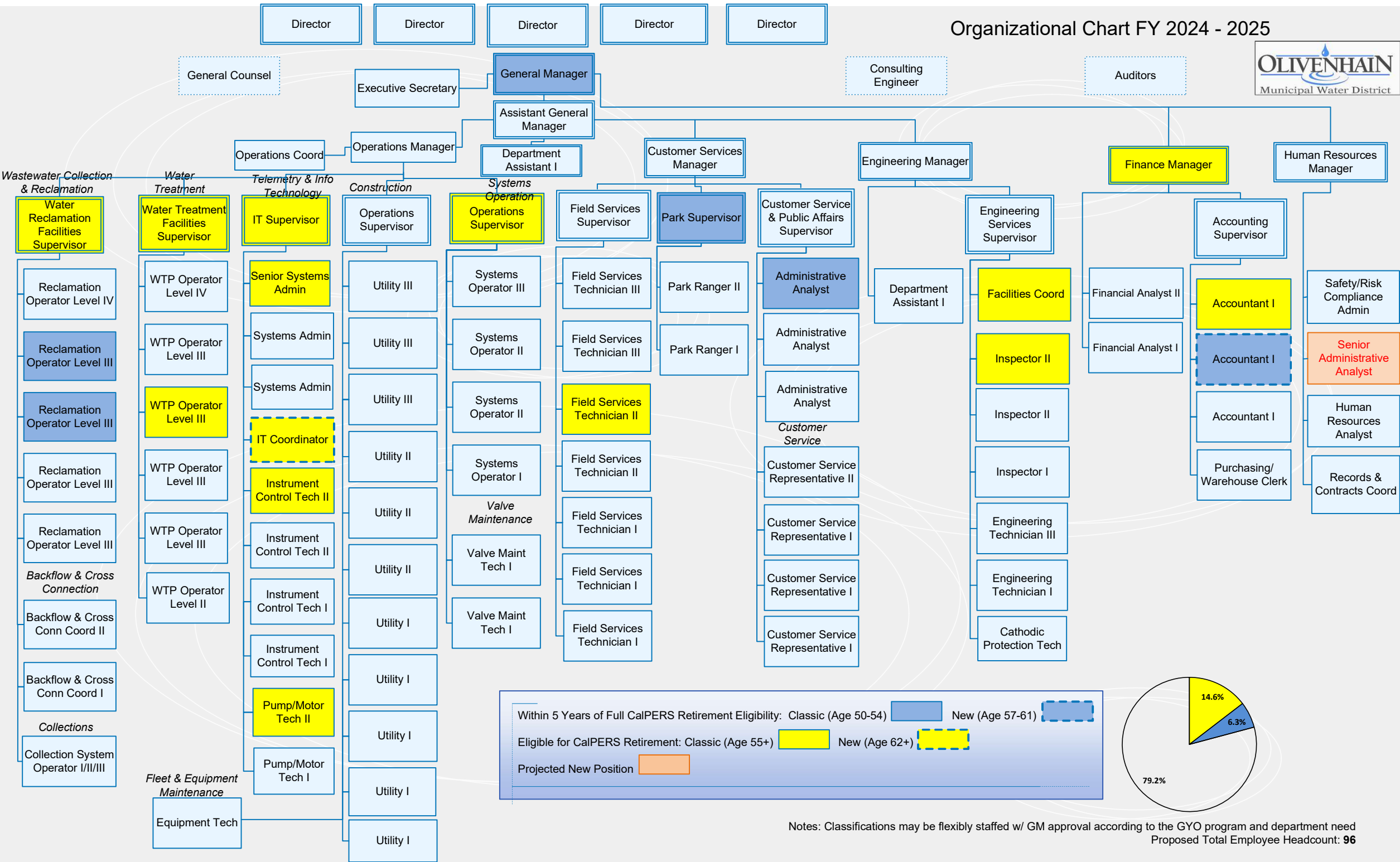


Organizational Chart FY 2023 - 2024



Notes: Classifications may be flexibly staffed w/ GM approval according to the GYO program and department need
Proposed Total Employee Headcount: **95** (*2 vacant Utility positions frozen due to COVID-19)

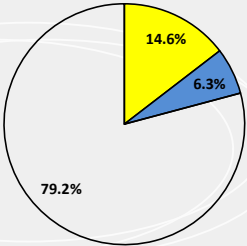
Organizational Chart FY 2024 - 2025



Within 5 Years of Full CalPERS Retirement Eligibility: Classic (Age 50-54) New (Age 57-61)

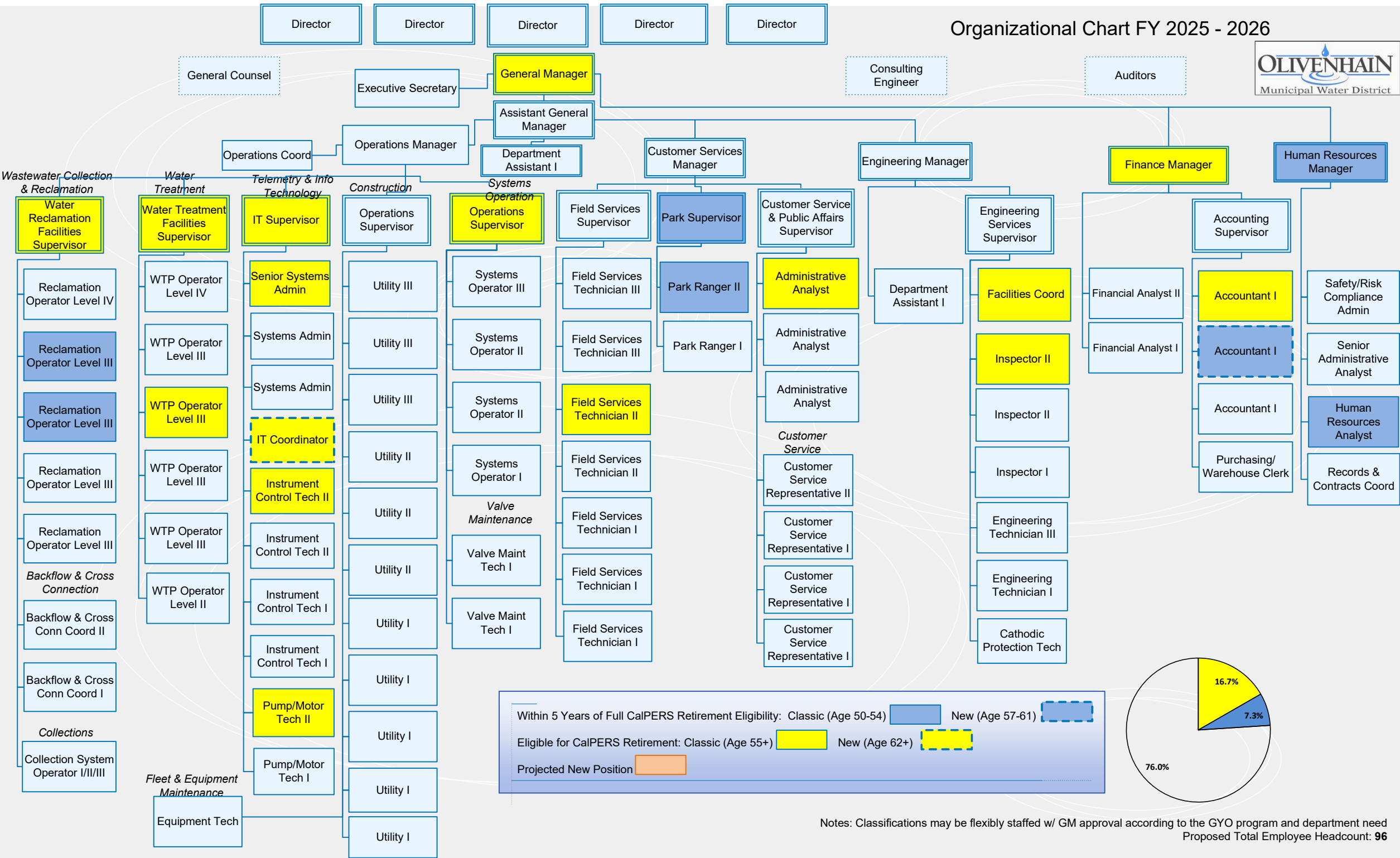
Eligible for CalPERS Retirement: Classic (Age 55+) New (Age 62+)

Projected New Position

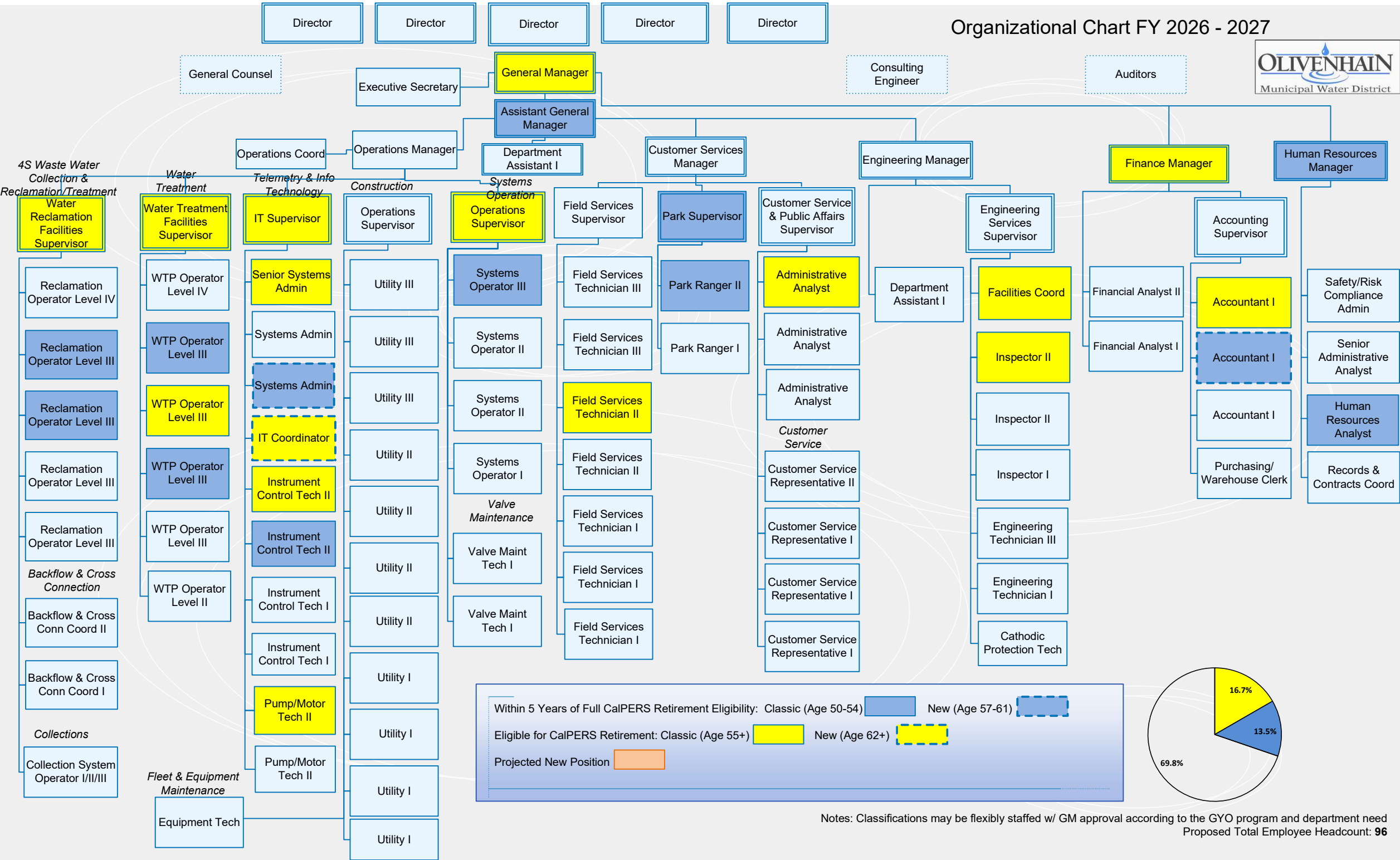


Notes: Classifications may be flexibly staffed w/ GM approval according to the GYO program and department need
Proposed Total Employee Headcount: 96

Organizational Chart FY 2025 - 2026



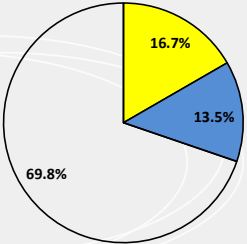
Organizational Chart FY 2026 - 2027



Within 5 Years of Full CalPERS Retirement Eligibility: Classic (Age 50-54) [Blue Box] New (Age 57-61) [Dashed Blue Box]

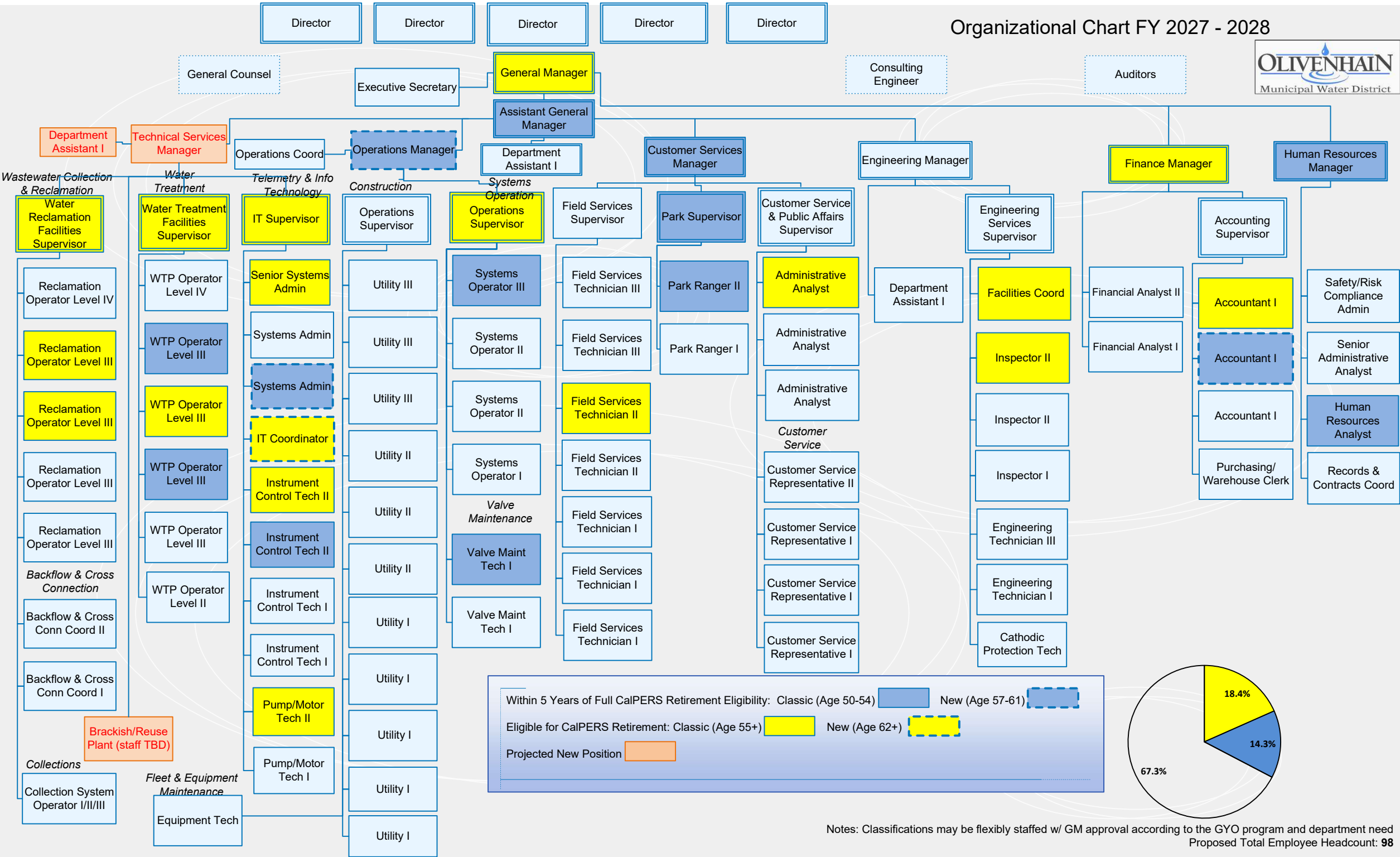
Eligible for CalPERS Retirement: Classic (Age 55+) [Yellow Box] New (Age 62+) [Dashed Yellow Box]

Projected New Position [Orange Box]



Notes: Classifications may be flexibly staffed w/ GM approval according to the GYO program and department need
Proposed Total Employee Headcount: 96

Organizational Chart FY 2027 - 2028



Memo

Date: April 19, 2023
To: Olivenhain Municipal Water District Board of Directors
From: Joe Jansen, Administrative Analyst
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER INFORMATIONAL REPORT ON WATER SUPPLY CONDITIONS AND LONG-TERM WATER USE EFFICIENCY LEGISLATION**

Purpose

The purpose of this agenda item is to provide the board with updates on water supply conditions, OMWD's customer notification and enforcement activities, and water use legislation affecting OMWD customers.

Recommendation

This is an informational item; no action is required.

Alternative(s)

Not applicable; informational item only.

Background

Since June 2015, staff presents at the board's request a quarterly report on statewide water supply conditions, recent and near-term events pertaining to drought, and/or a summary of activity taken by staff.

Fiscal Impact

There are no costs directly associated with this informational report.

Discussion

Staff will review the attached presentation with the board at the April 19 meeting and further discuss water supply related developments.

Attachments: PowerPoint presentation

WATER SUPPLY AND LONG-TERM WATER USE EFFICIENCY LEGISLATION

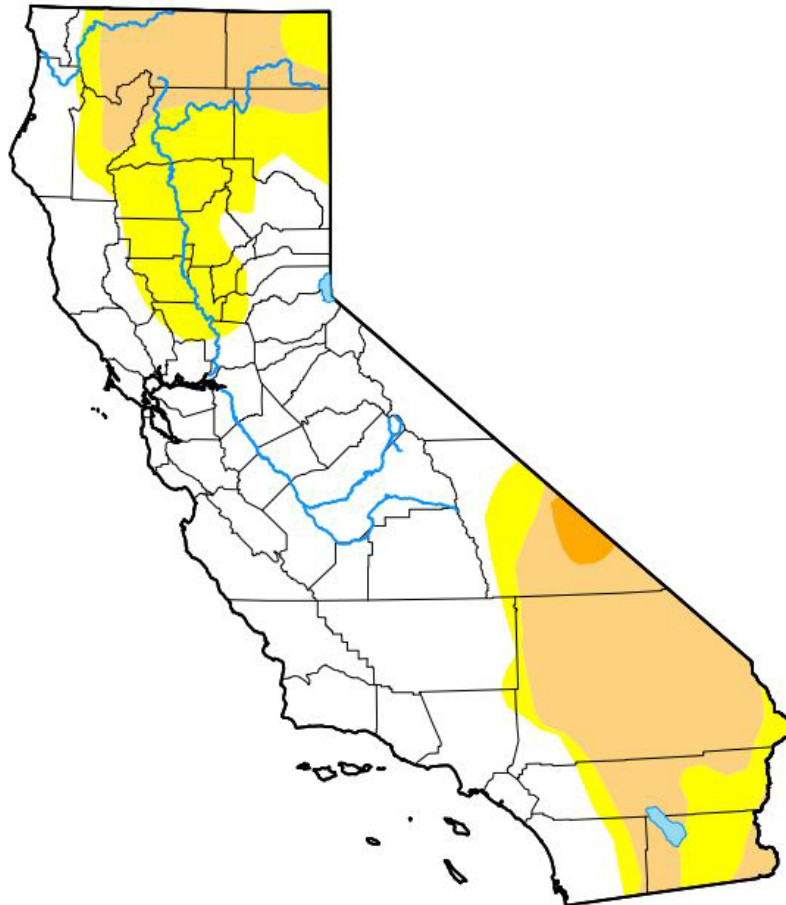
April 19, 2023



Water Supply Conditions

U.S. Drought Monitor California

April 4, 2023
(Released Thursday, Apr. 6, 2023)
Valid 8 a.m. EDT



Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	56.17	43.83	24.86	0.82	0.00	0.00
Last Week 03-28-2023	55.34	44.66	28.11	1.95	0.00	0.00
3 Months Ago 01-03-2023	0.00	100.00	97.93	71.14	27.10	0.00
Start of Calendar Year 01-03-2023	0.00	100.00	97.93	71.14	27.10	0.00
Start of Water Year 09-27-2022	0.00	100.00	99.76	94.01	40.91	16.57
One Year Ago 04-05-2022	0.00	100.00	100.00	93.65	40.67	0.00

Intensity:

None	D2 Severe Drought
D0 Abnormally Dry	D3 Extreme Drought
D1 Moderate Drought	D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions.
Local conditions may vary. For more information on the
Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

Author:

David Simeral
Western Regional Climate Center



droughtmonitor.unl.edu

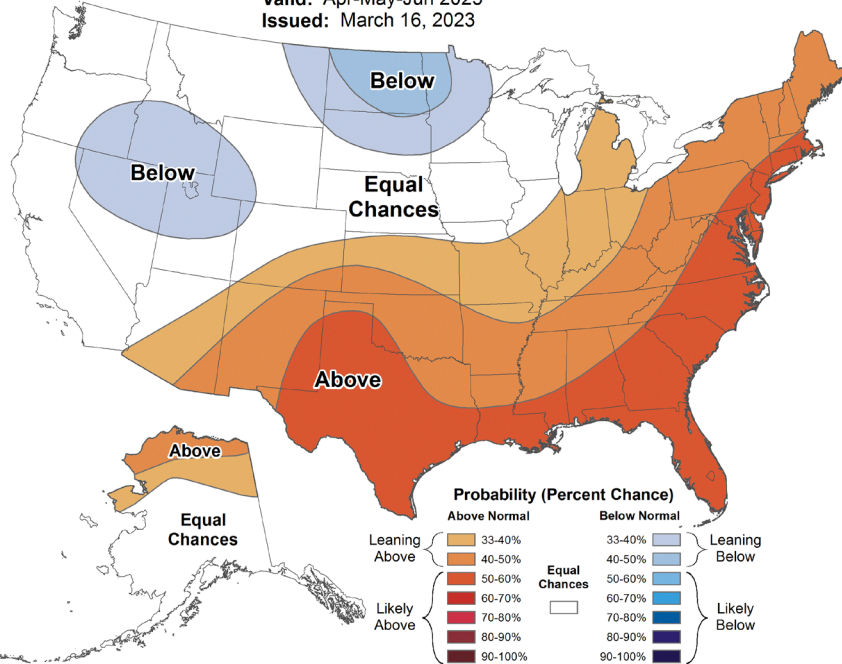
National Weather Service Outlook

April 2023 – June 2023



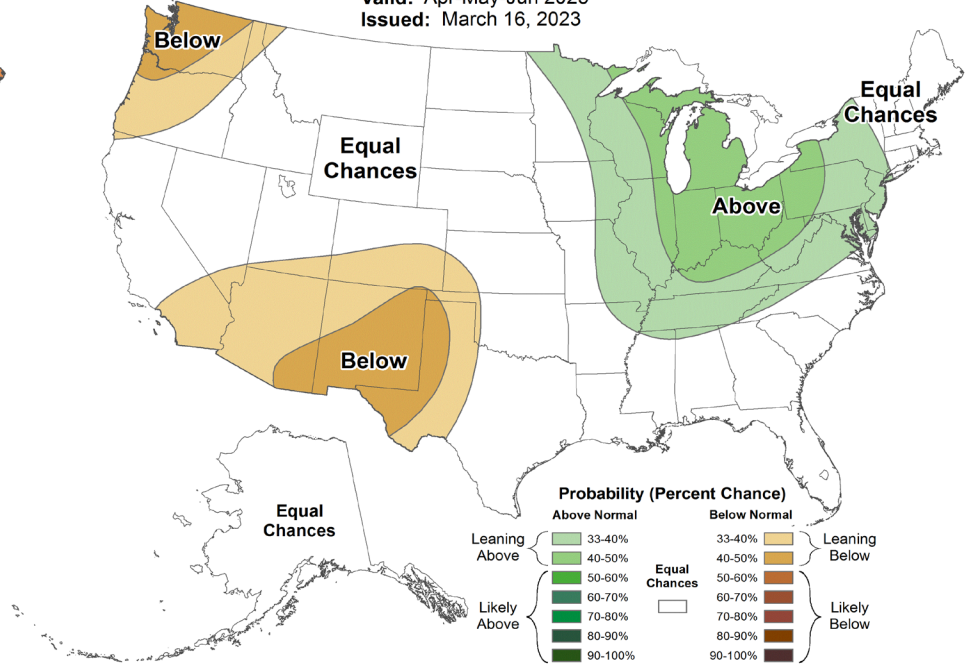
Seasonal Temperature Outlook

Valid: Apr-May-Jun 2023
Issued: March 16, 2023

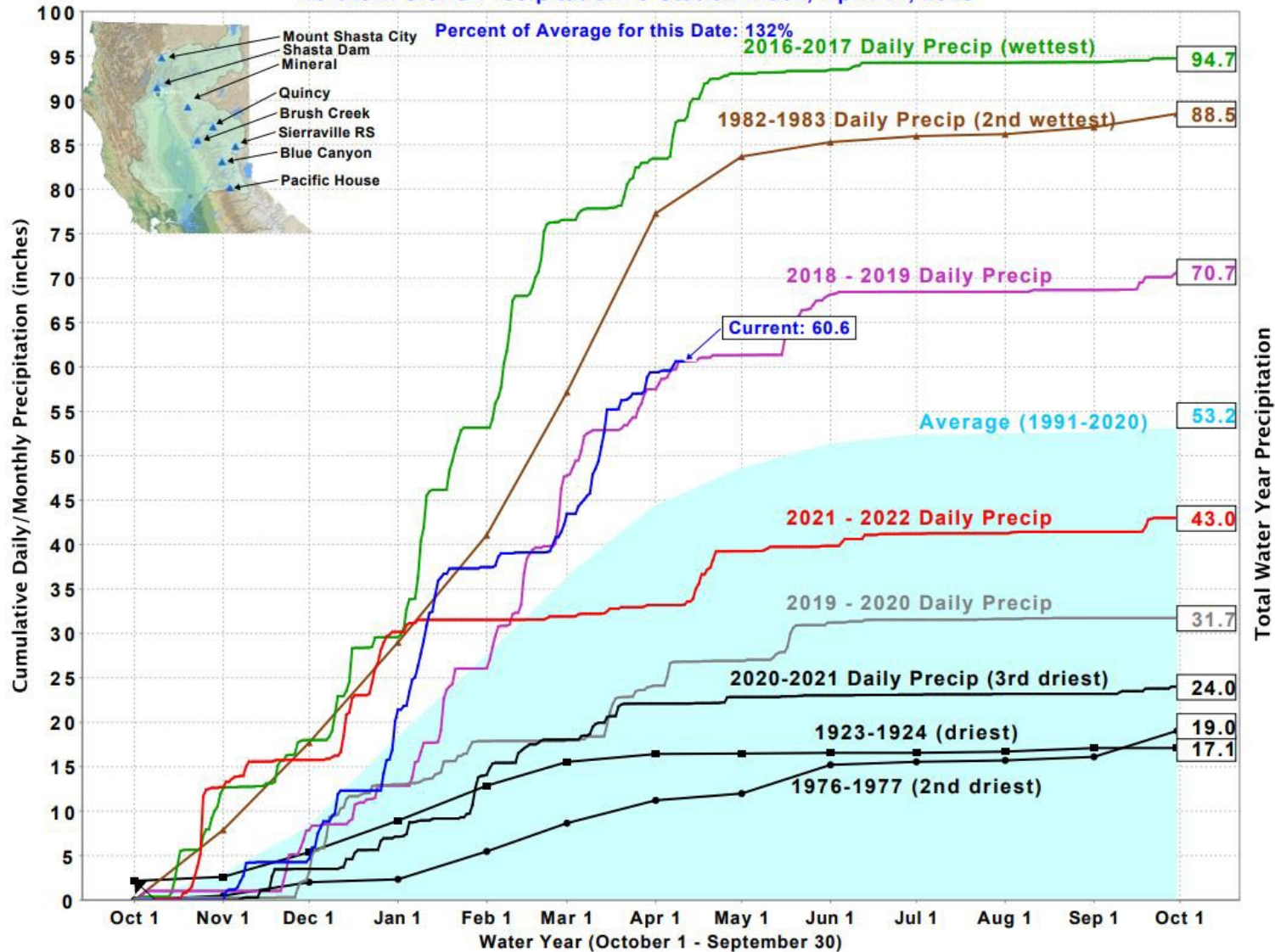


Seasonal Precipitation Outlook

Valid: Apr-May-Jun 2023
Issued: March 16, 2023



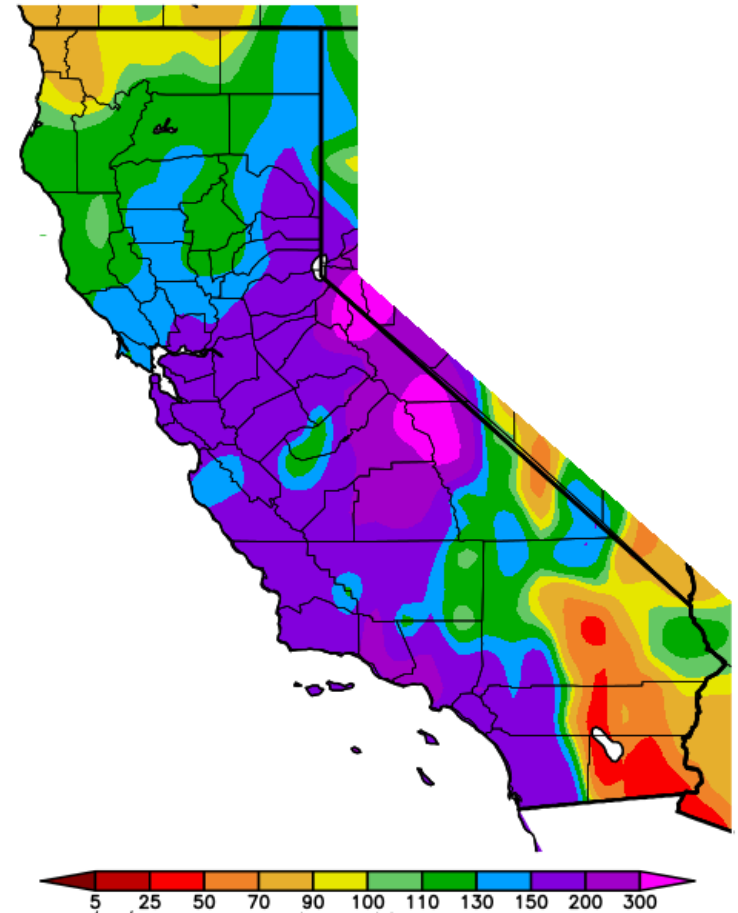
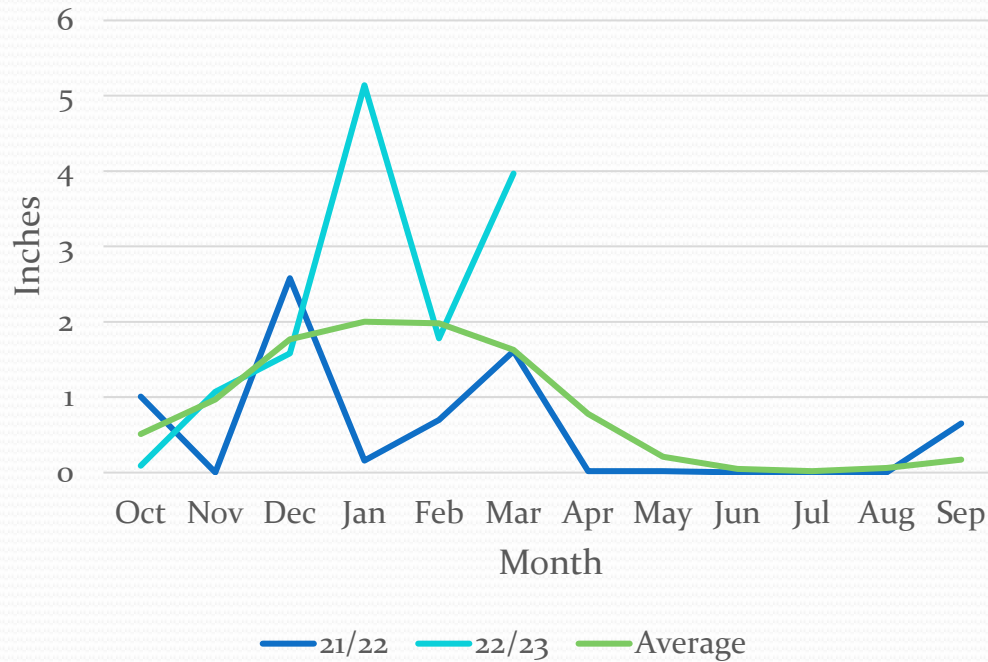
Northern Sierra Precipitation: 8-Station Index, April 11, 2023



Total Water Year Precipitation

Percent of Average Precipitation (%) 10/1/2022 – 4/4/2023

San Diego Rainfall



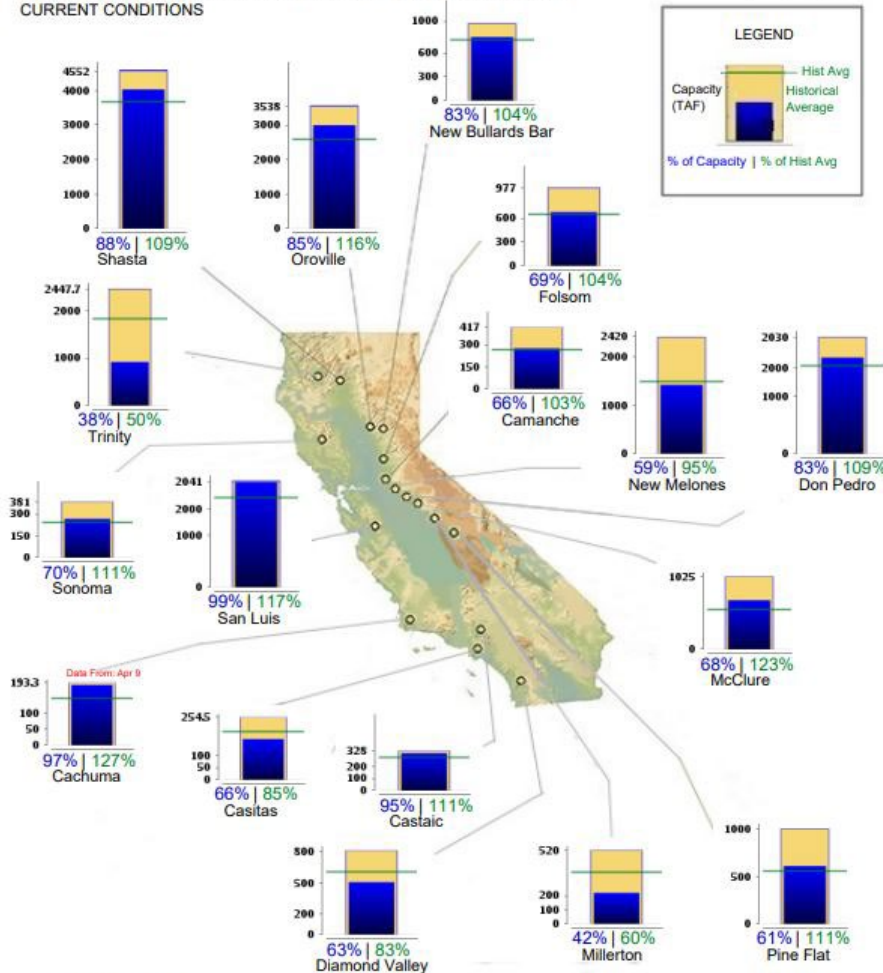
Generated 4/ 5/2023 at WRCC using provisional data.
NOAA Regional Climate Centers



CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS

CURRENT CONDITIONS

Midnight - April 10, 2023



Updated 04/11/2023 04:18 PM

State Water Project Resources

SWP Table A – 75% - 1,433,625 AF



WATER SUPPLY CONDITIONS REPORT

Water Year
2022-2023
As of: April 02, 2023

Colorado River Resources

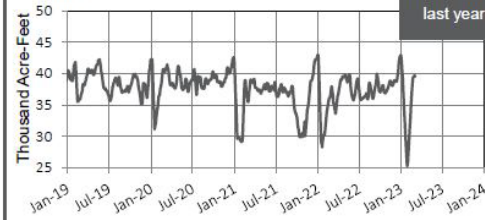
Projected CRA Diversions – 991,000 AF

Metropolitan Resources

Lake Skinner Storage

Capacity: 44 TAF

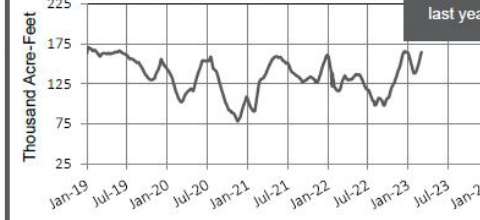
1.6 TAF
more than
last year



Lake Mathews Storage

Capacity: 182 TAF

41 TAF
more than
last year



MWD WSDM Storage

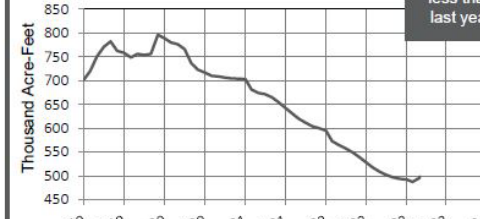
Calendar Year 2023

	2023 Take Capacity
Colorado River Aqueduct Delivery System	TBD
State Water Project System	158 TAF
In-Region Supplies and WSDM Actions	329 TAF
Other Programs	40 TAF
Total WSDM Projected Storage Take	527 TAF

Diamond Valley Lake Storage

Capacity: 810 TAF

66 TAF
less than
last year



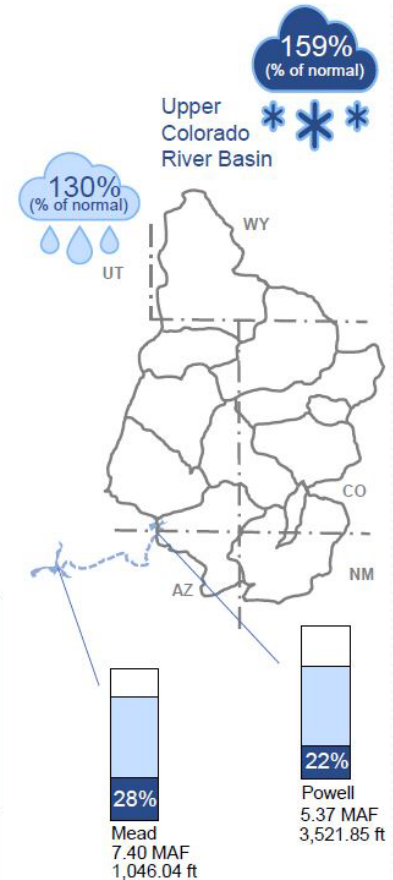
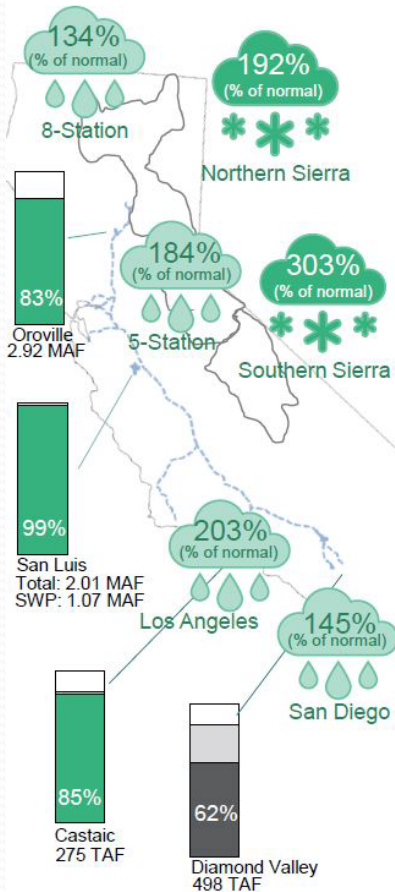
Highlights

- SWP share of San Luis Reservoir is full and DWR is making Article 21 – Interruptible Water Service available
- April 1 snowpack at Northern Sierra was 58.5 inches or 190% of normal
- April 1 snowpack at the Upper Colorado River Basin was 23.1 inches or 157% of normal



This report is produced by the Water Resource Management Group and contains information from various federal, state, and local agencies. The Metropolitan Water District of Southern California cannot guarantee the accuracy or completeness of this information. Readers should refer to the relevant state, federal, and local agencies for additional or for the most up to date water supply information. Reservoirs, lakes, aqueducts, maps, watersheds, and all other visual representations on this report are not drawn to scale. Questions? Email mferreira@mwdh2o.com

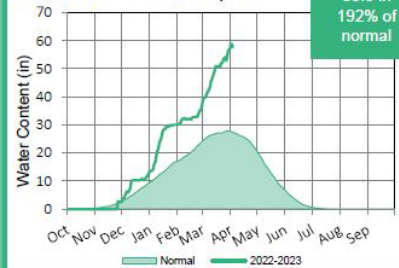
<https://www.mwdh2o.com/WSCR>



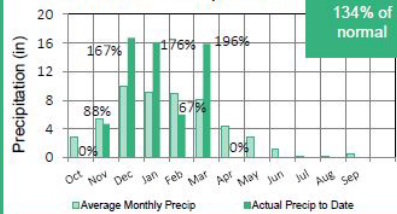
State Water Project Resources

As of: 04/02/2023

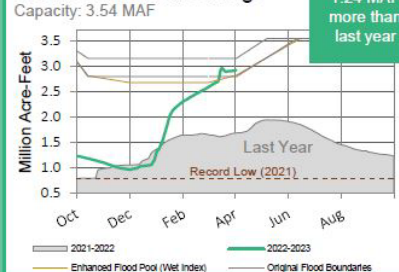
Northern Sierra Snowpack



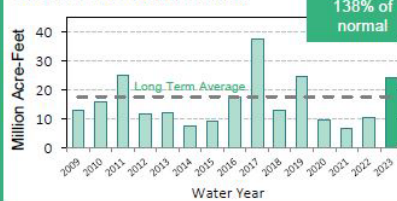
8 Station Index Precipitation



Oroville Reservoir Storage



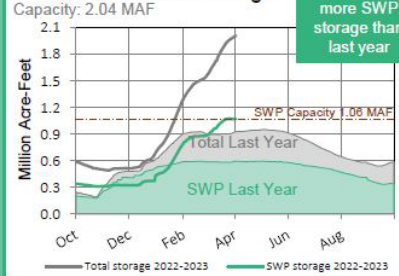
Sacramento River Runoff



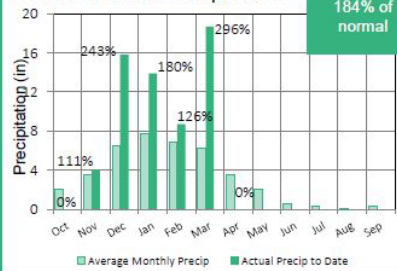
Other SWP Supplies Calendar Year 2023

Carryover 39,000 acre-feet
Article 21 83,000 acre-feet

San Luis Reservoir Storage



5 Station Index Precipitation

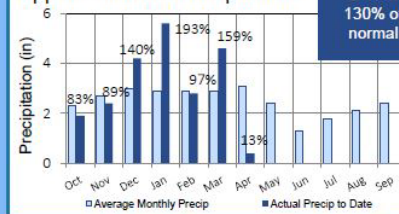


<https://www.mwsh2o.com/W3CR>

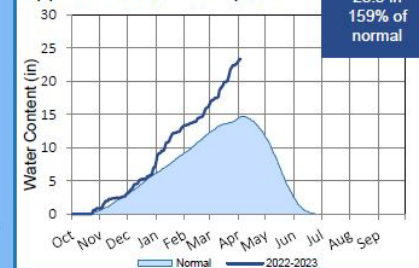
Colorado River Resources

As of: 04/02/2023

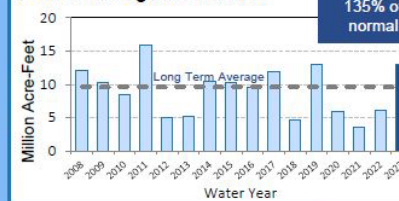
Upper Colorado Precipitation



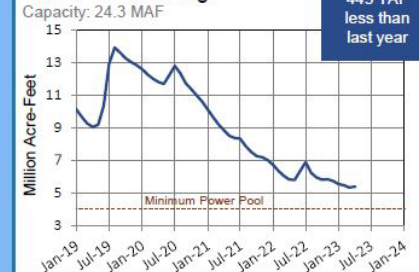
Upper Colorado Snowpack



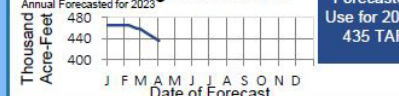
Powell Unregulated Inflow



Lake Powell Storage



PVID/Yuma Agricultural Use



Projected Lake Mead ICS

Calendar Year 2023

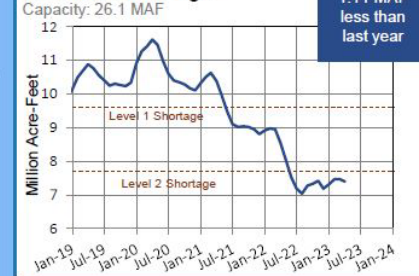
Put (+) / Take (-)
Zero

Lake Mead Surplus/Shortage Outlook

	2023	2024	2025	2026
Surplus	0%	0%	0%	0%
Shortage	100%	93%	93%	93%
Metropolitan DCP*	60%	67%	60%	
	250 TAF	263 TAF	278 TAF	

Likelihood based on results from the January 2023 CRIMS in Ensemble Model/CRSS model run. Includes DCP Contributions.
* Chance of required DCP contribution by Metropolitan. Volume is average contribution when needed.

Lake Mead Storage



<https://www.mwsh2o.com/W3CR>

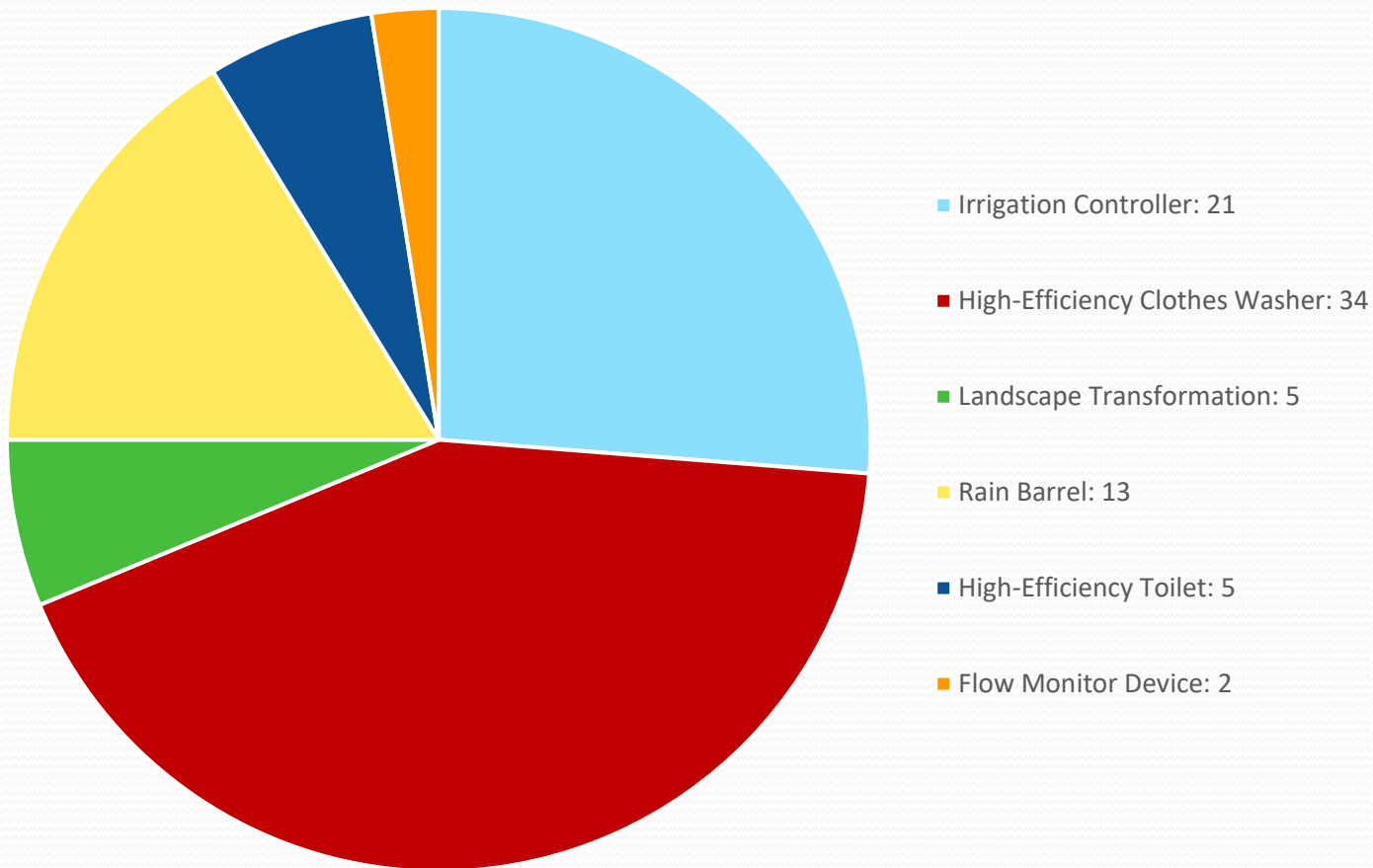
OMWD Activity

Restrictions Enforcement

	Reports	Actions	Fines
July '21	18	18	0
August '21	14	14	0
September '21	6	6	0
October '21	3	3	0
November '21	12	12	0
December '21	0	0	0
January '22	4	4	0
February '22	8	8	0
March '22	0	0	0
April '22	5	5	0
May '22	0	0	0
June '22	5	5	0
July '22	13	13	0
August '22	7	7	0
September '22	2	2	0
October '22	4	4	0
November '22	0	0	0
December '22	1	1	0
January '23	0	0	0
February '23	1	1	0
March '23	0	0	0
Totals	103	103	0

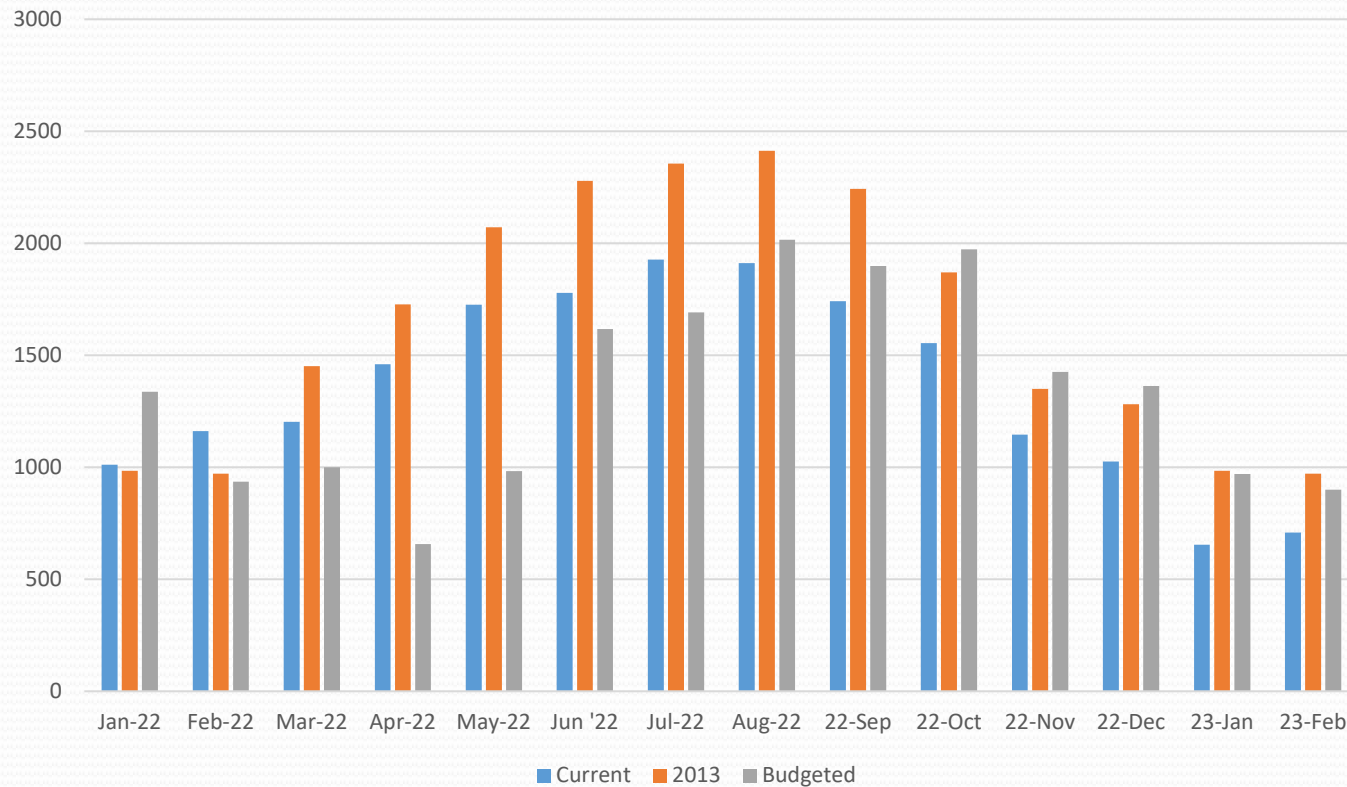


January - March Rebate Application Activity



Figures are based on applications received

No Conservation Requirement



Water Consumption Compared to 2013

Nov-21	12%
Dec-21	-27%
Jan-22	2%
Feb-22	20%
Mar-22	-17%
Apr-22	-16%
May-22	-17%
Jun-22	-19%
Jul-22	-15%
Aug-22	-17%
Sep-22	-20%
Oct-22	-14%
Nov-22	-12%
Dec-22	-17%
Jan-23	-32%
Feb-23	-24%

Legislation & Regulations

Legislative and Regulatory Update

- AB 1668-SB 606 (2018 long-term water conservation targets)
 - Proposed Regulatory Framework released by SWRCB on March 15, 2023.
 - *Residential Indoor Use*
 - *Real Water Loss Budget*
 - *Residential Outdoor Use*
 - *Commercial Industrial Institutional Use*
 - *Bonus Incentives*
 - Original deadline for SWRCB to adopt water use efficiency standards was June 30, 2022.
 - Deadline for water supplies to calculate their water use objectives based on adopted standards still set for January 1, 2024.
- Comment letter submitted March 24:
 - Opposition to proposed method of calculating agency's irrigable, non-irrigated landscape area measurements.
 - Opposition to maintaining January 1, 2024 deadline for initial water supplier progress reporting.

Legislative and Regulatory Update

- Staff engaging Sacramento per new water supply-related bills introduced as part of the 2023-2024 legislative session:
 - SB 366 (The California Water Plan: long-term supply targets)
 - support
 - AB 1572 (non-functional turf definition)
 - close watch
 - AB 838 (California Water Affordability and Infrastructure Transparency Act of 2023)
 - watch
 - SB 23 (Water supply and flood risk reduction projects: expedited permitting)
 - support
- Last day for policy committee to hear bills is April 28.
- Staff and Public Policy Committee engaging on water loss minimization projects funding with state legislators.
- Staff engaging with Congressman Peters on community funding for brackish groundwater desalination project.

Legislative and Regulatory Update

Drought Updates

- February 13- Governor Newsom signed Executive Order N-3-23.
 - Maintains most drought-response actions of his prior drought-related proclamations and executive orders.
 - Ordered state agencies to submit their views on whether any existing provisions in the Governor's drought proclamations and executive orders are no longer needed.
- February 22- State Water Project allocation increased from 5% to 35%.
- March 14- MWD board actions based on improved hydrologic conditions:
 - Remove Water Shortage Emergency Condition currently declared for the SWP Dependent Area.
 - Remove Emergency Water Conservation Program for the SWP Dependent Area.
 - Reaffirm the Regional Drought Emergency for all member agencies.
 - *Due to these improved conditions, MWD staff indicated it does not anticipate a need for a regionwide supply allocation during fiscal year 2023-24.*
- March 24- State Water Project allocation increased from 35% to 75%.
- March 24- Governor Newsom signed Executive Order N-5-23.
 - Ended voluntary 15% water conservation target.
 - Ended requirement for water agencies to implement conservation actions associated with level 2 of their WSCPs.
 - Maintains ban on wasteful water uses, such as watering of non-functional turf.
 - Preserves emergency orders focused on groundwater supply.
 - Maintains orders focused on specific watersheds still in peril, such as the Colorado River basins.
 - Retains state of emergency for all 58 counties to support further drought response and recovery efforts.

Legislative and Regulatory Update

Drought Updates

- USBR- Near-term Colorado River Operations- Draft Supplemental Environmental Impact Statement (Released April 10, 2023) with alternatives for cuts on the Colorado River starting in 2024
 - Quote from MWD in response “based on our initial assessment of the draft SEIS, neither of the action alternatives presented today is ideal. Both include significant supply cuts that would hurt Metropolitan and our partners across the Basin.”
 - IE, California would get cuts beyond the current law of the Colorado River in the proposed alternatives.

Recent Updates



Water Boards

STATE WATER RESOURCES CONTROL BOARD
REGIONAL WATER QUALITY CONTROL BOARDS

**Save
Our
Water**



Memo

Date: April 19, 2023
To: Olivenhain Municipal Water District Board of Directors
From: John Carnegie, Customer Services Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER APPROVAL OF GENERAL LIABILITY, PROPERTY, AUTOMOBILE, EQUIPMENT, TERRORISM, EXCESS, AND CYBERSECURITY INSURANCE POLICIES FOR FISCAL YEAR 2024 WITH AMERICAN FAMILY MUTUAL INSURANCE COMPANY IN AN AMOUNT NOT TO EXCEED \$668,000, AUTHORIZING THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT**

Purpose

The purpose of this item is to consider approval of the general liability, property, automobile, equipment, terrorism, excess, and cybersecurity insurance policies for Fiscal Year 2024 and authorize the General Manager to execute insurance agreements on OMWD's behalf.

Recommendation

Staff recommends approval of the insurance package from American Family Mutual Insurance Company for general liability, property, automobile, equipment, terrorism, excess, and cybersecurity insurance policies for FY 2024. This quote includes the purchase of an additional excess liability policy for \$5 million in order to maintain an effective liability limit of \$16 million, which was requested by the board in 2022.

Alternative(s)

- The board could instruct staff to execute an insurance agreement with the Association of California Water Agencies Joint Power Insurance Agency or CalMutuals Joint Powers Risk and Insurance Management Authority.
- The board could instruct staff to change excess liability coverage, as it did in 2022. The liability, excess, and additional excess coverages recommended by staff provide an effective liability limit of \$16 million, with defense costs outside of this limit. At the board's discretion, it could select higher liability limits at additional cost—\$5 million in additional liability coverage would cost approximately \$71,243.
- The board could direct staff as it otherwise deems appropriate.

Background

Since 2000, OMWD has worked with its broker, Swanson Insurance Agency, to secure general liability, property, automobile, equipment, terrorism, excess, and, more recently, cybersecurity insurance policies. Historically, OMWD has conducted a competitive selection process every few years. Workers' compensation coverage is procured separately by the Human Resources Department, and has been provided since 1982 by Special District Risk Management Authority.

Since 2013, liability insurance coverages have been provided by WaterPlus. WaterPlus, managed by Allied World, is a full-service program providing insurance services to brokers and clients throughout the United States. WaterPlus also has coverages that are unique to water-related entities, such as pollution, asbestos/lead for potable water, subsidence liability, failure to supply, water/wastewater testing errors and omissions, and inverse condemnation. Underwritten through an AM Best A-XV rated (Excellent) carrier, WaterPlus is distributed through independent insurance brokers.

Year-over-year increases in premiums have been modest until recently. In June 2021, the board approved insurance policies for FY 2022 provided through WaterPlus in the amount of \$310,871. The FY 2022 premium represented a 13.6 percent increase in the commercial package premium and a 43 percent increase in the cybersecurity premium versus the prior year, primarily due to the rise in coverage costs nationwide. In a difficult cost environment for insurance, local agencies had seen premiums escalate rapidly—for example, Padre Dam Municipal Water District staff indicated in a May 2021 staff report

that its premium for FY 2022 increased by 105 percent versus FY 2021. Additionally, OMWD experienced increases in exposure during FY 2021.

Considering a projected improvement in OMWD's loss history in the following year, staff planned to conduct a competitive selection process for insurance policies for FY 2023. It was staff's intent at that time to exclude risk-sharing pools from consideration, given the board's historical interest in the flexibility and comprehensive coverage offered by independent insurance carriers. The last time that a pool submitted a quote to OMWD was for the FY 2012 policies, which were ultimately awarded to Grundy Worldwide, a traditional insurance carrier. Among the reasons that risk-sharing pools have not been selected include that pricing was not competitive at the time, and that pools can expose OMWD to the claims/losses of other participating agencies. Additionally, risk-sharing pools have typically required three-year commitments, whereas independent carriers have offered annual renewals and thus more flexibility for OMWD to competitively and cost-effectively manage its insurance program. Finally, some pools do not allow OMWD's General Counsel to intervene if a carrier refuses a claim, which has proven necessary and beneficial for OMWD in the past, nor to allow General Counsel to serve as defense counsel, as OMWD's current carrier allows.

At the request of Director Meyers, a staff report was presented in August 2021 to the Safety Committee—then consisting of Directors Meyers and Topolovac—seeking input into the request for quotations process by which staff would secure insurance policies for FY 2023. At the meeting, the Safety Committee determined that further discussion was warranted and that carriers/programs from which OMWD could request quotations—e.g., SDRMA, ACWA JPIA, Allied World's WaterPlus program, and Allied World's CalMutuals Joint Powers Risk and Insurance Management Authority (JPRIMA) program—should be participants in the discussion.

At the September 2021 board meeting, President Watt formed an Ad Hoc Insurance Committee and assigned Directors Guerin and Meyers thereto. During the time it was active, this committee focused in detail on the request for quotations for FY 2023 insurance policies.

Representatives from SDRMA, ACWA JPIA, and Allied World were invited to present at Ad Hoc Insurance Committee meetings in October 2021 to better inform OMWD's approach to requesting quotations for FY 2023.

Upon conclusion of the informational presentations, the Ad Hoc Insurance Committee was divided as to whether to allow risk-sharing pools to submit proposals for FY 2023, and also whether the existing liability limit of \$11 million was more appropriate than a

\$50 million limit. As a result, the committee requested that the discussion be referred to the full board.

At the November 2021 board meeting, the board directed staff to consider only traditional insurance carriers (instead of risk-sharing pools) for FY 2023, and to obtain quotes for higher liability limits than in previous years. Staff indicated to the board at that time that it anticipated that three proposals would be received from traditional insurance carriers, such as Glatfelter Insurance Group, Grundy, and Allied World/WaterPlus.

In March 2022, staff submitted application packages to Glatfelter, Grundy, and Allied World. Two of these three carriers had insured OMWD in years past, and traditionally, all three had reliably provided quotations upon request. However, staff was notified by Glatfelter's underwriter that Glatfelter declined to provide a quote because of wildfire risk at several OMWD facilities. Swanson Insurance subsequently reached out to the underwriter for two additional carriers—Liberty Mutual and Travelers—and both carriers also declined to provide a quote on the basis of wildfire scores. Grundy then indicated that it would also decline to quote because of wildfire scores.

Reinsurers were pulling back their capacity in California based on wildfire losses since 2015, which had dramatically impacted insurer loss ratios. The decision to determine pricing/capacity from wildfire scores had quickly become widespread over the past two years. Wildfire scores are based on risk factors such as location, wildfire event history, brush levels, slope, emergency access, and identifiable risks from wind-borne embers. Often rated from 5 to 100, a score over 80 denotes high risk. OMWD had multiple properties scoring over 80, with one particular property—the Cielo Pump Station—earning the maximum score of 100.

Of the five carriers from which staff solicited quotes, staff received one responsive quote from Allied World. Allied World's proposed FY 2023 premium represented a total increase of \$109,207 versus FY 2022's premium. This included an approximate 30 percent increase in the commercial package premium and a 138 percent increase in the cybersecurity premium, which were attributable to a new calculation methodology that was not previously implemented by reinsurers. The commercial package increase also included a 5.25 percent increase attributable to an increase in OMWD exposure, including revenue and personnel increases and the addition of insured facilities.

Staff met with the Ad Hoc Insurance Committee in April 2022 to discuss the procurement process and commercial package quote, and to reach a consensus on a recommendation to the full board for FY 2023.

Additionally, in light of increased costs, the committee asked for clarification as to the broker's commission for these policies. Swanson Insurance advised that its commission for the proposed FY 2023 policies was 10 percent, which was included in the premium. This is the lowest commission that it receives on any business that it writes, and it remains the same whether there are large rate increases (FY 2023) or a rate decrease (FY 2020). Swanson Insurance's commission funds the services that it provides to OMWD throughout the year, such as policy procurement, serving as the point of contact for claims, and staff training. Traditionally, risk-sharing pools have staff to provide the services offered by Swanson Insurance, and rates are set to include staff salaries rather than having the cost of service as a line item.

The committee also discussed increasing OMWD's excess liability coverage. In FY 2022, OMWD's existing liability limit was \$11 million—the WaterPlus program offered \$1 million per occurrence and \$10 million in excess liability coverage (which included inverse condemnation). It was decided that the discussion would be presented to the full board.

At the May 2022 board meeting, the board approved the WaterPlus renewal quote in the amount of \$420,078 for general liability, property, automobile, equipment, terrorism, excess, and cybersecurity insurance policies for FY 2023. In addition, the board authorized the purchase of an additional excess liability policy for \$5 million in the amount of \$61,950, bringing OMWD's total excess liability coverage to \$16 million.

Also at the May 2022 board meeting, staff advised of the challenges in procuring quotations for FY 2023 coverage, which resulted from major changes in the insurance market such that independent carriers previously relied upon are no longer willing to insure OMWD because of increased concern about wildfire risk. To address this, staff recommended that both traditional insurers and risk-sharing pools be considered in requests for FY 2024 quotations. The board instructed staff to consider quotes from both independent carriers and risk-sharing pools in future Requests for Quotations for insurance coverage, and to begin the eligibility assessment process with ACWA JPIA.

Fiscal Impact

Staff recommendation reflects a fiscal impact of up to \$668,000 for general liability, property, automobile, equipment, terrorism, excess, and cybersecurity insurance policies from American Family. This amount is made up of a commercial package quotation of \$537,452, a cybersecurity estimate of approximately \$42,130 (with the final amount to be confirmed 60 days prior to the start date of the policy), an additional

excess liability estimate of approximately \$71,243 (with the final amount to be confirmed once OMWD selects its FY 2024 carrier), and taxes.

The proposed FY 2024 premiums represent a 38.6 percent increase in the insurance package premiums versus the prior year, primarily due to the rise in coverage costs nationwide.

The proposed FY 2024 premium is provided for in the General Manager's Recommended Biennial Operating & Capital Budget for Fiscal Years 2023 and 2024, which will be presented for the board's final review at the June 21, 2023 board meeting.

Discussion

Volatility and rapidly escalating premiums continue to be evident in the insurance marketplace. For example, in November, San Diego County Water Authority forecasted an 18.9 percent increase for FY 2024 insurance premiums in their five-year financial forecast, with roughly 10 percent annual increases thereafter. By March, when SDCWA released its Fiscal Years 2024 and 2025 Draft Recommended Budget, it projected a 41 percent increase in premiums for its package of property, liability, and workers' compensation coverage, citing extreme volatility and inflationary pressures.

These higher rates result in part from wildfire surcharges continuing to increase for insureds in exposed brush areas. OMWD is in one of the worst designated brush areas in California. First-party wildfire losses have exceeded \$30 billion in recent years, and there is consensus among regulators and insurance carriers that San Diego County is one of the state's most vulnerable wildfire regions. Additionally, the trend of rising insurance costs due to increased litigation, plaintiff-friendly judgments, and higher jury awards is being seen on both first-party and third-party claims. Insurance companies are also seeing an increase in claims arising in the inverse condemnation, employment practices liability, water quality, automobile, wrongful acts/governing body, and general operations sectors. The costs to adjust claims have also substantially increased because of the overall increase in litigation costs as well as labor and parts shortages. For example, after a recent lightning strike on an electrical panel for another public agency's pump station, the lead time to acquire parts was 38-40 weeks. Additionally, after a building fire, the insured could not find a general contractor to bid on the repair job because of labor and supply issues.

To maximize the likelihood of securing cost-effective coverage for FY 2024, staff began compiling application documentation for six insurance programs in November 2022:

- California Joint Powers Insurance Authority

- Golden State Risk Management Authority
- Special District Risk Management Authority
- American Family's CalMutuals Joint Powers Risk and Insurance Management Authority (JPRIMA)
- Association of California Water Agencies Joint Powers Insurance Authority (ACWA JPIA)
- American Family's WaterPlus

Each agency's response is addressed below. For the three carriers that provided OMWD with a quote, a coverage comparison table was completed by each of the carriers and is attached for reference.

California Joint Powers Insurance Authority: On January 10, 2023, California JPIA advised that it prefers to focus on cities and special districts organized similarly to cities, rather than water districts. It did not submit a quote.

Golden State Risk Management Authority: Golden State RMA acknowledged upon initially being contacted by staff that OMWD would be an outlier among its membership in terms of size and geography, but nevertheless worked with staff on an application package. However, on February 14, GSRMA advised that its underwriting team determined that GSRMA was not a good fit for OMWD and would not be providing a quote.

Special District Risk Management Authority: On March 21, SDRMA advised that it would be unable to provide a quote at this time due to OMWD's loss history. It stated that OMWD could be eligible to reapply in future years.

CalMutuals JPRIMA: American Family provided a quote from its risk-sharing pool, JPRIMA, attached, in the amount of \$483,707 for the commercial package. If OMWD were to select JPRIMA, it was anticipated that OMWD would also purchase cybersecurity and additional excess liability coverage for a total cost of approximately \$612,461. The JPRIMA quote is 100% reinsured by American Family and offers slightly broader coverage than the WaterPlus package at lower rates. JPRIMA requires a three-year commitment, though members can exit without penalty if rates exceed 15 percent year over year.

ACWA JPIA: After reviewing OMWD's application package, ACWA JPIA required an on-site risk assessment to ensure OMWD's eligibility to join the JPIA. The assessment consisted of two days of meetings with managers and OMWD's Safety and Risk Compliance Administrator, as well as a tour of 13 separate OMWD facilities.

Subsequently, ACWA JPIA advised that the risk assessment report was favorable and that JPIA staff will be recommending that OMWD is approved for participation into the Liability and Property Programs at its May 8 Executive Committee meeting.

On March 15, ACWA JPIA submitted a quote, attached, in the amount of \$447,758 for general liability, property, automobile, equipment, terrorism, and excess, and cybersecurity insurance policies. Of note, ACWA JPIA has not always offered inverse condemnation coverage, though this coverage is now included in the JPIA liability program with a limit of \$55 million.

ACWA JPIA requires a three-year commitment.

American Family's WaterPlus: On March 17, American Family submitted a renewal quote, attached, in the amount of \$537,452 for general liability, property, automobile, equipment, terrorism, and excess insurance policies currently provided by WaterPlus. If OMWD were to select WaterPlus, it is anticipated that OMWD would also purchase cybersecurity and additional excess liability coverage, for a total cost of approximately \$667,916.

WaterPlus has transitioned its portfolio of 4,000 public water systems from Allied World to American Family Mutual Insurance. The carrier change was based on property capacity. American Family has a large property portfolio, whereas Allied World was focusing on liability coverage and moving away from property coverage in California. Both carriers have the same AM Best A-XV rating (Excellent) and are stable conglomerates with a large policyholder surplus. There are no personnel changes to underwriting and claims handling.

Staff confirmed that the renewal quote for the commercial package contains the same coverages, deductibles, exclusions, and limits as the FY 2023 policies, except that the property deductible is increased to \$10,000 from \$1,000.

At this time, staff's recommendation is to accept the renewal quote with WaterPlus for FY 2024. Staff remains satisfied with the method by which WaterPlus has historically handled claims and has determined that the WaterPlus insurance product will continue to satisfy OMWD's insurance needs.

JPRIMA and ACWA JPIA each submitted competitive proposals and staff advises that each is considered in future insurance procurement efforts. However, of particular concern in FY 2024 is that OMWD is potentially subject to exposure associated with current and ongoing claims and litigation on which the board has been briefed in closed

session over the last several months. Staff believes that continuity of coverage in these matters with OMWD's General Counsel is of sufficiently high value as to outweigh the lower premiums offered by JPRIMA and ACWA JPIA—JPRIMA is not obligated to allow for General Counsel's representation and ACWA JPIA will not allow it.

Staff has consulted with OMWD's General Counsel, who has reviewed and approves of these policies.

Attachments:

- *Table comparing coverages*
- *American Family quote for JPRIMA general liability, property, automobile, equipment, and terrorism policies for Fiscal Year 2024*
- *ACWA JPIA quote for general liability, property, automobile, equipment, cybersecurity, excess, and terrorism policies for Fiscal Year 2024*
- *American Family quote for WaterPlus general liability, property, automobile, equipment, and terrorism policies for Fiscal Year 2024*

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

STRUCTURE			
DESCRIPTION	CURRENT (WATERPLUS/)	JPRIMA	ACWA JPIA
Insurance/ Reinsurance	Insurance (intended and unintended acts)	Reinsurance	<p>Pooled Risk Sharing with Reinsurance/Excess</p> <p>California public entities risk pool with excess reinsurance; ACWA JPIA formed in 1979 under government codes 990.4 and 990.8; pooled programs are customized for water entities by its Members.</p>
Risk Bearer	Homesite	Homesite	<p>ACWA JPIA (risk-sharing pool) \$5M; Reinsurance/Excess - Safety National Casualty Corp. \$5M; California Water Insurance Fund \$10M; Everest Reinsurance, Continental Indemnity, and Upland Specialty Insurance \$9.5M (quota share); Great American Insurance \$5.5M; Allied World National Assurance \$10M; Hallmark Specialty Insurance \$5M; and General Security Indemnity Company of AZ \$5M.</p>
AM Best Rating	A (Excellent)	A (Excellent)	<p>Pool layer - Not applicable</p> <p>Reinsurance/Excess: A- VIII to A+ XV</p> <p>CAJPA Accreditation with Excellence</p>
Time Commitment	None	Three Years	Initial three-year enrollment each pool program; memoranda written for a 12-month term.
Notification Requirement	None	Six Months	After initial three-year enrollment, a 12-month notice of intent to withdraw with final determination required 90 days prior to the end of the program year.
Rate Stabilization	None	Exit Allowable if Rates > 15%	Liability, Property, and Workers' Compensation Programs are retrospective rated programs (Rate stabilization fund)
Common Anniversary Date	None	April 1	<p>Liability - October 1 (includes General Liability, Auto Liability, Errors and Omissions, and Employment Practices Liability);</p> <p>Property and Workers' Compensation - July 1 (New Member can join at any time; premiums will be pro-rated.)</p>

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

Coverage Forms	Property Crime GL Auto POML Excess Privacy	Property Crime GL Auto POML Excess Privacy	Pool programs are proprietary forms; Group Purchase Programs (Excess Crime, Cyber Liability) are commercial insurance products. Additional Group Purchase Programs: Excess, Difference in Conditions; Underground Storage Tank Pollution Liability; and Fiduciary Liability.
Department of Insurance Oversight	Yes	No	No
Insurance or Contract Law	Insurance	Contract	Contract
Reservation of Rights Requirement	Yes	No	No
Cumis Counsel Requirement	Yes	No	No
Mandatory Binding Arbitration	No	Yes	No
Unfair Claims Practices Act	Yes	No	No
Assessable	No	No	Yes - Annual retrospective premium adjustments (RPAs) beginning four years after program inception; RPAs can result in additional premiums or return premiums.
Rate and Form Filings	Yes	No	Not applicable
Market Conduct Examination	Yes	No	No (ACWA JPIA keeps up-to-date with market conditions through its long-term brokerage relationships.)
Joint and Several Liability	No	No	Yes
TRIA Forms	Yes	No	No; optional for Group Purchase Programs
Use of General Counsel for insurance defense representation	Yes – subject to panel agreement with carrier. Use is recommended and has been authorized.	Yes – subject to panel agreement with JPRIMA/carrier. Use is recommended.	No

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PROPERTY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Form	Proprietary	Proprietary	Proprietary Excess coverage placed with Alliant Property Insurance Program.
Limits	Total Blanket Policy (Real property and business personal property) Blanket Coverage Extension (Separate blanket limit applies: Business Income, Extended Business Income, Commandeered Property, Civil Authority, Extra Expense, Tenant Leasehold Interest, Electronic Data, and Preservation of Property.)	Total Blanket Policy (Real property and business personal property) Blanket Coverage Extension (Separate blanket limit applies: Business Income, Extended Business Income, Commandeered Property, Civil Authority, Extra Expense, Tenant Leasehold Interest, Electronic Data, and Preservation of Property.)	\$500,000,000 (JPIA pool covers the first \$10,000,000.)
Equipment Breakdown	Embedded No sublimits Included in Blanket Policy	Embedded No sublimits Included in Blanket Policy	\$100,000,000 (JPIA pool covers the first \$10,000,000.)
Flood	Optional up to \$5,000,000 (\$1,000,000 maximum for Zone A)	Optional up to \$5,000,000 (\$1,000,000 maximum for Zone A)	\$10,000,000 zones A and V \$25,000,000 all other Zones Excess coverage available.
Mobile Equipment	Actual Cash Value and Replacement Cost Value Options Personal Tools - ACV or RCV B/R/L Equipment - ACV or RCV Blanket Tools and Equipment - ACV or RCV Scheduled Equipment - ACV or RCV	ACV and RCV Options (Higher limits available) Personal Tools - \$5,000 B/R/L Equipment - \$100,000 Blanket Tools and Equipment - ACV or RCV Scheduled Equipment - ACV or RCV	Per schedule; direct physical damage to equipment that is primarily designed for off-road use, i.e. backhoe, loaders, graders, excavators, and cranes. (Excludes boom overload.)
Earthquake	No	No	\$2,500,000 program aggregate; excess coverage available.
Foundations	Optional	Included	Included Exclusion: Physical loss or damage by settling, cracking, shrinkage, bulging, or expansion of pavements, foundations, walls, floors, roofs, or ceilings; all unless physical damage not otherwise excluded by this policy ensues, in which event, this policy will cover only such ensuing damage.
Deductibles	Option A: \$10,000 Option B: \$50,000	Option A: \$10,000 (Preferred) Option B: \$50,000	Minimum deductible \$10,000; Higher options - \$25,000 or \$50,000. Equipment Breakdown - Deductibles range from \$25,000 to \$50,000, depending on type of unit. Flood - \$100,000 deductible Earthquake - 5% per unit of insurance; \$75,000 minimum.

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PROPERTY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Coinsurance Clause	None	None	No coinsurance; guaranteed replacement cost for buildings, fixed equipment, and contents.
Key Coverages			
New Locations or Newly Constructed Property	Pays up to \$1,000,000 for agency new real property while being built on or off described premises, as well as real property acquired, leased, or operated at locations other than the described premises, and business personal property located at new premises.	Pays up to \$1,000,000 for agency new real property while being built on or off described premises, as well as real property acquired, leased, or operated at locations other than the described premises, and business personal property located at new premises.	Up to \$25,000,000; covered up to 90 days; must be reported to continue coverage.
Utility Services – Direct Damage: Business Income and Extra Expense	Pays up to \$250,000 for covered property damaged by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss and does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Separate limits apply to Direct Damage and Business Income/Expense.	Pays up to \$250,000 for covered property damaged by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss and does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Separate limits apply to Direct Damage and Business Income/Expense.	Contingent \$3,000,000 Off premises \$25,000,000 Business Income and Extra Expense: Up to \$100,000,000 (Must be scheduled and provide a completed annual revenue worksheet.)
Pollution Remediation Expense	Pays up to \$100,000 or \$250,000 for remediation expenses resulting from a Covered Causes of Loss or Specified Cause of Loss occurring during the policy period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Specified Cause of Loss means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow; ice or sleet; water damage; and equipment breakdown.	Pays up to \$100,000 or \$250,000 for remediation expenses resulting from a Covered Causes of Loss or Specified Cause of Loss occurring during the policy period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Specified Cause of Loss means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow; ice or sleet; water damage; and equipment breakdown.	Refer to Accidental Contamination

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PROPERTY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
SCADA Upgrades	Pays up to \$100,000 to upgrade scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, water flow, water analysis, and other measurable items necessary to maintain operations.	Pays up to \$100,000 to upgrade scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, water flow, water analysis, and other measurable items necessary to maintain operations.	Scheduled property covered at replacement cost; upgrades covered at time of loss when required by Ordinance or Law.
Contract Penalties	Pays up to \$100,000 for contract penalties agency is required to pay due to its failure to deliver its product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.	Pays up to \$100,000 for contract penalties agency is required to pay due to its failure to deliver its product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.	No
Contamination	Pays up to \$100,000 for loss or damage to covered property because of contamination as a result of a Covered Cause of Loss. Contamination means direct damage to real property and business personal property caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and/or wastewater treatment process.	Pays up to \$100,000 for loss or damage to covered property because of contamination as a result of a Covered Cause of Loss. Contamination means direct damage to real property and business personal property caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and/or wastewater treatment process.	\$250,000/\$500,000 (Accidental Contamination)
Property in Transit	Pays up to \$100,000 for direct physical loss or damage to covered property while in transit more than 1000 feet from the described premises. Shipments by mail must be registered for coverage to apply. Electronic data processing property and fine arts are excluded.	Pays up to \$100,000 for direct physical loss or damage to covered property while in transit more than 1000 feet from the described premises. Shipments by mail must be registered for coverage to apply. Electronic data processing property and fine arts are excluded.	\$25,000,000
Unintentional Errors	Pays up to \$100,000 for any unintentional error or omission made in determining or reporting values or in describing the covered property or covered locations.	Pays up to \$250,000 for any unintentional error or omission made in determining or reporting values or in describing the covered property or covered locations.	\$50,000,000
Key Definitions			

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PROPERTY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Real Property	<p>The buildings, items, or structures described in the Declarations that agency owns or that agency has leased or rented from others in which agency has an insurable interest. This includes:</p> <ul style="list-style-type: none"> • Aboveground piping, aboveground and belowground penstock, and additions under construction; • Alterations and repairs to buildings or structures; • Buildings; • Completed additions; • Business personal property owned by agency that is used to maintain or service the real property or structure or its premises, including fire-extinguishing equipment; • Outdoor furniture, floor coverings, and appliances used for refrigerating, ventilating, cooking, dishwashing, or laundering; • Exterior signs, meaning neon, automatic, mechanical, electric, or other signs either attached to the outside of a building or structure, or standing free in the open; • Fixtures, including outdoor fixtures; • Glass which is part of a building or structure • Light standards; • Materials, equipment, supplies, and temporary structures agency owns or for which agency is responsible, on the premises or in the open (incl. property inside vehicles) within 1,000 feet of the premises, used for making additions, alterations or repairs to buildings or structures at the premises; • Paved surfaces such as sidewalks, patios, or parking lots; • Permanently installed machinery and equipment; • Permanent storage tanks; • Solar panels; • Submersible pumps, pump motors, and engines; • Underground piping located on or within 1,000 feet of premises described in the Declarations; • Underground vaults and machinery. 	<p>The buildings, items, or structures described in the Declarations that agency owns or that agency has leased or rented from others in which agency has an insurable interest. This includes:</p> <ul style="list-style-type: none"> • Aboveground piping, aboveground and belowground penstock, and additions under construction; • Alterations and repairs to buildings or structures; • Buildings; • Completed additions; • Business personal property owned by agency that is used to maintain or service the real property or structure or its premises, including fire-extinguishing equipment; • Outdoor furniture, floor coverings, and appliances used for refrigerating, ventilating, cooking, dishwashing, or laundering; • Exterior signs, meaning neon, automatic, mechanical, electric, or other signs either attached to the outside of a building or structure, or standing free in the open; • Fixtures, including outdoor fixtures; • Glass, which is part of a building or structure; • Light standards; • Materials, equipment, supplies, and temporary structures agency owns or for which agency is responsible, on the premises or in the open (including property inside vehicles) within 1,000 feet of the premises, used for making additions, alterations, or repairs to buildings or structures at the premises; • Paved surfaces such as sidewalks, patios, or parking lots; • Permanently installed machinery and equipment; • Permanent storage tanks; • Solar panels; • Submersible pumps, pump motors, and engines; • Underground piping located on or within 100 feet of premises described in the Declarations; • Underground vaults and machinery. • Foundations are covered. 	<p>Property must be scheduled; buildings, storage tanks, solar panels, and pump motors; includes undergrounding pipe within 1,000 feet of scheduled premise.</p>

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PROPERTY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Business Personal Property	<p>The property agency owns that is used in agency business including:</p> <ul style="list-style-type: none"> • Furniture and fixtures, machinery and equipment, computer equipment, and communication equipment; • Labor materials or services furnished or arranged by agency on personal property of others; • Stock. <p>Agency use interest as tenant in improvements and betterments. Leased personal property for which Agency has a contractual responsibility to insure.</p>	<p>The property agency owns that is used in agency business including:</p> <ul style="list-style-type: none"> • Furniture and fixtures, machinery and equipment, computer equipment, and communication equipment; • Labor materials or services furnished or arranged by agency on personal property of others; • Stock. <p>Agency use interest as tenant in improvements and betterments. Leased personal property for which agency has a contractual responsibility to insure.</p>	<p>Furniture and computer equipment, including leased equipment when contractually obligated.</p>

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PROPERTY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Pollution Conditions	<p>The discharge, dispersal, release, seepage, migration, or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements, and waste.</p> <p>Waste includes materials to be recycled, reconditioned, or reclaimed.</p>	<p>The discharge, dispersal, release, seepage, migration, or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements, and waste.</p> <p>Waste includes materials to be recycled, reconditioned, or reclaimed.</p>	<p>This Policy is hereby extended to cover the reasonable and necessary cost for the clean up, removal and disposal of the actual not suspected presence of Pollutants or Contaminant(s) from any source to Covered Property so as to restore the Covered Property to the same condition as existed prior to loss. The coverage provided is sublimited to US dollar as per Declaration page.</p> <p>If such contamination or dispersal is itself caused by fire, lightning, impact from aircraft, explosion, riot, civil commotion, smoke, collapse, vehicles, windstorm, hail, vandalism, malicious mischief, or leakage and accidental discharge from automatic fire protective systems, whereupon this extension shall provide coverage up to full limit of liability provided by this Policy. For the purposes of this Accidental Contamination clause only, the term "Covered Property", as covered by this Policy, is held to include Land (and Land Values) on which Covered Property is located whether or not the same are excluded by this Policy.</p> <p>Pollutants or Contaminants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste, which after its release can cause or threaten damage to human health or human welfare or causes or threatens damage, deterioration, loss of value, marketability, or loss of use to property insured hereunder, including, but not limited to, bacteria, virus, or hazardous substances listed in applicable environmental state, federal, or foreign law or regulation, or as designated by the US Environmental Protection Agency or similar applicable state or foreign governmental authority. Waste includes materials to be recycled, reconditioned, or reclaimed. Pollutants or Contaminants does not include fungus, mold, or spore.</p> <p>It is further understood and agreed that this coverage clause shall not override anything contained in Asbestos Clean Up and Removal in this Policy. (Excludes asbestos materials clean up or removal.)</p>

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PROPERTY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Outdoor Property	<p>Fixed or permanent structures that are outside covered real property including but not limited to:</p> <ul style="list-style-type: none"> • Historical markers or flagpoles; • Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment; • Exterior signs not located at a premises; • Fences or retaining walls; • Storage sheds, garages, pavilions, or other similar buildings or structures not located at a premises; • Dumpsters, concrete trash containers, or permanent recycling bins; • Hydrants; • Electric utility power transmission and distribution lines and related equipment owned by the insured. 	<p>Fixed or permanent structures that are outside covered real property including but not limited to:</p> <ul style="list-style-type: none"> • Historical markers or flagpoles; • Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment; • Exterior signs not located at a premises; • Fences or retaining walls; • Storage sheds, garages, pavilions, or other similar buildings or structures not located at a premises; • Dumpsters, concrete trash containers, or permanent recycling bins; • Hydrants. <p>No coverage for electric utility power transmission and distribution lines.</p>	Must be scheduled – signs, lights, and fences.
Property Sublimits			
Accounts Receivable	\$500,000	\$500,000	Included
Valuable Papers and Records	\$500,000	\$500,000	Included
Above Ground Piping	Payable up to the Blanket Limit (Scheduled premise)	Payable up to the Blanket Limit (Scheduled premise)	May be scheduled; subject to excess carrier approval.
Below Ground Piping	Payable up to Blanket Limit (Scheduled premise)	Payable up to Blanket Limit (Scheduled premise)	May be scheduled; subject to excess carrier approval.
Contamination	\$100,000	\$100,000	Accidental Contamination: \$250,000 per loss; \$500,000 program aggregate.
Tools and Equipment Owned by Agency Employees	\$5,000	\$5,000	Can be scheduled; coverage applies only while tools or equipment are on agency premise.
Personal Effects and Property of Others	\$5,000	\$5,000	Leased or rented property which agency is contractually obligated to provide coverage.
Outdoor Property (unscheduled)	\$25,000 (Excludes windstorm)	\$100,000 (Includes windstorm)	Must be scheduled
Business Personal Property at New Locations	\$1,000,000	\$1,000,000	Up to \$25,000,000; covered up to 90 days of acquisition; must be reported to continue coverage.

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PROPERTY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Utility Services-Direct Damage	\$250,000	\$250,000	Yes Power surge; resulting mechanical breakdown.
Utility Services-Business Income and Extra Expense	\$250,000	\$250,000	\$25,000,000 Off-premises Services Interruption
Dependent Business Premises	\$250,000	\$250,000	\$3,000,000 Contingent Business Interruption
Property at Other Locations	\$250,000	\$250,000	Must be scheduled
Property in Transit	\$100,000	\$100,000	\$25,000,000
Backup/Overflow of Water from Sewer, Drain, Sump	\$100,000	\$250,000	Yes
Fine Arts	\$25,000	\$25,000	Must be scheduled; subject to excess carrier approval.
Limited Coverage for “Fungus,” Wet Rot or Dry Rot	\$25,000	\$50,000	Limited coverage; refer to accidental contamination.
Mobile Equipment (Owned and non-owned)	ACV Option Only (Must be scheduled; no automatic sublimits)	ACV and RCV Options Personal Tools - \$5,000 B/R/L Equipment - \$100,000 Blanket Tools and Equipment - ACV or RCV Scheduled Equipment - ACV or RCV	ACV; option for RCV
Trees, Shrubs, and Plants	\$25,000 (\$1,000 max for any single tree, plant, or shrub)	\$25,000 (\$1,000 max for any single tree, plant, or shrub)	Must be scheduled; subject to a \$1,000,000 sublimit.
Indoor and Outdoor Signs (unscheduled)	\$25,000	\$50,000	No
Arson Reward	\$10,000	\$10,000	No
Fire Department Service Charge	\$5,000	\$25,000	Included
Non-Owned Detached Trailers	\$5,000	\$5,000	Yes, when contractually obligated; must be scheduled. Modular building
Cost of Inventory or Adjustment	\$5,000	\$5,000	No
Patterns, Dies, Molds, Forms	\$2,500	\$2,500	No

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PROPERTY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Fire Protection Devices	\$1,000	\$25,000	Must be scheduled
Debris Removal	25% of scheduled limit	25% of scheduled limit plus \$250,000	Included
Ordinance or Law Provision	100% of scheduled limit, plus additional 25% for demolition/rebuild/etc.	100% of scheduled limit, plus additional 25% for demolition/rebuild/etc.	Included, up to \$50,000,000, if part of a covered loss.
Water Contamination Notification	Excluded	\$5,000	No
Rental Reimbursement – Mobile Equipment	Excluded	\$5,000	Yes, if part of a covered loss.
Personal Effects of Others	\$5,000	\$5,000	No, unless contractually obligated.
Lock and Key Replacement	Excluded	\$25,000	Yes, if part of a covered loss.
COMMERCIAL CRIME			
Deductibles	\$1,000 preferred (\$500 minimum)	\$1,000 preferred (\$500 minimum)	\$1,000 Must be an active Member in the Property Program
Employee Theft	\$100,000	\$250,000	\$100,000 pool layer Excess coverage available
Forgery or Alteration	\$100,000	\$250,000	\$100,000 pool layer Excess coverage available
Inside the Premises (theft)	\$5,000	\$250,000	\$2,500,000 Money and Securities coverage (Included under Property Program; subject to \$100,000 deductible.)
Inside the Premises (robbery or safe burglary)	\$100,000	\$250,000	\$2,500,000 Money and Securities coverage (Included under Property Program; subject to \$100,000 deductible.)
Outside the Premises	\$100,000	\$250,000	\$2,500,000 Money and Securities coverage (Included under Property Program; subject to \$100,000 deductible.)
Funds Transfer Fraud	\$10,000	\$250,000	\$100,000 pool layer Excess coverage available
Money Orders and Counterfeit Paper Currency	\$100,000	\$250,000	See Forgery or Alteration Excess coverage available
Designated Employee Benefit Plans	Included	Included	ERISA compliant Excludes Fiduciary Liability

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

COMMERCIAL CRIME			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Coverage Extended to Directors, Authorized Volunteers	Available	Available	Yes
Designated Agents (option)	Available	Available	No
Faithful Performance	Included	Included	\$100,000 pool layer Excess coverage available (limit to match) Employee Theft

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

GENERAL LIABILITY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Deductibles	\$10,000	\$10,000	No deductible as it is a retrospective rated program
Form	Occurrence Proprietary	Occurrence Proprietary	Occurrence Proprietary
Auditable	No	No	Yes
Limits	\$1,000,000 per occurrence \$3,000,000 general aggregate \$3,000,000 products and completed operations aggregate \$1,000,000 personal and advertising injury \$1,000,000 damage to premises rented to agency \$10,000 medical payments	\$1,000,000 per occurrence \$10,000,000 general aggregate \$10,000,000 products and completed operations aggregate \$1,000,000 personal and advertising injury \$1,000,000 damage to premises rented to agency \$10,000 medical payments	\$5,000,000 pool Limit \$50,000,000 reinsurance/excess limit Total Liability Program Limit - \$55,000,000
Policy Highlights	Duty to Defend Broad Definition of Insured Fellow Employee Per Location Aggregate Blanket Additional Insured Dam, Levee and Dike Structural Failure (scheduled) Hired and Non Owned Auto Liability (option) Employee Benefits Liability (option) No Coverage Sublimits other than Medical Payments.	Duty to Defend Broad Definition of Insured Fellow Employee No Per Location Aggregate Blanket Additional Insured Dam, Levee and Dike Structural Failure (scheduled) Hired and Non Owned Auto Liability (option) Employee Benefits Liability (option) No Coverage Sublimits other than Medical Payments.	One form includes General Liability, Auto Liability, Errors and Omissions, and Employment Practices Liability. Sublimits: \$5,000,000 Terrorism; \$10,000,000 Communicable Disease, and PFAS; and \$45,000,000 Subsidence, Lead, and Mold.
Special Coverages	Water and Wastewater Testing Errors and Omissions: Failure To Supply (no ISO limitation) Waterborne Asbestos Contractual Liability-Railroads Pollution (7 exceptions + sudden and accidental) Lead (potable water) Watercraft Non-owned Aircraft Subsidence Liability	Water and Wastewater Testing Errors and Omissions: Failure To Supply (no ISO limitation) Waterborne Asbestos Contractual Liability-Railroads Pollution (7 exceptions + sudden and accidental) Lead (potable water) Watercraft Non-owned Aircraft Subsidence Liability	Employment Practices Liability; Inverse Condemnation; Subsidence; Sudden and Accidental Pollution; Drone Liability; Extended Errors and Omissions for board members serving on other entities when directed by their Agency
Bodily Injury Definition	Silent on Mental Anguish	Includes Mental Anguish	Bodily injury means physical injury, sickness, disease, or emotional distress sustained by a person, including death resulting therefrom, and also includes care and loss of services by any person or persons

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

GENERAL LIABILITY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Pollution Definition	<p>Coverage is provided for bodily injury or property damage which occurs or takes place as a result of agency operations and arises out of the following:</p> <ul style="list-style-type: none"> • Potable water which agency supplies to others; chemicals used in agency water or wastewater treatment processes; • Natural gas or propane gas used in agency water or wastewater treatment processes; • Urgent response for the protection of property, human life, health, or safety conducted away from premises owned by, rented to, or regularly occupied by agency; • Agency application of pesticide or herbicide chemicals, if such application meets all standards of any statute, ordinance, regulation, or license requirement of any federal, state, or local government; • Smoke drift from controlled or prescribed burning that has been authorized and permitted by an appropriate regulatory agency; • Fuels, lubricants, or other operating fluids needed to perform the normal electrical, hydraulic, or mechanical functions necessary for the operation of mobile equipment or its parts; • Escape or back-up of sewage or wastewater from any sewage treatment facility, fixed conduit or piping that agency owns, operates, leases, controls, or for which agency has the right-of-way, but only if property damage occurs away from land owned or leased by the agency. • Sudden and accidental events that are neither expected nor intended by an Insured. However, no coverage is provided under this exception for petroleum underground storage tanks. 	<p>Coverage is provided for bodily injury or property damage which occurs or takes place as a result of agency operations and arises out of the following:</p> <ul style="list-style-type: none"> • Potable water which agency supplies to others; chemicals used in agency water or wastewater treatment processes; • Natural gas or propane gas used in agency water or wastewater treatment processes; • Urgent response for the protection of property, human life, health, or safety conducted away from premises owned by, rented to, or regularly occupied by agency; • Agency application of pesticide or herbicide chemicals, if such application meets all standards of any statute, ordinance, regulation, or license requirement of any federal, state, or local government; • Smoke drift from controlled or prescribed burning that has been authorized and permitted by an appropriate regulatory agency; • Fuels, lubricants, or other operating fluids needed to perform the normal electrical, hydraulic, or mechanical functions necessary for the operation of mobile equipment or its parts; • Escape or back-up of sewage or wastewater from any sewage treatment facility, fixed conduit or piping that agency owns, operates, leases, controls, or for which agency has the right-of-way, but only if property damage occurs away from land owned or leased by the agency. • Sudden and accidental events that are neither expected nor intended by an Insured. However, no coverage is provided under this exception for petroleum underground storage tanks. 	<p>Pollutants means any solid, semi-solid, noise, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, mists, fumes, acids, alkalis, chemicals, biological and other etiologic agents or materials, genetically engineered materials, teratogenic, carcinogenic or mutagenic materials, waste materials, and any irritant or contaminant. Waste material includes materials which are intended to be or have been recycled, reconditioned, or reclaimed. Pollutants does not include domestic water, agricultural water, recycled water, wastewater, or water furnished to commercial users, nor include waterborne asbestos.</p>

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

GENERAL LIABILITY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Exclusion Exceptions			
Damage to Impaired Property	No exceptions	This exclusion does not apply to agency's potable water, non-potable water, or wastewater as well as any loss of use of other property arising out of sudden and accidental physical injury to "agency product" or "agency work" after it has been put to its intended use.	Memoranda does not contain a definition of impaired property, nor is there an exclusion. Possible coverage for diminution of property value.
Recall of Products	No exceptions	This exclusion does not apply: (a) To any injury or damage arising out of or caused by agency's potable water, non-potable water, or wastewater for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal, or disposal of: "agency product," "agency work," or "Impaired property," if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy, or dangerous condition in it.	Excluded; however, coverage may apply for delivery of "dirty" water. See failure to supply exclusion under Public Officials and Management Liability.
Fungi or Bacteria	This exclusion does not apply: (a) To any "fungi" or bacteria that are, are on, or are contained in a good or product intended for consumption; (b) To any injury or damage arising out of or caused by agency water or wastewater treatment processes or sewage operations. (No reference to distribution process.)	This exclusion does not apply: (a) To any "fungi" or bacteria that are, are on, or are contained in a good or product intended for consumption; or (b) To any injury or damage arising out of or caused by agency water, irrigation, or wastewater intake, outtake, reclamation, treatment and distribution processes.	Excluded if caused by a pollutant

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

BUSINESS AUTO			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Form	ISO	ISO	One proprietary form - General Liability, Auto Liability, Errors and Omissions, and Sudden and Accidental Pollution.
Limits	\$1,000,000 CSL \$1,000,000 HNOA \$1,000,000 UM/UIM \$5,000 medical payments	\$1,000,000 CSL \$1,000,000 HNOA \$1,000,000 UM/UIM \$5,000 medical payments	See General Liability
Hired Physical Damage	Must schedule	\$100,000	No
Towing/Rental Car Reimbursement	\$75 per day/30 days	\$75 per day/30 days	Actual loss sustained (First party covered under the Property Program.)
Fleet Automatic	Yes	Yes	Auto Liability only (Physical damage covered under the Property Program.)
Broad Form Pollution	Yes	Yes	No; Sudden and Accidental Pollution only. Sudden and accidental covered for any pollutant. Water treatment chemicals covered for gradual. Excess policy imposes time requirements for reporting.

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PUBLIC OFFICIALS and MANAGEMENT LIABILITY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Form	Proprietary Occurrence and Claims Made	Proprietary Occurrence and Claims Made	Occurrence One proprietary form - General Liability, Auto Liability, Errors and Omissions, and Sudden and Accidental Pollution.
Auditable	No	No	See General Liability
Defense Costs	Outside	Outside	Inside
Limits	\$1,000,000 Wrongful Acts \$1,000,000 Employment Practices \$1,000,000 Employee Benefit Plans \$5,000 Injunctive Relief \$3,000,000 Aggregate	\$1,000,000 Wrongful Acts \$1,000,000 Employment Practices \$1,000,000 Employee Benefit Plans \$5,000 Injunctive Relief \$10,000,000 Aggregate	See General Liability
Third Party Discrimination	Yes	Yes	Yes (Probable coverage for failure of employer to provide safe workplace free from harassment and discrimination.)
Inverse Condemnation	Yes	Yes	Yes
Policy Highlights	Duty to Defend Broad Definition of Named Insured Outside Directorship	Duty to Defend Broad Definition of Named Insured Outside Directorship	Decisions related to supply and delivery of water and electricity are not covered. System failures are covered. No exclusion for other services.
Prior Acts	Yes - Continuity	Yes - Continuity	Extended Errors and Omissions coverage for board members serving on other entities when direct by their agency; coverage excluded for losses occurring prior to policy inception.
			No

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

EXCESS LIABILITY			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Form	Proprietary Following Form	Proprietary Following Form	One proprietary form - General Liability, Auto Liability, Errors and Omissions, Sudden and Accidental Pollution.
Auditable	No	No	Yes
Defense Costs	Follows Underlying	Follows Underlying	Inside
Limits	Up to \$10,000,000	Up to \$10,000,000	See General Liability
Underlying Coverages	Commercial General Liability Public Officials and Management Liability Business Auto Employers Liability	General Liability Public Officials and Management Liability Business Auto Employers Liability	N/A
Inverse Condemnation	Yes	Yes	Yes
Policy Highlights	True Following Form other than exclusion for UM/UIM (No restrictions for failure to supply, inverse condemnation, waterborne asbestos, pollution, outside directorship, lead, watercraft, non-owned aircraft, structural failure, or collapse, etc.)	True Following Form other than exclusion for UM/UIM (No restrictions for failure to supply, inverse condemnation, waterborne asbestos, pollution, outside directorship, lead, watercraft, non-owned aircraft, structural failure, or collapse, etc.)	(left blank)

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PRIVACY LIABILITY AND NETWORK RISK			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Surplus Lines	Yes	No	Yes Group Purchase Program
Form	Proprietary claims made policy Defense inside the limits (A policy aggregate applies to all coverages)	Proprietary claims made policy Defense inside the limits (A policy aggregate applies to all coverages)	Claims Made Beazley
Privacy Liability	<p>\$1,000,000 Limit</p> <p>Protects against any actual or alleged act, error, misstatement, misleading statement, omission, neglect, or breach of duty committed by an Insured or Third Party Contractor, which results in a breach of the Insured's Network Security, the consequences of which are:</p> <ol style="list-style-type: none"> 1. Unauthorized access to, use of, or tampering with a third party's network; 2. The inability of an authorized third party to gain access to the Insured's services; 3. Denial or disruption of internet service to an authorized third party; 4. Identity theft or credit/debit card fraud; 5. The transmission of malicious code; 6. The unauthorized release of a third party's confidential and proprietary business. 	<p>\$1,000,000 Limit</p> <p>Protects against any actual or alleged act, error, misstatement, misleading statement, omission, neglect, or breach of duty committed by an Insured or Third Party Contractor, which results in a breach of the Insured's Network Security, the consequences of which are:</p> <ol style="list-style-type: none"> 1. Unauthorized access to, use of, or tampering with a third party's network; 2. The inability of an authorized third party to gain access to the Insured's services; 3. Denial or disruption of internet service to an authorized third party; 4. Identity theft or credit/debit card fraud; 5. The transmission of malicious code; or 6. The unauthorized release of a third party's confidential and proprietary business. 	

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PRIVACY LIABILITY AND NETWORK RISK			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Breach Consultation Services	<p>\$1,000,000 Limit</p> <p>Protects against any reasonable and necessary costs incurred by or on behalf of the insured to:</p> <ol style="list-style-type: none"> 1. Determine the applicability of and the insured's obligation to comply with, any Breach Notification Law; 2. Draft a notification letter to be sent to any Affected Individual required to be notified by the insured; 3. Retain a qualified forensics firm, as set forth in the attached Schedule of Services, to investigate, examine, and analyze the insured's Network to determine the cause and source of the unauthorized misappropriation or disclosure of Personally Identifiable Information and the extent to which such Personally Identifiable Information was accessed; 4. Retain a qualified public relations firm, crisis management firm, or law firm, as set forth in the attached Schedule of Services, to minimize potential harm arising from a Public Relations Event; 5. Retain a qualified service provider, as set forth in the attached Schedule of Services, to provide Breach Response Services. 	<p>\$1,000,000 Limit</p> <p>Protects against any reasonable and necessary costs incurred by or on behalf of the Enrolled Named Member to:</p> <ol style="list-style-type: none"> 1. Determine the applicability of and the Enrolled Named Member's obligation to comply with any Breach Notification Law; 2. Draft a notification letter to be sent to any Affected Individual required to be notified by the Enrolled Named Member; 3. Retain a qualified forensics firm, as set forth in the attached Schedule of Services, to investigate, examine, and analyze the Enrolled Named Member's Network to determine the cause and source of the unauthorized misappropriation or disclosure of Personally Identifiable Information and the extent to which such Personally Identifiable Information was accessed; 4. Retain a qualified public relations firm, crisis management firm, or law firm, as set forth in the attached Schedule of Services, to minimize potential harm arising from a Public Relations Event; 5. Retain a qualified service provider, as set forth in the attached Schedule of Services, to provide Breach Response Services. 	
Breach Response Services	<p>\$1,000,000 Limit</p> <p>Provides reimbursement to the Named Insured for the costs incurred by the Named Insured for notification to, and for credit monitoring of, any persons residing in the US, including employees, arising from a Privacy Wrongful Act, which takes place during the policy period.</p>	<p>Provides reimbursement to the Named Insured for the costs incurred by the Named Insured for notification to, and for credit monitoring of, any persons residing in the US, including employees, arising from a Privacy Wrongful Act, which takes place during the policy period.</p>	\$5,000,000 aggregate

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PRIVACY LIABILITY AND NETWORK RISK			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Public Relations and Data Forensic Expense	\$25,000 Limit Covers the reasonable and necessary costs incurred by the Named Insured to retain a qualified public relations firm to mitigate brand impairment and ill will as well as a forensics firm to investigate, examine, and analyze the Named Insured's Network, to find the cause, source, and extent of a Data Breach.	\$100,000 Limit Covers the reasonable and necessary costs incurred by the Named Insured to retain a qualified public relations firm to mitigate brand impairment and ill will as well as a forensics firm to investigate, examine, and analyze the Named Insured's Network, to find the cause, source, and extent of a Data Breach.	
Retention	\$1,000	None	\$100,000, except \$75,000 for Members whose Total Insured Value is less than \$10,000,000.
Policy Aggregate			\$5,000,000 aggregate
Business Interruption			\$100,000 per Member
Dependent Business Loss			\$1,000,000 per Member
Cyber Extortion			\$100,000 per Member
Data Recovery Loss			\$100,000 per Member
Liability			\$2,000,000 per Member
eCrime			\$75,000 per Member
Criminal Reward			\$25,000 per Member
ADDITIONAL SERVICES			
Multiple Program premium discounts			Participation in pooled program: up to 5% premium discount with Liability, Property, and Workers' Compensation Programs.
Risk Advisor			Annual risk evaluations by Certified Safety Professionals - customized plan with recommendations based on evaluations.
In-house Claims Services			Experienced and state-certified examiners provide aggressive investigation and defense of questionable claims. Diligent pursuit of subrogation rights. Statewide claims resources, including legal counsel.
Employment Practices Hotline			Liability Program Members enjoy phone consultation with direct link to JPIA staff and referral to a labor attorney.

UPDATED 2023 COVERAGE COMPARISON ACWA-WATERPLUS-JPRIMA

PRIVACY LIABILITY AND NETWORK RISK			
DESCRIPTION	CURRENT (WATERPLUS)	JPRIMA	ACWA JPIA
Risk Transfer Consultation			Assistance and recommendation for insurance requirements in contracts
Training Resources			On-site, local, and regional classes; annual training conferences. Online resources, including live and recorded water-industry-related webinars. Certificate program for staff development.
Human Resources Networking/training			Employment handbook reviews and model policies. Regional HR group meetings.



**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)**

**COVERAGE PROPOSAL
Olivenhain Municipal Water District**

**COVERAGE PERIOD
7/1/2023 - 4/1/2024**

**PRESENTED BY:
Swanson Insurance Agency**



**Insurance Administrator
www.alliedpublicrisk.com
Allied Community Insurance Services, LLC
CA License Number: 0L01269
National Producer Number: 17536322**



PREMIUM SUMMARY

NOTE: This proposal is prepared from information supplied to us on the application submitted by you or insurance broker. It may or may not contain all terms requested on the application. Coverage is provided by the JPRIMA Memorandum of Coverage (MOC) and subject to its terms, exclusions, conditions and limitations. A specimen MOC is available for your review, as is the JPRIMA Member Agreement. Enrollment in the JPRIMA requires execution of the JPRIMA Member Agreement as well as membership in the California Association of Mutual Water Companies (Cal Mutuals).

PAGE	COVERAGE SECTION		PREMIUM
3-7	SECTION 1. PROPERTY (Property, Equipment Breakdown & Mobile Equipment, if offered in the section)	\$	Incl
8	SECTION 2. COMMERCIAL CRIME	\$	Incl
9-10	SECTION 3. COMMERCIAL GENERAL LIABILITY	\$	Incl
11	SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Wrongful Acts, Employment Practices & Employee Benefits, Privacy and Network Risk, if offered in the section)	\$	Incl
12	SECTION 5. BUSINESS AUTO	\$	Incl
13	SECTION 6. COMMERCIAL EXCESS LIABILITY	\$	Incl
MEMBER CONTRIBUTION		\$	439,642.00
JPRIMA ADMINISTRATION FEES		\$	43,964.00
TOTAL AMOUNT DUE*		\$	483,706.00
*Payment is due within thirty (30) days of binding.			

NOTES:

The JPRIMA MOC has a common anniversary date of April 1, 2023.

Your final proposal will be pro-rated from July 1, 2023 to April 1, 2024.

Terrorism coverage is automatically included for Property and General Liability.

This indication is reflective of submission data. Any changes in exposure prior to the 7/1 renewal may result in a premium increase.

COVERAGE PROPOSAL FOR MEMBER: Olivenhain Municipal Water District

EFFECTIVE DATE: 7/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

Page 2 of 13

The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.

SECTION 1. PROPERTY*

***PROPERTY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- A XV (Excellent) A.M. Best Rating
- A-Strong Standard & Poor's Rating

FORM:

- Proprietary & Integrated

LIMITS:

Blanket Property: (Real Property & Business Personal Property)	\$77,243,520
Blanket Coverage Extension: A separate blanket limit that applies to the following coverages: Business Income, Extended Business Income, Commandeered Property, Civil Authority, Extra Expense, Tenant Leasehold Interest, Electronic Data, Preservation of Property.	\$2,000,000
Equipment Breakdown / Boiler & Machinery:	Included
Mobile Equipment (scheduled):	\$619,723
Mobile Equipment (unscheduled, maximum \$10,000 any one item):	\$25,000
Mobile Equipment (borrowed, rented & leased):	\$100,000
Flood Zone X(unshaded)/C:	N/A

DEDUCTIBLES:

\$10,000	Property
\$10,000	Mobile Equipment
N/A	Unmanned Aircraft (Drone)
\$10,000	Equipment Breakdown (aboveground & less than 50 feet belowground)
\$10,000	Equipment Breakdown (greater than 50 feet belowground)
N/A	Flood Zone X(unshaded)/C (per occurrence)

COVERAGE HIGHLIGHTS:

- Blanket Property Limits & Blanket Coverage Extension Limits
- No Coinsurance
- Equipment Breakdown
- Broad Definition of Covered Property
- Proprietary Coverage Extensions

VALUATION:

- Replacement Cost: Real Property & Business Personal Property
- Actual Cash Value: Mobile Equipment
- Actual Loss Sustained: Loss of Income & Expenses
- Market Price: Fine Arts

KEY EXCLUSIONS:

- Earthquake & Earth Movement
- Flood (unless coverage is designated above, such coverage would be limited to locations in Zone X(Unshaded)/C only)

COVERAGE PROPOSAL FOR MEMBER: Olivenhain Municipal Water District

EFFECTIVE DATE: 7/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

Page 3 of 13

The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.

SPECIAL COVERAGES:**■ New Locations or Newly Constructed Property:**

Pays up to \$1,000,000 for your new real property while being built on or off described premises as well as real property you acquire, lease or operate at locations other than the described premises; and business personal property located at new premises.

■ Utility Services – Direct Damage, Business Income & Expense:

Pays up to \$250,000 for covered property damaged by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss and does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Separate limits apply to Direct Damage and Business Income/Expense.

■ Pollution Remediation Expenses:

Pays up to \$100,000 or \$250,000 for remediation expenses resulting from a Covered Causes of Loss or Specified Cause of Loss occurring during the coverage period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Specified Cause of Loss means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow; ice or sleet; water damage; and equipment breakdown.

■ SCADA Upgrades:

Pays up to \$100,000 to upgrade your scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.

■ Contract Penalties:

Pays up to \$100,000 for contract penalties you are required to pay due to your failure to deliver your product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.

■ Contamination:

Pays up to \$250,000 for loss or damage to covered property because of contamination as a result of a Covered Cause of Loss. Contamination means direct damage to real property and business personal property caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and / or wastewater treatment process.

■ Property In Transit:

Pays up to \$100,000 for direct physical loss or damage to covered property while in transit more than 1000 feet from the described premises. Shipments by mail must be registered for covered to apply. Electronic data processing property and fine arts are excluded.

■ Unintentional Errors:

Pays up to \$250,000 for any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations.

KEY DEFINITIONS

■ **Real Property:**

The buildings, items or structures described in the Declarations that you own or that you have leased or rented from others in which you have an insurable interest. This includes:

- Aboveground piping;
- Aboveground and belowground penstock; but only if such penstock is scheduled in the policy;
- (If not covered by other insurance): Additions under construction, alterations and repairs to the "real property" or structure, material, equipment supplies and temporary structures on or within 100 feet of the described premises, used for making additions, alterations or repairs to the "real property" or structure;
- Buildings;
- Business personal property owned by you that is used to maintain or service the real property or structure or its premises, including fire-extinguishing equipment; outdoor furniture, floor coverings and appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- Completed additions;
- Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
- Fixtures, including outdoor fixtures;
- Glass which is part of a building or structure;
- Light standards;
- Paved surfaces such as sidewalks, patios or parking lots;
- Permanently installed machinery and equipment;
- Permanent storage tanks;
- Solar panels;
- Submersible pumps, pump motors and engines;
- Underground piping located on or within 100 feet of premises described in the Declarations;
- Underground vaults and machinery.

■ **Business Personal Property:**

The property you own that is used in your business including:

- Furniture and fixtures;
- Machinery and equipment;
- Computer equipment;
- Communication equipment;
- Labor materials or services furnished or arranged by you on personal property of others;
- Stock;
- Your use interest as tenant in improvements and betterments.
- Leased personal property for which you have a contractual responsibility to insure.

■ **Pollution Conditions:**

The discharge, dispersal, release, seepage, migration, or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

KEY DEFINITIONS *(continued)*■ **Remediation Expenses:**

Expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by: (1) Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof enacted to address pollution conditions; and (2) a legally executed state voluntary program governing the cleanup of "pollution conditions."

■ **Outdoor Property:**

Fixed or permanent structures that are outside covered real property including but not limited to:

- Historical markers or flagpoles;
- Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment or structures;
- Exterior signs not located at a premises;
- Fences or retaining walls;
- Storage sheds, garages, pavilions or other similar buildings or structures not located at a premises; or
- Dumpsters, concrete trash containers, or permanent recycling bins;

■ **Equipment Breakdown:**

Direct damage to mechanical, electrical or pressure systems as follows:

- Mechanical breakdown including rupture or bursting caused by centrifugal force;
- Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
- Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;
- Loss or damage to steam boilers, steam pipes, steam engines or steam turbines; or
- Loss or damage to hot water boilers or other water heating equipment;
- If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses for such drying out.
- None of the following are covered objects as respects to equipment breakdown:
 - a. Insulating or refractory material;
 - b. Buried vessel or piping;
 - c. Sewer piping, piping forming a part of a fire protection system or water piping other than:
 - (1) Feed water piping between any boiler and its feed pump or injector;
 - (2) Boiler condensate return piping; or
 - (3) Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes;
 - d. Structure, foundation, cabinet or compartment containing the object;
 - e. Power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube or well-casing;
 - f. Conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment; and
 - g. Felt, wire, screen, die, extrusion, late, swing hammer, grinding disc, cutting blade, cable chain, belt, rope, clutch late, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.



PROPERTY SUBLIMITS:

Coverage	Limit
Accounts Receivable	\$500,000
Valuable Papers and Records	\$500,000
Tools and Equipment Owned by Your Employees	\$5,000
Personal Effects and Property of Others	\$5,000
Fine Arts	\$25,000
Contamination	\$250,000
Indoor and Outdoor Signs (unscheduled)	\$50,000
Outdoor Property (unscheduled)	\$100,000
New Locations or Newly Constructed Property	\$1,000,000
Business Personal Property at New Locations	\$1,000,000
Backup/Overflow of Water from Sewer, Drain, Sump	\$250,000
Utility Services - Direct Damage	\$250,000
Utility Services – Business Income and Extra Expense	\$250,000
Dependent Business Premises	\$250,000
Property at Other Locations	\$250,000
Pollution Remediation Expense (specified cause of loss)	\$250,000
Pollution Remediation Expense (covered cause of loss)	\$100,000
Contract Penalties	\$100,000
SCADA Upgrades	\$100,000
Property in Transit	\$100,000
Limited Coverage for “Fungus”, Wet Rot or Dry Rot	\$50,000
Fire Department Service Charge	\$25,000
Fire Protection Devices	\$25,000
Key and Lock Replacement Expenses	\$25,000
Trees, Shrubs & Plants (maximum \$1,000 any one item)	\$25,000
Arson Reward	\$10,000
Rental Reimbursement – Mobile Equipment	\$10,000
Cost of Inventory or Adjustment	\$5,000
Non-Owned Detached Trailers	\$5,000
Water Contamination Notification Expense	\$5,000
Patterns, Dies, Molds, Forms	\$2,500
Debris Removal	25% of debris removal expense + \$250K
Ordinance or Law Provision	100% of scheduled limit plus 25%

NOTES:

Contribution is calculated from attached property schedule; review property schedule for coverage and limit adequacy.

Flood and Earthquake coverages are excluded.

COVERAGE PROPOSAL FOR MEMBER: Olivenhain Municipal Water District

EFFECTIVE DATE: 7/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 2. COMMERCIAL CRIME*

***COMMERCIAL CRIME IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- A XV (Excellent) A.M. Best Rating
- A-Strong Standard & Poor's Rating

FORM:

- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

EMPLOYEE THEFT	FORGERY OR ALTERATION	INSIDE THE PREMISES Theft of Money and Securities	INSIDE THE PREMISES Robbery or Safe Burglary or Other Property	OUTSIDE THE PREMISES	COMPUTER FRAUD	FUNDS TRANSFER FRAUD	MONEY ORDERS & COUNTERFEIT PAPER CURRENCY
\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000

DEDUCTIBLE:

\$1,000 each claim

DESIGNATED EMPLOYEE BENEFIT PLAN(S):

COVERAGE HIGHLIGHTS:

- Separate Limits Apply to Each Coverage
- Coverage Extended to Directors and Authorized Volunteers
- Faithful Performance

NOTES:

COVERAGE PROPOSAL FOR MEMBER: Olivenhain Municipal Water District

EFFECTIVE DATE: 7/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

Page 8 of 13

The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 3. GENERAL LIABILITY*

***GENERAL LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- A XV (Excellent) A.M. Best Rating
- A-Strong Standard & Poor's Rating

FORM:

- Occurrence
- Defense Costs Outside the Limit
- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Per Occurrence	\$1,000,000
General Aggregate	\$10,000,000
Products & Completed Operations Aggregate	\$10,000,000
Personal & Advertising Injury Limit	\$1,000,000
Damage to Premises Rented to You	\$1,000,000
Medical Payments	\$10,000

DEDUCTIBLE:

\$10,000 Per Occurrence or Offense including expenses

COVERAGE HIGHLIGHTS:

- Duty to Defend
- Broad Definition of Enrolled Named Member
- Blanket Additional Enrolled Named Member
- Water & Wastewater Testing Errors & Omissions
- Expanded Pollution Liability
- Failure to Supply (no ISO limitation)
- Lead (potable water)
- Waterborne Asbestos (potable water)
- Product Recall
- Impaired Property
- Fungi & Bacteria

OPTIONAL COVERAGE(S):

Inverse Condemnation

COVERAGE PROPOSAL FOR MEMBER: Olivenhain Municipal Water District

EFFECTIVE DATE: 7/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.

SPECIAL COVERAGES:**■ Water & Wastewater Testing Errors & Omissions:**

Coverage is provided for damages arising out of an act, error or omission which arises from your water or wastewater testing.

■ Failure To Supply:

Coverage is provided for bodily injury or property damage arising out of the failure of any Enrolled Named Member to adequately supply water.

■ Waterborne Asbestos:

Coverage is provided for bodily injury or property damage from waterborne asbestos arising out of potable water which is provided by you to others.

■ Contractual Liability - Railroads:

Coverage is provided for any contract or agreement that indemnifies a railroad for bodily injury or property damage arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing. Available via endorsement only.

■ Pollution:

Coverage is provided for bodily injury or property damage which occurs or takes place as a result of your operations and arises out of the following:

- Potable water which you supply to others;
- Chemicals you use in your water or wastewater treatment process;
- Natural gas or propane gas you use in your water or wastewater treatment process;
- Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you;
- Your application of pesticide or herbicide chemicals if such application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government;
- Smoke drift from controlled or prescribed burning that has been authorized and permitted by an appropriate regulatory agency.
- Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts
- Escape or back-up of sewage or waste water from any sewage treatment facility or fixed conduit or piping that you own, operate, lease, control or for which you have the right of way, but only if property damage occurs away from land you own or lease.
- Sudden and accidental events that are neither expected nor intended by an Enrolled Named Member. However, no coverage is provided under this exception for petroleum underground storage tanks.

■ Damage to Impaired Property or Property Not Physically Injured

Coverage is provided for bodily injury or property damage arising from your potable water, nonpotable water, or wastewater as well as any loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

■ Fungi or Bacteria

Coverage is provided for bodily injury or property damage arising from any "fungi" or bacteria that are, are on, or are contained in a good or product intended for consumption; or to any injury or damage arising out of or caused by your water, irrigation, or wastewater intake, outtake, reclamation, treatment and distribution processes.

■ Recall of Products, Work or Impaired Property

Coverage applies to any injury or damage arising out of or caused by your potable water, nonpotable water, or wastewater for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of: "Your product"; "Your work"; or "Impaired property"; if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

NOTES:

Failure to supply electricity exclusion will be applied.

AI Endorsement with PNC will be provided for SDG&E PPA, per expiring term.



SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY*

***PUBLIC OFFICIALS & MANAGEMENT LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- A XV (Excellent) A.M. Best Rating
- A-Strong Standard & Poor's Rating

FORM:

- Proprietary & Integrated
- Occurrence
- Defense Costs Outside the Limits of Liability

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Wrongful Acts	\$1,000,000 per act
Employment Practices (including third party discrimination)	\$1,000,000 per offense
Employee Benefit Plans	\$1,000,000 per act
Injunctive Relief	\$5,000 per act
	\$10,000,000 aggregate limit

PRIVACY LIABILITY AND NETWORK RISK¹:

Privacy & Network Security Wrongful Acts (**Coverage A Only**) **N/A** per act

¹Coverage provided for Privacy Liability & Network Risk Coverage is issued on a claims made basis with defense inside the limit of liability. Coverage is limited only to the Primary policy. Privacy Retroactive Date: N/A. Privacy Deductible: N/A.

*\$1,000,000 maximum annual aggregate applies per Enrolled Named Member, with a \$2,000,000 coverage form aggregate applicable to all participating Enrolled Named Members.

OPTIONAL COVERAGE(S):

Inverse Condemnation

RETROACTIVE DATE:

N/A

DEDUCTIBLE:

\$10,000 Each Wrongful Act or Offense including expenses

EPL DEDUCTIBLE:

\$10,000 Each Offense including expenses

COVERAGE HIGHLIGHTS:

- Duty To Defend
- Broad Definition of Enrolled Named Member including Past and Future Employees
- Outside Directorship

NOTES:

Privacy Liability Coverage is Excluded.

COVERAGE PROPOSAL FOR MEMBER: Olivenhain Municipal Water District

EFFECTIVE DATE: 7/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 5. BUSINESS AUTO*

***BUSINESS AUTO IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- A XV (Excellent) A.M. Best Rating
- A-Strong Standard & Poor's Rating

FORM:

- ISO Business Auto
- Proprietary Endorsements

PORTFOLIO:

Coverage	Symbol	Limit
Combined Single Limit for Bodily Injury & Property Damage (each accident)	1	\$1,000,000
Hired Auto Liability	8	\$1,000,000
Non-Owned Auto Liability	9	\$1,000,000
Medical Payments	2	\$5,000
Uninsured / Underinsured Motorists	2	\$1,000,000
Hired Physical Damage	8	\$100,000
Owned Physical Damage – Comprehensive	2	ACV
Owned Physical Damage – Collision	2	ACV
Fleet Automatic		Included

DEDUCTIBLE:

Liability: None
Comprehensive: \$500
Collision: \$500

POLICY HIGHLIGHTS:

- Fleet Automatic Coverage
- Commercial Auto 360 Endorsement
- Pollution Liability – Broadened Coverage for Coverage Autos

NOTES:

Indication includes coverage for 71 auto units per the 2023-24 Renewal Submission

COVERAGE PROPOSAL FOR MEMBER: Olivenhain Municipal Water District

EFFECTIVE DATE: 7/1/2023 - 4/1/2024

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 6. EXCESS LIABILITY*

***EXCESS LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- A XV (Excellent) A.M. Best Rating
- A-Strong Standard & Poor's Rating

FORM:

- Following Form
- Proprietary

LIMITS:

\$10,000,000/\$10,000,000

SCHEDULED UNDERLYING POLICIES:

Commercial General Liability - Yes
Hired and Non-Owned Auto Liability - Yes
Owned Auto Liability - Yes
Public Officials & Management Liability - Yes
Wrongful Acts - Yes
Employment Practices - Yes
Employee Benefit Plans - Yes
Employers' Liability: *(minimum underlying limit requirement of \$500,000 / \$500,000 / \$500,000)* - No
Other:

NOTABLE EXCLUSION:

- Workers' Compensation
- Uninsured Motorists / Underinsured Motorists
- Underlying Limits < \$1,000,000 except for Employers' Liability

NOTES:

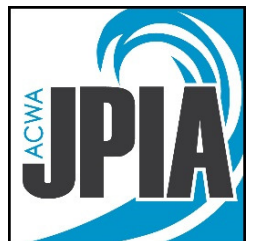
Employers' Liability subject to JPRIMA minimum security requirements.



Coverage Proposal

OLIVENHAIN MUNICIPAL WATER DISTRICT

MARCH 15, 2023



Introducing Your Best Protection



OUR MISSION

ACWA JPIA is dedicated to consistently and cost effectively providing the broadest possible affordable insurance coverage and related services to its member agencies.

FORMED BY WATER AGENCIES FOR WATER AGENCIES

Water agencies have a unique set of risks not every provider can cover. In 1979, water agencies banded together to share their risks and associated insurance costs. They empowered ACWA JPIA to provide the best coverage for their needs ... and we delivered.

Today, we are the leader in providing California public water agencies with liability, property, and workers' compensation loss coverage programs as well as employee benefits. Serving only water agencies, our experience, expertise and knowledge are highly tuned to our members' unique requirements.

We are a strong, innovative organization. We continually evolve to serve our members' ever-changing demands with programs designed by them and for them. As your partner, we always battle for your agency's rights and best protection.

ADVANTAGES AT A GLANCE

- Strong, stable risk-sharing pool with over 360 members
- 100 percent member governed, member driven and member focused
- Complete protection programs tailored specifically to water agencies
- Programs with cost savings of 20 to 30 percent compared to commercial insurance
- Value-added services to help reduce claims, keep costs low and protect members
- Trustworthy, reliable and knowledgeable staff dedicated to each member
- Tools, technology and resources to support your agency's needs
- Resourceful, in-house staff with expertise in every service area

WATER AGENCIES HAVE A CHAMPION IN THE JPIA

Public entities created pools beginning in the early 1970s. In fact, ACWA JPIA evolved in 1979 after most commercial insurers abandoned the public entity market. As a result, public entities formed risk pools to reduce and stabilize long-term insurance costs and ensure access to coverage and service critical for local government functions such as the acquisition, treatment and delivery of water.

As a California special district, ACWA JPIA operates as a public entity. We are member owned, member governed and member driven. Our Board of Directors includes a representative from each member's board. Our Board elects an eight-member Executive Committee to work on its behalf with the JPIA management and staff.

Unlike the commercial insurance industry, which uses profits to measure success, ACWA JPIA provides services, coverage and risk management tools with the singular goal of servicing our members. We work closely with each of our members to provide customized programs, resources and services for their needs, no matter the agency size.

HOW WE WORK

Water Agencies must be a member of the Association of California Water Agencies to join the JPIA. Our Board and Executive Committee approve entry into the JPIA. Upon joining, members agree to share the cost of risk by contributing to pooled programs. This pool of funds pays for all member claims and, as a result, reduces the burden of long-term claim costs for all members. At the end of each program year, if claims costs are below anticipated levels, members may be eligible for refunds. ACWA JPIA is proud to be a partner with water agencies throughout California. Quite simply, ACWA JPIA is a proven source of innovation, expertise, education and financial stability.

PROTECTION – EXCLUSIVE TO MEMBERS

PROPERTY PROGRAM

- \$500 million limits
- Pooled retention to \$10,000,000 per loss
- Includes boiler and machinery

GENERAL, AUTO, EPL AND PUBLIC OFFICIALS ERRORS AND OMISSIONS LIABILITY COVERAGE

- Up to \$55 million limits
- Pooled retention to \$5 million per occurrence
- Funded for catastrophic events
- Excess premium returned to members
- Employment Practices Liability

WORKERS' COMPENSATION

- Over 6,000 employees covered
- Statutory limits
- Pooled retention \$2 million
- No deductible
- In-house claims examiners ranked #1 in California
- Funded for catastrophic events

EMPLOYEE BENEFITS

- HMO, PPO and consumer-driven medical plans
- HMO and PPO dental plans
- Life insurance and disability plans
- Employee assistance and wellness programs

SERVICES – EXCLUSIVE TO MEMBERS

RISK MANAGEMENT SERVICES

- Certified safety professionals on staff
- On-site consultations and risk assessments
- Assistance with safety policies

HUMAN RESOURCES SUPPORT

- Certified human resource professionals on staff
- Employment practices hotline including free legal consultations
- Regional HR group meetings and individual consultations
- Employee handbook/policy reviews
- Model water district job descriptions

EMPLOYEE BENEFITS SERVICES

- Advocacy and claim support
- Legal compliance assistance
- Electronic enrollment system

TRAINING RESOURCES

- On-site, local and regional classes
- Online courses
- Professional development programs

CLAIMS SERVICES

- In-house claims staff
- Specialized legal counsel
- Investigation and defense

EXCLUSIVE SERVICES TO MEMBERS

ACWA JPIA's commitment to your agency's protection does not stop with our liability, property, workers' compensation and employee benefits programs. We provide additional services and consultations to serve as your trusted, long-term partner.

HUMAN RESOURCES

- Employment hotline
- Employee handbook reviews
- Employment training
- Member advocacy
- Benefits Enrollment support
- Consultation and guidance
- Employee assistance
- Model policies
- Sample forms
- Job description manual (ADA compliant; over 70 water district jobs)
- Regional HR group meetings and networking forums
- Pre-employment physical referrals

TRAINING RESOURCES

- On-site, local and regional classes; annual training conferences
- Online training resources, including live and recorded water-industry specific webinars
- Training library with over 600 DVDs
- Professional development program offering certifications in human resources, operations and supervisor basics
- In-depth, year-long senior leadership certificate program
- Staff development
- In-person training

ACWA JPIA partners with a leading provider for customized web based training specific to water agencies, including courses that are eligible for continuing education credits.

EXCLUSIVE SERVICES TO MEMBERS (CONTINUED)

ACWA JPIA's risk management staff partners with member agencies to cost effectively control exposures to potential losses in all insured programs.

RISK MANAGEMENT STAFF

- Certified Safety Professionals (CSPs)
- Authorized to teach 10 and 30-hour OSHA and DOSH asbestos courses
- Staff certified in water distribution, treatment and wastewater
- On-staff electrical engineer
- On-staff certified disability management professional
- On-staff certified industrial hygienist
- On-staff certified ergonomic assessment specialists
- On-staff enterprise risk management PRIMA faculty trainer
- On-staff chartered industrial gas consultant
- On-staff property appraisers

EMPLOYEE BENEFIT SERVICES

- California licensed life and health agent
- Direct member advocacy for employees with questions or claim issues
- Assistance with legal compliance – Affordable Care Act
- Electronic benefits enrollment system allows self-enrollment, district oversight and robust reporting

CLAIMS SERVICES

- Experienced in-house claims staff and state-certified examiners experienced with JPIA member agencies
- Statewide claims resources including investigators, adjusters and specialized legal counsel
- Aggressive investigation and defense of questionable claims
- Diligent pursuit of subrogation rights

Liability Coverage Quotation



LIABILITY PROGRAM LIMIT \$55,000,000 *

SUB-LIMITS:

\$ 5,000,000 - Terrorism
\$10,000,000 – Communicable Disease
\$10,000,000 – Perfluoroalkyl and Polyfluoroalkyl
\$45,000,000 – Subsidence
\$45,000,000 – Lead
\$45,000,000 – Mold

this is not an exhaustive list of all reinsurance/excess sublimits

INCLUDES:

Bodily Injury	Property Damage
Errors & Omissions	Employment Practices Liability
Public Officials Errors & Omissions Liability	Inverse Condemnation
Accidental Pollution Liability	Automobile Liability

**Coverage afforded for drones that follow FAA Rules and Regulations Part 107 of Title XIV*

ESTIMATED ANNUAL PAYROLL	EXPERIENCE MODIFIER	RETROSPECTIVE ALLOCATION POINT (RAP)	2022-23 ESTIMATED DEPOSIT PREMIUM
\$8,289,798	1.09	\$50,000	\$287,626

Retrospective Allocation Point (RAP)

Member agencies pay a deposit premium based on their estimated annual payroll. This deposit premium is used to pay the Member's claims it sustains within the coverage period. For purposes of the retrospective premium adjustment, each member selects its own retrospective allocation point (RAP) level. This is the portion of each claim the Member is ultimately responsible for.

Retrospective Premium Adjustment

The first premium adjustment takes place approximately 4 years after the beginning of each coverage year. This process is called a Retrospective Premium Adjustment. The adjustment is determined by the following factors: actual payroll versus estimated payroll, losses within the member's RAP level, a share of losses above the selected RAP level, a share of general and administrative costs, and a share of interest earned on the funds held. Once these factors have been calculated, the final premium is compared with the deposit premium to determine if a refund is due to the Member. Refunds are issued when the balance exceeds 70% of their current unmodified deposit premium. An annual statement is provided to each Member.



Cyber Liability Coverage Quotation

GROUP PURCHASE PROGRAM (Beazley)

Aggregate Policy Limit **\$5,000,000** Each Policy Period

INCLUDES:

A. Liability Coverage

1. Data and Network Liability	\$2,000,000	Per Member
2. Regulatory Defense and Penalties	\$2,000,000	Per Member
3. Payment Card Liability and Costs	\$2,000,000	Per Member
4. Media Liability	\$2,000,000	Per Member

B. First Party Coverage

Business Interruption

1. Resulting from Security Breach	\$100,000	Per Member
2. Resulting from System Failure	\$100,000	Per Member

Dependent Business Income Loss Coverage

1. Resulting from Dependent Security Breach	\$1,000,000	Per Member
2. Resulting from Dependent System Failure	\$1,000,000	Per Member

Cyber Extortion Loss	\$100,000	Per Member
Data Recovery Costs	\$100,000	Per Member

C. eCrime Coverage

1. Fraudulent Instruction	\$ 75,000	Per Member
2. Funds Transfer Fraud	\$ 75,000	Per Member
3. Telephone Fraud	\$ 75,000	Per Member

D. Criminal Reward	\$ 25,000	Per Member
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RETENTION SCHEDULE: \$100,000 Each incident claim or loss

WAITING PERIOD

12 Hours for: Business Income Loss Coverage, Dependent Business Income Loss Coverage, System Failure Business Income Loss Coverage, System Failure Dependent Business Income Loss Coverage, Reputational Damage Coverage

7/1/22 to 7/1/23 ESTIMATED ANNUAL PREMIUM.....\$14,500 *

*Participation in Liability Program is required; subject to insurance carrier's review of completed application

Property Coverage Quotation

PROPERTY PROGRAM LIMIT \$500,000,000

PROGRAM SUB-LIMITS:

Accidental Mechanical Breakdown	\$ 100,000,000
Extra Expense	\$ 50,000,000
Off Premises Service Interruption	\$ 25,000,000
Flood – Program Aggregate	\$ 25,000,000
Zones A or V	\$ 10,000,000
Earthquake – program aggregate	\$ 2,500,000 (higher limits available)

DESCRIPTION	INSURABLE VALUES	VALUATION BASIS	ANNUAL PREMIUM
Buildings, Fixed Equipment	\$ 87,715,795	Replacement	\$ 114,311
Contents	\$ 4,412,783	Replacement	\$ 5,751
Business Interruption	\$ 0	Actual Loss Sustained	Not Covered
Mobile Equipment	\$ 673,723	Actual Cash Value	\$ 1,496
Vehicles/Trailers	Per schedule	Actual Cash Value	\$ 22,874
7/1/22 TO 7/1/23 TOTAL DEPOSIT PREMIUM			\$ 144,432

DEDUCTIBLES:

Buildings/Fixed Equipment/Contents.....	*\$10,000 per loss
Mobile Equipment Physical Damage	\$1,000 per loss
Auto Physical Damage	\$500 per loss
Accidental Mechanical Breakdown	
Turbine Units & associated Equipment,	
Electrical Generators, or Electrical Power Distribution	\$50,000
All other objects	\$25,000
Service Interruption	24 Hour Waiting Period
Earthquake	5%, subject to minimum \$75,000
Flood- All Zones	\$100,000

*Deductible minimum for Insurable Values over \$50,000,000



Crime Coverage Quotation

JPIA POOL COVERAGE

Limit of Coverage\$100,000

GROUP PURCHASE PROGRAM (National Union Fire Insurance Company)

Excess Limit of Coverage\$1,000,000

COVERAGE INCLUDES

Public Employee Dishonesty
Forgery or Alteration
Computer Fraud
Faithful Performance of Duty
Treasurer or Tax Collector as employees
Designated Persons as employees – any Director

DEDUCTIBLE PER LOSS\$1,000

7/1/22 TO 7/1/23 ESTIMATED ANNUAL PREMIUM\$1,200 *

*Participation in Property Program is required; subject to insurance carrier's review of completed application

Premium Summary

Program	Estimated Annual Premium	Estimated Annual Premium – 2 program participation
Liability Coverage	\$ 287,626	\$ 281,873
Cyber Liability Coverage (participation in the Liability Program required)	\$ 14,500	\$ 14,500
Property Coverage	\$ 144,432	\$ 141,543
Crime Coverage (participation in the Property Program required)	\$ 1,200	\$ 1,200

SUBJECTIVITIES:

1. Participation requires an initial three-year commitment;
2. Favorable risk assessment;
3. ACWA JPIA Executive Committee approval;
4. OMWD Board resolution to join JPIA programs.



**INSURANCE PROPOSAL
Olivenhain Municipal Water District**

**EFFECTIVE DATE
7/1/2023 - 7/1/2024**

**PRESENTED BY:
Swanson Insurance Agency**



**Program Manager
www.alliedpublicrisk.com
Allied Public Risk, LLC
CA DBA: Allied Community Services, LLC
CA License Number: 0L01269
National Producer Number: 17536322**



PREMIUM SUMMARY

NOTE: This proposal is prepared from information supplied to us on the application submitted by your insurance broker. It may or may not contain all terms requested on the application. Proposed coverages are provided by the Allied Public Risk WaterPlus policy forms and are subject to the terms, exclusions, conditions and limitations of those policy forms. Actual policies should be reviewed for specific details. Specimen policies are available from your insurance broker.

PAGE	COVERAGE SECTION	PREMIUM	
3-7	SECTION 1. PROPERTY (Property, Equipment Breakdown & Mobile Equipment, if offered in the section)	\$	Incl
8	SECTION 2. COMMERCIAL CRIME	\$	Incl
9-10	SECTION 3. COMMERCIAL GENERAL LIABILITY	\$	Incl
11	SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Wrongful Acts, Employment Practices & Employee Benefits, Privacy and Network Risk, if offered in the section)	\$	Incl
12	SECTION 5. BUSINESS AUTO	\$	Incl
13	SECTION 6. COMMERCIAL EXCESS LIABILITY	\$	Incl
TOTAL ANNUAL PREMIUM (excludes state-imposed taxes, surcharges, and fees)		\$	537,202.00
TERRORISM PREMIUM		\$	Incl
STATE-IMPOSED TAXES, SURCHARGES & FEES		\$	Incl
STATE SURPLUS LINES TAXES & FEES		\$	3.18%
FULLY EARNED RISK MANAGEMENT FEE		\$	250.00
TOTAL AMOUNT DUE*		\$	537,452.00 plus 3.18% S/L Fees

*Payment is due in accordance with the producer agreement.

NOTES: THIS IS A NON-ADMITTED QUOTE.

This indication is reflective of submission data. Any changes in exposure prior to the 7/1 renewal may result in a premium increase.

INSURED: Olivenhain Municipal Water District

Page 2 of 13

EFFECTIVE DATE: 7/1/2023 - 7/1/2024

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 1. PROPERTY*

*PROPERTY IS INCLUDED IN THE PROPOSAL: Yes

CARRIER:

- Homesite Insurance Company (or its affiliates)
- A XV (Excellent) A.M. Best Rating
- NON-ADMITTED

FORM:

- Special Causes of Loss
- Proprietary
- Integrated

LIMITS:

Blanket Property: (Real Property & Business Personal Property)	\$77,243,520
Blanket Coverage Extension: A separate blanket limit that applies to the following coverages: Business Income, Extended Business Income, Commandeered Property, Civil Authority, Extra Expense, Tenant Leasehold Interest, Electronic Data, Preservation of Property.	\$2,000,000
Equipment Breakdown / Boiler & Machinery:	Included
Mobile Equipment (scheduled):	\$619,723
Mobile Equipment (unscheduled, maximum \$10,000 any one item):	\$25,000
Mobile Equipment (borrowed, rented & leased):	\$100,000
Earthquake (earth movement excluded):	N/A
Flood Zone (low/moderate)	N/A
Flood Zone (high)	N/A
Wind/Hail:	\$77,243,520

DEDUCTIBLES:

\$10,000	Property
\$10,000	Mobile Equipment
N/A	Unmanned Aircraft (Drone)
\$10,000	Equipment Breakdown (aboveground & less than 50 feet belowground)
\$10,000	Equipment Breakdown (greater than 50 feet belowground)
N/A	Earthquake (earth movement excluded)
N/A	Flood Zone (low) N/A (per occurrence)
N/A	Flood Zone (moderate) ¹ N/A (per occurrence)
N/A	Flood Zone (moderate) ¹ N/A (per damaged structure/per occurrence)
	¹ the greater of the deductibles will be applied
N/A	Flood Zone (high) ² N/A (per occurrence)
N/A	Flood Zone (high) ² N/A (per damaged structure/per occurrence)
	² the greater of the deductibles will be applied
N/A	Wind/Hail (per premises/per occurrence)
N/A	Wind/Hail (per occurrence minimum)

POLICY HIGHLIGHTS:

- Blanket Property Limits & Blanket Coverage Extension Limits
- No Coinsurance
- Equipment Breakdown
- Broad Definition of Covered Property
- Proprietary Coverage Extensions

**VALUATION:**

- Replacement Cost: Real Property & Business Personal Property
- Actual Cash Value: Mobile Equipment
- Actual Loss Sustained: Loss of Income & Expenses
- Market Price: Fine Arts

OPTIONAL COVERAGE(S):**SPECIAL COVERAGES:****■ New Locations or Newly Constructed Property:**

Pays up to \$1,000,000 for your new real property while being built on or off described premises as well as real property you acquire, lease or operate at locations other than the described premises; and business personal property located at new premises.

■ Utility Services – Direct Damage, Business Income & Expense:

Pays up to \$250,000 for covered property damaged by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss and does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Separate limits apply to Direct Damage and Business Income/Expense.

■ Pollution Remediation Expenses:

Pays up to \$100,000 or \$250,000 for remediation expenses resulting from a Covered Causes of Loss or Specified Cause of Loss occurring during the coverage period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Specified Cause of Loss means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow; ice or sleet; water damage; and equipment breakdown.

■ SCADA Upgrades:

Pays up to \$100,000 to upgrade your scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.

■ Contract Penalties:

Pays up to \$100,000 for contract penalties you are required to pay due to your failure to deliver your product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.

■ Contamination:

Pays up to \$250,000 for loss or damage to covered property because of contamination as a result of a Covered Cause of Loss. Contamination means direct damage to real property and business personal property caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and / or wastewater treatment process.

■ Property In Transit:

Pays up to \$100,000 for direct physical loss or damage to covered property while in transit more than 1000 feet from the described premises. Shipments by mail must be registered for covered to apply. Electronic data processing property and fine arts are excluded.

■ Unintentional Errors:

Pays up to \$250,000 for any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations.



KEY DEFINITIONS

■ **Real Property:**

The buildings, items or structures described in the Declarations that you own or that you have leased or rented from others in which you have an insurable interest. This includes:

- Aboveground piping;
- Aboveground and belowground penstock; but only if such penstock is scheduled in the policy;
- (If not covered by other insurance): Additions under construction, alterations and repairs to the “real property” or structure, material, equipment supplies and temporary structures on or within 100 feet of the described premises, used for making additions, alterations or repairs to the “real property” or structure;
- Buildings;
- Business personal property owned by you that is used to maintain or service the real property or structure or its premises, including fire-extinguishing equipment; outdoor furniture, floor coverings and appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- Completed additions;
- Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
- Fixtures, including outdoor fixtures;
- Glass which is part of a building or structure;
- Light standards;
- Paved surfaces such as sidewalks, patios or parking lots;
- Permanently installed machinery and equipment;
- Permanent storage tanks;
- Solar panels;
- Submersible pumps, pump motors and engines;
- Underground piping located on or within 100 feet of premises described in the Declarations;
- Underground vaults and machinery.

■ **Business Personal Property:**

The property you own that is used in your business including:

- Furniture and fixtures;
- Machinery and equipment;
- Computer equipment;
- Communication equipment;
- Labor materials or services furnished or arranged by you on personal property of others;
- Stock;
- Your use interest as tenant in improvements and betterments.
- Leased personal property for which you have a contractual responsibility to insure.

■ **Pollution Conditions:**

The discharge, dispersal, release, seepage, migration, or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

**KEY DEFINITIONS** *(continued)*■ **Remediation Expenses:**

Expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by: (1) Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof enacted to address pollution conditions; and (2) a legally executed state voluntary program governing the cleanup of "pollution conditions."

■ **Outdoor Property:**

Fixed or permanent structures that are outside covered real property including but not limited to:

- Historical markers or flagpoles;
- Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment or structures;
- Exterior signs not located at a premises;
- Fences or retaining walls;
- Storage sheds, garages, pavilions or other similar buildings or structures not located at a premises; or
- Dumpsters, concrete trash containers, or permanent recycling bins;

■ **Equipment Breakdown:**

Direct damage to mechanical, electrical or pressure systems as follows:

- Mechanical breakdown including rupture or bursting caused by centrifugal force;
- Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
- Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;
- Loss or damage to steam boilers, steam pipes, steam engines or steam turbines; or
- Loss or damage to hot water boilers or other water heating equipment;
- If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses for such drying out.
- None of the following are covered objects as respects to equipment breakdown:
 - a. Insulating or refractory material;
 - b. Buried vessel or piping;
 - c. Sewer piping, piping forming a part of a fire protection system or water piping other than:
 - (1) Feed water piping between any boiler and its feed pump or injector;
 - (2) Boiler condensate return piping; or
 - (3) Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes;
 - d. Structure, foundation, cabinet or compartment containing the object;
 - e. Power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube or well-casing;
 - f. Conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment; and
 - g. Felt, wire, screen, die, extrusion, late, swing hammer, grinding disc, cutting blade, cable chain, belt, rope, clutch late, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.



PROPERTY SUBLIMITS:

Coverage	Limit
Accounts Receivable	\$500,000
Valuable Papers and Records	\$500,000
Tools and Equipment Owned by Your Employees	\$5,000
Personal Effects and Property of Others	\$5,000
Outdoor Property (unscheduled)	\$100,000
New Locations or Newly Constructed Property	\$1,000,000
Business Personal Property at New Locations	\$1,000,000
Backup/Overflow of Water from Sewer, Drain, Sump	\$250,000
Contamination	\$250,000
Utility Services - Direct Damage	\$250,000
Utility Services – Business Income and Extra Expense	\$250,000
Dependent Business Premises	\$250,000
Property at Other Locations	\$250,000
Pollution Remediation Expense (specified cause of loss)	\$250,000
Unintentional Errors	\$250,000
Pollution Remediation Expense (covered cause of loss)	\$100,000
Contract Penalties	\$100,000
SCADA Upgrades	\$100,000
Property in Transit	\$100,000
Limited Coverage for “Fungus”, Wet Rot or Dry Rot	\$50,000
Indoor and Outdoor Signs (unscheduled)	\$50,000
Fine Arts	\$25,000
Fire Department Service Charge	\$25,000
Fire Protection Devices	\$25,000
Key and Lock Replacement Expenses	\$25,000
Trees, Shrubs & Plants (maximum \$1,000 any one item)	\$25,000
Arson Reward	\$10,000
Cost of Inventory or Adjustment	\$5,000
Non-Owned Detached Trailers	\$5,000
Rental Reimbursement – Mobile Equipment	\$5,000
Water Contamination Notification Expense	\$5,000
Patterns, Dies, Molds, Forms	\$2,500
Debris Removal	25% of debris removal expense + \$250K
Ordinance or Law Provision	Included in the property limits – 100% of scheduled limit

NOTES:

THIS IS A NON-ADMITTED QUOTE.

Premium is calculated from attached property schedule; review property schedule for coverage and limit adequacy.

Earthquake and Flood coverages are excluded.

INSURED: Olivenhain Municipal Water District

EFFECTIVE DATE: 7/1/2023 - 7/1/2024

Page 7 of 13

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 2. COMMERCIAL CRIME*

***IS THIS SECTION INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

- Homesite Insurance Company (or its affiliates)
- A XV (Excellent) A.M. Best Rating
- NON-ADMITTED

FORM:

- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

EMPLOYEE THEFT	FORGERY OR ALTERATION	INSIDE THE PREMISES Theft of Money and Securities	INSIDE THE PREMISES Robbery or Safe Burglary or Other Property	OUTSIDE THE PREMISES	COMPUTER FRAUD	FUNDS TRANSFER FRAUD	MONEY ORDERS & COUNTERFEIT PAPER CURRENCY
\$250,000	\$250,000	\$250,000	\$5,000	\$250,000	\$100,000	\$100,000	\$100,000

DEDUCTIBLE:

\$1,000 each claim

DESIGNATED EMPLOYEE BENEFIT PLAN(S):

POLICY HIGHLIGHTS:

- Separate Limits Apply to Each Coverage
- Coverage Extended to Directors and Authorized Volunteers
- Faithful Performance

NOTES:

THIS IS A NON-ADMITTED QUOTE.



SECTION 3. COMMERCIAL GENERAL LIABILITY *

***IS SECTION INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

- Homesite Insurance Company (or its affiliates)
- A XV (Excellent) A.M. Best Rating
- NON-ADMITTED

FORM:

- Occurrence
- Defense Costs Outside the Limit
- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Per Occurrence	\$1,000,000
General Aggregate	\$3,000,000
Products & Completed Operations Aggregate	\$3,000,000
Personal & Advertising Injury Limit	\$1,000,000
Damage to Premises Rented to You	\$1,000,000
Medical Payments	\$10,000

DEDUCTIBLE:

\$10,000 Per Occurrence or Offense including expenses

POLICY HIGHLIGHTS:

- Duty to Defend
- Broad Definition of Insured
- Blanket Additional Insured Endorsement
- Water & Wastewater Testing Errors & Omissions
- Expanded Pollution Liability
- Failure to Supply (no ISO limitation)
- Lead (potable water)
- Waterborne Asbestos (potable water)
- Product Recall
- Impaired Property
- Fungi & Bacteria

OPTIONAL COVERAGE(S):

Inverse Condemnation Exception



SPECIAL COVERAGES:

- **Water & Wastewater Testing Errors & Omissions:**
Coverage is provided for damages arising out of an act, error or omission which arises from your water or wastewater testing.
- **Failure To Supply:**
Coverage is provided for bodily injury or property damage arising out of the failure of any Insured to adequately supply water.
- **Waterborne Asbestos:**
Coverage is provided for bodily injury or property damage from waterborne asbestos arising out of potable water which is provided by you to others.
- **Contractual Liability - Railroads:**
Coverage is provided for any contract or agreement that indemnifies a railroad for bodily injury or property damage arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing. Available via endorsement only.
- **Pollution:**
Coverage is provided for bodily injury or property damage which occurs or takes place as a result of your operations and arises out of the following:
 - Potable water which you supply to others;
 - Chemicals you use in your water or wastewater treatment process;
 - Natural gas or propane gas you use in your water or wastewater treatment process;
 - Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you;
 - Your application of pesticide or herbicide chemicals if such application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government;
 - Smoke drift from controlled or prescribed burning that has been authorized and permitted by an appropriate regulatory agency.
 - Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts
 - Escape or back-up of sewage or wastewater from any sewage treatment facility or fixed conduit or piping that you own, operate, lease, control or for which you have the right of way, but only if property damage occurs away from land you own or lease.
 - Sudden and accidental events that are neither expected nor intended by an Insured. However, no coverage is provided under this exception for petroleum underground storage tanks.
- **Damage to Impaired Property or Property Not Physically Injured**
Coverage is provided for bodily injury or property damage arising from your potable water, nonpotable water, or wastewater as well as any loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.
- **Fungi or Bacteria**
Coverage is provided for bodily injury or property damage arising from any "fungi" or bacteria that are on, or are contained in a good or product intended for consumption; or to any injury or damage arising out of or caused by your water, irrigation, or wastewater intake, outtake, reclamation, treatment and distribution processes.
- **Recall of Products, Work or Impaired Property**
Coverage applies to any injury or damage arising out of or caused by your potable water, nonpotable water, or wastewater for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of: "Your product"; "Your work"; or "Impaired property"; if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

NOTES:

THIS IS A NON-ADMITTED QUOTE.
Failure to supply electricity exclusion will be applied.
All Endorsement with PNC will be provided for SDG&E PPA, per expiring term.



SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY*

***IS THIS SECTION INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

- Homesite Insurance Company (or its affiliates)
- A XV (Excellent) A.M. Best Rating
- NON-ADMITTED

FORM:

- Proprietary & Integrated
- Occurrence
- Defense Costs Outside the Limits of Liability

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Wrongful Acts	\$1,000,000 per act
Employment Practices (including third party discrimination)	\$1,000,000 per offense
Employee Benefit Plans	\$1,000,000 per act
Injunctive Relief	\$5,000 per act
	\$3,000,000 aggregate limit

PRIVACY LIABILITY AND NETWORK RISK¹:

Privacy & Network Security Wrongful Acts (Coverage A Only)	N/A per act
¹ Coverage provided for Privacy Liability & Network Risk Coverage is issued on a claims made basis with defense inside the limit of liability. Coverage is limited only to the Primary policy. Privacy Retroactive Date:N/A. Privacy Deductible:N/A.	

OPTIONAL COVERAGE(S):

Inverse Condemnation Exception

RETROACTIVE DATE:

DEDUCTIBLE:

\$10,000 Each Wrongful Act or Offense including expenses

EPL Deductible:

\$10,000 Each Offense including expenses

POLICY HIGHLIGHTS:

- Duty To Defend
- Broad Definition of Named Insured, including Past and Future Employees
- Outside Directorship

NOTES:

THIS IS A NON-ADMITTED QUOTE.
Privacy Liability Coverage is Excluded.



SECTION 5. BUSINESS AUTO *

***IS THIS SECTION IS INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

- Homesite Insurance Company (or its affiliates)
- A XV (Excellent) A.M. Best Rating
- NON-ADMITTED

FORM:

ISO Business Auto
Proprietary Endorsements

PORTFOLIO:

	Symbol	Limit
Combined Single Limit for Bodily Injury & Property Damage (each accident)	1	\$1,000,000
Hired Auto Liability	8	\$1,000,000
Non-Owned Auto Liability	9	\$1,000,000
"No-Fault" or Statutory Personal Injury Protection (each person)	No Coverage	N/A
Medical Payments	2	\$5,000
Uninsured / Underinsured Motorists	2	\$1,000,000
Hired Physical Damage	8	\$100,000
Owned Physical Damage – Comprehensive	2	ACV
Owned Physical Damage – Collision	2	ACV

DEDUCTIBLE:

Liability: None
Comprehensive: \$500
Collision: \$500

POLICY HIGHLIGHTS:

- Fleet Automatic Coverage
- Commercial Auto 360 Endorsement
- Pollution Liability – Broadened Coverage for Coverage Autos

NOTES:

THIS IS A NON-ADMITTED QUOTE.
Indication includes coverage for 71 auto units per the 2023-24 Renewal Submission



SECTION 6. COMMERCIAL EXCESS LIABILITY *

***IS THIS SECTION IS INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

- Homesite Insurance Company (or its affiliates)
- A XV (Excellent) A.M. Best Rating
- NON-ADMITTED

FORM:

- Proprietary
- Following Form

LIMITS:

\$10,000,000/\$10,000,000

SCHEDULED UNDERLYING POLICIES:

Commercial General Liability - Yes
Hired and Non-Owned Auto Liability - Yes
Owned Auto Liability - Yes
Public Officials & Management Liability - Yes
Wrongful Acts - Yes
Employment Practices - Yes
Employee Benefit Plans - Yes
Employers' Liability: *(minimum underlying limit requirement of \$500,000 / \$500,000 / \$500,000)* - No
Other:

NOTABLE EXCLUSION:

- Workers' Compensation

NOTES:

THIS IS A NON-ADMITTED QUOTE.

Employers' Liability subject to Homesite Insurance Company or affiliate carrier security requirements.

Memo

Date: April 19, 2023
To: Olivenhain Municipal Water District Board of Directors
From: Kimberly A. Thorner, General Manager
Subject: **CONSIDER VOTE FOR A SPECIAL DISTRICT REPRESENTATIVE TO THE SAN DIEGO COUNTY CONSOLIDATED REDEVELOPMENT OVERSIGHT BOARD**

Purpose

The purpose of this agenda item is to consider OMWD's vote for a Special District Representative to the San Diego County Consolidated Redevelopment Oversight Board.

Recommendation

Staff recommends voting for Patrick Sanchez with Vista Irrigation District as he has a positive working relationship with OMWD.

Alternative(s)

The board may choose to vote or support a different candidate in this election.

Background

Senate Bill 107 was passed by the Legislature with the Governor's signature in September 2015 and mandates - among other items – the consolidation of all 17 successor redevelopment agencies in San Diego County by July 1, 2018. This consolidation will be carried out through a seven-member oversight board and marks the latest and presumably final act by the Legislature in achieving the planned dissolution of redevelopment agency activities in all 58 counties. The legislation directs the oversight board to complete all the remaining redevelopment projects and restore incremental property tax revenue; the latter of which presently tallies more than \$130 billion in San Diego County. The legislation also provides one of the seven seats on the oversight board shall be filled by a special district representative and through the framework of LAFCO's existing administrator role of the Independent Special Districts Selection Committee (ISDSC).

Fiscal Impact

There is no fiscal impact associated with submitting a ballot to LAFCO.

Discussion

Ballots must be received by San Diego LAFCO no later than Monday, May 1, 2023. Should LAFCO receive a quorum of 29 ballots by the May 1st deadline, the nominee with the most votes will be appointed. There will be an automatic 60-day extension to July 1st if LAFCO does not receive a quorum.

Attachment:

- *Memorandum from the San Diego Local Agency Formation Commission, dated March 20, 2023*



San Diego County
Local Agency Formation Commission
Regional Service Planning | Subdivision of the State of California

CALL FOR BALLOTS

March 20, 2023

TO: Independent Special Districts in San Diego County

FROM: Tamaron Luckett, Commission Clerk
San Diego Local Agency Formation Commission

SUBJECT: **Call for Ballots |**
San Diego County Consolidated Redevelopment Oversight Board

This notice serves as a call for ballots pursuant to California Government Code 56332(f) with respect to electing one special district representative among the two nominated candidates (attached resumes) to serve on the San Diego Consolidated Redevelopment Oversight Board. **All independent special districts** in San Diego County are eligible to cast one vote through their presiding officers or their alternates as designed by the governing bodies.

The official ballot is attached (Attachment A). Ballots must be signed by the presiding officers or their designees and returned to San Diego LAFCO no later than **Monday, May 1, 2023**. A ballot received without a signature will not be counted. Should LAFCO review a quorum of 29 ballots by the May 1st deadline the nominee with the most votes will be appointed. Ballots received after this date will be invalid. Should LAFCO not receive a quorum of ballots by the deadline an automatic 60-day extension to July 1st is required.

Ballots can be mailed to San Diego LAFCO Office at 2550 Fifth Avenue, Suite 725, San Diego CA 92103-6624 or via email to tamaron.luckett@sdcountry.ca.gov, include **"District Name"** and **"Redevelopment Oversight Board Ballot"** in the subject title, if necessary to meet the deadline, but the original form must be submitted.

Should you have any questions, please contact me at 619-321-3380.

Attachments

- 1) Candidates Resumes
- 2) Attachment A: Election Ballot and Vote Certification form

Administration:
Keene Simonds, Executive Officer
2550 Fifth Avenue, Suite 725
San Diego, California 92103
T 619.321.3380
E lafoo@sdcountry.ca.gov
www.sdlafco.org

Chair Jim Desmond
County of San Diego
Joel Anderson
County of San Diego
Nora Vargas, Alt.
County of San Diego

Kristi Becker
City of Solana Beach
Dane White
City of Escondido
John McCarri, Alt.
City of Chula Vista

Vice Chair Stephen Whitburn
City of San Diego
Marni von Wilpert, Alt.
City of San Diego

Jo MacKenzie
Vista Irrigation
Barry Willis
Alpine Fire Protection
David A. Drake, Alt.
Rincon del Diablo

Andy Vanderlaan
General Public
Harry Mathis, Alt.
General Public

ATTACHMENT A

**SAN DIEGO COUNTY CONSOLIDATED REDEVELOPMENT OVERSIGHT BOARD ELECTION
BALLOT and VOTE CERTIFICATION**

VOTE FOR ONLY ONE

Timothy Robles []
(Lakeside Fire Protection District)

Patrick Sanchez []
(Vista Irrigation District)

As presiding officer or his/her delegated alternate as provided by the governing board, I hereby certify that I cast the votes of the _____
(Name of Independent Special District)

for the San Diego County Consolidated Redevelopment Oversight Board Election as:

- [] the presiding officer, or
[] the duly-appointed alternate board member.

(Signature)

(Print Name)

(Print Title)

(Date)

Return Ballot and Vote Certification Form to:

San Diego LAFCO

Tamaron Luckett

2550 Fifth Avenue, Suite 725

San Diego, CA 92103-6624

Email: tamaron.luckett@sdcounty.ca.gov

CANDIDATE STATEMENT
COUNTY OF SAN DIEGO
COUNTYWIDE REDEVELOPMENT SUCCESSOR AGENCY OVERSIGHT BOARD

TIMOTHY ROBLES

I believe that government should be serving its citizens to create a better standard of living. My career experience consists of being a Fire Captain/Paramedic with the City of San Diego Fire and Rescue Department (1998-present) and additionally having been elected twice (2018-present) as a Board Director for the Lakeside Fire Protection District.

I am honored that my fellow Lakeside Fire Protection District Board members have decided to nominate me for this opportunity. This nomination comes strongly from a fellow Lakeside Board member, Mark Baker, who recently vacated his seat on the San Diego Countywide Redevelopment Successor Agency Board. Having this Former Board Member at the same agency as me creates a unique opportunity for legacy information to be shared creating a seamless transition of a new member to the Redevelopment Successor Agency Board. I look forward to continuing looking out for the interest of Special Districts here in San Diego County that are affected by the continuing disillusionment of the Redevelopment Agencies throughout the County.

During my career I have been involved in many processes requiring diligent financial oversight and have been involved in other professional Boards and Commissions as you will see listed below.

San Diego Fire and Rescue:

- Development of a Fire Management Assistance Grant,
- FEMA Grant Reimbursements,
- San Diego Fire-Rescue Foundation (Secretary, 2006-present),
- Local 145 Union Board Member (2009 – 2015)

Lakeside Fire District:

- District's Budget Development Committee (2019-present),
- Employment contract and agreement District Representative Negotiator (2019-present),
- Heartland Communications Facility Authority Commissioner (2019-present),
- Santee-Lakeside EMS Authority JPA Commissioner, 2022

As an Oversight Board Member of the San Diego County Countywide Redevelopment Successor Agency, I will work diligently to assist and ensure that each Successor Agency remains on track for their timely disillusionment and that property tax revenues are appropriately redistributed to the originating agencies including Special Districts.

Timothy E. Robles

EMPLOYMENT HISTORY:

- Fire Captain/Paramedic, San Diego Fire-Rescue Department (1998-Present)
600 B Street, Suite 1300, San Diego, CA 92101

OPERATIONAL EXPERIENCE:

- Special Operations Captain (2018-Present)
 - TRT, HIRT, USAR, Operational Support, Peer Support
- Special Assignments
 - Logistics Section Chief (COVID-19 Response IMT)
 - COVID-19 Testing Group Manager
 - Logistics (Telestaff Outage)
 - Dignitary Protection for President Trump
 - EMS CE Paramedic Instructor
 - IST Instructor
 - Academy Instructor (82nd,83rd,84th)
- Specialty Station Assignments:
 - Station 8 - Aircraft Rescue and Fire Fighting
 - Station 45 – HAZMAT, full-time and relief
 - Station 2/41 – TRT, relief
- CA-TF8 USAR (Urban Search and Rescue)
 - Logistics Team Manager
 - Medical Specialist
 - HazMat Technician
 - Rescue Specialist

EDUCATION:

- Associate Degree, Miramar College

OTHER RELEVANT ACHIEVEMENTS AND QUALIFICATIONS:

- Elected Lakeside Fire Protection District Board Member (President),
- Santee-Lakeside EMS Authority Commissioner
- San Diego Fireman's Relief Association, Member (1998-Present)
- Local 145 Union Board Member (2009-2015)

Patrick Sanchez

*Vista Irrigation District
Board of Directors*



NOMINEE:

**Special District Representative
to the San Diego County
Consolidated Redevelopment Oversight Board**

Interests and Qualifications:

- I have worked closely with Regional Planning Agencies, including the San Diego Association of Governments, the Southern California Association of Governments, and the Orange County Council of Governments on various projects.
- I have worked diligently with all outside service extensions to consolidate service levels for cities and counties.
- I possess a clear understanding of my special district's interaction with other agencies to meet current and future community needs.
- I provided leadership with regard to improving agency oversight and transparency.
- With respect to Redevelopment Funding Consolidation, I have experience helping streamline government services.
- I serve as member of the Board of Directors of the Vista Irrigation District; our Board strives to develop partnerships and consortiums with other agencies to efficiently deliver services to our customers.
- My professional experience has provided me with in-depth knowledge of capital projects, recycled water systems, aging infrastructure and water and park bond act projects.
- I have worked closely with other governmental agencies to insure coordination of joint projects; I acted as agency liaison for the Orange County National Pollution Discharge Elimination System program, and prepared and administered extensive landscape and water conservation programs for parks, medians, and street tree projects.
- I have worked collegially with staff and other members of boards on developing community outreach, public policy, and public information programs.
- I have 34½ years of experience working for municipal and county agencies as a Director of Community and Public Services and Director of Parks and Recreation for various public agencies, including the cities of Santa Fe Springs, Oceanside, Tustin, Glendora and Yucaipa and the County of San Mateo.

Memo

A

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS
PRESIDENT

Any report will be oral at the time of the Board meeting.

Memo

B

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS
GENERAL MANAGER

Any written report will be attached; any oral report will be provided at the time of the Board Meeting.

April 19, 2023

Board of Directors
Olivenhain Municipal Water District
1966 Olivenhain Road
Encinitas, CA 92024

The following are brief highlights of the District's departmental operations for the month of
March 2023:

Operations & Maintenance	March 2023	February 2023
David C. McCollom Water Treatment Plant (DCMWTP) Total Production	239.8 million gallons	311.2 million gallons
DCMWTP Average Daily Production	7.7 million gallons	11.1 million gallons
DCMWTP Peak Day Production	15.2 million gallons	17.6 million gallons
Source Water Blend (% State Project Water)	0	0
Total Deliveries to Vallecitos Water District	150.58 acre feet 49.06 million gallons	202.92 acre feet 66.1 million gallons
4S and Rancho Cielo Sewer Systems Total Inflow	44.32 million gallons	36.18 million gallons
4S and Rancho Cielo Sewer Systems Average Daily Inflow	1,429,681 gallons	1,292,346 gallons
4S and Rancho Cielo Sewer Systems Peak Day Inflow	2,063,869 gallons	1,602,805 gallons
4S and Rancho Cielo Sewer Systems Low Day Inflow	1,274,551 gallons	1,153,324 gallons
4S Water Reclamation Facility (4SWRF) Average Daily Production	491,712 gallons	556,109 gallons
4SWRF Peak Day Production	1,177,267 gallons	1,210,091 gallons
4SWRF Total to Recycled Water Distribution System	15.24 million gallons	15.57 million gallons
4S Recycled Water Storage Pond Volume	365 acre feet	249 acre feet
Repaired Potable Water Main Leak(s)	0	1
Repaired Potable Water Service Lateral Assembly Leak(s)	2	3
Repaired Recycled Water Main Leak(s)	0	0
Repaired Recycled Water Service Lateral Leak(s)	0	0
Repaired Hit Fire Hydrant Lateral Assembly Leak(s)	2	1
Replaced Valve(s) Monthly Total	9	9
Replaced Valve(s) Calendar Year To Date	27	19
Recycled Water Use Site Inspections & Visits	15	17
Recycled Water Use Site Cross Connection Tests	1	1
Cross Connection Site Surveys	2	4
Backflow Inspections & Testing (New)	7	8
IT Help Requests	15	24
Customer Services	March 2023	February 2023
Customer Calls and Inquiries	2,225	1,866
Total Monthly Bills Issued	22,988	22,977
Service Orders	664	631
New Potable Meters	1	1
New Fire Meters	0	0
New Recycled Water Meters	0	1

Advanced Metering Infrastructure (AMI) Troubleshooting Investigations	137	37
Customer Services - Continued	March 2023	February 2023
Automated Meter Reading (AMR) Troubleshooting	32	35
Stopped/Underperforming Meters Replaced	59	61
Meter Transceiver Units (MXU) Upgraded to AMI	234	158
Meter Accuracy Tests Performed	0	0
Water Use Evaluations	3	3
Water Use Violation Reports	0	1
Workshops, Events, and Tours	1	0
High-Efficiency Clothes Washer Rebate Applications	9	13
Weather-Based Irrigation Controller Rebate Applications	7	8
Hose Irrigation Controller Rebate Applications	0	0
High-Efficiency Rotating Nozzle Rebate Applications	0	0
High-Efficiency Toilet Rebate Applications	0	1
Rain Barrel Rebate Applications	4	1
Flow Monitor Device Rebate Applications	0	1
Turf Removal Project Rebate Applications	2	2
Social Media Posts	25	14
News Releases/Media Advisories	4	0
EFRR	March 2023	February 2023
Special Use/Event Permits	4	4
Parking Notices	51	62
Incident Reports	10	10
Vehicle Count	4,285	4,758
Trail Use Count	9,465	10,338
Days Closed Due to Rain/Red Flag/COVID-19	7.5	2
Days Interpretive Center (IC) Open	11	15
Number of IC Visitors	216	261
Volunteer Trail Patrol Shifts	4	5
Volunteer Docent Hours	65	90
Total Number of Docents	63	63
Finance	March 2023	February 2023
Infosend Payments (ACH and Credit Card)	12,348	11,816
OMWD Auto Debit Payments	1,991	2,025
California Bank & Trust Lockbox Payments	3,271	2,791
Over the Counter Payments	473	442
Check-free, Metavante and Chase	4,889	4,291
Finance Calls and Walk-ins	52	48
Service Orders Processed	18	10
Service Orders Closed Out	3	2
Purchase Orders	13	11
Inventory Items Received	892	1,175
Invoices Processed	434	512
Payroll Direct Deposits Processed	243	241
Accounts Payable Checks and Electronic Fund Transfers	388	337

ENGINEERING DEPARTMENT

Engineering Manager Lindsey Stephenson Highlights for March 2023:

4S Ranch Neighborhood 1 Sewer Pump Station Replacement Project continues to progress through construction, with anticipated bypass piping installations and excavations continuing. Coordination efforts continued with COSD on possible leak of storm drain adjacent to the project site. Staff filed Notice of Completions for Manchester Avenue/South El Camino Real Recycled Water Pipelines Project, Lusardi Cathodic Protection Project Phase II, and OMWD Landscape Headquarters Courtyard Project. Continued storms through March slowed many construction projects for both CIP and development. Staff continued progressing planning and design efforts on multiple CIP projects. Staff continues to handle developer requests, continues to assist other departments with engineering-related work, and continues to manage OMWD's right of ways. Engineering provided a department overview to new Board members.

HUMAN RESOURCES DEPARTMENT

Human Resources Manager Jennifer Joslin Highlights for March 2023:

Conducted the new hire and safety orientation for the new Customer Service Representative I. Hosted the annual Safety Awards luncheon event for all employees. Presented the annual Staffing Analysis succession planning document to the Human Resources/Employee Association (HEART) and Personnel Committees to discuss FY 2023-2024 staffing recommendations and future projections. Created individualized Benefits Cost Statements for each employee showing the value of their District benefits package. Collected Form 700 Statement of Economic Interests from required District filers. Hosted a Better Way Committee meeting to review an employee nomination. Conducted an email retention survey of other local public agencies. Hosted an on-site joint training session on "Maximizing Supervisory Skills for First Line Supervisors" presented by Liebert Cassidy Whitmore (LCW) for staff and other public agency members of the North San Diego Employment Relations Consortium. Human resources staff attended LCW's Annual Employment Law Conference. Conducted interviews for temporary staff to assist with the cathodic protection project. Hosted on-site Microsoft Excel training classes for staff conducted by New Horizons. Safety staff facilitated the annual servicing of all fire extinguishers throughout the District facilities. Coordinated trenching and shoring training as well as asbestos awareness training classes for necessary field staff.

OPERATIONS & MAINTENANCE

Operations Manager Geoff Fulks Highlights for March 2023:

DCMWTP staff continues to manage ongoing projects including Membrane Replacement, Condition Assessment, 4th Stage Centrifuge design, and Energy Recovery Turbine Refurbishments. The plant was offline March 17 through March 24 to facilitate multiple tank and pipeline inspections for the Condition Assessment project. The 4S WRF Emergency Wiring and Chemical System Replacement continues but has been delayed due to rain and underground conflicts and is expected to be completed by mid-April. IT staff continues with the process of firewall replacement and are preparing to deploy laptop replacements for staff. PMT and ICT staff have

provided support for the DCMWTP Condition Assessment and the neighborhood #1 SPS replacement projects. RTU maintenance has slowed this month due to rain events. Sys Ops assisted WTP staff with the Condition Assessment and plant shut down. Reservoir cleanings and inspections on Zorro Reservoir, Gano Reservoir and Miller Reservoir were successfully completed with support from Construction. Sys Ops continues to monitor pipelines post rain events. Construction installed new inline valves in support of the Valve Replacement Project, with support from Sys Ops. A new Valve Exercising truck was added to the fleet for the Operations Department. Training was conducted by Construction on Underground Service Alert mark out tickets for all after hour employees.

CUSTOMER SERVICES DEPARTMENT

Customer Services Manager John Carnegie Highlights for March 2023:

Sent e-newsletter on March 1; conducted departmental briefing with Directors Hahn and San Antonio; posted an "About Us" video on website and in social media; partnered with San Dieguito Water District and Carlsbad Municipal Water District on joint water conservation booth for World Water Day festival at Agua Hedionda Lagoon Foundation's Discovery Center; partnered with BCK Programs on the installation of a hydroponic garden system at headquarters and on hydroponic programs for local schools and scout troops; submitted an Encinitas Environmental Award nomination for the demonstration garden at headquarters; submitted comments to legislature supporting AB 1594 and SB 366; and submitted comments to State Water Resources Control Board on proposed regulatory framework for implementation of water use efficiency legislation.

At EFRR, held seven "Habitat" field trips for Escondido Unified School District students; hosted Water for People fundraising hike; facilitated evacuation of stranded hikers after Lake Wohlford released water to Escondido Creek without notice; and requested placement on City of Escondido contact list for future Lake Wohlford releases.

FINANCE DEPARTMENT

Finance Manager Rainy Selamat Highlights for March 2023:

Completed Fitch annual surveillance review; kicked-off FYs 2023 and 2024 midterm budget review process; sent out Request for Proposal (RFP) for auditing services to various accounting firms; continued discussion with Raftelis Financial Consultants to finalize 2022 Water Capacity Fee study; attended NSDWRC funding allocation and planning meetings to provide grant administration support; discussed single audit planning and procedures with the District's auditors(The Pun Group); received \$50,000 deposit from Pinnacle developer to form CSCDA/Pinnacle Community Facility District; discussed California Bank and Trust financial strength and stability to assess the bank's credit risk in light of the current bank debacle; attended SDCWA Member Agency Finance Officers meeting to discuss the proposed wholesale water cost for 2024; attended safety meeting; completed various cyber security trainings; and attended a meeting with Director Meyers and GM Thorner on SDCWA FYs 2024 and 2025 Draft Recommended Budget.

ASSISTANT GENERAL MANAGER:

The Assistant General Manager reports the following for March 2023:

Attended Supervisory training held at OMWD; meetings with OMWD Consultants Geoscience, Santa Fe Irrigation District and San Elijo Joint Powers Authority to review progress on Groundwater project; participated in North San Diego WaterReuse Coalition meeting at Leucadia Wastewater for Title XVI grant coordination; continued extensive project management efforts in San Dieguito Valley Brackish Groundwater Project, participated in Congressman Peters briefing and funding application submission; dedicated significant time to personnel matters, employee recruitment, and claims management.

GENERAL MANAGER:

The General Manager reports the following for March 2023:

General Manager Thorner hosted an Annual Objectives Lunch & Learn, attended new board member briefings, met with Senator Jones about Water Infrastructure, attended a Special North San Diego Water Reuse Coalition Special Meeting, attended the SDCWA Member Agency Managers Meeting, attended the SDCWA North County Caucus, participated in two 2023-24 Finance Planning Work Group Meetings, held a Safety Recognition Luncheon, attended the North County Managers Meeting, chaired the Special Districts Advisory Committee Meeting, toured the Encina Wastewater Authority Facility with board members, held a HEART Committee Meeting, met with Congressman Peters' office on OMWD's Community Project Funding Application, held a Personnel Committee Meeting, met with Senator Blakespear about Water Infrastructure, participated with Finance in the Fitch ratings reviews, reviewed the SDCWA packet, budget, and held multiple briefings for SDCWA representative, and dedicated significant time to personnel matters, public records requests, and legal issues.

Memo

C

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

CONSULTING ENGINEER

Any written report will be attached; any oral report will be provided at the time of the Board Meeting.

MEMORANDUM

To: Kimberly Thorner, Esq., Olivenhain MWD Board of Directors

From: Don MacFarlane, Consulting Engineer

Subject: Metropolitan Water District of Southern California (MWD)
Committee Meetings

Date: April 10, 2023

This is a report on the Engineering, Operations, and Technology Committee, and the One Water and Stewardship Committee meetings held on April 10, 2023. It is also a report on the Finance, Audit, Insurance, and Real Property Committee meeting held on April 11, 2023. This report is based on the Board reports and memorandums.

Finance, Audit, Insurance, and Real Property Committee –

1. Readiness to Serve Charge - Staff recommended a charge of \$167 million and a capacity charge of 11,200 per cubic feet per second, as planned in the biennial budget.
2. Climate Adaptation Master Plan – Workshops are planned for May 23 and June 27, 2023. The May 23 workshop will focus on resiliency, reliability, affordability, and financial sustainability.

One Water and Stewardship Committee -

1. Water Surplus Drought Management Notes-
 - a. The SWP allocation has been increased to 75 percent.
 - b. Staff completed preliminary storage planning assuming an 80 percent SWP allocation. Based on this work, it may be possible to add 800 TAF to storage in CY 2023.
 - c. Through April 1, 2023, the Northern California snowpack is 149 percent of normal, while the upper Colorado River Watershed snowpack is 120 percent of normal, for this date. Through March 9, 2023, rainfall at the northern California 8-Station Index is 120 percent of normal.
 - d. Storage in Lake Oroville has increased by 1.6 MAF, while storage in San Luis Reservoir has increased by 580 TAF, since late December 2022.

MEMORANDUM

Metropolitan Water District of Southern California

April 10, 2023 Committee Meetings

Page 2

4/10/2023

2. Colorado River – The current forecast of unregulated flow into Lake Powell is 156 percent of normal. Staff expects the next forecast will be even higher. USBR may switch their system operations to balance storage in Lake Powell and Lake Mead, and this could help reduce the chances and severity of shortage measures for Lake Mead.

Engineering, Operations, and Technology Committee –

1. March 2023 Demands - 62 TAF while the March 2022 demands were 121 TAF.
2. SWP Water Delivered to Lake Skinner and the Skinner Water Treatment Plant – 0 Percent.

CIP – Capital Improvement Program

CRA – Colorado River Aqueduct

CWA – San Diego County Water Authority EIS – Environmental Impact Statement

DWR – State of California Department of Water Resources

MGD – Million Gallons per Day

MAF – Million acre-feet

MWD – Metropolitan Water District of Southern California

SWP – State Water Project

TAF – Thousand acre-feet

SWRCB – State Water Resources Control Board

USBR – United States Bureau of Reclamation

Memo

D

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

GENERAL COUNSEL

Any written report will be attached; any oral report will be provided at the time of the Board Meeting.



TO: Olivenhain Municipal Water District
FROM: Alfred Smith
DATE: April 19, 2023
RE: Attorney Report: Water Rights Update
150152-0005

I. INTRODUCTION.

This attorney report provides an update on four recently introduced legislative proposals that would (1) alter California's established water rights system, and (2) create new administrative enforcement processes allowing the State Water Resources Control Board ("State Board") to make binding determinations on water rights, including riparian and pre-1914 rights that were previously exempt from the State Board's jurisdiction.

II. NEW WATER RIGHTS PROPOSALS.

California's water rights system is coming under increasing scrutiny, and more frequent droughts are putting pressure on the Legislature to increase State oversight. Recently introduced legislation would significantly expand the scope of the State Board's jurisdiction over water resources; alter California's long-established water rights priority system; and establish significant new penalties for violations. Below are four new bills that could reform California's water rights system.

A. AB 460 (Bauer Kahan):

This bill would allow the State Board to issue an interim relief order with at least 20-days' notice while the State Board investigates existing uses of water either on an interested party's request or on the State Board's own motion. If the matter is deemed "urgent," the State Board may issue an interim relief order with less than 20-days' notice. Under certain conditions, an interim relief order may be exempt from review under the California Environmental Quality Act ("CEQA"). The relief order may enforce:

- 1) Section 2 of Article X of the California Constitution (the reasonable use doctrine);
- 2) the public trust doctrine;

- 3) Fish and Game Code section 5937's requirements to keep fish in good condition;
- 4) water quality objectives; and
- 5) the terms of water right permits, licenses, registrations, or certificates.

Upon issuing an interim relief order, the State Board may require a water diverter to: (1) cease all harmful practices; (2) reimburse the board for any environmental documentation; (3) employ specific procedures and operations to prevent or mitigate the harm; and (4) take other actions as required. An interim relief order will remain in effect for 180 days, and the State Board may consider permanent relief if it orders interim relief.

The bill would provide that a person violating any interim relief order would be liable to the State Board for a civil penalty not to exceed \$10,000 for each day in which a violation occurs and \$5,000 for each acre-foot of water diverted in violation of the interim relief order.

On March 9, ACWA's State Legislative Committee voted to oppose AB 460. ACWA is concerned with AB 460's provisions that would authorize the State Board to issue interim relief orders against water diverters and users. AB 460 would allow the State Board to issue interim relief orders to force compliance with a broad set of standards.

ACWA is also concerned that AB 460 would authorize the State Board to provide the water right holder subject to the interim relief order with a hearing prior to issuing the order, unless the Board determines the matter to be urgent, in which case no hearing would be required.

AB 460 is partly inspired by an incident last August where a group of farmers knowingly diverted water from the Shasta River in violation of a curtailment order. The bill's author has argued this incident is an example of the State Board's lack of ability to respond to situations in real time and how existing penalties insufficiently deter unlawful activities. ACWA nonetheless has serious concerns with the scope of this bill, and how it proposes to grant the State Board the ability to curtail diversions and impose penalties without providing due process to water right holders.

B. SB 389 (Allan):

If enacted, SB 389 would provide the State Board with a new powerful tool for investigating water rights without the years-long (potentially decades-long) process of a

water rights adjudication. Under the proposed bill, the State Board could require, after a noticed hearing, any diverter to prove the elements of their water right by a preponderance of the evidence. For senior riparian and pre-1914 water rights, historical information responsive to these information orders may be difficult to provide. Required information may include:

- 1) any patent date claimed for the place of use;
- 2) the notice date of the appropriation and the date of actual delivery of water to beneficial use; and
- 3) information on water diverted to storage or transferred.

After notice and the opportunity for hearing, the State Board may issue an order determining the basis, scope, and relative priority of the right or that the diversion is not authorized under any basis of right. The bill would then allow the State Board to extinguish any claimed right, including riparian and pre-1914 water rights, seen as the most valuable water rights in California due to their relative priority and limited State Board oversight.

The State Board may also find that the water right holder has forfeited their right even without the existence of a conflicting claim, thereby altering the “resumption of use” doctrine acknowledged in case law like *Millview County Water District v. State Water Resources Control Board* (2014) 229 Cal.App.4th 879.

On March 9, ACWA's State Legislative Committee voted to oppose SB 389. ACWA has serious concerns with “authorizing the State Board to drag water right holders before the Board to prove their claims.” ACWA is also concerned that the bill does not require the State Board to have a basis for investigating water rights, and the lack of details about the process for a hearing is also troubling.

C. AB 676 (Bennett):

This bill would declare that the highest use of water is for “health and safety purposes,” replacing Water Code section 106’s policy statement prioritizing “domestic” use. This seemingly innocuous change would substantially narrow the highest use, which is more broadly defined under domestic use to include water in homes, resorts, motels, organization camps, camp grounds, and incidental watering of domestic stock, lawns, ornamental shrubbery, and gardens. (23 CCR § 660.)

D. AB 1337 (Wicks):

If enacted, AB 1337 would authorize the State Board to adopt regulations for various water conservation purposes through orders curtailing the diversion or use of water under any claim of right, including riparian and pre-1914 rights. The regulations may be adopted to:

- 1) prevent the waste or unreasonable use of water;
- 2) promote water recycling or water conservation, or
- 3) protect public trust resources.

The proposed legislation requires the State Board to provide notice and an opportunity to be heard, unless that opportunity would be impractical given the likelihood of the harm. Any person violating any regulation may be liable for a civil penalty in an amount not to exceed \$1,000 for each day in which a violation occurs and \$2,500 for each acre-foot of water diverted or used in violation of the regulation.

On March 9, ACWA's State Legislative Committee voted to oppose AB 1337. ACWA is concerned that AB 1337 would authorize the State Board to adopt sweeping regulations and to enforce them through curtailing diversions or use of water under any claim of right. ACWA is also concerned that the bill would not require the State Board to hold a hearing before issuing curtailments when a hearing would be "impractical." ACWA asserts that AB 1337 threatens to "undermine the basic foundation of water management and water delivery in California by proposing to authorize the State Board to effectively take water rights with little to no due process."

III. CONCLUSION.

Collectively, the aforementioned bills would significantly expand the scope of the State Board's jurisdiction; alter long-established water rights priorities and the burden of proof concerning those water rights (including riparian and pre-1914 water rights previously exempt from State Board jurisdiction); and create substantial due process concerns. The bills would also introduce significant new penalties for violations. ACWA is encouraging member agencies to oppose these proposed legislative enactments.

AES

Memo

E

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

SAN DIEGO COUNTY WATER AUTHORITY REPRESENTATIVE

Any report will be oral at the time of the Board meeting.

**SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING
MARCH 23, 2023**

1. Retirement of Directors.
The Board adopted Resolution No. 2023-18 honoring Kim Thorner upon her retirement from the Board of Directors.
2. Legislation and Public Outreach Committee Work Plan for Calendar Years 2023 and 2024.
The Board adopted the Legislation and Public Outreach Committee Work Plan for Calendar Years 2023 and 2024.
3. Adopt positions on various bills.
The Board adopted the following positions:
 - Support if amended on AB 305 (Villapudua), relating to California Flood Protection Bond Act of 2024.
 - Support on AB 557 (Hart), relating to local agencies open meetings and teleconferences.
 - Support on AB 735 (Berman), relating to workforce development: utility careers.
 - Support if amended on AB 1567 (Garcia), relating to safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development bond act of 2023.
 - Support on SB 366 (Caballero), relating to the California water plan: long-term water supply targets.
 - Support if amended on SB 638 (Eggman), relating to climate resiliency and flood protection bond act of 2024.
 - Support if amended on SB 867 (Allen), relating to drought and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate smart agriculture, and park creation and outdoor access bond act of 2023.
4. Approval of Legislative Advocacy Services Contract with Foley & Lardner.
The Board authorized the General Manager to execute an 18-month contract (from April 1, 2023 through October 31, 2025) for federal advocacy services with Foley & Lardner under a retainer of \$15,000/month for a total compensable contract amount of \$270,000 (inclusive of reimbursable expense allowance) over the contract term.
5. Engineering and Operations Committee Work Plan for Calendar Years 2023 and 2024.
The Board adopted the Engineering and Operations Committee Work Plan for Calendar Years 2023 and 2024.



6. Services Contract with Mobiltex Data, Ltd., dba Mobiltex Technologies, Inc., for remote monitoring of cathodic protection facilities.
The Board authorized the General Manager, or designee, to award a services contract with Mobiltex Data Ltd., dba Mobiltex Technologies, Inc. (Mobiltex Technologies, Inc.), to provide remote monitoring equipment and services for cathodic protection facilities, for a period of two years, with an option to extend the contract for an additional two years, for a not-to-exceed amount of \$200,000.
7. Resolution to adopt the San Diego County Multi-Jurisdictional Hazard Mitigation Plan.
The Board adopted Resolution 2023-15 to adopt the 2023 San Diego County Multi-Jurisdictional Hazard Mitigation Plan (MJHMP), including San Diego County Water Authority Annex, as an official plan; and submit this adoption resolution to the California Office of Emergency Services (CalOES) and Federal Emergency Management Agency (FEMA) Region IX officials to enable the plan's final approval in accordance with the requirements of the Disaster Mitigation Act of 2000.
8. Agreement with Valley Center Municipal Water District and Yuima Municipal Water District for the Emergency Water Storage Project Improvements in Valley Center and Yuima Municipal Water Districts.
The Board authorized the General Manager, or designee, to execute a construction funding and operations agreement with Valley Center Municipal Water District and Yuima Municipal Water District for infrastructure improvements providing emergency water supplies to Valley Center and Yuima Municipal Water Districts for an amount not-to-exceed \$11,360,000 and to transfer Water Authority fee owned property and temporary construction easements to Valley Center Municipal Water District acquired for infrastructure improvements providing emergency water supplies to Valley Center and Yuima Municipal Water Districts.
9. Final Imported Water Committee Work Plan for Calendar Years 2023 and 2024.
The Board adopted the Imported Water Committee Work Plan for Calendar Years 2023 and 2024.
10. Coachella Mid-Canal Storage Project Agreement - Phase 2.
The Board adopted Resolution No. 2023-16 that: a) resolves that the Initial Study and Mitigated Negative Declaration (MND) adopted by the Coachella Valley Water District (CVWD) as Lead Agency complies with the California Environmental Quality Act (CEQA) and the State CEQA Guidelines, and no further environmental analysis is required for the action of the San Diego County Water Authority (Water Authority) authorizing the filing of a Notice of Determination (NOD); and, b) Authorizes the General Manager to execute an agreement between the Water Authority and CVWD for permitting and construction of the Coachella Mid-Canal Storage Project - Phase 2 and agreement for payment of construction costs and repayment of obligation to the United States (Phase 2 Agreement) in an amount not to exceed \$4,575,000.
11. Water Planning and Environmental Committee Work Plan for Calendar Years 2023 and 2024.
The Board adopted the Water Planning and Environmental Committee Work Plan for Calendar Years 2023 and 2024.



12. Resolution Adopting the Final Mitigated Negative Declaration for the Crossover Pipeline Interstate-15 Bypass Project.

The Board adopted Resolution No. 2023-17 that: 1. Finds that the project will not have a significant effect on the environment; 2. Adopts the Final Mitigated Negative Declaration; 3. Adopts the Mitigation Monitoring and Reporting Program; 4. Approves the Crossover Pipeline Interstate-15 Bypass Project, and; 5. Authorizes filing a Notice of Determination.

13. Administrative and Finance Committee Work Plan for Calendar Years 2023 and 2024.

The Board adopted the Administrative and Finance Committee Work Plan for Calendar Years 2023 and 2024.

14. Monthly Treasurer's Report on Investments and Cash Flow.

The Board noted and filed the Treasurer's report.

15. Board Room Technology Upgrades.

The Board authorized the General Manager to award a public works contract to Fisher Integrated, Inc. to implement Board Room technology upgrades as described in this memo for an amount not-to-exceed \$400,000.

16. Closed Session.

Conference with Real Property Negotiator
Government Code §54956.8

Property: APNs 232-592-17, 232-592-02, 232-592-03, 232-592-04, 232-592-05, 232-592-06, 187-540-28, 220-210-26, 319-810-10, and 319-810-05

The Board authorized the General Manager to negotiate with property owners and establish terms to enter into an option or purchase agreement.

17. Closed Session.

Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)

Nencini & Associates, LLC, a California limited liability company v. Uwe U. Werner and Geraldine Werner, Trustees, or Successor Trustee, of the Werner Family Revocable Trust dated May 9, 2007, et al; San Diego Superior Court Case No. 37-2022-00029216-CU-OR-CTL

The Board authorized the General Counsel to execute a stipulation to quiet title in the litigation referenced in the board agenda.

18. Closed Session.

Conference with Real Property Negotiator
Government Code §54956.8

Property: Semitropic Stored Water of Water Authority

Subject to CEQA compliance, authorize the General Manager to negotiate and enter into agreement(s) for 2023 Semitropic storage assets transaction as described in the presentation.



19. Closed Session.

Conference with the Labor Negotiator

Government Code §54957.6

Agency Designated Representatives: Tish Berge, Jason Foster, Gretchen Spaniol

Employee Organizations: Teamsters Local 911, Unrepresented

The Board authorized the Labor Negotiations Management Team to begin negotiations with Teamsters 911 with the Work Group's recommended authority.

20. Approval of Minutes.

The Board approved the minutes of the Formal Board of Directors' meeting of February 23, 2023.

SDCWA OMWD Representative Report for March 2023

Director Meyers

(1) CWA Staff Briefing 4/6/23- "Top Issues"

- a. Budget and Rates
- b. Water Supply
- c. Detachment (Fallbrook and Rainbow WD's)
- d. MWD Litigation (Exchange Rate Litigation)

(2) Status: Budget and Rates: 2024-2025 CWA Budget Increases

- a. CWA Staff proposes a **13.7% rate increase** to meet its budget needs which would pass through to OMWD and other retail agencies, with some variation depending on the agency. Reasons given include projected reduction in water sales and increased water costs, service and labor cost increases, capital Improvements project (CIP) cost increases, debt service cost increases, and hydroelectric revenue losses (Lake Hodges). Offsets include increased investment income and increased capacity charges.
- b. Agencies have pushed back, most importantly, the City of San Diego, which has significant voting power. The City of San Diego insists on a single-digit CWA rate increase, meaning finding at least \$20M reductions (Rule of Thumb-\$5M saved=1% rate reduction). Looking at tapping more existing reserves from the Rate Stabilization Fund (Currently holds \$101M), CIP reductions, services costs, and other approaches).
- c. Budget Workshops on April 11 &13, Staff presentation of Recommended Budget and Rate Information on April 27th, More Budget Workshops on May 16 &18, and further Staff Budget and Rate recommendations on May 25th. The budget will go to the Board for consideration of adoption on **June 22**.

(3) Status: Water Supply (Colorado River/MWD)

- a. Colorado River: The State water project up north is in good shape after the recent rains. However, Colorado River Storage remains at near historic lows. Negotiations between the basin states remain unresolved. The rains have taken some pressure off the basin states' negotiations. Threatened allocation mandates are not expected from the federal government at this time. There is talk about water rights exchange agreements between California and upstream states as California conservation efforts (desal, pure water projects) increase. Discussion about expanding the Carlsbad desal plant and "selling" those additional water rights upstream.
- b. MWD: The relationship between CWA and MWD is reported to be better, and it is hoped that this will result in better rate allocations for the cost of MWD water purchased by CWA. There was a discussion that CWA should not have to pay for billion-dollar MWD pure water projects in MWD's service areas since CWA has already paid for its projects here that have benefitted MWD. Pressing MWD for its project plans and costs. Affordability vs. Reliability. CWA lost the last round of rate litigation against MWD, and there was a closed session to discuss appeal options.

(4) Detachment (Will increase our rates)

- a. CWA Opposes detachment unless 4 conditions are met- None have been met.
- b. LAFCO decision likely pushed to end of the year.
- c. Significant development-New MWD staff has weighed in questioning detachment.

Memo

F

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS
LEGISLATIVE REPORT

Any written report will be attached; any oral report will be provided at the time of the Board Meeting.

TO: Olivenhain Municipal Water District (OMWD)
FROM: Ashley Walker, Senior Policy Advisor, Nossaman LLP
Jennifer Capitolo, Jennifer M. Capitolo and Associates LLC
DATE: April 13, 2023
RE: April 2023 Public Policy Report

State Legislative Update:

Status of the Legislature: The Legislature returned from Spring Recess on April 10. The first house policy committee deadline is on April 28, so the Legislature is hearing hundreds of bills a day in order to meet this deadline. Some other important dates to note, are the fiscal committee deadline on May 19 and the first house floor deadline on June 2. We anticipate the May Revise of the state budget to be released mid-May, with the final budget due to be passed by June 15. Looking further ahead, the Legislature will take a summer recess from July 14 – August 14 and the final day of session is September 14. The Governor has 30 days to take action on all bills passed to his desk.

State Budget Request: OMWD has requested our legislative delegation put forth a suite of water loss minimization projects to be funded in the FY 2023-24 State Budget. Initial feedback from the delegation is very supportive of these projects. The State Budget deficit will impact whether or not Member's projects will be funded or not. The Assembly and Senate have requested that Members submit their project proposals for consideration of funding by the end of April.

Legislation: OMWD has taken several positions on legislation, as outlined below.

- **AB 30 (Ward): Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program.** This bill would update and expand the Atmospheric River Research and Forecast Improvement Program: Enabling Climate Adaptation Through Forecast-Informed Reservoir Operations (FIRO) and Hazard Resiliency Program (AR Program) within the Department of Water Resources (DWR). The AR Program will include forecast-informed reservoir operations (FIRO), and integrate FIRO into DWR water supply operations and flood and hazard risk mitigation efforts. Current position: Support.
- **AB 838 (Connolly): California Water Affordability and Infrastructure Transparency Act of 2023.** This bill would place additional requirements to public water systems by having them provide specified information and data related to the average water bill paid by customers at intervals determined by the State Water Board. Current position: Oppose.
- **AB 1594 (Garcia): Medium- and heavy-duty zero-emission vehicles: public agency utilities.** This bill would require that any state regulation applicable to essential public agency utility vehicles ensures that those vehicles can support a public agency utility's ability to maintain reliable water and electric service, respond to disasters in an emergency capacity, and provide mutual aid assistance statewide and nationwide. Current position: Support.

- **SB 23 (Caballero): Water supply and flood risk reduction projects: expedited permitting.** ACWA is sponsoring SB 23 which would streamline the regulatory permitting of water supply and flood risk reduction projects. Current position: Support.
- **SB 366 (Caballero): The California Water Plan: long-term supply targets.** CMUA is sponsoring this legislation intended to transform California's water planning efforts from a process where we are managing for scarcity to a future where there is enough water for all beneficial uses. Current position: Support.
- **SB 411 (Portantino): Open meetings: teleconferences: bodies with appointed membership.** This bill ensures alternate teleconferencing provisions indefinitely to boards, an advisory boards of a local agency and commissions. This measure will allow boards and commissions to continue to serve their constituents uninterrupted by extending appropriate COVID-19 pandemic provisions. Current position: Support.

Governor's Actions and Executive Orders: The following actions have been taken by the Governor since the last legislative report. This list is compiled from CalOES, California Health and Human Services, California Department of Public Health, and FEMA. We are happy to provide the details of any item listed below, should OMWD desire.

- March 31 - Moving to protect lives and livelihoods in Tulare Lake Basin communities hard-hit by recent storms, Governor Gavin Newsom today signed an executive order to support the ongoing emergency response to flooding and help prepare communities for the impacts of snowmelt runoff from the Sierra Nevada in the months ahead.
- March 28 – As California continues to deploy personnel and resources to protect communities and support recovery efforts amid ongoing severe storms, Governor Gavin Newsom today requested a Presidential Major Disaster Declaration to bolster the emergency response and recovery in the counties of Calaveras, Kern, Los Angeles, Mariposa, Monterey, San Benito, Santa Cruz, Tulare, and Tuolumne. The Presidential Major Disaster Declaration request encompasses the communities impacted by flooding, snow, mudslides, avalanches, and debris flows that resulted from storms beginning February 21. Additional counties may be added as further damage assessments are conducted, particularly in areas where record snowpack makes it difficult to accurately assess the full extent of damages. The text of the Governor's request can be found [here](#).
- March 14 - Governor Gavin Newsom today proclaimed a state of emergency to support storm response and relief efforts in the counties of Alpine, Orange and Trinity, which join 40 counties the Governor has previously proclaimed a state of emergency for since the start of severe winter storms in late February. At Governor Newsom's request, last week President Biden issued a Presidential Emergency Declaration authorizing federal assistance to support state and local storm response efforts. With storms forecasted to continue through mid-March, California continues to mobilize personnel and resources to impacted communities across California.
- March 12 – Governor Gavin Newsom proclaimed a state of emergency to support storm response and relief efforts in six additional counties: Calaveras, Del Norte, Glenn, Kings, San Benito and San Joaquin. The proclamation supports impacted residents in all the counties under a storm state of emergency by waiving fees to replace records such as marriage and birth certificates, and provides flexibility to help hospitals and care facilities in impacted areas continue providing services.
- March 10 – Governor Gavin Newsom signed an executive order to enable local water agencies and other water users to capture water from the latest round of storms to recharge state groundwater supplies. The order suspends regulations and restrictions on permitting and use to enable water agencies and water users to divert flood stage water for the purpose of boosting groundwater recharge.

- March 10 – President Joseph R. Biden, Jr. declared that an emergency exists in the State of California and ordered Federal assistance to supplement State, Tribal, and local response efforts due to the emergency conditions resulting from severe winter storms, flooding, landslides, and mudslides beginning on March 9, 2023, and continuing.
- March 9 – As another atmospheric river descends on California, Governor Gavin Newsom requested a Presidential Emergency Declaration to authorize federal assistance supporting the state and local response to the severe storms impacting the state.
- March 8 – With a series of storms forecasted to continue through mid-March, including an atmospheric river event later this week, Governor Gavin Newsom proclaimed on March 8, 2023 a state of emergency to support storm response and relief efforts in an additional 21 counties. These counties include: Butte, El Dorado, Fresno, Humboldt, Imperial, Inyo, Lake, Mendocino, Merced, Monterey, Napa, Placer, Plumas, Sacramento, San Francisco, San Mateo, Santa Clara, Santa Cruz, Stanislaus, Tuolumne, and Yuba.

Water Quality:

2023 SWRCB DDW Priorities: On March 8, 2023, the SWRCB reviewed their Proposed Prioritization of Drinking Water Regulations for 2023. They started with an update on prior year priorities including the Perchlorate DLR and microplastics. They then moved to proposed priorities for 2023. DDW stated that Hexavalent Chromium is their highest priority for 2023 and will be finalized by the end of March. Other MLC priorities includes Arsenic (DLR spring 2023), PFOA/PFOS (US EPA process as well), NDMA (ELAP accreditation in 2023), DBP – THM & HAA5 (new in 2023), Styrene (costs workshop summer 2023), Cadmium and Mercury (DLR revision spring 2023). Other regulatory priorities for 2023 include Direct Potable Re-use (notice of proposed rulemaking in spring 2023), On-Site Treatment and Re-use (notice of proposed rulemaking in spring 2023), Recycled Water Regulations – Update (notice of proposed rulemaking in spring 2023), Cross-Connection Control (board consideration in fall 2023), Lead and Copper Rule (US EPA process as well, DLR revision notice spring 2023), DLR, Primacy Packages (public notification rulemaking in spring 2023 and USEPA updates to CCR in Spring 2023), Electronic Reporting of Drinking Water Quality Data (proposed rulemaking notice in April 2023), Notification and Response Levels – Harmful Algal Blooms (Proposed work in March 2023), Notification and Response Levels Manganese (considering PHG), Notification and Response Levels for other PFOA/PFOS, Quinquennial MCL Review, and Financial Assurance Regulations. Future year priorities include 1,4- Dioxane, Nitrosamines, Distribution System and Secondary Standards.

PFOA/PFOS MCL: On March 13, 2023, the US EPA held a briefing to announce an MCL of 4 PPT for both PFOA and PFOS. EPA is also seeking to regulate GenX, PFNA, PFBS and PFHxS as a PFAX mixture. There will be a 60-day comment period with a hearing on May 4th. Additionally, EPA will host webinars to provide more information. EPA hopes to finalize the rule by Q42023 or Q12024. Compliance will be based on a running annual average.

Water Conservation

State Water Board: At its March 8 meeting the State Water Resources Control Board (SWRCB) reported January water conservation and production results. The statewide average residential use was down to 58 R-GPCD. Most parts of the state show lower water use this January compared to January 2020 (statewide average is 9.7% lower). Cumulative statewide water savings is now 6.2% relative to 2020. This is still far from the Governor's 15% water use reduction goal, but quite a few individual water suppliers have now met or exceeded that goal (see the State Water Board "[All Stars List](#)" that shows the water suppliers with greater than 15% reductions in water use).

Long-term Water Conservation Standards Rulemaking – The SWB staff has scheduled a workshop for March 22 to present the scope and timeframe for the much anticipated Long-term Water Conservation Standards Rulemaking. These regulations will establish aggregate per capita urban water use standards and develop

efficiency goals for each urban retail water supplier (URWS). Each URWS will be responsible for developing and implementing programs to achieve those conservation targets by established deadlines through 2030. The SWRCB staff conducted several informal invitation-only meetings in late February and early March to offer an overview of this effort for various stakeholder representatives. Nossaman attended these meeting and shared insights on some of the challenges that will face URWSs and their customers.

Drought Water Conservation Reporting – Several URWSs worked together to submit a letter and meet with senior SWRCB staff last month to identify concerns with new water conservation reporting requirements that are seen as duplicative and unnecessarily burdensome. The first quarterly reports to new SAFER Clearinghouse database are due at the end of April.

Water Loss Performance Standards - SWRCB staff has confirmed that effective date for this new regulation is April 1, 2023. The first compliance deadline is July 1, 2023 for submittal of supplier's Data and Pressure Management Questionnaires. SWRCB is planning to schedule a workshop in April to go over the finalized regulation and updated information regarding the questionnaires.

Olivenhain Legislative Report 2023-24

Report as of 3/31/2023

Support

[AB 1594](#) (Garcia D) Medium- and heavy-duty zero-emission vehicles: public agency utilities.

Last Amend: 3/13/2023

Status: 3/14/2023-Re-referred to Com. on TRANS.

Location: 3/9/2023-A. TRANS.

Calendar: 4/24/2023 2:30 p.m. - 1021 O Street, Room
1100 ASSEMBLY TRANSPORTATION, FRIEDMAN, LAURA, Chair

Summary: Current law establishes the Air Quality Improvement Program that is administered by the State Air Resources Board for purposes of funding projects related to, among other things, the reduction of criteria air pollutants and improvement of air quality, and establishes the Medium- and Heavy-Duty Zero-Emission Vehicle Fleet Purchasing Assistance Program within the Air Quality Improvement Program to make financing tools and nonfinancial supports available to operators of medium- and heavy-duty vehicle fleets to enable those operators to transition their fleets to zero-emission vehicles. This bill would require any state regulation that seeks to require, or otherwise compel, the procurement of medium- and heavy-duty zero-emission vehicles by a public agency utility to ensure that those vehicles can support a public agency utility's ability to maintain reliable water and electric services, respond to disasters in an emergency capacity, and provide mutual aid assistance statewide and nationwide, among other requirements. The bill would define a public agency utility to include a local publicly owned electric utility, a community water system, and a wastewater treatment provider, as specified.

Position

Support

Notes: AB 1594 (E. Garcia) support letter from Olivenhain to author on 3.29.23.

[SB 23](#) (Caballero D) Water supply and flood risk reduction projects: expedited permitting.

Last Amend: 3/30/2023

Status: 3/30/2023-From committee with author's amendments. Read second time and amended. Re-referred to Com. on N.R. & W.

Location: 2/22/2023-S. N.R. & W.

Calendar: 4/11/2023 9 a.m. - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, MIN, DAVE, Chair

Summary: (1) Current law prohibits an entity from substantially diverting or obstructing the natural flow of, or substantially changing or using any material from the bed, channel, or bank of, any river, stream, or lake, or deposit or dispose of debris, waste, or other material containing crumbled, flaked, or ground pavement where it may pass into any river, stream, or lake, except under specified conditions, including requiring the entity to send written notification to the Department of Fish and Wildlife regarding the activity in the manner prescribed by the department. This bill would require a project proponent, if already required to submit a notification to the department, to submit final environmental documentation to the department for the activity in the notification. The bill would require the department, under prescribed circumstances, to take certain actions within specified timelines, or within a mutually agreed-to extension of time. This bill contains other related provisions and other existing laws.

Position

Support

Notes: ACWA Sponsor Bill- this is a streamlining the permitting process for water supply and flood risk reduction projects as of 1.17.23. Olivenhain signed onto ACWA coalition support/ sponsored leg 3/2/23; ACWA contact richardf@acwa.com.

[SB 366](#) (Caballero D) The California Water Plan: long-term supply targets.

Last Amend: 3/22/2023

Status: 3/29/2023-Re-referred to Com. on N.R. & W.

Location: 3/29/2023-S. N.R. & W.

Summary: Current law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as the California Water Plan. Current law requires the department to include a discussion of various strategies in the plan update, including, but not limited to, strategies relating to the development of new water storage facilities, water conservation, water recycling, desalination, conjunctive use, water transfers, and alternative pricing policies that may be pursued in order to meet the future needs of the state. Current law requires the department to establish an advisory committee to assist the department in updating the plan. This bill would require the department to instead establish a stakeholder advisory committee, to expand the membership of the committee to include tribes and environmental justice interests, to prohibit a member of the committee from serving longer than the development of 2 updates, and to require the committee to meet a minimum of 4 times annually. The bill would require the department, in coordination with the California Water Commission, the State Water Resources Control Board, other state and federal agencies as appropriate, and the stakeholder advisory committee to develop a comprehensive plan for addressing the state's water needs and meeting specified water supply targets established by the bill for purposes of "The California Water Plan."

Position

Support

Notes: OMWD has signed a support letter 2.15.23.

Close Watch

AB 1572 (Friedman D) Potable water: nonfunctional turf.

Status: 3/9/2023-Referred to Com. on W., P., & W.

Location: 3/9/2023-A. W., P. & W.

Calendar: 4/18/2023 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, REBECCA, Chair

Summary: (1)Existing law establishes various state water policies, including the policy that the use of water for domestic purposes is the highest use of water. This bill would make legislative findings and declarations concerning water use, including that the use of potable water to irrigate nonfunctional turf is wasteful and incompatible with state policy relating to climate change, water conservation, and reduced reliance on the Sacramento-San Joaquin Delta ecosystem. The bill would direct all appropriate state agencies to encourage and support the elimination of irrigation of nonfunctional turf with potable water. This bill contains other related provisions and other existing laws.

Position

Close Watch

Notes: ACWA close watch- define nonfunctional turf and create a program within the State Board for regulation of nonfunctional turf and prohibit the use of potable water for the irrigation of nonfunctional turf.

AB 1573 (Friedman D) Water conservation: landscape design: model ordinance.

Last Amend: 3/23/2023

Status: 3/27/2023-Re-referred to Com. on W., P., & W.

Location: 3/9/2023-A. W., P. & W.

Calendar: 4/18/2023 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, REBECCA, Chair

Summary: The Water Conservation in Landscaping Act provides for a model water efficient landscape ordinance that is adopted and updated at least every 3 years by the Department of Water Resources, unless the department makes a specified finding. Current law requires a local agency to adopt the model ordinance or to adopt a water efficient landscape ordinance that is at least as effective in conserving water as the updated model ordinance, except as specified. Current law specifies the provisions of the updated model ordinance, as provided. Current law includes a

related statement of legislative findings and declarations. This bill would require the updated model ordinance to include provisions that require that plants included in a landscape design plan be selected based on their adaptability to climatic, geological, and topographical conditions of the project site, as specified. The bill would also exempt landscaping that is part of ecological restoration projects that do not require a permanent irrigation system, mined-land reclamation projects that do not require a permanent irrigation system, and existing plant collections, as part of botanical gardens and arboretums open to the public, from the model ordinance.

Position

Close Watch

Notes: ACWA concerns- AB 1573 instead only defines nonfunctional turf.

Spot Watch

AB 754 (Papan D) Water management planning: automatic conservation plan.

Last Amend: 3/9/2023

Status: 3/13/2023-Re-referred to Com. on W., P., & W.

Location: 3/9/2023-A. W.,P. & W.

Summary: Current law, the Urban Water Management Planning Act, requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan. Current law requires an urban water management plan to quantify past, current, and projected water use, identifying the uses among water use sectors, including, among others, commercial, agricultural, and industrial. Current law requires an urban water management plan to identify and quantify, to the extent practicable, the existing and planned sources of water available to the supplier over a specified period of time, providing supporting and related information, including, among other things, a description of the management of each supply in correlation with the other identified supplies when multiple sources of water supply are identified. This bill would additionally require an urban water management plan, if a reservoir is identified as an existing or planned source of water available to the supplier, to include specified information related to water storage and conservation, including, among other things, a target water supply storage curve, calculated as provided, and an automatic conservation plan that would be implemented when the reservoir storage level falls below the target water supply storage curve.

Position

Spot Watch

SB 537 (Becker D) Open meetings: local agencies: teleconferences.

Last Amend: 3/22/2023

Status: 3/29/2023-Re-referred to Coms. on GOV. & F. and JUD.

Location: 3/29/2023-S. GOV. & F.

Summary: Current law, until January 1, 2024, authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency or in other situations related to public health that exempt a legislative body from the general requirements (emergency provisions) and impose different requirements for notice, agenda, and public participation, as prescribed. The emergency provisions specify that they do not require a legislative body to provide a physical location from which the public may attend or comment. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency's jurisdiction and other requirements are met, including restrictions on remote participation by a member of the legislative body. These circumstances include if a member shows "just cause," including for a childcare or caregiving need of a relative that requires the member to participate remotely. This bill would authorize certain legislative bodies to use alternate teleconferencing provisions similar to the emergency provisions indefinitely and without regard to a state of emergency. The bill would also require a legislative body to provide a record of attendance on its internet website within 7 days after a teleconference meeting, as specified. The bill would define "legislative body" for this purpose to mean a board, commission, or advisory

body of a multijurisdictional cross county agency, the membership of which board, commission, or advisory body is appointed and which board, commission, or advisory body is otherwise subject to the act. The bill would also define "multijurisdictional" to mean a legislative body that includes representatives from more than one county, city, city and county, special district, or a joint powers entity.

Position

Spot Watch

Watch

AB 30

(Ward D) Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program.

Status: 3/14/2023-Coauthors revised. From committee: Do pass and re-refer to Com. on APPR. (Ayes 15. Noes 0.) (March 14). Re-referred to Com. on APPR.

Location: 3/14/2023-A. APPR.

Summary: Current law establishes the Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program in the Department of Water Resources. Current law requires the department, upon an appropriation for purposes of the program, to research climate forecasting and the causes and impacts that climate change has on atmospheric rivers, to operate reservoirs in a manner that improves flood protection, and to reoperate flood control and water storage facilities to capture water generated by atmospheric rivers. This bill would rename that program the Atmospheric Rivers Research and Forecast Improvement Program: Enabling Climate Adaptation Through Forecast-Informed Reservoir Operations and Hazard Resiliency (AR/FIRO) Program. The bill would require the department to research, develop, and implement new observations, prediction models, novel forecasting methods, and tailored decision support systems to improve predictions of atmospheric rivers and their impacts on water supply, flooding, post-wildfire debris flows, and environmental conditions.

Position

Watch

Notes: ACWA recommends a support position as of 1.17.23.

AB 62

(Mathis R) Statewide water storage: expansion.

Last Amend: 2/27/2023

Status: 2/28/2023-Re-referred to Com. on W., P., & W.

Location: 1/26/2023-A. W.,P. & W.

Calendar: 4/18/2023 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, REBECCA, Chair

Summary: Would establish a statewide goal to increase above- and below-ground water storage capacity by a total of 3,700,000 acre-feet by the year 2030 and a total of 4,000,000 acre-feet by the year 2040. The bill would require the State Water Resources Control Board, in consultation with the Department of Water Resources, to design and implement measures to increase statewide water storage to achieve the statewide goal. The bill would require the state board, beginning July 1, 2027, and on or before July 1 every 2 years thereafter until January 1, 2043, in consultation with the department, to prepare and submit a report to the Legislature on the progress made in designing and implementing measures to achieve the statewide goal.

Position

Watch

AB 66

(Mathis R) Natural Resources Agency: water storage projects: permit approval.

Last Amend: 3/29/2023

Status: 3/30/2023-Re-referred to Com. on APPR.

Location: 3/28/2023-A. APPR.

Summary: Current law establishes the Natural Resources Agency, composed of departments, boards, conservancies, and commissions responsible for the restoration, protection, and management of the state's natural and cultural resources. Current law establishes in the agency the Department of Water Resources, which manages and undertakes planning with regard to water

resources in the state. This bill would require the agency, and each department, board, conservancy, and commission within the agency, to take all reasonable steps to approve the necessary permits for specified projects that meet certain employment conditions within 180 days from receiving a complete permit application.

Position

Watch

AB 234 (Bauer-Kahan D) Microparticles.

Last Amend: 3/30/2023

Status: 3/30/2023-From committee chair, with author's amendments: Amend, and re-refer to Com. on NAT. RES. Read second time and amended.

Location: 3/23/2023-A. NAT. RES.

Calendar: 4/10/2023 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, RIVAS, LUZ, Chair

Summary: Would enact the Synthetic Polymer Microparticles in Cosmetic and Cleaning Products Prevention Act. The bill would prohibit a synthetic polymer microparticle from being placed on the market in this state as a substance on its own or, where the synthetic polymer microparticles are present to confer a sought-after characteristic, in mixtures in a concentration equal to or greater than 0.01% by weight. The restriction would apply on and after specified dates depending on the type of product, as described, except as otherwise provided. The bill would specify the screening tests and pass criteria to be used for purposes of determining compliance with this prohibition. The bill would make a person who violates this prohibition liable for a civil penalty not to exceed \$5,000 per day for each violation, in addition to any other penalty established by law. The bill would authorize the civil penalty to be assessed and recovered in a civil action brought by a city attorney, a district attorney, a county counsel, or the Attorney General in any court of competent jurisdiction.

Position

Watch

AB 305 (Villapudua D) California Flood Protection Bond Act of 2024.

Last Amend: 3/23/2023

Status: 3/27/2023-Re-referred to Com. on W., P., & W.

Location: 3/23/2023-A. W.,P. & W.

Summary: Would enact the California Flood Protection Bond Act of 2024 which, if approved by the voters, would authorize the issuance of bonds in the amount of \$3,750,000,000 pursuant to the State General Obligation Bond Law for flood protection projects, as specified. The bill would provide for the submission of these provisions to the voters at the November 5, 2024, statewide general election.

Position

Watch

AB 345 (Wilson D) Habitat restoration: flood control: advance payments.

Last Amend: 3/20/2023

Status: 3/28/2023-Coauthors revised. From committee: Do pass and re-refer to Com. on APPR. (Ayes 15. Noes 0.) (March 28). Re-referred to Com. on APPR.

Location: 3/28/2023-A. APPR.

Summary: Current law authorizes the Department of Water Resources to make examinations of lands subject to inundation and overflow by floodwaters and of the waters causing the inundation or overflow and to make plans and estimates of the cost of works to regulate and control the floodwaters. Current law also vests in the department charge of all expenditures unless otherwise provided by law for all public works relating to general river and harbor improvements, including reclamation and drainage of lands. Current law authorizes the department to cooperate and contract with any agency of the state or of the United States in order to carry out its powers and purposes. Current law establishes the Central Valley Flood Protection Board and authorizes the board to engage in various flood control activities along the Sacramento River, the San Joaquin River, their tributaries, and related areas. This bill would authorize the department or the board to provide advance payments, as defined, to local agencies for projects that restore habitat for threatened and endangered species under state or federal law or improve flood protection, as provided. The bill would prohibit the amount of funds advanced by the department or the board to the local agency at any one time from exceeding 25% of the entire amount authorized to be provided under the funding agreement.

Position

Watch

AB 396 (Fong, Vince R) Dams.

Status: 2/3/2023-From printer. May be heard in committee March 5.

Location: 2/2/2023-A. PRINT

Summary: Current law regulates the construction and operation of dams and exempts certain structures for these purposes. Current law requires the owner of such exempt structures to employ a registered civil engineer to supervise the structure, as prescribed. This bill would make nonsubstantive changes to the above provision.

Position

Watch

AB 422 (Alanis R) Natural Resources Agency: statewide water storage: tracking.

Status: 2/9/2023-Referred to Com. on W., P., & W.

Location: 2/9/2023-A. W.,P. & W.

Summary: Would require the Natural Resources Agency, on or before June 1, 2024, to post on its publicly available internet website information tracking the progress to increase statewide water storage, and to keep that information updated.

Position

Watch

AB 460 (Bauer-Kahan D) State Water Resources Control Board: water rights and usage: interim relief: procedures.

Last Amend: 3/30/2023

Status: 3/30/2023-From committee chair, with author's amendments: Amend, and re-refer to Com. on W., P., & W. Read second time and amended.

Location: 2/17/2023-A. W.,P. & W.

Calendar: 4/18/2023 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, REBECCA, Chair

Summary: Current law authorizes the State Water Resources Control Board to investigate all streams, stream systems, lakes, or other bodies of water, take testimony relating to the rights to water or the use of water, and ascertain whether water filed upon or attempted to be appropriated is appropriated under the laws of the state. Current law requires the board to take appropriate actions to prevent waste or the unreasonable use of water. This bill would authorize the board, in conducting specified investigations or proceedings to inspect the property or facilities of a person or entity, as specified. The bill would authorize the board, if consent is denied for an inspection, to obtain an inspection warrant, as specified, or in the event of an emergency affecting public health and safety, to conduct an inspection without consent or a warrant.

Position

Watch

AB 541 (Wood D) California Safe Drinking Water Act: wildfire aftermath: benzene testing.

Status: 3/15/2023-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 9. Noes 0.) (March 14). Re-referred to Com. on APPR.

Location: 3/14/2023-A. APPR.

Summary: Would direct the State Water Resources Control Board, on or after January 1, 2024, to require a public water system, water corporation, or water district that has experienced a major wildfire event within their service territory to test their water source for the presence of benzene immediately following that major wildfire event.

Position

Watch

AB 560 (Bennett D) Sustainable Groundwater Management Act: groundwater adjudication.

Status: 3/28/2023-From committee: Do pass and re-refer to Com. on JUD. (Ayes 9. Noes 4.) (March 28). Re-referred to Com. on JUD.

Location: 3/28/2023-A. JUD.

Calendar: 4/11/2023 9 a.m. - State Capitol, Room 437 ASSEMBLY JUDICIARY, MAIENSCHIN, BRIAN, Chair

Summary: Current law prohibits a court from approving entry of judgment in certain adjudication actions for a basin required to have a groundwater sustainability plan under the Sustainable Groundwater Management Act, unless the court finds that the judgment would not substantially impair the ability of a groundwater sustainability agency, the State Water Resources Control Board, or the Department of Water Resources to comply with the act and to achieve sustainable groundwater management. This bill would require the court to refer the proposed judgment to the board for an advisory determination as to whether the proposed judgment will substantially impair the ability of a groundwater sustainability agency, the board, or the department to achieve sustainable groundwater management. The bill would require the board to consult with the department before making its determination.

Position

Watch

AB 590 (Hart D) State-funded assistance grants and contracts: advance payments.

Status: 3/29/2023-Coauthors revised. From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (March 29). Re-referred to Com. on APPR.

Location: 3/29/2023-A. APPR.

Summary: Would declare the intent of the Legislature to improve and expand the state's existing advance payment practices for state grants and contracts with nonprofits. The bill would authorize an administering state agency to advance a payment to a recipient entity, defined to mean a private, nonprofit organization qualified under federal law, subject to meeting specified requirements. The bill would require the administering state agency to prioritize recipient entities and projects serving disadvantaged, low-income, and under-resourced communities, and to ensure an advance payment to the recipient entity does not exceed 25% of the total grant or contract amount. The bill would require the recipient entity to satisfy certain minimum requirements, including providing an itemized budget and submitting documentation, as required by the administering state agency, to support the need for advance payment.

Position

Watch

AB 648 (Valencia D) Common interest developments: procedures: meetings by teleconference.

Status: 2/17/2023-Referred to Com. on H. & C.D.

Location: 2/17/2023-A. H. & C.D.

Summary: The Davis-Stirling Common Interest Development Act governs the management and operation of common interest developments. Current law defines a board meeting as a congregation or a teleconference, as provided. Current law requires, among other things, a board meeting held by teleconference to identify at least one physical location so that members of the association may attend, except as provided. Current law also establishes alternative teleconferencing procedures for a board meeting or a meeting of the members if gathering in person is unsafe or impossible because the common interest development is in an area affected by a federal, state, or local emergency. This bill would authorize a board meeting or a meeting of the members to be conducted entirely by teleconference if specified conditions are satisfied.

Position

Watch

AB 664 (Lee D) California Safe Drinking Water Act: domestic wells.

Status: 3/15/2023-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (March 14). Re-referred to Com. on APPR.

Location: 3/14/2023-A. APPR.

Summary: Current law authorizes the State Water Resources Control Board to order consolidation where a disadvantaged community, in whole or in part, is substantially reliant on domestic wells that consistently fail to provide an adequate supply of safe drinking water, or are at-risk domestic wells. Current law provides that any domestic well owner within the consolidation or extended service area that does not provide written consent shall be ineligible, until the consent is provided, for any future water-related grant funding from the state other than funding to mitigate a well failure, disaster, or other emergency. Current law makes it a crime to knowingly commit several acts related to safe drinking water, including violating an order issued by the board pursuant to the act that has a substantial probability of presenting an imminent danger to the health of persons.

This bill would require any domestic well owner within the consolidation or extended service area that does not provide written consent to ensure that tenants of rental properties served solely by that domestic well have access to safe drinking water until consent is provided.

Position

Watch

[AB 682](#) (Mathis R) State Water Resources Control Board: online search tool: funding applications.

Last Amend: 3/20/2023

Status: 3/29/2023-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 9. Noes 0.) (March 28). Re-referred to Com. on APPR.

Location: 3/29/2023-A. APPR.

Summary: Current law establishes the State Water Resources Control Board (state board) to exercise the adjudicatory and regulatory functions of the state in the field of water resources. Current law establishes the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and long terms. This bill would require, by January 1, 2025, the state board to update the state board's online search tool for funding applications to include a description of the additional information the state board needs from a water system to continue processing the water system's application and a description of the typical steps that must be completed before a funding agreement can be executed after receipt of a complete application, among other information, as specified.

Position

Watch

[AB 753](#) (Papan D) State Water Pollution Cleanup and Abatement Account: annual proceed transfers.

Status: 3/29/2023-Coauthors revised. From committee: Do pass and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (March 28). Re-referred to Com. on APPR.

Location: 3/29/2023-A. APPR.

Summary: Would create within the Waste Discharge Permit Fund the Waterway Recovery Account, and would annually transfer from the State Water Pollution Cleanup and Abatement Account, excluding administratively imposed civil liabilities that include a supplemental environmental project in connection with a monetary penalty, 50% of the annual proceeds to the Waterway Recovery Account. The bill would provide that moneys in the account created by the bill are continuously appropriated to the state board without regard to fiscal years to expend for the following purposes: for restoration projects that improve water quality standards, as specified; for the Clean Water Team Citizen Monitoring Program, to increase water quality monitoring; and to create and fund a community capacity program to increase disadvantaged and tribal community participation in state board and regional board outreach and regulatory processes, as specified.

Position

Watch

[AB 779](#) (Wilson D) Groundwater: adjudication.

Status: 3/28/2023-From committee: Do pass and re-refer to Com. on JUD. (Ayes 11. Noes 3.) (March 28). Re-referred to Com. on JUD.

Location: 3/28/2023-A. JUD.

Calendar: 4/11/2023 9 a.m. - State Capitol, Room 437 ASSEMBLY JUDICIARY, MAIENSCHIN, BRIAN, Chair

Summary: Would require the court to invite a representative from the department or the State Water Resources Control Board to provide technical assistance or expert testimony on the amount of water in the basin subject to adjudication, equitable and sustainable pumping allocations for the basin, and sustainable groundwater management best practices and recommendations. The bill would require the court to take into account the needs of small farmers and disadvantaged communities, as those terms are defined, when entering a judgment. This bill contains other related provisions and other existing laws.

Position

Watch

AB 805 (Arambula D) Drinking water consolidation: sewer service.

Last Amend: 3/9/2023

Status: 3/29/2023-From committee: Do pass and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (March 28). Re-referred to Com. on APPR.

Location: 3/29/2023-A. APPR.

Summary: Would authorize the State Water Resources Control Board, if sufficient funds are available, to order consolidation of sewer service along with an order of consolidation of drinking water systems when both of the receiving and subsumed water systems provide sewer service and after the state board engages in certain activities, including, but not limited to, consulting with the relevant regional water board and the receiving water system and conducting outreach to ratepayers and residents served by the receiving and subsumed water systems, as provided.

Position

Watch

AB 828 (Connolly D) Sustainable groundwater management: managed wetlands.

Last Amend: 3/2/2023

Status: 3/27/2023-In committee: Hearing postponed by committee.

Location: 3/2/2023-A. W.,P. & W.

Summary: The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. Current law defines various terms for purposes of the act. This bill would add various defined terms for purposes of the act, including the term "managed wetland."

Position

Watch

AB 830 (Soria D) Lake and streambed alteration agreements: exemptions.

Last Amend: 3/28/2023

Status: 3/29/2023-Re-referred to Com. on W., P., & W.

Location: 3/16/2023-A. W.,P. & W.

Calendar: 4/18/2023 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, REBECCA, Chair

Summary: Current law prohibits a person, a state or local governmental agency, or a public utility from substantially diverting or obstructing the natural flow of, or substantially changing or using any material from the bed, channel, or bank of, any river, stream, or lake, or depositing or disposing of debris, waste, or other material containing crumbled, flaked, or ground pavement where it may pass into any river, stream, or lake, unless prescribed requirements are met, including written notification to the Department of Fish and Wildlife regarding the activity. Current law requires the department to determine whether the activity may substantially adversely affect an existing fish and wildlife resource and, if so, to provide a draft lake or streambed alteration agreement to the person, agency, or utility. Existing law prescribes various requirements for lake and streambed alteration agreements. Current law also establishes various exemptions from these provisions, including exemptions for specified emergency work. This bill would additionally exempt from these provisions the temporary operation of existing infrastructure or temporary pumps being used to divert flood stage and monitor stage flows, as identified by the California Nevada River Forecast Center or the State Water Resources Control Board, to beneficial groundwater recharge necessary to protect downstream life and property.

Position

Watch

AB 838 (Connolly D) California Water Affordability and Infrastructure Transparency Act of 2023.

Last Amend: 3/21/2023

Status: 3/29/2023-From committee: Do pass and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (March 28). Re-referred to Com. on APPR.

Location: 3/29/2023-A. APPR.

Summary: The California Safe Drinking Water Act requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Current law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes. The act prohibits a person from operating a public water system unless the person first submits an application to the state board and receives a permit to operate the system, as specified. The act requires a public water system to submit a technical report to the state board as a part of the permit application or when otherwise required by the state board, as specified, and to submit the report in the form and format and at intervals specified by the state board. This bill would require, beginning January 1, 2025, and thereafter at intervals determined by the state board, public water systems to provide specified information and data related to customer water bills and efforts to replace aging infrastructure to the state board.

Position

Watch

AB 900 (Bennett D) Aquifer recharge: grant program: streamlined permitting.

Status: 3/22/2023-In committee: Hearing postponed by committee.

Location: 2/23/2023-A. W.,P. & W.

Calendar: 4/18/2023 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, REBECCA, Chair

Summary: Current law authorizes the Department of Water Resources to investigate any natural situation available for reservoirs or reservoir systems for gathering and distributing flood or other water not under beneficial use in any stream, stream system, lake, or other body of water. Current law also authorizes the department to ascertain the feasibility of projects for those reservoirs or reservoir systems, the supply of water that may thereby be made available, and the extent and character of the areas that may be thereby irrigated, as well as the cost of those projects. The bill would require the department to prepare and produce a report outlining best practices for aquifer recharge. The bill would require the report to include guidelines for a streamlined permitting process for aquifer recharge projects that implement the best practices outlined in the report.

Position

Watch

AB 967 (Flora R) California Safe Drinking Water Act: definitions.

Status: 2/15/2023-From printer. May be heard in committee March 17.

Location: 2/14/2023-A. PRINT

Summary: The California Safe Drinking Water Act requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. The act defines various terms for its purposes. This bill would make nonsubstantive changes to those definitions.

Position

Watch

AB 1024 (Aguilar-Curry D) Water rights: small irrigation use: lake or streambed alteration agreements.

Last Amend: 3/2/2023

Status: 3/6/2023-Re-referred to Com. on W., P., & W.

Location: 3/2/2023-A. W.,P. & W.

Calendar: 4/18/2023 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, REBECCA, Chair

Summary: The Water Rights Permitting Reform Act of 1988 requires the registration of water use to be made upon a form prescribed by the State Water Resources Control Board that requires, among other things, a certification that the registrant has contacted a representative of the Department of Fish and Wildlife and has agreed to comply with conditions set forth by the department. The act requires the board to establish reasonable general conditions to which all appropriations made pursuant to the act are required to be subject, including, among other things, that all conditions lawfully required by the department are conditions upon the appropriations. The act provides that the board is not required to adopt general conditions for small irrigation use until the board determines that funds are available for that purpose, and that a registration for small irrigation use pursuant to the act is not authorized until the board establishes general conditions for

small irrigation use to protect instream beneficial uses, as specified. This bill would require the board to give priority to adopting, on or before June 30, 2027, except as provided, general conditions that permit a registrant to store water for small irrigation use during times of high streamflow in exchange for the registrant reducing diversions during periods of low streamflow, as specified. The bill would require that the actions of the board under these provisions be deemed an action taken for the protection of the environment for purposes of specified California Environmental Quality Act guidelines, if those actions do not result in the relaxation of streamflow standards.

Position

Watch

AB 1072 (Wicks D) Water conservation and efficiency: low-income residential customers.

Last Amend: 3/23/2023

Status: 3/27/2023-Re-referred to Com. on W., P., & W.

Location: 3/23/2023-A. W.,P. & W.

Summary: Would declare the policy of the state that access to water conservation and efficiency programs needs to be available to all residents. The bill would also set forth related findings including that reaching the state's environmental justice goals and commitments requires designing climate adaptation programs so that all households may participate.

Position

Watch

AB 1152 (Patterson, Joe R) California Environmental Quality Act: exemption: recycled water.

Status: 3/2/2023-Referred to Com. on NAT. RES.

Location: 3/2/2023-A. NAT. RES.

Summary: Would exempt from the California Environmental Quality Act (CEQA) a project to construct or expand a recycled water pipeline for the purpose of mitigating drought conditions for which a state of emergency was proclaimed by the Governor if the project meets specified criteria. Because a lead agency would be required to determine if a project qualifies for this exemption, this bill would impose a state-mandated local program. The bill would also exempt from CEQA the development and approval of building standards by state agencies for recycled water systems.

Position

Watch

AB 1196 (Villapudua D) Water Quality, Supply, and Infrastructure Improvement Act of 2014.

Status: 2/17/2023-From printer. May be heard in committee March 19.

Location: 2/16/2023-A. PRINT

Summary: The Water Quality, Supply, and Infrastructure Improvement Act of 2014, a bond act approved by the voters as Proposition 1 at the November 4, 2014, statewide general election, authorizes the issuance of general obligation bonds to finance a water quality, supply, and infrastructure improvement program, as specified. Under the bond act, \$520,000,000 is available, upon appropriation by the Legislature, for expenditures, grants, and loans for projects that improve water quality or help provide clean, safe, and reliable drinking water to all Californians. Current law requires projects eligible for this funding to help improve water quality for a beneficial use. This bill would make a nonsubstantive change to the latter provision.

Position

Watch

AB 1205 (Bauer-Kahan D) Water rights: sale, transfer, or lease: agricultural lands.

Last Amend: 3/23/2023

Status: 3/27/2023-Re-referred to Com. on W., P., & W.

Location: 3/23/2023-A. W.,P. & W.

Calendar: 5/2/2023 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, REBECCA, Chair

Summary: Would declare that the sale, transfer, or lease of an interest in any water right for profit, on or below agricultural lands within the state by an investment fund, shall not be considered a reasonable or beneficial use of water.

Position

Watch

AB 1211 (Mathis R) Safe Drinking Water State Revolving Fund: internet website information: updates.

Status: 3/29/2023-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 9. Noes 0.) (March 28). Re-referred to Com. on APPR.

Location: 3/29/2023-A. APPR.

Summary: The Safe Drinking Water State Revolving Fund Law of 1997, administered by the State Water Resources Control Board, establishes the Safe Drinking Water State Revolving Fund to provide grants or revolving fund loans for the design and construction of projects for public water systems that will enable those systems to meet safe drinking water standards. Current law requires the board, at least once every 2 years, to post information on its internet website regarding implementation of the Safe Drinking Water State Revolving Fund Law and expenditures from the Safe Drinking Water State Revolving Fund, as specified This bill would require the board to post the information at least annually.

Position

Watch

AB 1216 (Muratsuchi D) Wastewater treatment plants: monitoring of air pollutants.

Last Amend: 3/16/2023

Status: 3/20/2023-Re-referred to Com. on NAT. RES.

Location: 3/16/2023-A. NAT. RES.

Summary: Would require, on or before January 1, 2025, the owner or operator of a wastewater treatment facility that is located within 1,500 feet of a residential area and meets other, specified criteria to develop, install, operate, and maintain a fence-line monitoring system in accordance with guidance developed by the appropriate air quality management district. The bill would require the fence-line monitoring system to include equipment capable of measuring pollutants of concern, including hydrogen sulfide, nitrogen oxides, and volatile organic compounds emitted to the atmosphere from wastewater treatment or reclamation processes that the appropriate district deems appropriate for monitoring. The bill would also require the owner or operator of a wastewater treatment facility to collect real-time data from the wastewater treatment-related fence-line monitoring system, to maintain records of that data, and to transmit the data to the appropriate air quality management district in accordance with the district's guidance. In addition, the bill would require, to the extent feasible, the data generated by these systems to be provided to the public as quickly as possible in a publicly accessible format.

Position

Watch

AB 1272 (Wood D) State Water Resources Control Board: drought planning.

Status: 3/28/2023-From committee: Do pass and re-refer to Com. on APPR. (Ayes 12. Noes 2.) (March 28). Re-referred to Com. on APPR.

Location: 3/28/2023-A. APPR.

Summary: Would require the State Water Resources Control Board to establish a program, in consultation with the Department of Fish and Wildlife, to adopt principles and guidelines for diversion and use of water in coastal watersheds, as specified, during times of water shortage for drought preparedness and climate resiliency. The bill would require that the principles and guidelines provide for the development of watershed-level plans to support public trust uses, public health and safety, and the human right to water in times of water shortage, among other things. The bill also would require the state board, prior to adopting those principles and guidelines, to allow for public comment and hearing, as provided.

Position

Watch

AB 1488 (Wallis R) California Environmental Quality Act: environmental leadership development projects: water storage, water conveyance, and groundwater recharge projects: streamlined review.

Last Amend: 3/23/2023

Status: 3/27/2023-Re-referred to Com. on NAT. RES.

Location: 3/9/2023-A. NAT. RES.

Summary: The Jobs and Economic Improvement Through Environmental Leadership Act of 2021 authorizes the Governor, until January 1, 2024, to certify environmental leadership development projects that meet specified requirements for certain streamlining benefits related to CEQA. The act, among other things, requires a lead agency to prepare the record of proceedings for an environmental leadership development project, as provided, and to include a specified notice in the draft EIR and final EIR. The act is repealed by its own term on January 1, 2026. This bill would extend the application of the act to water storage projects, water conveyance projects, and groundwater recharge projects that provide public benefits and drought preparedness. The bill would authorize the Governor, until January 1, 2025, to certify water storage projects, water conveyance projects, and groundwater recharge projects as environmental leadership development projects. The bill would make other conforming changes. Because a lead agency would be required to prepare the record of proceedings for water storage projects, water conveyance projects, and groundwater recharge projects pursuant to the act, this bill would impose a state-mandated local program.

Position

Watch

AB 1567 (Garcia D) Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2023.

Status: 3/9/2023-Referred to Coms. on W., P., & W. and NAT. RES.

Location: 3/9/2023-A. W., P. & W.

Calendar: 4/18/2023 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, REBECCA, Chair

Summary: The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, approved by the voters as Proposition 68 at the June 5, 2018, statewide primary election, authorizes the issuance of bonds in the amount of \$4,100,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program. Article XVI of the California Constitution requires measures authorizing general obligation bonds to specify the single object or work to be funded by the bonds and further requires a bond act to be approved by a 2/3 vote of each house of the Legislature and a majority of the voters. This bill would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2023, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,105,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, and workforce development programs. This bill contains other related provisions.

Position

Watch

AB 1597 (Alvarez D) Water quality: California-Mexico cross-border rivers.

Status: 3/9/2023-Referred to Coms. on E.S. & T.M. and JUD.

Location: 3/9/2023-A. E.S. & T.M.

Calendar: 4/18/2023 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, LEE, ALEX, Chair

Summary: This bill would make \$50,000,000 available from the General Fund, upon appropriation by the Legislature in the annual Budget Act or another statute, to the NADBank for loans, grants, and direct expenditures to address water quality problems arising in the California-Mexico cross-border rivers. The bill would require the funding to be available for specified purposes, as provided, including water quality projects for the Tijuana River, and would make 10% of the funding available for the administrative costs of implementing these provisions. The bill would authorize funding provided for activities or projects in the State of Baja California to be provided through direct expenditures and for grants to an eligible funding recipient authorized to work in Mexico under a specified circumstance. The bill would authorize grant funding to be conditioned on enforceability and accountability mechanisms agreed upon by the State Water Resources Control Board and the recipient. The bill would require the California Environmental Protection Agency to notify the leadership office in each house of the Legislature on cross-border collaboration and the expenditure of the funding, as provided. This bill contains other related provisions.

Position

Watch

[AB 1631](#) (Schiavo D) Water resources: permit to appropriate: application procedure: mining use.
Status: 3/9/2023-Referred to Com. on W., P., & W.
Location: 3/9/2023-A. W.,P. & W.
Calendar: 4/18/2023 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, REBECCA, Chair
Summary: Under existing law, the State Water Resources Control Board administers a water rights program pursuant to which the board grants permits and licenses to appropriate water. Existing law requires an application for a permit to appropriate water to include, among other things, sufficient information to demonstrate a reasonable likelihood that unappropriated water is available for the proposed appropriation. Existing law requires the board to issue and deliver a notice of an application as soon as practicable after the receipt of an application for a permit to appropriate water that conforms to the law. Existing law allows interested persons to file a written protest with regard to an application to appropriate water and requires the protestant to set forth the objections to the application. Existing law declares that no hearing is necessary to issue a permit in connection with an unprotested application, or if the undisputed facts support the issuance of the permit and there is no disputed issue of material fact, unless the board elects to hold a hearing. This bill, if the board has not rendered a final determination on an application for a permit to appropriate water for a beneficial use or uses that include mining use within 30 years from the date the application was filed, would require the board to issue a new notice and provide an opportunity for protests before rendering a final determination, with specified exceptions.

Position

Watch

[AB 1648](#) (Bains D) Water: Colorado River conservation.
Last Amend: 3/16/2023
Status: 3/20/2023-Re-referred to Com. on W., P., & W.
Location: 3/16/2023-A. W.,P. & W.
Summary: Would prohibit the Metropolitan Water District of Southern California and the Department of Water and Power of the City of Los Angeles from achieving a reduction in, or conservation of, Colorado River water consumption required by an agreement with specified entities through increased water deliveries or imports from other regions of California, including the San Joaquin Valley and the Sacramento-San Joaquin Delta. The bill would require the Colorado River Board of California, the Department of Water Resources, and the State Water Resources Control Board to use their existing authority to enforce these provisions. The bill would specify that these provisions apply retroactively to January 1, 2023, and apply to any agreement entered into on or after that date.

Position

Watch

[AB 1684](#) (Maienschein D) Local ordinances: fines and penalties: cannabis.
Last Amend: 3/9/2023
Status: 3/13/2023-Re-referred to Com. on L. GOV.
Location: 3/9/2023-A. L. GOV.
Summary: Current law authorizes the legislative body of a local agency, as defined, to make, by ordinance, any violation of an ordinance subject to an administrative fine or penalty, as specified. Current law requires the ordinance adopted by the local agency to provide for a reasonable period of time, as specified in the ordinance, for a person responsible for a continuing violation to correct or otherwise remedy the violation prior to the imposition of administrative fines or penalties, when the violation pertains to building, plumbing, electrical, or other similar structural or zoning issues that do not create an immediate danger to health or safety. Current law authorizes the ordinance to provide for the immediate imposition of administrative fines or penalties for the violation of building, plumbing, electrical, or other similar structural, health and safety, or zoning requirements if the violation exists as a result of, or to facilitate, the illegal cultivation of cannabis, except as specified. This bill would expand the authorization for an ordinance providing for the immediate imposition of administrative fines or penalties to include all unlicensed commercial cannabis activity, including cultivation, manufacturing, processing, distribution, or retail sale and would authorize the ordinance to declare unlicensed commercial cannabis activity a public nuisance.

Position

Watch

ACA 2

(Alanis R) Public resources: Water and Wildfire Resiliency Act of 2023.

Status: 12/6/2022-From printer. May be heard in committee January 5.

Location: 12/5/2022-A. PRINT

Summary: Would establish the Water and Wildfire Resiliency Fund within the State Treasury, and would require the Treasurer to annually transfer an amount equal to 3% of all state revenues that may be appropriated as described from the General Fund to the Water and Wildfire Resiliency Fund. The measure would require the moneys in the fund to be appropriated by the Legislature and would require that 50% of the moneys in the fund be used for water projects, as specified, and that the other 50% of the moneys in the fund be used for forest maintenance and health projects, as specified.

Position

Watch

SB 3

(Dodd D) Discontinuation of residential water service: community water system.

Last Amend: 3/9/2023

Status: 3/28/2023-Set for hearing April 10.

Location: 3/21/2023-S. APPR.

Calendar: 4/10/2023 10 a.m. - 1021 O Street, Room
2200 SENATE APPROPRIATIONS, PORTANTINO, ANTHONY, Chair

Summary: The Water Shutoff Protection Act prohibits an urban and community water system, defined as a public water system that supplies water to more than 200 service connections, from discontinuing residential service for nonpayment, as specified, and requires specified procedures before it can discontinue residential service for nonpayment. Current law defines a community water system as a public water system that serves at least 15 service connections used by yearlong residents or regularly serves at least 25 yearlong residents of the area served by the system. Current law requires an urban and community water system to have a written policy on discontinuation of residential service for nonpayment available in English, the specified languages in the Civil Code, and any other language spoken by at least 10% of the people residing in its service area. This bill would expand the scope of the Water Shutoff Protection Act by requiring that it instead apply to a community water system, defined to have the same meaning as existing law. The bill would require a community water system that supplies water to 200 service connections or fewer to comply with the act's provisions on and after August 1, 2024.

Position

Watch

SB 66

(Hurtado D) Water Quality, Supply, and Infrastructure Improvement Act of 2014: Drinking Water Capital Reserve Fund: administration.

Last Amend: 3/21/2023

Status: 3/29/2023-Re-referred to Com. on E.Q.

Location: 3/29/2023-S. E.Q.

Summary: The Water Quality, Supply, and Infrastructure Improvement Act of 2014 bond act provides that the sum of \$260,000,000 is to be available for grants and loans for public water system infrastructure improvements and related actions to meet safe drinking water standards, ensure affordable drinking water, or both, as specified. Current law requires the State Water Resources Control Board to deposit up to \$2,500,000 of the \$260,000,000 into the Drinking Water Capital Reserve Fund, to be available upon appropriation by the Legislature. Current law requires the state board to administer the Drinking Water Capital Reserve Fund for the purpose of serving as matching funds for disadvantaged communities and requires the state board to develop criteria to implement this provision. This bill would require the state board to provide an analysis of the criteria to implement that provision to the Senate Committee on Natural Resources and Water and Assembly Committee on Water, Parks, and Wildlife on January 1, 2025, and every 2 years thereafter.

Position

Watch

SB 231

(Hurtado D) Water measurement.

Last Amend: 3/21/2023

Status: 3/29/2023-Re-referred to Com. on N.R. & W.

Location: 3/29/2023-S. N.R. & W.

Summary: Current law requires the State Water Resources Control Board, in collaboration with the Department of Water Resources, the California Bay-Delta Authority or its successor agency, and the State Department of Public Health, to prepare and submit a report to the Legislature by January 1, 2009, evaluating the feasibility, estimated costs, and potential means of financing a coordinated water measurement database. This bill would require the board, in collaboration with the department, the authority or its successor agency, and the State Department of Public Health, to prepare and submit an update to the report to the Legislature by January 1, 2025, evaluating the feasibility, estimated costs, and potential means of financing a coordinated water measurement database, as specified.

Position

Watch

SB 315 (Hurtado D) Groundwater monitoring: interagency task force.

Last Amend: 3/21/2023

Status: 3/29/2023-Re-referred to Com. on N.R. & W.

Location: 3/29/2023-S. N.R. & W.

Summary: Current law requires the State Water Resources Control Board to integrate existing monitoring programs and design new program elements, as necessary, for the purpose of establishing a comprehensive monitoring program capable of assessing each groundwater basin in the state through direct and other statistically reliable sampling approaches, and to create an interagency task force composed of representatives of listed state agencies for various purposes, including to identify actions necessary to establish the monitoring program and to identify measures that would increase coordination among state and federal agencies that collect groundwater contamination information. Current law requires the state board to convene an advisory committee to the interagency task force with specified members. This bill would alter the membership of the advisory committee by changing the number of representatives of agriculture from 2 to 4.

Position

Watch

SB 360 (Blakespear D) California Coastal Commission: member voting.

Status: 3/29/2023-Set for hearing April 11.

Location: 2/15/2023-S. N.R. & W.

Calendar: 4/11/2023 9 a.m. - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, MIN, DAVE, Chair

Summary: The California Coastal Act of 1976 establishes the California Coastal Commission and prescribes the membership and duties of the commission. The act provides that its provisions do not preclude or prevent any member or employee of the commission who is also an employee of another public agency, a county supervisor or city councilperson, or a member of specified associations or organizations, and who has in that designated capacity voted or acted upon a particular matter, from voting or otherwise acting upon that matter as a member or employee of the commission. This bill would apply the latter provision to members of a joint powers authority and members of the local agency formation commission.

Position

Watch

SB 361 (Dodd D) Water resources: stream gages.

Last Amend: 3/29/2023

Status: 3/29/2023-Read second time and amended. Re-referred to Com. on APPR.

Location: 3/28/2023-S. APPR.

Summary: Current law requires the Department of Water Resources and the State Water Resources Control Board, in consultation with the Department of Fish and Wildlife, the Department of Conservation, the Central Valley Flood Protection Board, interested stakeholders, and, to the extent they wish to consult, local agencies, to develop the plan to address significant gaps in information necessary for water management and the conservation of freshwater species. This bill would require the Department of Water Resources and the board, upon appropriation of funds by the Legislature, to reactivate, upgrade, and install new stream gages, as provided. The bill would require the department and board to use the recommendations and data provided in the California Stream Gaging Prioritization Plan 2022 to complete specified actions by 2030. The bill would require the department to report to the Legislature, on or before January 1, 2026, and every 2

years thereafter, on progress made in completing those specified actions. The bill would require the data from all stream gages operating with any public money to be published as provisional data within 10 days of collection and made publicly available on the state's open water data platforms. The bill would require the department and board to develop and adopt a set of standards and processes for assessing, tracking, and reporting the accuracy of stream gages, evapotranspiration data, water meters, and other critical data inputs for water management, as provided. The bill would require the department and the board to consult with interested stakeholders to develop a plan to identify the gaps in the network of automated weather stations and eddy covariance towers to ensure accurate and comprehensive data collection.

Position

Watch

SB 389 (Allen D) State Water Resources Control Board: determination of water right.

Status: 2/22/2023-Referred to Com. on N.R. & W.

Location: 2/22/2023-S. N.R. & W.

Summary: Current law provides that it is the intent of the Legislature that the state take vigorous action to enforce the terms and conditions of permits, licenses, certifications, and registrations to appropriate water, to enforce state board orders and decisions, and to prevent the unlawful diversion of water. This bill would authorize the State Water Resources Control Board to investigate the diversion and use of water from a stream system to determine whether the diversion and use are based upon appropriation, riparian right, or other basis of right, as specified.

Position

Watch

SB 411 (Portantino D) Open meetings: teleconferences: bodies with appointed membership.

Status: 2/22/2023-Referred to Coms. on GOV. & F. and JUD.

Location: 2/22/2023-S. GOV. & F.

Summary: Current law, until January 1, 2024, authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency or in other situations related to public health that exempt a legislative body from the general requirements (emergency provisions) and impose different requirements for notice, agenda, and public participation, as prescribed. The emergency provisions specify that they do not require a legislative body to provide a physical location from which the public may attend or comment. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency's jurisdiction and other requirements are met, including restrictions on remote participation by a member of the legislative body. This bill would authorize a legislative body to use alternate teleconferencing provisions similar to the emergency provisions indefinitely and without regard to a state of emergency. The bill would alternatively define "legislative body" for this purpose to mean a board, commission, or advisory body of a local agency, the membership of which board, commission, or advisory body is appointed and which board, commission, or advisory body is otherwise subject to the Ralph M. Brown Act.

Position

Watch

SB 414 (Allen D) Drought-tolerant landscaping: local incentive programs: synthetic grass: artificial turf.

Last Amend: 3/30/2023

Status: 3/30/2023-Read second time and amended. Re-referred to Com. on E.Q.

Location: 3/29/2023-S. E.Q.

Summary: Would prohibit a city, including a charter city, county, city and county, or special district, from issuing a rebate, voucher, or other financial incentive for the use of synthetic grass or artificial turf that contains contaminants, including zinc, plastic, or perfluoroalkyl and polyfluoroalkyl substances (PFAS), except as specified. By establishing new requirements for local agencies, this bill would impose a state-mandated program.

Position

Watch

SB 550 (Grove R) Water markets.

Last Amend: 3/20/2023

Status: 3/29/2023-Set for hearing April 10.

Location: 3/28/2023-S. APPR.

Calendar: 4/10/2023 10 a.m. - 1021 O Street, Room
2200 SENATE APPROPRIATIONS, PORTANTINO, ANTHONY, Chair

Summary: Would require, on or before January 1, 2025, the Legislative Analyst, in collaboration with the Department of Water Resources, the State Water Resources Control Board, and other state agencies, as described, to prepare and submit to the Legislature a report analyzing the water market, including background information regarding the sale of water and water rights, trends in the water market, barriers to entering the water market or effectively trading in the market, and proposals for improving the regulatory framework to make the water market more market friendly and to encourage growth.

Position

Watch

SB 597 (Glazer D) Building standards: rainwater catchment systems.

Last Amend: 3/21/2023

Status: 3/30/2023-Set for hearing April 18.

Location: 3/29/2023-S. HOUSING

Calendar: 4/18/2023 1:30 p.m. - 1021 O Street, Room 1200 SENATE HOUSING, WIENER, SCOTT, Chair

Summary: The California Building Standards Law requires a state agency that adopts or proposes adoption of a building standard to submit the building standard to the California Building Standards Commission for approval and adoption. Current law makes the commission responsible for the publication of an updated edition of the California Building Standards Code every 3 years. Current law requires the Department of Housing and Community Development to propose to the commission the adoption, amendment, or repeal of building standards for, among other things, the installation of recycled water systems for newly constructed single-family residential and multifamily residential buildings, as specified. This bill would require the department to conduct research, as specified, to assist in the development of mandatory building standards for the installation of rainwater catchment systems in newly constructed residential dwellings. The bill would require the department to submit those mandatory building standards to the commission for adoption and for consideration during the next regularly scheduled triennial code adoption cycle.

Position

Watch

SB 737 (Hurtado D) Groundwater: recharge.

Status: 3/1/2023-Referred to Com. on RLS.

Location: 2/17/2023-S. RLS.

Summary: Would state the intent of the Legislature to enact subsequent legislation to capture floodwater to recharge groundwater basins and to require the Department of Water Resources and the State Water Resources Control Board to work together to expedite the regulatory steps necessary to store significant rainfall and excess water underground, while still ensuring protections for the environment and other water users as required by state law.

Position

Watch

SB 867 (Allen D) Drought and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, and Park Creation and Outdoor Access Bond Act of 2023.

Status: 3/28/2023-From committee: Do pass and re-refer to Com. on GOV. & F. (Ayes 8. Noes 0.) (March 28). Re-referred to Com. on GOV. & F.

Location: 3/28/2023-S. GOV. & F.

Summary: Would enact the Drought and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, and Park Creation and Outdoor Access Bond Act of 2023, which, if approved by the voters, would authorize the issuance of bonds in an unspecified amount pursuant to the State General Obligation Bond Law to finance projects for drought and water resilience, wildfire and

forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate smart agriculture, and park creation and outdoor access programs.

Position

Watch

Total Measures: 59

Total Tracking Forms: 59

Memo

G, H

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

TWELVE MONTH CALENDAR / OTHER MEETINGS /

REPORTS / BOARD COMMENTS

Any report will be oral at the time of the Board meeting. Please refer to the TWELVE MONTH Calendar (attached) for meetings attended.

TWELVE MONTH CALENDAR OF EVENTS (AS OF 4/13/23)

Date(s)	Event	Time	Location	Attending Board Member(s)	Additional Information (Speakers' Topic, Cohosts, etc.)
<u>MARCH 2023</u>					
16-Mar	Board Meeting Debrief			Guerin	
20-Mar	CWA Packet Briefing			Meyers	
20-Mar	Encina Wastewater Authority Tour			Meyers, Watt	
22-Mar	North County Work Group Meeting			Meyers	
29-Mar	Meeting with Senator Blakespear RE: Funding			Watt	
30-Mar	Personnel Committee Meeting			Guerin, Hahn	
31-Mar	CWA Briefing on Key Budget/Rates Issues			Meyers	
<u>APRIL 2023</u>					
11-Apr	Manchester Recycled Water Pipeline Ribbon Cutting Event	10:00 AM - 11:00 AM	Mira Costa College San Elijo Campus	Guerin, Meyers, Watt	
11-Apr	Meeting with the General Manager RE: Board Meeting Agenda			Guerin	
17-Apr	SDCWA Briefing with General Manager			Meyers	
18-Apr	COWU Meeting	11:45 AM - 1:00 PM	The Butcher Shop	Meyers	
18-Apr	Board Meeting Pre-Briefing			Guerin	

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

CORRESPONDENCE

Any correspondence is attached.

California Society of Municipal Finance Officers

Certificate of Award

***Operating Budget Excellence Award
Fiscal Years 2022-2023 & 2023-2024***

Presented to the

Olivenhain Municipal Water District

For meeting the criteria established to achieve the CSMFO Excellence Award in Budgeting.

February 28, 2022



***Scott Catlett
2022 CSMFO President***

***James Russell-Field, Chair
Recognition Committee***

Dedicated Excellence in Municipal Financial Reporting



Attention: 5500 Central Team
3840 Murphy Canyon Road
San Diego, CA 92123

AB 01 001747 29271 H 6 A



OLIVENHAIN MUNICIPAL WATER DISTRICT
GOVERNING BOARD
1966 OLIVENHAIN RD
ENCINITAS, CA 92024-5676

March 1, 2023

001747 1/3

Re: California Broker Compensation Disclosure Report for OLIVENHAIN MUNICIPAL WATER DISTRICT

Reporting Period: 01/2022 - 12/2022

California law requires health plans and insurers to annually disclose broker compensation information to the governing boards of public agency employer groups. Enclosed is your Broker Compensation Disclosure Report. Information reported includes broker compensation related to your public agency's Kaiser Permanente health plan contract and its group policies, if any, with Kaiser Permanente Insurance Company (KPIC). Along with the report, you'll find a Q&A to help answer questions about the law.

This report is considered informational, and you are not required to take any action. You may choose to keep this report as part of your files, but you are not required by the legislation to do so.

California law AB 2589 was enacted in 2008 and went into effect January 1, 2009. The law requires that health plans and insurers annually disclose to the governing boards of public agencies any fees or commissions paid to agents, brokers, or other individuals as part of the group's contract. The report must include the following information:

- The agent, broker, or individual's name and address
- Any amount paid to the agent, broker, or individual (including non-monetary compensation) during your plan's contract year

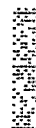
In addition, the report also provides the following information:

- Total premiums applied by Kaiser Permanente during your plan's contract year
- Member and subscriber counts (as of the last period day of your plan's contract year)

Reporting is required annually, so you can expect to receive the Broker Compensation Disclosure Report for your group each year within approximately 60 days of the end of the contract year. If you have questions about the information, please contact us at **5500-Central-Team@kp.org**.

We value our business relationship with you. Our practices for broker compensation disclosure reporting under AB 2589 reflect our shared commitment to full compliance with the law. Thank you for your continued support.

Sincerely,
Kaiser Permanente
5500-Central-Team@kp.org





CALIFORNIA BROKER COMPENSATION DISCLOSURE REPORT FOR PUBLIC AGENCIES

Health Plans and Insurance companies are required to provide the following information pursuant to California Insurance Code Section 10604.5 which requires that broker compensation be disclosed to the governing board of any public agency which is covered under a group health insurance policy.

This report is considered informational and you do not need to take any action.

Information Concerning Insurance Coverage, Fees, and Commissions

Region: CA

Name of Insurance Carrier: Kaiser Foundation Health Plan Inc

Plan Sponsor's Name: OLIVENHAIN MUNICIPAL WATER DISTRICT

Information Concerning Insurance Contract Coverage

Insurance Carrier: Kaiser Foundation Health Plan Inc

Group Contract or Identification Number: 105432

Approximate number of persons covered at end of policy contract year: 73

Contract Year from 01/2022 - 12/2022

Premium applied by Kaiser Foundation Health Plan Inc during your group's contract year:
\$398,452.52

Information Concerning Insurance Contract Fees and Commissions

Total Amount of Commissions Paid: \$3,962.77

Total Amount of Fees Paid: \$0.00

1) Name and address of the agent, broker, or other person to whom commissions or fees were paid:

WSP Corporate Benefits & Insurance Services, Inc.
5650 EL CAMINO REAL STE 207
CARLSBAD, CA 92008-7128

Amount of sales and base commissions paid to WSP Corporate Benefits & Insurance Services, Inc.:
\$3,962.77

Fees and other compensation paid to WSP Corporate Benefits & Insurance Services, Inc.: \$0.00

Bonus Amount: \$0.00

Bonus Purpose:

Value of Non-Monetary Compensation: \$0.00

Type/Purpose of Non-Monetary Compensation:

2) Name and address of the agent, broker, or other person to whom commissions or fees were paid:

None

Amount of sales and base commissions paid to None \$0.00

Fees and other compensation paid to None: \$0.00

Bonus Amount: \$0.00

Bonus Purpose: None

Value of Non-Monetary Compensation: \$0.00

Type/Purpose of Non-Monetary Compensation: None

Q&A

AB2589 California Broker Compensation Disclosure Reporting for Public Agencies

California AB2589 requires health plans and insurers to disclose broker compensation information to public agency employer groups. This Q&A will answer some of your questions about the law.

Q: What is AB2589?

A: AB2589 is California legislation that requires health plans and insurers to annually disclose broker compensation information to the governing boards of public agency employer groups. The law specifically requires that the health plan and insurer disclose to the governing board of the public agency that has a group contract with Kaiser Permanente; the name and address of, and amount paid to, any agent, broker, or individual to whom the plan paid fees or commissions related to the public agency's group contract.

Q: Why am I receiving this report?

A: You are receiving the report because you were identified as the governing board representative for a public agency (or the representative of a public agency without a governing board) that holds a health insurance contract with Kaiser Permanente. If you are the designated contract signer for a public agency, you will also receive a copy of the report. California Broker Compensation Disclosure Reports will be sent to the governing boards and contract signers of Kaiser Permanente's California public agency employer groups, regardless of the size of the group.

Q: What types of employers are considered public agencies?

A: Public agencies are defined in the California Government Code (§6500) as follows:

"Public Agency" includes, but is not limited to, the federal government or any federal department or agency, this state, another state or any state department or agency, a county, county board of education, county superintendent of schools, city, public corporation, public district, regional transportation commission of this state or another state, or any joint powers authority formed pursuant to this article by any of these agencies.

Q: What types of compensation are included in this report?

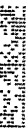
A: In addition to monetary fees or commissions related to the public agency's group contract, Kaiser Permanente must report the value of any other gifts or prizes awarded to the agent, broker, or individual if those items were based on placement or retention of business related to that group.

Examples of non-monetary compensation include sporting event or concert tickets, trips, gift cards, and any other non-cash items of tangible value.

Q: Why is this report sent directly to my public agency's governing board?

A: The law requires that the reports be distributed annually to the governing board of any public agency contracted for coverage with Kaiser Permanente. Since the law specifically states the Broker Compensation Disclosure Report should be addressed to the governing board, we are unable to address the primary copy of the report to another resource. However, we do provide the contract signer a copy of the report as a courtesy.

Continue on next page



Board of Directors

Christy Guerin, President
Matthew R. Hahn, Vice President
Neal Meyers, Treasurer
Lawrence A. Watt, Secretary
Marco San Antonio, Director



General Manager
Kimberly A. Thorner, Esq.
General Counsel
Alfred Smith, Esq.

March 29, 2023

The Honorable Eduardo Garcia
California State Assembly
State Capitol, Room 8120
Sacramento, CA 95814

Re: AB 1594 (Garcia) Medium- and heavy-duty zero-emission vehicles: Public agencies - SUPPORT

Dear Mr. Garcia:

On behalf of Olivenhain Municipal Water District, I am writing in support of your measure AB 1594. This bill would require that any state regulation applicable to essential public agency utility vehicles ensures that those vehicles can support a public agency utility's ability to maintain reliable water and electric service, respond to disasters in an emergency capacity, and provide mutual aid assistance statewide and nationwide. OMWD provides 87,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services.

California's publicly owned electric, water, and wastewater utilities provide services that are critical to public health, safety, and welfare, as well as economic and national security. These publicly owned utilities rely on highly specialized medium- and heavy-duty vehicles to respond to emergencies, restore service, and prevent disruptions. As these utilities transition their fleets to zero-emission vehicles (ZEV) everywhere feasible by 2045 (consistent with Executive Order N-79-20), it is critical to have flexibility if a ZEV is not commercially available or cannot meet utility needs, such as when responding to an emergency.

The California Air Resources Board (CARB) is taking final action on a rule that would require publicly owned utilities to purchase 100% ZEVs starting in 2027. The rule would require a publicly owned utility to purchase a ZEV even in cases where the utility can show with evidence that there is no ZEV commercially available or capable of meeting the utility's needs. Without providing reasonable flexibility, this rule would hamper the ability of publicly owned utilities to maintain service, respond to emergencies, and provide mutual aid assistance when needed.

AB 1594 is necessary to meet our 100% ZEV goals in a manner tailored to each publicly owned utility and the essential services they provide their communities. Specifically, for regulations such as the CARB rule referenced above, AB 1594 would require the state agency to coordinate with public agency utilities, to identify vehicle vendors and suppliers that meet zero-emission vehicle standards and the public agency utilities' technical and performance requirements. It would also require CARB to



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General Manager
Kimberly A. Thorner, Esq.
General Counsel
Alfred Smith, Esq.

recognize the diversity of fleet size, terrain, and climate, and authorize public agency utilities to purchase replacements for traditional utility specialized vehicles that are at the end of life when needed to maintain reliable service and respond to major foreseeable events.

For the reasons stated above, OMWD supports your measure AB 1594. If you or your staff should need any additional details, please do not hesitate to contact me at 760-753-6466 or kthorner@olivenhain.com.

Regards,

A handwritten signature in blue ink, which appears to read "Kimberly A. Thorner".

Kimberly A. Thorner
General Manager

CC: Members, Assembly Transportation Committee
Members, Assembly Utilities and Energy Committee
Farra Bracht, Chief Consultant for Assembly Transportation Committee
Daniel Ballon, Republican Consultant for Assembly Transportation Committee
Laura Shybut, Chief Consultant for Assembly Utilities and Energy Committee
Gregory Melkonian, Republican Consultant for Assembly Utilities and Energy Committee
Assemblymember Tasha Boerner Horvath
Assemblymember Brian Maienschein
Ashley Walker, Nossaman, LLP (awalker@nossaman.com)



1966 Olivenhain Road • Encinitas, CA 92024 • 760-753-6466 • www.olivenhain.com

A Public Agency Providing Water Wastewater Services Recycled Water Hydroelectricity Elfin Forest Recreational Reserve



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**General Manager**

Kimberly A. Thorner, Esq.

General Counsel

Alfred Smith, Esq.

March 28, 2023

The Honorable Dave Min
Senate Natural Resources and Water Committee
1021 O Street, Room 3220
Sacramento, CA 95814

Re: SB 366 – The California Water Plan: long-term supply targets - SUPPORT

Dear Chairman Min,

On behalf of Olivenhain Municipal Water District, I am writing in support of measure SB 366 (Caballero) related to the California Water Plan and long-term water supply targets. OMWD provides 87,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services.

Climate change and a multitude of other factors are having a monumental impact on the state's water resources. Scientists say the ongoing drought in the western United States marks the region's driest 22-year stretch in more than 1,200 years. While this year has been marked by flooding and historic snowpack levels, it is clear that these types of wet years are not reliable, and we will need to adapt to hotter, drier conditions. Action is needed to ensure we are not managing for scarcity but rather working toward a future where there is enough water for all.

The time is now for California policymakers to establish an immediate path forward to address this perpetual and systemic water supply crisis. The consequences of continued inaction have proven to be widespread and significant, impacting all aspects of California including:

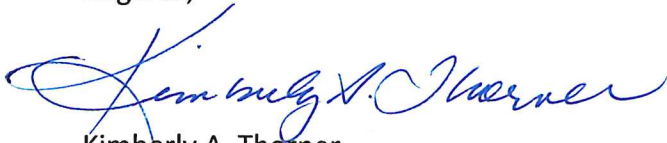
- Job losses, particularly in the agriculture industry
- Food security jeopardized
- Impacts on statewide energy supplies
- Increased water costs
- Urgent new housing development stalled
- Decline in business confidence and reduced investment in California
- Decline in recreational activities
- Decrease in statewide tourism
- Increased stress on ecosystems and habitats



SB 366 will modernize the California Water Plan statutes, including the establishment of long-term water supply targets that the state can work to achieve along with local and regional water agencies. This bill builds on the Governor's recent "Water Supply Strategy" and ensures a water supply target will transcend any single Administration.

For the reasons stated above, OMWD supports SB 366. If you or your staff should need any additional details, please do not hesitate to contact me at 760-753-6466 or kthorner@olivenhain.com.

Regards,



Kimberly A. Thorner
General Manager

CC: The Honorable Anna Caballero
The Honorable Catherine Blakespear
The Honorable Toni Atkins
The Honorable Brian Jones
Genevieve Wong, Principal Consultant, Senate Natural Resources and Water Committee
Todd Moffitt, Policy Consultant, Senate Republican Caucus

Board of Directors

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Marco San Antonio, Director



General Manager
Kimberly A. Thorner, Esq.
General Counsel
Alfred Smith, Esq.

March 29, 2023

State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

VIA EMAIL: orpp-waterconservation@waterboards.ca.gov

Re: Comment Letter – Board Workshop on Making Water Conservation a California Way of Life

Dear Clerk of the Board,

On behalf of Olivenhain Municipal Water District, thank you for the opportunity to provide the State Water Resources Control Board with input on the proposed Regulatory Framework for Making Conservation a California Way of Life. OMWD provides 87,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services.

OMWD is a strong proponent of water conservation, evident through its numerous programs and policies. However, we have several concerns regarding the proposed Regulatory Framework.

It is concerning that SWRCB proposes to dismiss Department of Water Resources' recommendation to automatically include a 20 percent Irrigable Not Irrigated buffer. The inclusion of the 20 percent INI buffer was a direct result of years of extensive analysis, workshop collaboration, and thorough discussion with hundreds of subject matter experts representing both policymakers and water retail agencies. Arbitrarily dismissing DWR's recommendation is neither warranted nor defensible.

Furthermore, SWRCB's proposal to include the INI buffer only if a supplier is able to demonstrate that those areas have come under irrigation is not only overly burdensome but also fundamentally flawed. If an INI area is irrigated, it is no longer INI, in which case it should be classified as Irrigable Irrigated landscape, and should be appropriately assigned a landscape efficiency factor of 80 percent. OMWD strongly encourages SWRCB to reconsider including the automatic 20 percent INI buffer as recommended by DWR.

Additionally, Water Code Section 10609.6 establishes that standards for residential outdoor use shall apply to irrigable lands. Excluding irrigable land unless it comes under irrigation is in contrast with existing law. DWR's recommendation to include 20 percent of INI land was a notable attempt at developing a standard that was equitable for the different water suppliers across the state; however, even DWR's recommendation failed to apply to all irrigable land. Rather than exclude irrigable land that is not irrigated, effectively applying the standard to irrigated land only, OMWD encourages a standard that applies to all irrigable land in compliance with state law.

OMWD is also concerned about the timelines for reporting compliance, and state agencies' unwillingness to accommodate extensions to the originally proposed deadline for water retail agencies.

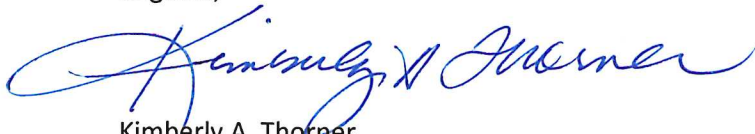


As a reminder, AB 1668 and SB 606 established that DWR was required to provide its recommendations by October 1, 2021, and SWRCB was required to adopt the proposed water use efficiency standards by June 30, 2022. SWRCB just made its draft recommendations available in March 2023, and retail water agencies will need to comply with the new Regulatory Framework by January 2024. This significant delay presents an incredible burden on water retail agencies who will be required to comply with the still-unknown regulations in a very compressed timeline. The timelines set forth by AB 1668 allowed for 16 months following adoption of the standards for a supplier to calculate its water use objective. OMWD requests an extension for retail agencies commensurate with the delays generated by state agencies, 16 months after the date the standards are adopted by SWRCB.

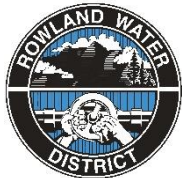
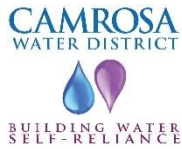
Finally, the extremely abbreviated timeframe allowed by SWRCB to provide comments to the updated proposed Regulatory Framework is very much insufficient. SWRCB made the draft framework available for review the evening of March 15 and noted that it would accept comments until March 24, later extended to March 30—this allowed only 11 business days to weigh the impacts of recommendations that were 16 months behind schedule. Analyzing the changed components of the proposed Regulatory Framework and determining the updated objectives for a water retail agency requires thorough and detailed analysis. A week's notice of the upcoming workshop is inadequate and hinders public engagement and stakeholder participation. As such, OMWD is requesting for additional time and workshops so that staff can properly analyze the potential impacts to our customers and provide SWRCB with more comprehensive feedback that might be incorporated into the final regulations.

We appreciate your consideration of our concerns. If you or your staff should need any additional details pertaining to this assessment, please do not hesitate to contact me at 760-753-6466 or kthorner@olivenhain.com.

Regards,



Kimberly A. Thorner
General Manager



March 30, 2023

Submitted via: orpp-waterconservation@waterboards.ca.gov

Mr. James Nachbaur
Director, Office of Research, Planning and Performance
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

Re: Comment Letter – Staff Proposal on Making Water Conservation a California Way of Life

Dear Mr. Nachbaur,

The undersigned organizations appreciate the opportunity to provide comments to the State Water Resources Control Board (State Water Board) on the Draft Staff Framework for Making Conservation a California Way of Life Regulation (Proposed Regulatory Framework). We are a group of water suppliers who are subject to, and who have been actively involved in the development of the regulations that the State Water Board is charged with adopting pursuant SB 606 and AB 1668 (together, the 2018 conservation legislation). All of us have a long-standing commitment to water use efficiency, as demonstrated by the substantial decreases in total and per capita water use that our customers have achieved. We support the intent of the legislation to make conservation a way of life – with savings even greater than the significant amount that we have already achieved. In that spirit, we offer the following input for the State Water Board's consideration, as it moves forward with the rulemaking.

POLICY CONSIDERATIONS

The 2018 legislation intended for the State Water Board to propose a single standard for outdoor residential use and outdoor irrigation of landscape areas with dedicated irrigation meters in connection with CII water use for water suppliers to calculate their objective water use by January 1, 2024. The legislation did not authorize a multi-phased approach, as is described in the staff proposal.

The Proposed Regulatory Framework would include significant new requirements that may not be feasible for many suppliers to meet in the timeframe proposed, if ever. Notably, the proposed regulations would include requirements to:

- Achieve water loss performance standards by 2028;
- Meet a water use objective that includes a residential indoor standard of 42 gpcd by 2030, an outdoor landscape efficiency factor (LEF) of 0.55 by 2035, and collect data to apply for variances for unique water uses;
- Complete Commercial, Industrial, and Institutional (CII) classification, BMPs and mixed-use meter (MUM) reporting within 5 years; and
- Comply with new reporting requirements.

Water suppliers are mandated by statute and regulation to deliver reliable and clean water supplies to their customers, and for managing shortages of those supplies, such as those experienced during California’s multiple drought emergencies over the past few decades. The water conservation regulations authorized by SB 606 and AB 1668 put the burden of compliance on water suppliers, but the indoor and outdoor standards that compose the regulations pertain to actions that only the residents and businesses that buy water from the water suppliers can take. Water suppliers will make every reasonable effort to promote, incentivize and track those actions, but the regulations must be structured to recognize this reality and allow water suppliers to cost-effectively achieve the multi-benefits of water use efficiency.

Regulations Must be Flexible and Achievable

The 2018 legislation notes that a supplier’s objective is composed of an indoor standard, an outdoor standard applied to residential and certain CII accounts and a water loss standard, and that water suppliers must meet the water use objective that is a composite of these standards but are not required to meet each individual standard. We have raised concerns about the feasibility of the indoor standard (including saturation, impacts to wastewater, and recycled water), the outdoor standard (including available irrigation technology, limited authority of land use and customer behavior, the magnitude of transformation of landscapes that would be required), and the water loss standard (accuracy of the economic model inputs, cost-effectiveness of water loss control actions). Despite these concerns, the Proposed Regulatory Framework continues to tighten the standards and objective even further from DWR’s recommendations.

In some cases, variances may address some of this inflexibility. However, as currently proposed, the variances are highly complex, if not infeasible, due to the proof of data burden and lack of technical assistance available. Additionally, the proposed threshold that each variance must provide at least a 5% difference in the water use objective will significantly restrict the ability of water suppliers to use these variances, which the 2018 legislation directed to be available to every water supplier.

RECOMMENDATIONS FOR OUTDOOR WATER USE EFFICIENCY STANDARDS

1. Feasibility – Water Code § 10609.9 states that the purposes of Sections 10609.6 and 10609.8, “principles of the model water efficient landscape ordinance” means those provisions of the model water efficient landscape ordinance applicable to the establishment or determination of the amount

of water necessary to efficiently irrigate both new and **existing** landscapes”. We have significant concern that the recommended outdoor water standards have deviated significantly from the legislative intent of the framework and would fail to accommodate existing landscapes.

2. Irrigable vs. Irrigated – As a result of a statistical analysis, DWR recommended the inclusion of 20 percent of irrigable, but not irrigated (INI) areas of outdoor landscapes to which the standard would apply. The State Water Board’s proposed regulatory framework would reduce even further the applicability of the outdoor standard, limiting it to irrigated acreage, unless Board staff approve an additional up to 20% of non-irrigated area that has become irrigated. Both approaches are inconsistent with the statute, which directed that “the standards shall apply to irrigable lands” (Water Code §10609.6(a)(2)(B)). **We strongly recommend that the State Water Board adopt regulations that are consistent with the statute and specify that the outdoor standard will apply to irrigable lands.**

3. Effective Precipitation – The inclusion of Effective Precipitation in the outdoor standard is inconsistent with real-world irrigation practices (e.g. precipitation often falls during months when irrigation would not be utilized and can percolate below the root zone of the plant negating its beneficial effect to that plant’s watering needs). Furthermore, Effective Precipitation is not required by MWEL (Title 23, Division 2.7, Section 494): “A local agency may consider Effective Precipitation (25% of annual precipitation) in tracking water use.” **Effective Precipitation should be removed from the standard.**

4. Special Landscape Areas – Non-Functional Turf – We have significant concern with the inclusion of proposed language that, for non-functional turf, would treat recycled water as potable water. This recommendation is inconsistent with the principles of MWEL and existing law, which makes no mention of a non-functional turf carve out. During the almost two years of discussions in the DWR stakeholder working group on the implementation of this statute, this concept was never discussed. This unvetted and radical policy change would circumvent ongoing legislative discussions this year and add inappropriate and unnecessary complexity. **This provision should be removed from the Proposed Regulatory Framework.** We align our comments and recommendations with WaterReuse California.

5. *DWR’s Three Methodologies*: DWR utilized three methodologies to develop its recommendation of an ETF of 0.63 by 2030. We provided technical input to DWR on the methodologies and raised concerns that embedded policy decisions resulted in the underestimation of current outdoor residential water use and overestimation of feasibility. We support a methodology that is based on real-world performance, horticultural and irrigation science, supports healthy landscapes, and minimizes unintended impacts.
 - a. Horticultural Approach: Assumed 0.8 Irrigation Efficiency (IE) – DWR’s horticultural and irrigation science approach assumed 0.8 IE. **We recommended that an outdoor residential water use efficiency standard be based on an IE that ranges from 0.55 to 0.65.** Our recommendation was based on accumulated data from water purveyors on actual irrigation system and performance through the various landscape programs implemented over ten plus years, recently completed field studies by UC Davis (Evapotranspiration Adjustment Factor Study (Agreement #4600008156)), and data by the Irrigation Association.

- b. Statewide ETF Approach: Trimmed Data > 1.0 – In DWR’s approach that calculated an average statewide ETF for URWS, DWR “trimmed” all existing landscape data outside of the range of 0.1 to 1.0 ETF because “it is not consistent with MWELO principles.” Since 80 percent of homes in California pre-date Model Water Efficient Landscape Ordinance (MWELO), trimming data based on MWELO design standards excludes existing landscapes prevalent throughout California and is inconsistent with MWELO. **All landscape data should be included to provide a more accurate baseline.**

Additionally, MWELO went into effect in 1993 and applies only to new residential development. With approximately 80 percent of California housing stock built prior to MWELO, MWELO applies to developer installed landscaping, which is typically only the front yard. Additionally, MWELO standards are design standards and not performance standards.

- c. Theoretical Average Approach: Consistency with MWELO – DWR analyzed a statewide ETAF by using the age distributions of housing stock and corresponding ETAF from MWELO Guidelines: 0.8 assumed for pre-1992, 1993 – 2009 assumed 0.8 ETAF, 2010 – 2015 assumed 0.7 ETAF, 2015 to 2020 assumed 0.55 ETAF, and 2021- 2030 assumed 0.55 ETAF. As described above, MWELO only applies to 20 percent of California’s housing stock and developer installed landscapes. However, this methodology assumes all homes are compliant with MWELO, which is fundamentally flawed **and should be eliminated.**

COMMERCIAL, INDUSTRIAL, INSTITUTIONAL PERFORMANCE MEASURES

Threshold to Install DIMs or Employ In-Lieu Technologies – Further clarification and discussion around the proposed threshold to install Dedicated Irrigation Meters (DIM) or employ in-lieu technologies is necessary. We appreciate that the Proposed Regulatory Framework has shifted from a landscape area threshold to water use threshold. The summary of the proposed regulations sets the water use threshold at 500,000,000 gallons of use annually by a CII customer, which we believe is appropriate and feasible, if this figure does not include process water. The powerpoint presentation for the March 22 workshop referenced a 500,000 gallon threshold, which we presume was a typographical error, as that threshold would be completely infeasible.

OTHER COMMENTS

We also endorse and incorporate by reference the detailed comments provided in the letter from the Association of California Water Agencies et al. on this subject (attached), pertaining to the following topics: outdoor standards for new developments; commercial, industrial and institutional performance measures; variances and 2022 baseline and 500,000 AF savings.

CLOSING REMARKS

Thanks again for the opportunity provide comments to the State Water Board as it begins its formal rulemaking, as well as State Water Board staff’s engagement with the water community. We look forward to collaborating with the Board and staff to develop a regulatory framework that will cost-effectively advance the State’s goal of Making Water Conservation a California Way of Life.

Sincerely,

Tony Stafford
General Manager
Camrosa Water District

J. M. Barrett
General Manager
Coachella Valley Water District

Greg Thomas
General Manager
Elsinore Valley Municipal Water District

Jack Bebee
General Manager
Fallbrook Public Utility District

Chris Berch
General Manager
Jurupa Community Services District

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Kimberly A. Thorner
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General Manager
Rainbow Municipal Water District

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General Manager
San Juan Water District

Matthew Litchfield
General Manager
Three Valleys Municipal Water District

Gary Arant
General Manager
Valley Center Municipal Water District

SB 23 (Caballero): Water Supply and Flood Risk Reduction Projects: Expedited Permitting SUPPORT



March 30, 2023

The Honorable Dave Min
Senate Natural Resources and Water Committee
1021 O Street, Room 3220
Sacramento, CA 95814

RE: SB 23 (Caballero): Water Supply and Flood Risk Reduction Projects: Expedited Permitting
Position: SUPPORT

Dear Senator Min:

On behalf of the Association of California Water Agencies (ACWA) and the undersigned organizations, we write to express our support for SB 23 (Caballero), which would streamline the permitting process of water supply and flood risk reduction projects while preserving established environmental protections. We believe this legislation is critical to ensuring that California's water infrastructure is modernized and made more resilient to the impacts of climate change.

California faces a range of water management challenges, including droughts, floods, and other natural disasters. While our weather patterns have always been variable, climate change has, and will continue to exacerbate the weather whiplash that is intensifying drought and precipitation events. Addressing these challenges requires a coordinated effort between state and local agencies to construct and maintain water infrastructure projects needed in a 21st century climate. Unfortunately, the current permitting process for water infrastructure projects in California is complex and lengthy, and can be a significant barrier to progress in expanding and improving our water supply and flood risk reduction systems. This can result in delays, higher project costs, and uncertainty for communities, agricultural interests, and businesses that rely on a reliable and sustainable water supply. In addition, this can result in worse environmental outcomes, delaying projects that provide important benefits to aquatic and natural resources.

SB 23 would help address these issues by identifying opportunities to improve and streamline the regulatory permitting process, without shortcutting environmental reviews, so these critical infrastructure projects are built at the pace and scale needed to prepare for climate change. SB 23 would address inefficiencies in the application review process and ensure project proponents and state agencies are meeting reasonable deadlines and moving applications forward in an expeditious manner. The bill would utilize permit streamlining tools already available in existing law that are proven to reduce duplicative planning efforts while still meeting rigorous environmental standards. Finally, the bill would help address state agency resource and staffing issues by allowing project applicants to cover the costs of expediting the environmental review process.

SB 23 builds on recommendations in the Newsom Administration's "*California's Water Supply Strategy, Adapting to a Hotter, Drier Future*," released in August 2022. The Water Supply Strategy highlights that hotter and drier conditions caused by climate change could reduce California's water supplies in the coming decades. To continue to grow and thrive as a state, California will need to make up for a loss of supply by pursuing a wide range of infrastructure projects. An essential part of seeing these projects become reality, according to the Newsom Administration, is modernizing and

accelerating regulatory structures. SB 23 answers this call to action by providing a comprehensive set of ideas that address known sources of project delays. These solutions would advance projects that store more water above and below ground, capture water during high-flow events, improve conveyance, create access to drought-proof water supplies, and improve flood management—all of which are necessary to adapting to changing conditions.

From 2020 to 2022, California experienced the driest three-year period on record. In 2023, this prolonged drought was met with a series of atmospheric rivers and a bomb cyclone that brought significant amounts of rain and snow, leading to widespread flooding, property damage, and evacuation orders for tens of thousands of residents. The need for a generational investment in California’s water systems is evident, and over the last three years, state leaders have earmarked more than \$8 billion to modernize water infrastructure and management. Now action is needed to ensure these investments result in the timely delivery of critical projects. SB 23 is a critical step to providing California with modern, resilient, and sustainable water systems that will meet the needs of generations to come.

For these reasons, we are pleased to support SB 23 and respectfully request your “AYE” vote when the bill is heard in the Senate Natural Resources and Water Committee on April 11.

Sincerely,

Kristopher Anderson, Esq.
Legislative Advocate
Association of California Water Agencies

John Friedenbach
General Manager
Humboldt Bay Municipal Water District

Cathy Lee
General Manager
Carmichael Water District

David Merritt
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Kings River Conservation District

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President
California Fresh Fruit Association

Rick Tomlinson
President
California Strawberry Commission

Renee Pinel
President/CEO
Western Plant Health Association

Kristy Kneiding
Manager
California Date Commission

Richard Matoian
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American Pistachio Growers

Manuel Cunha, Jr.
President
Nisei Farmers League

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Florin Resource Conservation District/Elk
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Tuolumne County Water Agency

Bart Broome
Assistant Officer for State Government
Relations
Santa Clara Valley Water District

David J. Stoldt
General Manager
Monterey Peninsula Water Management
District

cc: The Honorable Anna Caballero
Honorable Members, Senate Natural Resources & Water Committee
Genevieve Wong, Principal Consultant, Senate Natural Resources & Water Committee
Todd Moffitt, Policy Consultant, Senate Republican Caucus

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: AUTHORIZATION TO ATTEND UPCOMING MEETINGS /
CONFERENCES / SEMINARS

The Board may desire to attend a meeting that requires Board approval.

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: FUTURE AGENDA ITEMS

The Board may have items to be considered at a Future Board meeting.

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: CONSIDER PUBLIC COMMENTS

There may be public comments before the Board meeting is adjourned.

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: CLOSED SESSION

It may be necessary to go into Closed Session.

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: ADJOURNMENT

We are adjourned.

Recycled Water Pipeline Benefits Olivenhain Municipal Water District Customers

waternewsnetwork.com/recycled-water-pipeline-benefits-olivenhain-municipal-water-district-customers/

Ed Joyce

March 16, 2023



A new recycled water pipeline is being tapped by Olivenhain Municipal Water District customers for landscape irrigation.

Olivenhain Municipal Water District has successfully converted Westmont of Encinitas to recycled water for landscape irrigation. The assisted living facility is the first of many customers along the Manchester Avenue and South El Camino Real corridor to tap into the newly installed recycled water pipeline.

Additional customers along the corridor are working to convert their irrigation systems to accommodate the new recycled water supply, which will ultimately reduce demand for imported potable water by more than 27 million gallons every year. As the impact of California's drought continues to be challenging, projects like this that help save potable water are even more urgent.

Drought-resilient supplies

"With the unprecedented drought situation we're in, reducing our reliance on imported water is essential," said OMWD Board Secretary Larry Watt. "Investing in drought-resilient supplies is a top priority and every new recycled water customer we connect to our distribution system decreases demand for imported water."

North San Diego County Regional Recycled Water Project

The new pipeline is an element of the larger North San Diego County Regional Recycled Water Project — a collaborative effort among nine North County agencies that coordinate across jurisdictional boundaries. The recycled water being delivered through the new pipeline is produced at San Elijo Joint Powers Authority's water reclamation facility in Cardiff.

State and federal grants

OMWD has aggressively sought grant funding for the pipeline project to make it cost-effective for ratepayers. The efforts have been successful, with OMWD achieving \$1,350,000 from California's Department of Water Resources for two separate segments of the pipeline. The pipeline is part of a suite of OMWD recycled water projects included in the North San Diego County Regional Recycled Water Project that was awarded \$23.9 million in funds from the US Bureau of Reclamation's Title XVI Water Reclamation and Reuse Program.

The Olivenhain Municipal Water District is a public agency providing water, wastewater services, recycled water, hydroelectricity, and operation of Elfin Forest Recreational Reserve. Organized in 1959, OMWD currently serves approximately 87,000 customers over 48 square miles in northern San Diego County.

(Editor's note: The Olivenhain Municipal Water District is one of the San Diego County Water Authority's 24 member agencies that deliver water across the San Diego County region.)

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WATER WISE

Olivenhain Municipal Water District has successfully converted Westmont of Encinitas to recycled water for landscape irrigation. The assisted living facility is the first of many customers along the Manchester Avenue and South El Camino Real corridor to tap into the newly installed recycled water pipeline.



At The Forum
**CASA DE
BANDINI**
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760-654-3443
At The Forum
1901 Calle Barcelona,
Carlsbad, CA

FOUR MOONS SPA



Encinitas opens new water pipeline reducing drinking water demand by 27 million gallons per year

[cbs8.com/article/news/local/encinitas-opens-new-water-pipeline/509-5de03c9f-2478-499c-917c-670be9b82bf2](https://www.cbs8.com/article/news/local/encinitas-opens-new-water-pipeline/509-5de03c9f-2478-499c-917c-670be9b82bf2)



The Manchester Avenue Recycled Water Pipeline Project involved the construction of approximately 1.4 miles of six-inch diameter recycled water pipeline.

ENCINITAS, Calif. — A new water pipeline project recently finished construction in Encinitas. On Tuesday local and congressional leaders held a ribbon cutting to mark the opening of the pipeline.

The Manchester Avenue Recycled Water Pipeline Project involved the construction of approximately 1.4 miles of six-inch diameter recycled water pipeline. According to a press release, customers connecting to this new pipeline will now irrigate with recycled water, reducing the demand for imported drinking water by more than 27 million gallons per year.

The project was funded in part by a \$600,000 Proposition 84, Round 4 grant and a \$750,000 Proposition 1, Round 1 grant via the California Department of Water Resources' Integrated Regional Water Management Program. The press release also said the project is part of a suite of projects receiving \$23.9 million in funds from the US Bureau of Reclamation's Title XVI Water Reclamation and Reuse Program.

Water conservation is a way of life for all Californians, and mandatory conservation efforts have been in effect in San Diego since October 2021 to limit inefficient water use. Expanding the use of recycled water for irrigation, as a renewable and locally produced water source, is an important strategy to reduce overall dependence on imported potable water.

Watch Video At: <https://youtu.be/Y58fXLerXL8>

OMWD's Recycled Water Pipeline Reduces Imported Water

waternewsnetwork.com/omwds-recycled-water-pipeline-reduces-imported-water/

Ed Joyce

April 11, 2023



A new recycled water pipeline in Encinitas is helping to reduce the region's dependence on imported water supply. The Olivenhain Municipal Water District, or OMWD, constructed the Manchester Avenue Recycled Water Pipeline Project to expand the availability of recycled water within the City of Encinitas.

Local, regional, state and federal officials celebrated the project's completion with a ribbon-cutting ceremony Tuesday at MiraCosta College. The officials highlighted the various funding sources for the new pipeline while also pointing out the various infrastructure projects online and under development to increase local water supply sources in San Diego County.

Sustainable local water supply

"Every drop of recycled water used on our landscapes replaces a drop of imported drinking water," said OMWD Board President Christy Guerin. "With the ongoing challenges we're facing on the Colorado River, expanding our recycled water distribution system to convert more customer irrigation systems to sustainable, local supplies is of paramount importance."

Congressman Mike Levin attended the celebration along with representatives from Senator Catherine Blakespear's office and Assemblymember Tasha Boerner Horvath's, as did local agency partners San Diego County Water Authority, San Elijo Joint Powers Authority, and the

City of Encinitas.

“Creating a water system that is not dependent on imported supplies is vital for the long-term sustainability of the region,” said Congressman Levin. “Every project that expands the use of recycled water lessens our dependence on imported supplies and improves our resiliency to future droughts. The collaborative approach taken by neighboring agencies to complete this project is an exemplary way to strengthen the region’s infrastructure.”



“Every project that expands the use of recycled water lessens our dependence on imported supplies and improves our resiliency to future droughts,” said San Diego Congressman Mike Levin. Photo: San Diego County Water Authority

“The completion of this project represents a necessary effort by numerous agencies to lessen the region’s dependence on imported water,” said Assemblymember Tasha Boerner Horvath. “The climate crisis is creating unpredictable weather patterns and we must invest in projects that will improve the region’s long-term resiliency to drought.”

Senator Catherine Blakespear said recycled water projects are becoming a critical tool in the fight against drought. “This project is a great example of how water agencies can work together to lessen our dependence on imported water supplies and create a more sustainable water supply portfolio,” said Blakespear.

Water conservation ‘A way of Life’

Water conservation is a way of life for all Californians, and San Diego residents have embraced water-efficiency. Over the past decade, residents and businesses across the county have adopted “WaterSmart” plants, irrigation technologies and habits that not only save money, but also create vibrant yards, reduce energy use, protect natural resources and reduce landscape maintenance.

The San Diego County Water Authority and its member agencies collaborate with organizations and other agencies to offer a variety of WaterSmart tools, including classes and rebates, along with a water-use calculator and other resources.

Local, regional, state and federal officials celebrated the completion of @OMWD's recycled water pipeline with a ribbon-cutting ceremony April 11 at MiraCosta College. <https://t.co/36n5VKx6GY> #cawater #WaterSmart @SaveOurWater #WaterRecycling pic.twitter.com/xX1ttUZqe8

— San Diego County Water Authority (@sdcwa) April 11, 2023

Collaboration to expand local drought-proof supply

The new pipeline is an element of the larger North San Diego County Regional Recycled Water Project, a collaborative effort among nine North County agencies that coordinate across jurisdictional boundaries. The recycled water being delivered through the new pipeline is produced at San Elijo Joint Powers Authority’s water reclamation facility in Cardiff.

“This project further expands the reach of our local recycled water system and makes drought-proof water for irrigation available for Encinitas’ schools, churches, and greenbelts,” said Encinitas Mayor Tony Kranz, “and it’s a great example of local agencies working together to develop cost-effective solutions for our residents.”

Reducing demand for imported drinking water

Expanding the use of recycled water for irrigation, as a renewable and locally produced water source, is an important strategy to reduce overall dependence on imported potable water.

OMWD has successfully converted Westmont of Encinitas to recycled water for landscape irrigation. The assisted living facility is the first of many customers along the Manchester Avenue and South El Camino Real corridor to tap into the newly installed recycled water pipeline.

Customers connecting to the new 1.4 mile six-inch diameter pipeline will irrigate with recycled water, reducing the demand for imported drinking water by more than 27 million gallons per year, according to the OMWD.

Additional customers along the corridor are working to convert their irrigation systems to accommodate the new recycled water supply, which will ultimately reduce demand for imported potable water by more than 27 million gallons every year.



“Investing in drought-resilient supplies is a top priority and every new recycled water customer we connect to our distribution system decreases demand for imported water,” said OMWD Board Secretary Larry Watt. Photo: Olivenhain Municipal Water District

Brackish groundwater desalination

OMWD serves up to 15% of its overall demand from recycled water and continues to identify additional ways to make recycled water available to eligible customers. In addition to recycled water efforts, OMWD is working on an additional project to construct a brackish

groundwater desalination plant to further diversify supplies and provide ratepayers with a local source of drinking water. These supply projects, combined with conservation efforts, will help to ensure that OMWD customers will have the water they need during future droughts.

The new recycled water pipeline is a collaborative effort among nine North San Diego County agencies that coordinate across jurisdictional boundaries.

(L-to-R: Lesley Dobalian/[@sdcwa](#), Jack Simes/[@usbr](#) Area Manager, Loisa Burton/[@sdcwa](#), and Vic Nguyen/[@CA_DWR](#) Regional Manager)
pic.twitter.com/oxazmuxVbd

— San Diego County Water Authority ([@sdcwa](#)) [April 11, 2023](#)

New recycled water pipeline taps federal, state funding

The project was funded in part by a \$600,000 Proposition 84, Round 4 grant and a \$750,000 Proposition 1, Round 1 grant via the California Department of Water Resources [Integrated Regional Water Management Program](#). The new recycled water pipeline is also part of a suite of projects receiving \$23.9 million in funds from the US Bureau of Reclamation's Title XVI Water Reclamation and Reuse Program.

The Olivenhain Municipal Water District is a public agency providing water, wastewater services, recycled water, hydroelectricity, and operation of Elfin Forest Recreational Reserve. Organized in 1959, OMWD currently serves approximately 87,000 customers over 48 square miles in northern San Diego County.

Today, OMWD celebrates the completion of the installation of the [#ManchesterRecycledWater](#) pipeline along with project partners [@sdcwa](#), SEJPA, [@usbr](#), and [@CA_DWR](#). Thank you [@RepMikeLevin](#), [@SenBlakespear](#), [@AsmTbh](#), and [@Tony_Kranz](#) for joining us! <https://t.co/2ynSGfx2Sf> pic.twitter.com/14Er9c9beI

— Olivenhain MWD ([@OMWD](#)) [April 11, 2023](#)

(Editor's note: The Olivenhain Municipal Water District is one of the San Diego County Water Authority's [24 member agencies](#) that deliver water across the San Diego County region.)

April 13 issue: Local and regional events

 ranchosantaferereview.com/news/events/story/2023-04-12/april-13-issue-local-and-regional-events

April 12, 2023 2:38 PM PT

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Annual photo contest features Elfin Forest

The 16th annual Elfin Forest Recreational Reserve Amateur Photography Contest for all ages runs through 11 p.m. April 23, hosted by the Olivenhain Municipal Water District.

The contest asks participants to capture the natural beauty of the 784-acre reserve in creative and unique ways. Winning photos will be selected from five categories, including Scenic View, Water Scenery, Plants, Animals and Youth (for photographers age 15 and younger).