

**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
VIA TELECONFERENCE AND IN PERSON**

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 20, 2022

TIME: 4:00 P.M.

PLACE: HYBRID REGULAR MEETING VIA TELECONFERENCE AND IN PERSON

Pursuant to the State of California Executive Order, and in the interest of public health, OMWD is temporarily taking actions to mitigate the COVID-19 pandemic by holding Board Meetings electronically or by teleconference. This meeting will be a hybrid of in person and teleconference. Our Boardroom will be open to the public, however, masks must be worn if unvaccinated.

To join this meeting via phone, please dial:

(669) 900-9128 or (346) 248-7799

Meeting ID: 873 9839 1424 and Password: 114366

Public Participation/Comment: Members of the public can participate in the meeting by emailing your comments on an agenda item to the Board Secretary at skaufmann@olivenhain.com or address the board directly in real-time under either of the public comment sections. If you do not receive a confirmation email that your comment has been received, please call (760) 632-4648 or address the board under either of the public comment sections to ensure that your comments are heard in real-time. The subject line of your email should clearly state the item number you are commenting on and should include your name and phone number. All comments will be emailed to the Board of Directors.

*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. CONSIDER IMPLEMENTING ASSEMBLY BILL 361 THAT PROVIDES THE ABILITY TO MEET REMOTELY DUE TO THE GOVERNOR'S PROCLAIMED STATE OF EMERGENCY UNDER MODIFIED BROWN ACT REQUIREMENTS
6. ADOPTION OF AGENDA

7. PERSONAL APPEARANCES AND PUBLIC COMMENTS

8. PRESENTATION OF AWARDS AND HONORABLE MENTIONS

* George Lomeli – WTP Operator Level II – Promotion – March

* Jaime Tovar – Utility III – 5 Years – April

9. CONSIDER APPROVAL OF THE MINUTES OF THE MARCH 16, 2022, REGULAR BOARD OF DIRECTORS MEETING

10. 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 ADOPTION OF A RESOLUTION PROCLAIMING MAY 2022 AS WATER AWARENESS MONTH, MAY 1-7, 2022 AS NATIONAL DRINKING WATER WEEK, AND MAY 15-21, 2022 AS NATIONAL PUBLIC WORKS WEEK
C-d	CONSIDER ACCEPTANCE OF THE MANCHESTER AVENUE POTABLE WATER PIPELINE REPLACEMENT PROJECT INTO OMWD'S SYSTEM, AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD, AND ORDER A NOTICE OF COMPLETION BE FILED
C-e	CONSIDER 2022 ANNUAL OBJECTIVES AND TIGER TEAM STATUS REPORT

11. CONSIDER ANNUAL UPDATE OF THE DISTRICT'S FIVE YEAR STAFFING ANALYSIS

12. CONSIDER AN AGREEMENT WITH THE CITY OF ENCINITAS REGARDING COST COLLABORATION ON THE PAVEMENT OF MANCHESTER AVENUE/SOUTH EL CAMINO REAL AS PART OF THE MANCHESTER AVENUE AND SOUTH EL CAMINO REAL RECYCLED WATER PIPELINES PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD

13. CONSIDER APPROVAL OF A CONTRACT WITH CCL CONTRACTING, INC. IN THE AMOUNT OF \$3,355,823.50 FOR THE CONSTRUCTION OF THE MANCHESTER AVENUE AND SOUTH EL CAMINO REAL RECYCLED WATER PIPELINES PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD

14. CONSIDER DISCUSSION ON OLIVENHAIN MUNICIPAL WATER DISTRICT PENSION FUNDING PLAN AND POLICY

15. CONSIDER PRELIMINARY DRAFT OF FISCAL YEARS 2023 AND 2024 OPERATING AND CAPITAL BUDGET
16. CONSIDER APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH HAZEN AND SAWYER IN THE AMOUNT OF \$234,549 FOR THE DAVID C. MCCOLLOM WATER TREATMENT PLANT FOURTH STAGE CENTRIFUGE ADDITION PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT
17. CONSIDER INFORMATIONAL REPORT ON WATER SUPPLY CONDITIONS AND LONG-TERM WATER USE EFFICIENCY LEGISLATION
18. CONSIDER UPDATE ON THE COVID-19 EMERGENCY DECLARATION
19. 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 / BOARD COMMENTS
20. CORRESPONDENCE
21. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS
22. FUTURE AGENDA ITEMS
23. CONSIDER PUBLIC COMMENTS
24. 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 LITIGATION – LYNXT ENTERPRISES, LLC VS. PARS SORRENTO VALLEY SCIENCE PARK 1, LP [PURSUANT TO GOVERNMENT CODE SECTION 54956.9] • Additional Facts: OMWD was served a complaint as a nominal defendant.
 - C) CONSIDER LITIGATION – OLIVENHAIN MUNICIPAL WATER DISTRICT VS. GEOMAT TESTING LABORATORIES, INC., ET AL. [PURSUANT TO GOVERNMENT CODE SECTION 54956.9]
25. OPEN SESSION
26. ADJOURNMENT

Memo

Date: April 20, 2022
To: Olivenhain Municipal Water District Board of Directors
From: Kimberly A. Thorner, General Manager
Subject: **CONSIDER IMPLEMENTING ASSEMBLY BILL 361 THAT PROVIDES THE ABILITY TO MEET REMOTELY DUE TO THE GOVERNOR'S PROCLAIMED STATE OF EMERGENCY UNDER MODIFIED BROWN ACT REQUIREMENTS**

Purpose

The purpose of this item is to consider implementing Assembly Bill (AB) 361 that would provide the ability for all Brown Act meetings (board and committee) to continue to meet remotely due to the Governor's proclaimed state of emergency under modified Brown Act requirements for the next 30 days.

Recommendation

With guidance from the General Counsel, staff recommends invoking AB 361 in order to continue with a virtual and/or hybrid Brown Act meetings. This will allow participation via remote access for any public, staff, or board that may need to quarantine, but still want to participate. It is recommended that board reassess the circumstances of the state of emergency at each subsequent board meeting to see if continuing under AB 361 is necessary, as the findings need to be reviewed every 30 days.

Alternative(s)

The board could opt to not implement AB 361 and resume in person Brown Act meetings for all board members, staff, and public. Not implementing AB 361 would result in the requirement to adhere to previous Brown Act provisions that include posting the agenda

at the publicly accessible teleconference site and would require publicly providing the location of those teleconferencing.

Background

Beginning in March of 2020, Governor Newsom issued a series of Executive Orders in an effort to contain the spread of COVID-19. These Executive Orders (N-25-20, N-29-20, N-35-20) modified certain requirements of the Brown Act in order to continue with public meetings, public participation, and transparency safely during the pandemic.

While adhering to the Executive Orders, the district conducted its first public meeting virtually via Zoom video and teleconference in April of 2020. Since April of 2020, the district has conducted twenty virtual board meetings and over thirteen virtual standing committee meetings. The General Manager and staff have remained flexible and have successfully modified work flows to comply with the ever-changing emergency laws. OMWD has been dedicated to keeping staff and customers safe while keeping the water system safe and operational.

In June of 2021, the Governor rescinded the Brown Act modifications made in the previous Executive Orders that will be effective on September 30, 2021. On September 16, 2021, Governor Newsom signed AB 361, which extends virtual meetings for all Brown Act meetings (board and committee meetings) with conditions. These significant conditions include the following:

- There must be a proclaimed state of emergency.
- There are measures to promote social distancing.
- Agendas do not need to be posted at all teleconference locations nor do locations need to be identified.
- The agenda must include the meeting link or dial-in, so that members of the public may access the meeting.
- Members of the public must be allowed to address the board in real-time during the meeting.
- Public comments are no longer required to be submitted in advance.

AB 361 also has special provisions for technical glitches. In the event the meeting is disrupted, or if a technical issue on the district's end disrupts public comment, the board cannot take any further action on the agenda until the technical issue is resolved.

Fiscal Impact

There is no cost associated with implementing AB 361.

Discussion

As previously mentioned, on June 11, 2021, the Governor issued Executive Order N-08-21, which rescinds the modifications made to the Brown Act, effective September 30, 2021. After that date, all meetings subject to the Brown Act must comply with standard teleconference requirements as they existed prior to the pandemic or must comply with the newly passed requirements of AB 361. To continue with the virtual meeting format that gives the ability to attend Brown Act meetings virtually, the board will need to implement AB 361 at this board meeting in order to continue to hold virtual meetings so long as long as there is a state of emergency.

The board must also implement every 30 days that 1) the board has reconsidered the circumstances of the state of emergency and 2) the state of emergency continues to directly impact the ability of the members to meet safely in person or state or local officials continue to impose or recommend measures to promote social distancing.

Although subject to change, AB 361 provides the flexibility to meet virtually during a proclaimed emergency and will sunset on January 1, 2024. The General Manager and General Counsel are available to answer any questions the board may have.

Memo

Date: April 20, 2022
To: Olivenhain Municipal Water District Board of Directors
From: Rainy Selamat, Finance Manager
Via: Kimberly 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 REPORT**

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

- March 2022 Summary of payment of listed warrants from the District's checking account and listed transfer of funds.
- March 2022 Monthly Summary of Reimbursement Expenses to Board Members and Staff.
- January 2022 Monthly Investment Report.

Olivenhain Municipal Water District
March 2022 Warrant List - Check & EFT
March 2022 Activities
Consent Calendar Item # C-a

Proposed Motions:

- I. That the following warrants and transfers be approved:

Regular Account	Warrants - by check	030575	to	030835	\$	1,013,121.52
	Warrants - by EFT	EFT012	to	EFT030		299,506.86
						<u>1,312,628.38</u>
	ACH Payments - Payroll					200,323.90
	Wire - SDCWA - Monthly Purchased Water Payment					1,992,453.26
	ACH Payments - Payroll					190,628.06
	ACH Payments - Payroll					195,017.72
					\$	<u><u>3,891,051.32</u></u>

Major Category of Disbursements

Total warrants from the District's checking account:

\$ 1,312,628.38

Following is a breakdown of this total by major categories:

Category

Outside services	\$	644,074.26
Inventory and supplies		302,006.27
Utilities		150,953.15
Repairs and maintenance		60,933.64
Other		3,191.87
Refunds		5,459.14
Insurance		145,337.05
Permit Fees		673.00

Total

\$ 1,312,628.38

Sincerely,


Rainy K. Selamat/Finance Manager

Olivenhain Municipal Water District
March 2022 Warrant List - Check & EFT
March 2022 Activities

California Bank and Trust

Regular Account

Warrants - by check	030575	to	030835	\$	1,013,121.52
Warrants - by EFT	EFT012	to	EFT030		299,506.86

1,312,628.38

3/3/2022 ACH Payments - Payroll 200,323.90

3/15/2022 Wire - SDCWA - Monthly Purchased Water Payment 1,992,453.26

3/17/2022 ACH Payments - Payroll 190,628.06

3/31/2022 ACH Payments - Payroll 195,017.72

Total \$ 3,891,051.32 ✓

Approved:

For Board Consideration and Approval

Olivenhain Municipal Water District
March 2022 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference	Multiple Invoices?
030575	3/2/2022	Ababa Bolt Inc	43.88	SUPPLIES	
030576	3/2/2022	Alan Gill	95.10	REF:1011853_100075	
030577	3/2/2022	Amelia Levy	9.73	REF:1087596_207860	
030578	3/2/2022	American Messaging	58.26	L1-072035	
030579	3/2/2022	Warrants - by check	4,512.00	Technical Review Services	Yes
030580	3/2/2022	Warrants - by EFT	495.91	9391056158	
030581	3/2/2022	Betsy Lemaire	23.87	REF:1086532_100265	
030582	3/2/2022	Bob Davis Painting	3,700.00	WWTP SPLASHWALL	
030583	3/2/2022	California State Disbursement Unit	123.23	ED100514-3/3/2022	
030584	3/2/2022	Adam Calm	166.67	BETTER WAY AWARD	
030585	3/2/2022	CDW Government Inc	78.16	SUPPLIES	
030586	3/2/2022	D&H Water Systems	2,309.84	WTP SUPPLIES	
030587	3/2/2022	Denise Cagle-Becker	6.87	REF:1088974_224115	
030588	3/2/2022	EcosConnect LLC	297.00	1/22 BACKFLOW REPORT	
030589	3/2/2022	Edco Waste & Recycling	190.43	25-4A 706676	
030590	3/2/2022	Fedex Kinko'S National A/R	195.53	PARKS	
030591	3/2/2022	Justin Fichtelman	291.67	BETTER WAY AWARD	
030592	3/2/2022	Gabriela Saffiote	179.32	EXPENSE REIMBURSEMENT	
030593	3/2/2022	Geoscience Support Svcs, Inc.	9,379.50	1/22 CONSULTING SERVICES	
030594	3/2/2022	Guardian	1,001.30	3/22 ADMIN FEES	
030595	3/2/2022	Hanson Aggregates Inc	387.11	SUPPLIES	Yes
030596	3/2/2022	Harrington Industrial Plastics Inc	15.74	WTP SUPPLIES	
030597	3/2/2022	Hawthorne Machinery Co.	1,757.54	D652 SUPPLIES	Yes
030598	3/2/2022	Inductive Automation	10,280.01	Inductive Automation Support Renewal	Yes
030599	3/2/2022	Infrastructure Engineering Corporation	1,860.00	BLDG D- LANDSCAPE PLANS	Yes
030600	3/2/2022	Jennifer Thurman	90.84	REF:1085573_186405	
030601	3/2/2022	Joanna Trailov	81.66	REF:1062621_207460	
030602	3/2/2022	John McKenzie	96.08	REF:1061441_222820	
030603	3/2/2022	Jorge Rodriguez	75.33	REF:1089896_129980	
030604	3/2/2022	Kaman Industrial	929.82	WTP SUPPLIES	
030605	3/2/2022	Kristina Mottla	100.00	REF:1081107_186755	
030606	3/2/2022	Lindsay Bonito	104.63	REF:1084281_191395	
030607	3/2/2022	Matthew Vanderbilt	134.28	REF:1089331_142155	
030608	3/2/2022	Nicholas Fox	76.20	REF:1086956_211110	
030609	3/2/2022	O'Reilly Auto Enterprises LLC	1,276.03	SHOP SUPPLIES	Yes
030610	3/2/2022	Otay Landfill	374.97	4-4531-0018538	
030611	3/2/2022	Pacific Pipeline Supply	7,250.58	SUPPLIES	Yes
030612	3/2/2022	Jaroith Inc., dba	78.00	760-489-9971	
030613	3/2/2022	Patrick Daly	171.94	REF:1037654_213125	
030614	3/2/2022	Patriot Environmental	920.00	WWTP ROLLOFF BIN SERVICES	Yes
030615	3/2/2022	Republic Services	1,806.58	4-4530-0333405	
030616	3/2/2022	Rodriguez, Jose	291.67	BETTER WAY AWARD	
030617	3/2/2022	San Diego Gas & Electric	8,810.49	0099818500413	Yes
030618	3/2/2022	Scott Hall	55.92	REF:1054393_232920	
030619	3/2/2022	Standard Insurance Co.	5,474.40	3/22 LTD & LIFE INSURANCE PREM	
030620	3/2/2022	Steve Demattos	918.08	REF:1046577_171810	
030621	3/2/2022	TASC	513.34	2/22 ADMIN & PROCESSING FEES	
030622	3/2/2022	Tiffany Hecklinski	2.08	REF:1088550_130870	
030623	3/2/2022	Ukiah Dublinski	131.22	REF:1060518_231085	
030624	3/2/2022	ULINE	72.86	WTP SUPPLIES	
030625	3/2/2022	US Bank	2,190.51	777321, 2/18/2022	
030626	3/2/2022	Valley Construction Management	39,688.00	CONSTRUCTION MGMT SERVICES	Yes
030627	3/2/2022	Water for People	60.00	WTRPL 3/3/2022	
030628	3/2/2022	West Coast Sand & Gravel	1,008.35	CLASS 2 BASE MATERIAL	Yes
030629	3/2/2022	White Cap Construction Supply	255.34	SUPPLIES	
030630	3/9/2022	Ababa Bolt Inc	970.32	SUPPLIES	Yes
030631	3/9/2022	Applied Best Practices	991.50	CDIAC CONSULTING SERVICES	
030632	3/9/2022	AT & T	22.56	9391056562	
030633	3/9/2022	Brandon Barnick	105.00	D4 CERT RENEWAL REIMB	
030634	3/9/2022	Bavco Backflow Apparatus	1,187.46	SUPPLIES	
030635	3/9/2022	C E Wilson Corporation	5,299.20	CIRCO DIEGUENO	Yes
030636	3/9/2022	Adam Calm	122.55	TUITION REIMBURSEMENT	

Olivenhain Municipal Water District
March 2022 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference	Multiple Invoices?
030637	3/9/2022	Canyon Industries	38,307.20	ERT Refurbishment	Yes
030638	3/9/2022	CDW Government Inc	5,415.19	SUPPLIES	Yes
030639	3/9/2022	Cecilia's Safety Service	1,925.00	BING CROSBY BLVD	Yes
030640	3/9/2022	Cintas First Aid & Safety	138.78	WWTP FIRST AID SUPPLIES	
030641	3/9/2022	Core & Main LP	3,915.10	2"X 3" Brass Nipple	Yes
030642	3/9/2022	County Of San Diego	673.00	8250 PASEO ESPLANADA	
030643	3/9/2022	D-Max Engineering, Inc.	2,832.00	FOG Inspections for the 4S and Cielo Collection Systems	Yes
030644	3/9/2022	Edco Waste & Recycling	672.49	25-4A 861816	Yes
030645	3/9/2022	Escondido Metal Supply	933.30	PARKS SUPPLIES	
030646	3/9/2022	Fallbrook Printing Corp	325.19	WATER SAMPLE LABELS	
030647	3/9/2022	Federal Express Corp	353.68	SHIPPING CHARGES	Yes
030648	3/9/2022	Ferguson Enterprises Inc. #1083	4,875.78	2"CI300 90 Fip X Fip Angle Vlv	Yes
030649	3/9/2022	First Choice Technology	158.89	13001474	Yes
030650	3/9/2022	Global Power Group Inc	7,328.62	WWTP SERVICES	Yes
030651	3/9/2022	Grant Leishman	10.52	REF:1084649_205070	
030652	3/9/2022	Gutermann Inc	4,065.00	AQUASCOPE	
030653	3/9/2022	Hanson Aggregates Inc	1,136.49	SUPPLIES	Yes
030654	3/9/2022	Hasa	4,560.65	WWTP CHEMICALS	
030655	3/9/2022	Hoch Consulting	7,840.00	ELFIN FOREST OVERFLOW PARKING	
030656	3/9/2022	Infosend	1,303.78	IMPRINT - INFOSEND ENVELOPE	
030657	3/9/2022	Infrastructure Engineering Corporation	8,077.26	NBHD #1 SPS REPLACEMENT PJT	Yes
030658	3/9/2022	Kaman Industrial	4,163.75	Mixer base for 4S WRF Oxidation Ditch mixer	Yes
030659	3/9/2022	Lea Quackenbush	114.08	REF:1081174_193160	
030660	3/9/2022	Lorin Dean Haskin	105.87	SETTLEMENT CLAIM	
030661	3/9/2022	McMaster-Carr Supply Co.	225.17	SUPPLIES	
030662	3/9/2022	Morton Salt Inc	4,855.69	WTP CHEMICALS	
030663	3/9/2022	NBS	3,000.00	RANCHO CIELO CFD LIEN RELEASE	
030664	3/9/2022	NCB Reprographics	321.05	PLAN PRINTS	Yes
030665	3/9/2022	Ninyo & Moore	3,545.00	Geotechnical Services	Yes
030666	3/9/2022	O'Reilly Auto Enterprises LLC	352.95	EP16 SUPPLIES	Yes
030667	3/9/2022	Pacific Pipeline Supply	2,360.30	SUPPLIES	Yes
030668	3/9/2022	Parsons	3,438.51	Preliminary and Final Design Services	Yes
030669	3/9/2022	Rana Balaa	119.21	REF:1084949_145890	
030670	3/9/2022	Richard F. Yeager Jr. Db	3,040.00	CATHODIC PROTECTION SUPPORT	Yes
030671	3/9/2022	Rockwell Engineering & Equipment	11,875.38	Boerger Rotary Lobe Pump	Yes
030672	3/9/2022	San Diego Building Maintenance	5,396.00	2/22 JANITORIAL SERVICE	
030673	3/9/2022	San Diego Gas & Electric	200.55	0081481106215	Yes
030674	3/9/2022	San Elijo Joint Powers Auth.	28,286.40	2/22 16.6 AC/FTRECYCLED WATER	
030675	3/9/2022	Sloan Electric	19,246.47	NHBD #1 SPS submersible pump rehabilitation/repair	Yes
030676	3/9/2022	Solana Center	3,500.00	RAIN BARRELS	
030677	3/9/2022	Southern Contracting	34,335.19	Wire replacement project	Yes
030678	3/9/2022	Streakwave Wireless Inc	602.71	SUPPLIES	
030679	3/9/2022	Tong Tang	90.00	D3 CERT RENEWAL REIMBURSEMENT	
030680	3/9/2022	Toni Kriley	100.52	REF:1084152_102785	
030681	3/9/2022	Tovar, Jaime	50.00	5 YEAR SERVICE AWARD	
030682	3/9/2022	UniFirst Aid Corp	177.32	FIRST AID SUPPLIES	
030683	3/9/2022	USA Blue Book	3,247.81	WWTP SUPPLIES	Yes
030684	3/9/2022	Verizon Connect Fleet USA, LLC	924.85	100000112726	
030685	3/9/2022	West Coast Sand & Gravel	4,954.50	MATERIALS	Yes
030686	3/9/2022	West Yost & Associates, Inc	421.92	Support for Manchester Recycled Water site connections	Yes
030687	3/9/2022	Western Hose & Gasket	1,156.38	SUPPLIES	Yes
030688	3/10/2022	US Internet Corp - BIN #131489	922.00	EMAIL SCANNING SERVICES	Yes
030689	3/16/2022	4S Ranch Gasoline & Car Wash	1,005.39	WWTP GASOLINE/CAR WASH	
030690	3/16/2022	Aflac	1,215.80	FS005	
030691	3/16/2022	American Backflow Specialties	1,565.98	SUPPLIES	Yes
030692	3/16/2022	AT & T	938.28	9391056789	Yes
030693	3/16/2022	B. Weber Consulting LLC	5,932.50	CONSULTING SERVICES	
030694	3/16/2022	Brightview Landscape Services	5,440.00	Ficus Hedge Removal Services	Yes
030695	3/16/2022	Bumcrot, Chris	50.00	CONGRATULATIONS FROM THE ERC	
030696	3/16/2022	California State Disbursement Unit	123.23	ED100514-3/17/2022	
030697	3/16/2022	Capitol Enquiry	271.55	2022 CA DIRECTORY	
030698	3/16/2022	City Treasurer	674.77	2/22 RECYCLED MTR CHARGE	

Olivenhain Municipal Water District
March 2022 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference	Multiple Invoices?
030699	3/16/2022	DCL Enterprise Inc Db	577.63	OMWD BLDG J	
030700	3/16/2022	DLM Engineering Inc	11,140.00	ENGINEER CONSULTING SERVICES	Yes
030701	3/16/2022	DXP Enterprises, Inc.	3,148.46	Baldor Motor- 25HP, 1800, 284T, TEFC	Yes
030702	3/16/2022	Escondido Metal Supply	18.10	PARKS SUPPLIES	
030703	3/16/2022	Federal Express Corp	204.15	SHIPPING CHARGES	Yes
030704	3/16/2022	Ferrellgas	150.00	TANK RENTAL	
030705	3/16/2022	Hanson Aggregates Inc	920.52	SUPPLIES	Yes
030706	3/16/2022	Harrington Industrial Plastics Inc	5,333.07	WTP SUPPLIES	Yes
030707	3/16/2022	Hill Brothers Chemical Company	9,296.06	WTP CHEMICALS	
030708	3/16/2022	Home Depot/Gecf	3,672.68	2/22 SUPPLIES	
030709	3/16/2022	IKG Environmental	11,816.93	Additional Work with IKG for Groundwater Level Monitoring for the San Dieguito Valley	Yes
030710	3/16/2022	J.M.D. Landscape Inc	4,800.00	WWTP SERVICES	
030711	3/16/2022	Kaman Industrial	2,518.09	WTP SUPPLIES	
030712	3/16/2022	Kenneth G Jensen	114.43	REF:1016041_117865	
030713	3/16/2022	Mary T Clifford	63.16	REF:1083960_162940	
030714	3/16/2022	McMaster-Carr Supply Co.	1,099.70	SUPPLIES	Yes
030715	3/16/2022	Nancy Buscis	56.98	REF:1004451_219855	
030716	3/16/2022	Napa Auto Parts	17.20	2/22 SUPPLIES	
030717	3/16/2022	NV5, Inc	979.50	MANCHESTER P/L OUTREACH	Yes
030718	3/16/2022	Pacific Pipeline Supply	2,662.46	2 1/2" Disc	Yes
030719	3/16/2022	Peterson Structural Engineers, Inc.	22,466.30	Inspection and Analysis Servcies	Yes
030720	3/16/2022	PWLC I, INC	4,098.00	VEGETATION CLEARING	Yes
030721	3/16/2022	Rancho Santa Fe Community Svs	7,576.06	2/22 9.53 AC/FT RECYCLED WTR	
030722	3/16/2022	Republic Services	613.33	4-4530-0333405	
030723	3/16/2022	S D G & E	264.85	400000078	
030724	3/16/2022	Michael Salazar	50.00	CONGRATULATIONS FROM THE ERC	
030725	3/16/2022	Samba Holdings Inc	192.94	DMV MONITORING	
030726	3/16/2022	San Diego County	1,500.00	DIEGUENO MIDDLE SCHOOL	
030727	3/16/2022	San Diego Gas & Electric	45,892.55	0093555985416	Yes
030728	3/16/2022	Santa Fe Irrigation Dist	74.34	008128-005, 3/1/2022	
030729	3/16/2022	Southern Counties Lubricants, LLC.	9,575.84	UNLEADED & DIESEL FUEL	
030730	3/16/2022	State Water Resources	60.00	GRADE 2 TREATMENT CERT - CALM	
030731	3/16/2022	Steven L. Sherman DBA	3,212.50	Conservation landscape services-evaluation	Yes
030732	3/16/2022	Sunbelt Rentals, Inc.	1,719.58	WTP EQUIPMENT RENTAL	Yes
030733	3/16/2022	TASC	125.00	QUARTERLY TRUSTEE FEES	
030734	3/16/2022	Tekdraulics	4,042.98	10 HP Cornel Pump and Motor	Yes
030735	3/16/2022	The Dumbell Man Fitness	175.00	FITNESS EQUIPMENT MAINT SVCS	
030736	3/16/2022	Tracy Barrett	27.16	REF:1045149_195600	
030737	3/16/2022	Transnet Investigative Group Inc.	85.00	PRE EMPLOYMENT BACKGROUND	
030738	3/16/2022	ULINE	613.37	WTP SUPPLIES	Yes
030739	3/16/2022	USA Blue Book	1,457.46	WWTP SUPPLIES	Yes
030740	3/16/2022	Valmont Composite Structures	330.54	PARKS SUPPLIES	
030741	3/16/2022	Water for People	60.00	WTRPL 3/17/2022	
030742	3/16/2022	White Cap Construction Supply	227.71	BA07 SUPPLIES	Yes
030743	3/23/2022	AG Tech Llc	1,985.76	WWTP BIOSOLIDS DISPOSAL	
030744	3/23/2022	Alpha Mechanical, Inc	4,956.06	WWTP SERVICES	Yes
030745	3/23/2022	American Conservation & Billing Solutions, Ir	3,251.00	AQUAHAWK 4/2022	
030746	3/23/2022	AT & T	86.89	9391059578	
030747	3/23/2022	Boot World Inc	184.23	Safety Boots	Yes
030748	3/23/2022	Brandon Nichter	97.24	REF:1088202_185875	
030749	3/23/2022	Brightview Landscape Services	10,212.00	Multiple Tree Trimming and Cleaning of South side of 4S WRF	Yes
030750	3/23/2022	California Diesel Compliance	710.00	SMOKE OPACITY TEST	
030751	3/23/2022	Carolyn Downing	113.54	REF:1062541_202055	
030752	3/23/2022	CDW Government Inc	8,784.72	SUPPLIES	Yes
030753	3/23/2022	Charles P Crowley Company, Inc.	276.45	WTP SUPPLIES	
030754	3/23/2022	Teresa L Chase	154.58	FRED PRYOR CLASS EXP REIMB	Yes
030755	3/23/2022	City Treasurer	345.00	AED AGREEMENT SERVICES	
030756	3/23/2022	Corodata	320.51	OFFSITE RECORDS STORAGE	
030757	3/23/2022	Corodata Shredding, Inc	70.37	PAPER DESTRUCTION SERVICES	
030758	3/23/2022	County of San Diego, RCS	171.00	2/22 RADIO SERVICES	
030759	3/23/2022	Dan Dettman	37.53	REF:1055696_186040	

Olivenhain Municipal Water District
March 2022 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference	Multiple Invoices?
030760	3/23/2022	Danielle McBevitt	139.78	REF:1060886_191855	
030761	3/23/2022	Fallbrook Printing Corp	2,148.93	AMI PROJECT POSTCARDS	Yes
030762	3/23/2022	Ferguson Enterprises Inc. #1083	4,116.00	SUPPLIES	Yes
030763	3/23/2022	Global Power Group Inc	3,457.34	GATY RESERVOIR	
030764	3/23/2022	Grangetto's Ag. Supply	537.89	SUPPLIES	Yes
030765	3/23/2022	Harrington Industrial Plastics Inc	308.05	WTP SUPPLIES	
030766	3/23/2022	Infosend	6,299.68	2/22 WATER BILL STATEMENTS	Yes
030767	3/23/2022	Interstate Battery Of San Diego Inc	437.97	SHOP SUPPLIES	
030768	3/23/2022	Julie Perry	131.62	REF:1083112_186785	
030769	3/23/2022	Kamela Love	51.10	REF:1087732_222975	
030770	3/23/2022	Kendall Carpenter	1,310.93	REF:1062351_303100	
030771	3/23/2022	Mansion Makers, LLC	162.85	REF:1080614_140660	
030772	3/23/2022	Matias Ingouville	43.02	REF:1082851_193225	
030773	3/23/2022	McMaster-Carr Supply Co.	72.40	WTP SUPPLIES	
030774	3/23/2022	Nat'L Safety Compliance	69.95	D.O.T. TESTING	
030775	3/23/2022	O'Reilly Auto Enterprises LLC	245.47	SUPPLIES	Yes
030776	3/23/2022	Pacific Pipeline Supply	7,447.43	SUPPLIES	Yes
030777	3/23/2022	Jaroth Inc., dba	78.00	760-489-9971	
030778	3/23/2022	Patriot Environmental	500.00	WWTP ROLL OFF SERVICES	
030779	3/23/2022	Pauley Equipment Co.	728.25	PARKS - TRACTOR RENTAL	
030780	3/23/2022	PWLC I, INC	14,848.00	LANDSCAPE MAINTENANCE	Yes
030781	3/23/2022	San Diego Gas & Electric	87,342.42	0099949341729	Yes
030782	3/23/2022	SiteOne Landscape Supply, LLC	154.08	WWTP SUPPLIES	
030783	3/23/2022	Sloan Electric	5,267.58	WTP TRAIN 2	Yes
030784	3/23/2022	Steven Paul	54.51	REF:1058454_179530	
030785	3/23/2022	Traveer Sowell	31.31	REF:1088341_112560	
030786	3/23/2022	Tri Signal Integration Inc	387.25	WTP SERVICES	
030787	3/23/2022	Underground Service Alert	199.75	DIG ALERT TICKETS	
030788	3/23/2022	Vallecitos Water District	48,616.46	RECLAIMED WATER SALES	
030789	3/23/2022	Vinje & Middleton Engineering, Inc	254.10	REF:1089536_303110	
030790	3/23/2022	Vortex Industries	380.00	WTP SERVICES	
030791	3/23/2022	West Coast Sand & Gravel	988.69	MATERIALS	
030792	3/23/2022	Whitson CM	600.00	WWTP SITE INSPECTION	Yes
030793	3/23/2022	Will Endorf	48.93	REF:1055719_190795	
030794	3/30/2022	Ababa Bolt Inc	339.21	WTP SUPPLIES	Yes
030795	3/30/2022	Am Tec Total Security Inc	617.50	PARKS SERVICES	
030796	3/30/2022	Applied Best Practices	1,700.00	CONTINUING DISCLOSURE RPT	
030797	3/30/2022	Aqua Metric	13,112.57	Mxu-520M Touch Coupler Dual	Yes
030798	3/30/2022	AT & T	495.92	9391056158	
030799	3/30/2022	Boyd Fasteners	203.56	WTP SUPPLIES	
030800	3/30/2022	Cable, Pipe & Leak Detection, Inc.	1,435.00	RANCHO SUMMIT	
030801	3/30/2022	California State Disbursement Unit	123.23	ED100514-3/31/2022	
030802	3/30/2022	CCL Contracting Inc.	171,912.00	Construction Services	Yes
030803	3/30/2022	CDW Government Inc	1,336.01	SUPPLIES	Yes
030804	3/30/2022	City Treasurer	780.43	620000109372	Yes
030805	3/30/2022	Claudette Aiken	107.36	REF:1000374_191900	
030806	3/30/2022	Fallbrook Printing Corp	407.86	AMI POSTCARD	Yes
030807	3/30/2022	Federal Express Corp	45.69	SHIPPING	
030808	3/30/2022	Ferguson Enterprises Inc. #1083	29.58	3/8" Brass Street Elbow	Yes
030809	3/30/2022	H. A. Casillas	1,579.50	Landscape services to install demo garden	Yes
030810	3/30/2022	Hanson Aggregates Inc	1,078.95	MATERIAL	Yes
030811	3/30/2022	Harrington Industrial Plastics Inc	610.34	WTP SUPPLIES	Yes
030812	3/30/2022	Stephen Lee Mowry DBA	2,340.00	FABRICATION SERVICES	
030813	3/30/2022	McMaster-Carr Supply Co.	429.29	SUPPLIES	Yes
030814	3/30/2022	Mital Patel	37.19	REF:1089889_221330	
030815	3/30/2022	Morton Salt Inc	4,851.65	WTP CHEMICALS	
030816	3/30/2022	Myles Cooper	58.24	REF:1090382_194805	
030817	3/30/2022	NBS	9,986.80	QTRLY ADMIN FEES (4/22-6/22)	
030818	3/30/2022	North County Powder Coating	542.24	POWDER COATING - WTP BEAMS	Yes
030819	3/30/2022	Otay Landfill	376.53	4-4531-0018538	
030820	3/30/2022	Pacific Pipeline Supply	2,858.42	WWTP SUPPLIES	Yes
030821	3/30/2022	RECON Environmental, Inc.	5,130.00	ELFIN FOREST OVERFLOW PARKING	Yes

Olivenhain Municipal Water District
March 2022 Warrant List - Check & EFT

Number	Date	Name	Amount	Inv Reference	Multiple Invoices?
030822	3/30/2022	Richard F. Yeager Jr. Dba	1,600.00	CATHODIC PROTECTION SUPPORT	Yes
030823	3/30/2022	RS Instruments & Services	2,893.77	WWTP SERVICES	Yes
030824	3/30/2022	San Diego Gas & Electric	1,119.73	0098000669143	Yes
030825	3/30/2022	Sloan Electric	799.65	WTP SUPPLIES	
030826	3/30/2022	Southern Counties Lubricants, LLC.	10,039.73	UNLEADED FUEL	
030827	3/30/2022	Specialty Seals & Accessories	3,062.15	SUPPLIES	Yes
030828	3/30/2022	TASC	513.34	3/22 ADMIN FEES	
030829	3/30/2022	Two Oaks Sweeping LLC	542.50	3/2 SWEEPING SERVICES	
030830	3/30/2022	UniFirst Aid Corp	244.95	FIRST AID SUPPLIES	
030831	3/30/2022	US Bank	2,190.51	777321	
030832	3/30/2022	USA Blue Book	157.26	WTP SUPPLIES	
030833	3/30/2022	Water for People	60.00	WTRPL 3/31/2022	
030834	3/30/2022	Westamerica Communications, Inc.	12,461.12	VALVE REPLACEMENT POSTCARDS	Yes
030835	3/30/2022	Western Hose & Gasket	274.03	WTP SUPPLIES	
EFT012	3/2/2022	Evoqua Water Technologies	3,884.06	905232248-DEL DIOS SPS CHEMICALS	
EFT013	3/2/2022	Rutan & Tucker, LLP	2,400.00	SPECIAL COUNSEL - DESAL	
EFT014	3/9/2022	ACWA - JPIA	136,493.87	4/22 GROUP INSURANCE	
EFT015	3/9/2022	Evoqua Water Technologies	242.77	WWTP SERVICES	
EFT016	3/9/2022	Zoho Corporation	670.50	MANAGE ENGINE SUBSCRIPTION	
EFT017	3/9/2022	Traffic Safety Solutions	4,920.88	FOUR GEE ROAD LEAK	
EFT018	3/9/2022	Nossaman LLP	36,166.90	1/22 LEGAL SERVICES	Yes
EFT019	3/16/2022	PSI Water Technologies	24,588.59	INV0005754- INVENTORY PURCHASE	
EFT020	3/16/2022	Woodard & Curran	1,073.75	199233-NSDCRRWP GRAND ADMIN	Yes
EFT021	3/16/2022	Traffic Safety Solutions	3,590.00	00002738-BING CROSBY BLVD/ HIGH SOCIETY	Yes
EFT022	3/16/2022	Nossaman LLP	27,719.85	OMWD PORTION - HILLSIDE; 1/22 LOBBYING SERVICES	Yes
EFT023	3/16/2022	Insight Public Sector, Inc.	31,370.90	NETWORK EQUIPMENT	
EFT024	3/23/2022	Evoqua Water Technologies	242.77	WWTP SERVICES	
EFT025	3/23/2022	Woodard & Curran	3,777.25	NSDCRRWP GRANT ADMIN	Yes
EFT026	3/23/2022	Rutan & Tucker, LLP	3,600.00	SPECIAL COUNSEL - DESAL	
EFT027	3/30/2022	Wageworks	352.00	ADMIN FEES	Yes
EFT028	3/30/2022	Polydyne, Inc	7,438.72	WWTP CHEMICALS	
EFT029	3/30/2022	Nossaman LLP	6,750.00	2/22 LOBBYING SERVICES	
EFT030	3/30/2022	Univar Solutions Usa Inc	4,224.05	WTP Chemicals	Yes
			<u>1,312,628.38</u>		

Olivenhain Municipal Water District
Monthly Directors Fee and Reimbursed Expenses for Directors and Staff
March 2022

<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 Bruce-Lance			0.00	0.00	0.00	0.00	450.00
			0.00	0.00	0.00	0.00	450.00
Director Guerin			0.00	0.00	0.00	0.00	750.00
			0.00	0.00	0.00	0.00	750.00
Director Meyers			0.00	0.00	0.00	0.00	900.00
			0.00	0.00	0.00	0.00	900.00
Director Topolovac			0.00	0.00	0.00	0.00	600.00
			0.00	0.00	0.00	0.00	600.00
Director Watt			0.00	0.00	0.00	0.00	1,500.00
			0.00	0.00	0.00	0.00	1,500.00
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	
Engineering Manager Hubbard			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	
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 January 31, 2022

Active Deposits

	<u>Book Value</u>
Checking Accounts	\$ 12,173,956
Cash Restricted for Specific Use	5,356,717
Petty Cash/Disaster Preparedness	1,476
Total Active Deposits	<u>\$ 17,532,149</u>

Deposits Not Covered by Investment Policy

Cash with Fiscal Agents	2,863,693
-------------------------	-----------

<u>Investments</u>	<u>Face Value</u>	<u>Market Value</u>	<u>Current Yield</u>	
LAIF	\$ 27,199,116	27,199,286	0.23%	\$ 27,199,116
CAMP - US Bank	13,535,648	13,535,648	0.05%	13,535,648
Money Market Funds	185,290	185,290	0.02%	185,290
Municipal Bonds	1,000,000	1,121,460	4.46%	1,216,760
U.S. Treasury Securities	2,000,000	1,962,930	1.02%	2,021,162
U.S. Agency Securities	31,876,111	31,095,644	0.56%	31,872,931
Total Investments	<u>\$ 75,796,165</u>	<u>\$ 75,100,258</u>	<u>0.42%</u>	<u>\$ 76,030,907</u>

Total - All Deposits/Investments

\$ 96,426,750 ✓

Maturity Analysis of Investments

	<u>Percent</u>	<u>Balance</u>
Demand Deposits	53.8%	\$ 40,920,054
Maturity within the next two months	0.0%	-
Maturity within three months and one year	2.7%	2,036,504
Maturity beyond one year	43.5%	33,074,349
Total Investments	<u>100.0%</u>	<u>\$ 76,030,907</u>

Weighted Average Days to Maturity **581**

Other Required Disclosures:

Accrued interest receivable as of 01/31/2022 \$ 78,400

The above investments are in accordance with the portfolio limitations in the Investment Policy approved by the Board in December 2021.

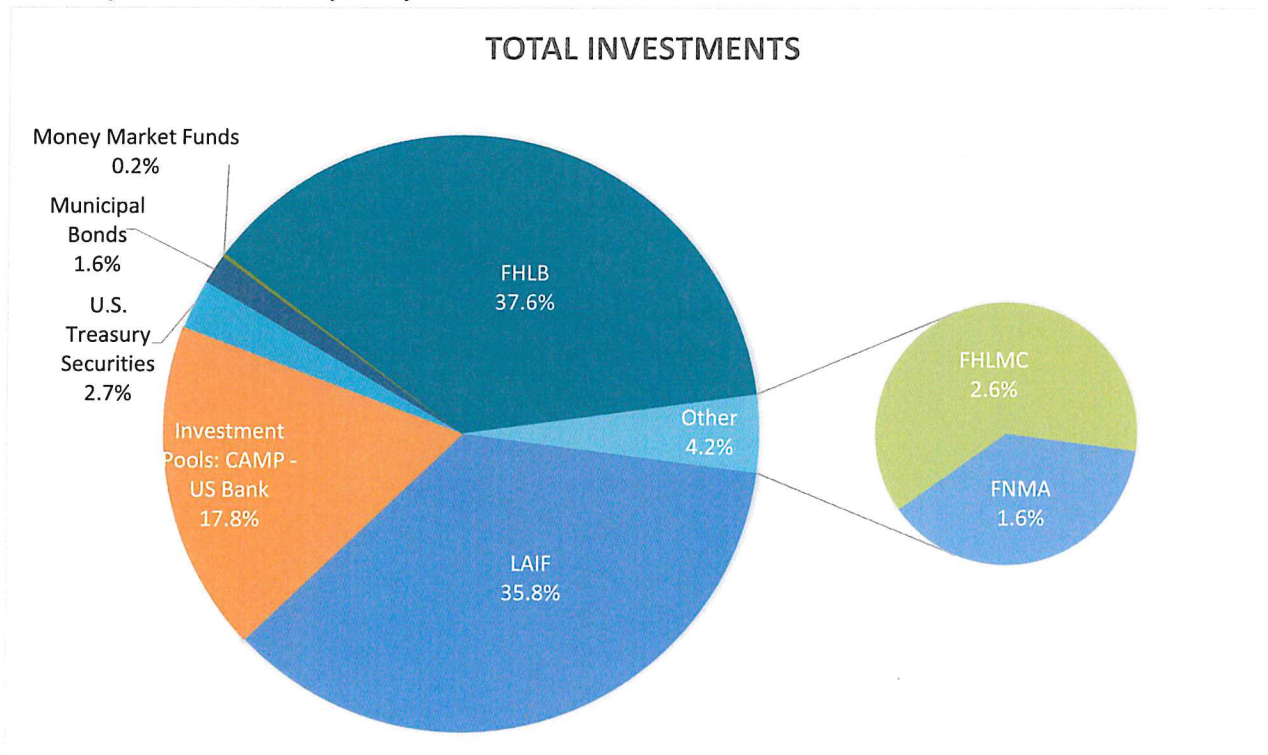
The District has sufficient funds on hand to meet the next 30 days' obligations.

Olivenhain Municipal Water District
PORTFOLIO LIMITATIONS ANALYSIS PER INVESTMENT POLICY
January 31, 2022

	<u>Book Value</u>	<u>Percent</u>	<u>Permitted Percent</u>		<u>In Compliance?</u>
LAIF	\$ 27,199,116	35.8%	50.0%	(1)	Yes
Investment Pools: CAMP - US Bank	13,535,648	17.8%	30.0%		Yes
U.S. Treasury Securities	2,021,162	2.7%	100.0%	(2)	Yes
Municipal Bonds	1,216,760	1.6%	30.0%		Yes
Money Market Funds	185,290	0.2%	20.0%	(3)	Yes
U.S. Agency Securities	31,872,931	41.8%	50.0%		Yes
<hr/>					
<i>FHLB</i> <i>Federal Home Loan Bank</i>	28,623,111	37.6%			
<i>FNMA</i> <i>Fannie Mae</i>	1,250,000	1.6%			
<i>FHLMC</i> <i>Freddie Mac</i>	1,999,820	2.6%			
<hr/>					
Total Investments	\$ 76,030,907	100%			

Note:

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



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

Olivenhain Municipal Water District
MONTHLY INVESTMENTS DETAIL
January 31, 2022

ACTIVE DEPOSIT

Checking A/C: California Bank and Trust for General Purpose
 California Bank and Trust for Specific Purpose
 CAMP 2021A Bond
 Petty Cash/Disaster Preparedness
 Total - Active Deposits

Book Value
12,173,956
356,051
5,000,667
1,476
17,532,149

DEPOSITS NOT COVERED BY INVESTMENT POLICY

Cash with Fiscal Agents:

Union Bank - RAD 96-1 Refunding Bond
 Union Bank - 2015A Refunding Bond
 SRF Loan
 Union Bank - 2016A Refunding Bond
 Union Bank - 2021A WW Revenue Bond
 Union Bank - 2021B Refunding Bond

608,657
876,338
856,346
266,022
105,778
150,553

Total Deposits Not Covered by Investment Policy

2,863,693

		RATING		DATE			Weighted Average Days to Maturity		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)				1		0.05%	\$ 13,535,648	\$ 13,535,648	\$ 13,535,648
				State Local Agency Investment Fund (LAIF)				1		0.23%	27,199,286	27,199,116	27,199,116
				First American Government 31846V567				1		0.02%	185,290	185,290	185,290
U.S. Treasury Notes/Bills													
912828YH7	U.S. Treasury Notes	Aaa	-	03/09/21	02/28/26		1,490		1.50%	1.49%	1,004,610	1,000,000	1,036,684
91282CBQ3	U.S. Treasury Notes	Aaa	-	03/09/21	09/30/24		974		0.50%	0.52%	958,320	1,000,000	984,478
							79		1.00%	1.02%	\$ 1,962,930	\$ 2,000,000	\$ 2,021,162
U.S. Agency Securities													
3134GKKH6	FHLMC Callable	Aaa	AA+	01/27/21	01/27/23	04/27/22	362	87	0.13%	0.13%	995,200	1,000,000	999,820
3130AJZJ1	FHLB Callable	Aaa	AA+	09/02/20	08/25/23	Anytime	572	1	0.32%	0.32%	1,142,512	1,151,111	1,151,111
3136G4P56	FNMA Callable	Aaa	AA+	08/26/20	02/26/24	08/26/22	757	208	0.40%	0.41%	1,233,650	1,250,000	1,250,000
3130ALHM9	FHLB Callable	Aaa	AA+	03/10/21	06/10/24	03/10/22	862	39	0.30%	0.31%	981,370	1,000,000	999,000
3130AKEW2	FHLB Callable	Aaa	AA+	11/04/20	11/04/24	Anytime	1,009	1	0.43%	0.44%	1,949,640	2,000,000	2,000,000
3134GWAQ9	FHLMC Callable	Aaa	AA+	07/28/20	07/28/25	07/28/22	1,275	179	0.65%	0.67%	976,750	1,000,000	1,000,000
3130AKGX8	FHLB Step-up Callable	Aaa	AA+	12/15/20	12/15/25	03/15/22	1,415	44	0.30%	0.31%	1,951,940	2,000,000	2,000,000
3130AKMD5	FHLB Callable	Aaa	AA+	01/26/21	01/26/26	04/26/22	1,457	86	0.50%	0.52%	956,270	1,000,000	999,500
3130AKU53	FHLB Callable	Aaa	AA+	01/28/21	01/28/26	04/28/22	1,459	88	0.52%	0.54%	965,910	1,000,000	1,000,000
3130AKN69	FHLB Callable	Aaa	AA+	01/28/21	01/28/26	01/28/23	1,459	363	0.50%	0.52%	965,460	1,000,000	1,000,000
3130AKVN3	FHLB Callable	Aaa	AA+	01/29/21	01/29/26	04/29/22	1,460	89	0.52%	0.54%	965,900	1,000,000	1,000,000
3130AKWK8	FHLB Callable	Aaa	AA+	02/12/21	02/12/26	02/12/22	1,474	13	0.51%	0.53%	965,030	1,000,000	1,000,000
3130AKX43	FHLB Step-up Callable	Aaa	AA+	02/24/21	02/24/26	02/24/22	1,486	25	0.70%	0.72%	1,942,580	2,000,000	2,000,000
3130AL7M0	FHLB Callable	Aaa	AA+	02/24/21	02/24/26	02/24/22	1,486	25	0.63%	0.65%	968,680	1,000,000	1,000,000
3130AKYR1	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	02/25/22	1,487	26	0.55%	0.58%	954,210	1,000,000	1,000,000
3130AL6K5	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	02/25/22	1,487	26	0.58%	0.60%	967,390	1,000,000	1,000,000
3130ALD76	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	02/25/22	1,487	26	0.70%	0.72%	971,220	1,000,000	1,000,000
3130ALCW2	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	02/25/22	1,487	26	0.63%	0.65%	968,990	1,000,000	998,500
3130AL8Q2	FHLB Callable	Aaa	AA+	02/26/21	02/26/24	Anytime	757	1	0.22%	0.22%	978,660	1,000,000	1,000,000
3130ALGJ7	FHLB Callable	Aaa	AA+	03/23/21	03/23/26	02/23/22	1,513	24	1.00%	1.03%	947,827	975,000	975,000
3130ALPQ1	FHLB Step-up Callable	Aaa	AA+	03/30/21	03/30/26	03/30/22	1,520	59	0.50%	0.51%	983,840	1,000,000	1,000,000
3130ALVC5	FHLB Step-up Callable	Aaa	AA+	04/14/21	04/14/26	04/14/22	1,535	74	0.60%	0.61%	982,670	1,000,000	1,000,000
3130AMMV1	FHLB Callable	Aaa	AA+	06/03/21	06/03/24	03/03/22	855	32	0.40%	0.41%	491,905	500,000	500,000
3130AMKE1	FHLB Callable	Aaa	AA+	05/27/21	02/27/25	02/27/22	1,124	28	0.66%	0.68%	976,080	1,000,000	1,000,000
3130ANGN4	FHLB Step-up Callable	Aaa	AA+	08/18/21	02/18/25	02/18/22	1,115	19	0.35%	0.36%	983,240	1,000,000	1,000,000
3130ANSP6	FHLB Callable	Aaa	AA+	09/17/21	10/17/24	03/17/22	991	46	0.50%	0.51%	977,740	1,000,000	1,000,000
3130ANTP5	FHLB Callable	Aaa	AA+	09/16/21	09/16/24	03/16/22	960	45	0.50%	0.51%	981,330	1,000,000	1,000,000
3130APAY1	FHLB Callable	Aaa	AA+	10/21/21	10/21/26	04/21/22	1,725	81	1.10%	1.12%	981,320	1,000,000	1,000,000
3130APL78	FHLB Callable	Aaa	AA+	10/28/21	10/28/26	04/28/22	1,732	88	1.38%	1.39%	988,330	1,000,000	1,000,000
							1,256	1,955	0.55%	0.56%	\$ 31,095,644	\$ 31,876,111	\$ 31,872,931
Municipal Bonds													
882724RA7	TEXAS ST PUB FIN AUTH	Aaa	AAA	10/30/20	10/01/25		1,340		5.00%	4.46%	1,121,460	1,000,000	1,216,760
							1,340		5.00%	4.46%	\$ 1,121,460	\$ 1,000,000	\$ 1,216,760
Total Investments													
							581		0.42%	0.42%	\$ 75,100,258	\$ 75,796,165	\$ 76,030,907
TOTAL - ALL DEPOSITS AND INVESTMENTS													
												\$	96,426,750

Olivenhain Municipal Water District
INVESTMENTS TRANSACTION
January 31, 2022

PURCHASED

DATE				Investment Description	<i>Stated</i>	<i>Current</i>	Face Value	Book Value
Purchase	Maturity	Call	Step-Up		<i>Coupon</i>	<i>Yield</i>		

MATURED / REDEEMED / CALLED

DATE				Investment Description	<i>Stated</i>	<i>Current</i>	Face Value	Book Value
Redemption	Maturity	Call	Step-Up		<i>Coupon</i>	<i>Yield</i>		

Olivenhain Municipal Water District
UNAUDITED CASH POSITION BY FUNDING SOURCES
As of January 31, 2022

<u>Water Funds (Potable & Recycled)</u>		<u>Balance</u>
10050-100	Cash - Petty Cash Fund	1,476
10030-100	Cash - Capital and Equipment Fund	38,533,168
10010-100	Cash - Operating Fund	16,696,214
10060-100	Cash - Deposit Work for Other	48,742
10040-100	Cash - Rate Stabilization	12,131,709
14000-500	Restricted Cash - Capacity Fee Fund	5,099,930
Total Water Funds (Potable & Recycled)		<u>72,511,238</u>
<u>Wastewater Funds</u>		
10010-110	Wastewater - Operating Fund	3,736,313
10030-110	Wastewater - Capital Replacement Fund	9,353,415
10040-110	Wastewater - Rate Stabilization Fund	2,605,373
Total Wastewater Funds		<u>15,695,101</u>
<u>Non Fiscal Agent Debt Service Cash</u>		
14020-570	Cash non-agent - RAD 96-1	344,850
10070-561	Cash non-agent - Bond 2015A	621
10070-581	Cash non-agent - Bond 2016A	10,580
14020-521	Cash non-agent - Bond 2021A	5,000,667
Total Non Fiscal Agent Debt Service Cash		<u>5,356,717</u>
<u>Debt Service Funds</u>		
14030-510	SRF Loan - Fiscal Agent	856,346
14105-570	Redemption fund - RAD 96-1	542,422
14110-570	Reserve fund - RAD 96-1	66,236
14100-561	Redemption fund - Bond 2015A	876,338
14100-581	Redemption fund - Bond 2016A	266,022
14100-521	Redemption fund - CB&T 2021A	105,778
14100-522	Redemption fund - CB&T 2021B	150,554
Total Debt Service Funds		<u>2,863,694</u>
TOTAL FUND BALANCES		<u>96,426,750</u>

Memo

Date: April 20, 2022
To: Olivenhain Municipal Water District Board of Directors
From: Rainy K. Selamat, Finance Manager
Via: Kimberly 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.

Memo

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OLIVENHAIN MUNICIPAL WATER DISTRICT
Statement of Net Position (Unaudited)
All Funds
1/31/2022

Assets

Current assets:

Unrestricted assets:

Cash and cash equivalents	\$82,995,230
Accounts receivable - water and sewer, net	5,531,901
Interest Receivable	78,400
Taxes receivable	154,318
Other receivables	320,931
Inventories	1,445,658
Prepaid expenses and deposits	1,120,955
Total unrestricted assets	<u>91,647,393</u>

Restricted assets:

Cash and cash equivalents	13,156,950
Assesments receivable	50,455
Grants receivable	191,135
Total restricted assets	<u>13,398,540</u>
Total current assets	<u>105,045,933</u>

Noncurrent assets:

Capital assets, nondepreciable	46,650,313
Capital assets, depreciable/amortizable, net	<u>334,061,532</u>
Capital assets, net	380,711,845
Prepaid bond insurance	22,180
Other long-term receivables	27,175
Total noncurrent assets	<u>380,761,200</u>
Total assets	<u>485,807,133</u>

Deferred Outflows of Resources

Deferred amount on refunding	(1,089,086)
Deferred amount from pension	(3,585,712)
Total deferred outflows of resources	<u>(4,674,798)</u>

Liabilities

Current Liabilities

Liabilities payable from unrestricted assets:

Accounts payable	4,882,498
Accrued payroll	414,526
Customer deposits	350,618
Payable related to work in progress	40,461
Compensated absences, current portion	771,000
Current portion of long-term debt:	
Wastewater Revenue Bonds 2021A	245,740
Wastewater Refunding Revenue Bonds 2021B	419,070
Water Revenue Refunding Bonds 2016A	530,000
Water Revenue Refunding Bonds 2015A	1,750,000
Special Assessment Debt with Government Commi...	863,064
Notes Payable	(4,628)
Total liabilities payable from unrestricted assets	<u>9,597,539</u>

Liabilities payable from restricted assets:

Interest payable	288,964
Total liabilities payable from restricted assets	<u>288,964</u>
Total current liabilities	<u>9,886,503</u>

Noncurrent liabilities

Compensated absences	904,180
Net pension liability	14,608,845
Long-term debt, excluding current portion:	
Wastewater Revenue Bonds 2021A	4,796,400
Wastewater Refunding Revenue Bonds 2021B	3,513,900
Water Revenue Refunding Bonds 2016A	13,729,690
Water Revenue Refunding Bonds 2015A	13,762,767
Special Assessment Debt with Government Commi...	4,594,691
Notes Payable	11,569,377
Total noncurrent liabilities	<u>67,479,850</u>
Total liabilities	<u>77,366,353</u>

OLIVENHAIN MUNICIPAL WATER DISTRICT
Statement of Net Position (Unaudited)
All Funds
1/31/2022

Deferred Inflows of Resources	
Deferred amounts on pension	425,243
Total deferred inflows of resources	<u>425,243</u>

Net Position

Investment in Capital Assets, net of related debt	331,035,791
Restricted Net Position	8,104,645
Unrestricted Net Position	<u>72,885,090</u>
Total Net Position	<u><u>412,025,525</u></u>

OLIVENHAIN MUNICIPAL WATER DISTRICT
Statement of Revenues, Expenses and Changes in Net Position (Unaudited)
All Funds
For the Seven Months Ending 1/31/2022

	<u>2022</u>
Operating Revenues:	
Water Sales	\$33,347,324
Sewer Charges	2,965,064
Other Water Operating revenues	<u>1,210,441</u>
Total Operating Revenues	37,522,829
Operating Expenses	
Cost of Purchased Water Sold	17,910,733
Pumping and Water Treatment	2,320,350
Transmission and Distribution	2,464,379
Sewer Collection and Treatment	1,028,367
Elfin Forest Recreation Operations	236,197
Facilities Maintenance	659,809
Customer Service	1,142,562
General and Administrative	4,128,809
Depreciation and Amortization	<u>6,352,990</u>
Total Operating Expenses	36,244,195
Operating Income (Loss)	1,278,634
Nonoperating Revenues (Expenses)	
Investment income	142,424
Property taxes	2,401,493
Capacity charges	1,164,395
Benefit assessments	618,349
Other nonoperating revenues	67,080
Interest expense, net	(779,914)
Other nonoperating expenses	<u>(125,166)</u>
Total nonoperating revenues (expenses)	3,488,661
Income before capital contributions	<u>4,767,295</u>
Capital contributions	<u>12,077</u>
Change in net position	4,779,372
Net Position, Beginning of year	<u>407,246,154</u>
Net Position, End of year	<u><u>412,025,525</u></u>

OLIVENHAIN MUNICIPAL WATER DISTRICT
CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
AS OF January 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts from water and sewer customers	\$ 44,291,763
Payments for water	(19,618,536)
Payments for services and supplies	(6,145,005)
Payments for employee wages, benefits and related costs	(8,235,698)
Net cash provided by operating activities	<u>10,292,524</u>

CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES:

Property taxes and benefit assessments received	3,009,368
Net cash provided by noncapital and related financing activities	<u>3,009,368</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Acquisition and construction of capital assets	(5,065,502)
Proceeds from Grants	198,185
Principal paid on long-term debt	(5,527,422)
Proceeds from debt issuance	8,975,110
Interest paid on long-term debt	(637,008)
Capacity charges received	1,164,396
Other capital financing receipts (expenses)	45,968
Net cash used by capital and related financing activities	<u>(846,273)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Investment income received	146,105
Net cash provided (used) by investing activities	<u>146,105</u>

Net increase (decrease) in cash and cash equivalents 12,601,724

Cash and cash equivalents, beginning of year 49,689,236

Cash and cash equivalents, end of period \$ 62,290,960

FINANCIAL STATEMENT PRESENTATION:

Cash and cash equivalents - current assets	51,396,959
Cash and cash equivalents - restricted assets	10,894,001
Total cash and cash equivalents	<u><u>\$ 62,290,960</u></u>

CASH AND CASH EQUIVALENTS RECONCILIATION

		Balance Includes Mkt Securities	Without Mkt Securities
Unrestricted cash	1/31/2022	82,995,230	51,396,959
Restricted cash	1/31/2022	13,156,950	<u>10,894,001</u>
Total cash and cash equivalents			<u><u>62,290,960</u></u>

OLIVENHAIN MUNICIPAL WATER DISTRICT
Consolidated Actual vs Budget Summary
For the Seven Months Ending 1/31/2022

	Approved Budget	Actual YTD	Budget YTD	Variance Amt	Variance %	Notes
Operating Revenues						
Commodity Water Sales	\$41,465,000.00	\$24,412,611.94	\$26,102,600.00	(\$1,689,988.06)	(6.5%)	1
Water Fees and Services	17,917,000.00	10,145,153.31	10,453,940.00	(308,786.69)	(3.0%)	
Sewer Revenue	5,435,000.00	2,965,064.03	2,922,000.00	43,064.03	1.5%	
Total Operating Revenues	64,817,000.00	37,522,829.28	39,478,540.00	(1,955,710.72)	(5.0%)	
Operating Expenses						
Purchased Water - Variable	22,350,000.00	13,117,067.80	13,768,810.00	651,742.20	4.7%	1
Purchased Water - Fixed	8,316,000.00	4,793,665.66	4,793,745.00	79.34	0.0%	
General Manager Dept	1,922,000.00	979,455.10	1,121,610.00	142,154.90	12.7%	2
Engineering Dept	2,196,000.00	1,116,004.30	1,281,490.00	165,485.70	12.9%	2
Finance Dept	1,556,000.00	847,772.01	907,550.00	59,777.99	6.6%	2
Customer Service Dept	2,628,800.00	1,305,247.04	1,535,002.00	229,754.96	15.0%	2
Human Resources Dept	713,600.00	425,123.68	416,500.00	(8,623.68)	(2.1%)	2
Water Operations and Maintenance Dept	10,995,000.00	5,777,527.26	6,417,173.00	639,645.74	10.0%	2
Parks Dept	442,300.00	256,908.33	258,552.00	1,643.67	0.6%	2
Sewer Operations and Maintenance Dept	2,774,000.00	1,553,524.94	1,618,771.00	65,246.06	4.0%	2
Recycled Water Operations Dept	1,222,500.00	609,957.12	713,860.00	103,902.88	14.6%	2
Paygo Transfers						
Water Operations	7,900,000.00	4,606,000.00	4,606,000.00		0.0%	
Recycled Operations	2,200,000.00	1,281,000.00	1,281,000.00		0.0%	
Capitalized Operations Expenditures	(1,530,470.00)	(425,058.03)	(893,830.00)	(468,771.97)	52.4%	3
Total Operating Expenses	63,685,730.00	36,244,195.21	37,826,233.00	1,582,037.79	4.2%	
Net Operating Income (Loss)	1,131,270.00	1,278,634.07	1,652,307.00	(373,672.93)		
Nonoperating Revenues						
Water Funds	5,875,000.00	2,555,968.85	2,326,700.00	229,268.85	9.9%	4
Debt Service Funds	1,049,000.00	619,178.32	619,140.00	38.32	0.0%	
Sewer Funds	39,000.00	8,344.02	23,100.00	(14,755.98)	(63.9%)	
Recycled Water Funds	60,000.00	13,769.78	34,860.00	(21,090.22)	(60.5%)	
Total Nonoperating Revenue	7,023,000.00	3,197,260.97	3,003,800.00	193,460.97	6.4%	
Nonoperating Expense						
Capacity Fee Funds	30,000.00	14,825.05	17,360.00	2,534.95	14.6%	
Debt Service Funds	1,393,620.00	885,169.29	817,460.00	(67,709.29)	(8.3%)	5
Potable Water Funds	10,000.00	5,084.92	5,600.00	515.08	9.2%	
Total Nonoperating Expense	1,433,620.00	905,079.26	840,420.00	(64,659.26)	(7.7%)	
Inc before Cap Fees and Capital Contributions	6,720,650.00	3,570,815.78	3,815,687.00	(244,871.22)		
Capacity Fee Funds	745,000.00	1,196,479.09				6
Capital contributions	1,655,000.00	12,076.94				
Change in Net Position		4,779,371.81				

OLIVENHAIN MUNICIPAL WATER DISTRICT
Actual vs Budget Variance
For the Seven Months Ending 01/31/2022

1. Water Sales revenue were lower than Budget YTD by approximately \$1.7 million resulting in an unfavorable variance of 6.5%. The negative variance is primarily due to estimates for unbilled water and lower water consumption than budgeted through January 2022. Consequently, purchased water variable expenses were also lower than the Budget YTD for a favorable variance of \$652 thousand or 4.7%.
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 due to timing of capitalized labor spent on District projects, such as the Manchester Potable and Recycled Pipeline Replacement projects. The Budget YTD amount assumes expenditures are incurred evenly throughout the year.
4. Actual Non-operating Revenues – Water Funds were more than Budget YTD for a favorable variance due to the timing of property tax revenues received from the County. Actual revenues are expected to align with Budget YTD as the year progresses.
5. Actual Non-Operating Expenses – Debt Service Funds were greater than Budget YTD for an unfavorable variance due to cost of issuance fees on the 2021A and 2021B sewer bonds issued in October.
6. Actual YTD Capacity Fee Funds were greater than Approved Budget due to timing of wastewater (sewer) capacity and annexation fees collected on the Avion development.

Construction Work In Progress Report as of 1/31/2022

Project Name	Budget	Appropriation to Date	Expenditures & Encumbrance	(Over) / Under
New and Remodeled Facilities	\$35,387	\$35,387	\$33,504	\$1,883
Replace El Camino Real PL	\$4,960,000	\$4,960,000	\$4,948,842	\$11,158
Manchester Recyc PL Exten.	\$4,634,000	\$4,634,000	\$828,424	\$3,805,576
San Dieguito Desalination	\$42,837,000	\$4,262,000	\$3,935,456	\$326,544
Manchester Potable Pipeline	\$4,198,000	\$4,198,000	\$3,202,681	\$995,319
Replace Neighborhood 1 SPS	\$4,832,000	\$2,534,000	\$913,308	\$1,620,692
Replace Valves	\$9,121,000	\$1,044,000	\$615,466	\$428,534
DCMWTP PH Control System	\$737,000	\$737,000	\$602,685	\$134,315
Replace DCMWTP Membranes	\$8,336,000	\$725,000	\$708,981	\$16,019
Fixed Base AMI	\$3,278,000	\$627,000	\$172,908	\$454,092
Pipeline Replace. Assessment	\$590,000	\$590,000	\$587,707	\$2,293
Replace Headworks Manual Sys	\$3,160,000	\$503,000	\$353,830	\$149,170
Residuals Handling Bldg Canopy	\$482,000	\$482,000	\$89,560	\$392,440
Hydropower Turbine Refurb	\$600,000	\$480,000	\$8,304	\$471,696
PRS Replacements	\$3,451,000	\$453,000	-	\$453,000
Lone Jack PRS	\$340,000	\$340,000	\$128,051	\$211,949
Replace Pipelines	\$7,804,950	\$326,000	\$2,253	\$323,747
HOA Pipeline Ext - CB, VP, SH	\$2,415,000	\$315,000	-	\$315,000
DCMWTP Analyzer Replace.	\$727,000	\$305,000	\$260,720	\$44,280
Rehab Concrete Tanks	\$727,000	\$283,000	\$188,209	\$94,791
Steel Mains Protection	\$3,120,000	\$270,000	\$44,006	\$225,994
Replace Potable Meters	\$4,042,000	\$270,000	\$101,740	\$168,260
RSFe Rd Unit A North PL	\$1,748,000	\$253,250	\$207,330	\$45,920
Pot & Recycled Master Plan	\$524,000	\$228,000	\$10,592	\$217,408
Circo Diegueno Ct. Leak Repair	\$215,000	\$215,000	\$31,651	\$183,349 #
Stratford HOA Pipeline Repair	\$213,050	\$213,050	\$95,405	\$117,645
Network User Enhancements	\$200,000	\$200,000	\$155,908	\$44,092
Parking & Access Improvements	\$265,000	\$191,000	\$27,832	\$163,168
District-Wide PLC replacements	\$1,618,000	\$166,000	\$95	\$165,905
Rancho La Cima/Aliso Canyon PL	\$165,000	\$165,000	\$63,152	\$101,848
Replace WW Pumps/ Motors/Equip	\$1,799,000	\$156,000	\$90,993	\$65,007
Ext. 153 Flow Meter	\$200,000	\$105,000	-	\$105,000
DCMWTP 4th Stage Centrifuge	\$1,040,000	\$104,000	\$4,254	\$99,746
Replace Meter Anodes	\$1,496,000	\$100,000	\$7,459	\$92,541
Retrofit Pot. Service to Recyc	\$1,267,000	\$97,000	\$20,100	\$76,900
Network Security	\$1,126,000	\$84,000	\$1,560	\$82,440
Replace Pot. Pumps and Motors	\$1,026,000	\$81,000	\$23,127	\$57,873
Village Park PRS	\$80,000	\$80,000	\$408	\$79,592
Gardendale PRS	\$80,000	\$80,000	\$408	\$79,592
Palms I and II Reservoirs	\$1,307,000	\$73,000	\$72,785	\$215
District-Wide Facility Securit	\$70,000	\$70,000	\$18,789	\$51,211
Train 9 Control Wiring	\$64,000	\$64,000	\$1,406	\$62,594
Rancho Cielo Manhole Lining	\$539,000	\$47,000	\$33,370	\$13,630
Vault Upgrades	\$105,000	\$46,825	\$19,700	\$27,125
Landscape HQ Courtyards	\$45,000	\$45,000	-	\$45,000
4S Physical Security Upgrades	\$35,000	\$35,000	-	\$35,000
EFRR Parking Lot Repair	\$32,250	\$32,250	-	\$32,250
4S System Manhole Lining	\$189,000	\$16,000	\$14,500	\$1,500
WRF Phone System Upgrade	\$16,000	\$16,000	-	\$16,000
Meter Replacement, Recycled	\$164,000	\$14,000	\$2,016	\$11,984
WW Master Plan	\$76,000	\$2,000	-	\$2,000
Chlorine Generation Cell		\$0	\$22,804	(\$22,804) *
Total:	\$126,131,637	\$31,352,762	\$18,652,279	\$12,700,483

Emergency project - funds appropriated from Replace Pipelines project approved by the Board

* Emergency project within GM approval

Memo

Date: April 20, 2022
To: Olivenhain Municipal Water District Board of Directors
From: Melody Colombo, Administrative Analyst
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER ADOPTION OF A RESOLUTION PROCLAIMING MAY 2022 AS WATER AWARENESS MONTH, MAY 1-7, 2022 AS NATIONAL DRINKING WATER WEEK, AND MAY 15-21, 2022 AS NATIONAL PUBLIC WORKS WEEK**

Purpose

The purpose of this agenda item is to consider supporting the statewide Water Awareness Month campaign which will be celebrated in May 2022, the American Water Works Association's National Drinking Water Week which will be celebrated May 1-7, 2022, and the American Public Works Association's National Public Works Week which will be celebrated May 15-21, 2022.

Recommendation

Staff recommends the board show its support of Water Awareness Month, National Drinking Water Week, and National Public Works Week by adopting this resolution.

Alternative(s)

The board may choose not to support Water Awareness Month, Drinking Water Week, and/or National Public Works Week in 2022.

Background

The month of May is recognized each year as Water Awareness Month as part of a statewide campaign to heighten public awareness of water and the role water agencies play in water use efficiency, water supply management, water quality, and distribution. Key elements of OMWD's outreach efforts include the WaterSmart Landscape Contest and the fourth-grade calendar contest.

For more than 40 years, the American Water Works Association and its members have celebrated National Drinking Water Week – a unique opportunity for both water professionals and the communities they serve to join together to recognize the vital role water plays in our daily lives. National Drinking Water Week will be celebrated May 1-7, 2022.

National Public Works Week is a celebration of the tens of thousands of men and women in North America who provide and maintain the infrastructure and services collectively known as public works. Instituted as a public education campaign by the American Public Works Association in 1960, NPWW calls attention to the importance of public works in community life. The week-long celebration seeks to enhance the prestige of the professionals who serve the public good every day. The theme for this year's effort is "Stronger Together," highlighting how public works help maintain a community's strength by providing essential infrastructure through a collaborative process with stakeholders. NPWW will be celebrated May 15-21, 2022.

Historically, the board has annually recognized Water Awareness Month, National Drinking Water Week, and National Public Works Week, including most recently in 2021 with the approval of Resolution 2021-05.

Fiscal Impact

There are no costs associated with this item outside of normal operations.

Discussion

The board's adoption of this resolution demonstrates its support of Water Awareness Month, National Drinking Water Week, and National Public Works Week.

The three events will be highlighted on OMWD's website and on social media.

In honor of NPWW, OMWD's General Manager will plan an event to thank employees for their hard work and dedication all year long. This event may be modified this year due to the COVID-19 pandemic; however, the General Manager will find a way to recognize the employees within the constraints that are in place when May arrives.

Attachments: Resolution 2022-xx

RESOLUTION NO. 2022-xx

RESOLUTION OF THE BOARD OF DIRECTORS OF OLIVENHAIN
MUNICIPAL WATER DISTRICT PROCLAIMING MAY 2022 AS
WATER AWARENESS MONTH, MAY 1-7, 2022 AS NATIONAL
DRINKING WATER WEEK, AND MAY 15-21, 2022 AS NATIONAL
PUBLIC WORKS WEEK

WHEREAS, Water Awareness Month, American Water Works Association's National Drinking Water Week, and American Public Works Association's National Public Works Week are events designed to raise public awareness of how public works services provide the community with an integral part of the quality of citizens' everyday lives, and how vital water quality and water supply are for California; and

WHEREAS, the support of an understanding and informed citizenry is vital to the efficient operation of public works systems, public outreach, and water use efficiency programs; and

WHEREAS, public agencies throughout California have supported Water Awareness Month, National Drinking Water Week, and National Public Works Week and are participating in this program under the philosophy that ongoing annual events and outreach will keep people informed about the vital role played by these facilities and services in the quality of life, safety, and comfort of the community, as well as the need for water use efficiency year-round; and

WHEREAS, Olivenhain Municipal Water District will work to increase the awareness of water as a precious resource, and will celebrate its delivery by the qualified and dedicated personnel who staff utility and public works departments and are influenced by the people's attitude and understanding of the importance of the work they perform.

NOW, THEREFORE, the Board of Directors of Olivenhain Municipal Water District does hereby find, determine, resolve, and order as follows:

SECTION 1: The Board of Directors does proclaim May 2022 as Water Awareness Month, May 1-7, 2022 as National Drinking Water Week, and May 15-21, 2022 as National Public Works Week.

SECTION 2: The Board of Directors does hereby urge water agencies, members of the business community, chambers of commerce, service clubs, schools, and other

organizations to support and assist in the public awareness of water use efficiency and public works services.

PASSED, ADOPTED, AND APPROVED, at a regular meeting of the Board of Directors of Olivenhain Municipal Water District held on Wednesday, April 20, 2022.

Lawrence A. Watt, President
Board of Directors
Olivenhain Municipal Water District

ATTEST:

Robert F. Topolovac, Secretary
Board of Directors
Olivenhain Municipal Water District

Memo

Date: April 20, 2022
To: Olivenhain Municipal Water District Board of Directors
From: Steven Weddle, Engineering Services Supervisor
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER ACCEPTANCE OF THE MANCHESTER AVENUE POTABLE WATER PIPELINE REPLACEMENT PROJECT INTO OMWD'S SYSTEM AND ORDER A NOTICE OF COMPLETION BE FILED**

Purpose

The purpose of this agenda item is to consider acceptance of the Manchester Avenue Potable Water Pipeline Replacement Project (Manchester PW) 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 Manchester PW Project into OMWD's system.

Alternative(s)

There are no alternatives to accepting the project into OMWD's system. The new system has been installed to OMWD's plans and specifications and construction is complete.

Background

In July 2016, a break occurred on the 12-inch steel pipeline located in the intersection of Rancho Santa Fe Road and Encinitas Boulevard in Director Divisions 1 (Topolovac) and 3 (Guerin). Upon excavation and examination, it was determined significant corrosion had

occurred on the pipeline and needed replacement. The 12-inch steel pipeline in Rancho Santa Fe Road was further identified in the top five (5) critical pipelines as part of the 2017 Pipeline Prioritization Study published by Pure Technologies.

Following a Request for Proposal (RFP) process per Administrative and Ethics Code Section 6.9A for design services for the Manchester PW Project, Hoch Consulting was selected for the strength of their proposal. At the April 18, 2018 meeting, the Board approved entering into a Professional Services Agreement (PSA) with Hoch Consulting to design the project. Additionally, the Board adopted a Resolution at its May 16, 2018 meeting, making CEQA findings for declaration of the project as exempt under California Public Resources Code 21080.21 and CEQA Guidelines Article 18, Section 15282(k), which allows for statutory exemptions for public rights-of-way pipeline projects less than one mile in length. Subsequently, a Notice of Exemption was filed with the County Clerk for posting per CEQA Guidelines Section 15062. In December 2019, the City of Encinitas determined a Coastal Development Permit (CDP) was not required based on Encinitas Municipal Code 30.80.050 which allows for an exemption of the CDP process when a project is a replacement of an existing facility.

On March 18, 2020 the Board approved an agreement with Valley Construction Management in the amount of \$302,676 for construction management and inspection services for the project.

Following a public bidding process, CCL Contracting was selected as the lowest responsible bidder for the Manchester PW Project. The Board awarded a construction contract to CCL Contracting at the July 2021 meeting in the amount of \$2,533,433. Construction on the project began in September 2021 and had a targeted completion date of April 23, 2022.

On August 18, 2021, the Board awarded a PSA with Ninyo & Moore Geotechnical and Environmental Sciences Consultants in the amount of \$104,600 to provide geotechnical and materials testing services for the Manchester PW Project. For better efficiency, the RFP for both the Manchester PW Project and Manchester Recycled Water Project were combined into a single RFP for Geotechnical Services.

In total, three (3) change orders have been issued for the Manchester PW Project. Shortly after construction began, Change Order No. 1 (CCO#1) was issued to reflect the modification of pipe fitting materials. This modification reduced labor required for the project, resulting in a \$10,000 credit to OMWD and did not impact the targeted completion date. CCO#1 was signed by the OMWD Engineering Manager in December 2021 and in accordance with Administrative and Ethics Code Section 6.8C, which states:

“Construction Change Orders decreasing the contract value or No-Cost Construction Change Orders may be executed by the Department Manager.”

During construction, several unforeseen conditions were encountered in the field necessitating alternate installations and changes in the scope of work. For example, some changes included the deletion of dip sections, changes in alignment, and installation of a new fire hydrant to avoid conflicts with a gas line. Change Order No. 2 (CCO#2) resulted in an increased contract amount of \$20,617 and was approved by the General Manager on December 27, 2021 as it was within her signing authority.

Change Order No. 3 (CCO#3) addressed several unforeseen field conditions encountered, including revised bid quantities for pavement, slurry seal, traffic loops, and CCTV of the potable water mains to assess and record the existing condition of the connecting potable mains left in place outside the project limits. Staff and Valley CM (VCM) negotiated CCO#3 in the amount of \$12,807. CCO#3 was approved by the Assistant General Manager on April 6, 2022 as he was acting General Manager and it was within his signing authority.

Overall, the three (3) contract change orders for the project resulted in a net increase of \$23,424 which represents approximately 1% of the construction contract and no increase in contract calendar days as outlined in the table below.

	Brief Description	Amount (\$)	Contract Calendar Days
	Original contract price	\$2,533,433	240
CCO#1	Modified pipe fitting materials, resulting in a credit to OMWD	\$(10,000) CREDIT	0
CCO#2	Additional work due to unforeseen field conditions and the deletion of contract items determined to not be required	\$20,617	0
CCO#3	Additional work due to unforeseen field conditions, revised bid quantities for materials, slurry seal, pavement, traffic loops, CCTV of existing potable water mains, and installation of new fire hydrants to prevent utility conflicts	\$12,807	0
	Total	\$2,556,857	240

Fiscal Impact

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

Discussion

In summary, the Manchester PW Project is well within the \$4,198,000 Board-approved budget and was completed within the allotted time for completion. Staff recommends acceptance of the project into OMWD's system and filing of a Notice of Completion with the San Diego County Recorder.

Staff is available to answer any questions.

Attachments:

Notice of Completion;

Project Location Map

**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 for the Manchester Avenue Potable Water Pipeline Replacement Project located in the intersection of Encinitas Boulevard, Manchester Avenue, and Rancho Santa Fe Road, in the City of Encinitas, CA 92024, County of San Diego, State of California for which the OLIVENHAIN MUNICIPAL WATER DISTRICT ("Owner", in fee), headquartered at 1966 Olivenhain Road, Encinitas, CA 92024, contracted with CCL CONTRACTING, INC. ("Contractor"), located at 1938 Don Lee Place, Escondido, CA 92029, have been completed in accordance with District specifications as of April 20, 2022. The facilities have been accepted by the Board of Directors of the OLIVENHAIN MUNICIPAL WATER DISTRICT on this 20th day of April, 2022.

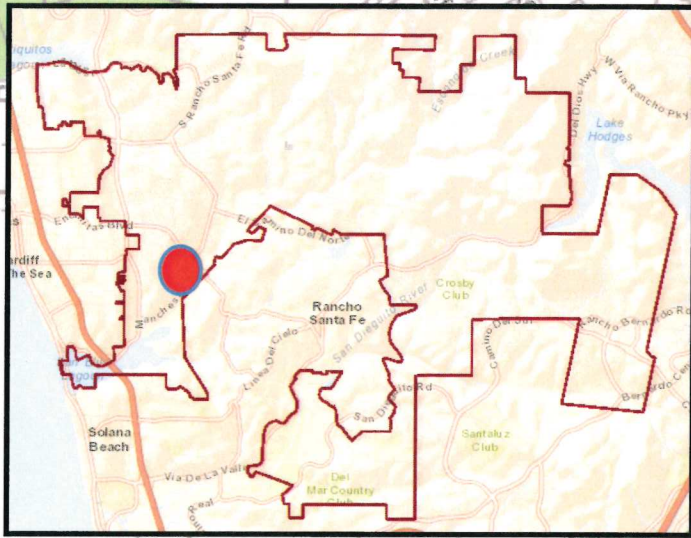
In witness whereof this Notice of Completion has been executed under authority from the Board of Directors of said OLIVENHAIN MUNICIPAL WATER DISTRICT by Kimberly A. Thorner, General Manager.

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.

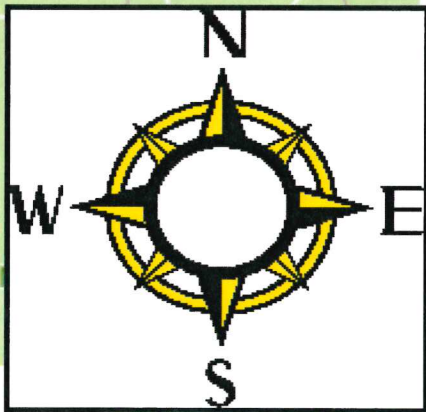
OLIVENHAIN MUNICIPAL WATER DISTRICT

Date: _____, 2022

By: _____
Kimberly A. Thorner
General Manager



AREA OF WORK



MANCHESTER AVENUE POTABLE WATER PIPELINE REPLACEMENT PROJECT

DISTRICT PROJECT NO. D120049

Memo

Date: April 20, 2022
To: Olivenhain Municipal Water District Board of Directors
From: Teresa L. Chase, Administrative Analyst
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER 2022 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 2022 annual objectives and stretch objectives for the period beginning January 1, 2022, 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 16 board meeting, 78 annual objectives and 10 stretch objectives were approved for calendar year 2022. 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 2022 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.

The next status update will be provided at the July 20, 2022 board meeting. The objectives featured herein are to be completed by December 31, 2022.

Attachments: Annual Objectives PowerPoint

2022 Annual Objectives

April 20, 2022

Board of Directors Meeting



2022 Annual Objectives

- A total of 78 objectives and 10 stretch objectives were adopted for calendar year 2022

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

Objective

1. Complete Train 2 membrane replacement at David C. McCollom Water Treatment Plant and commence membrane replacement of one additional train depending on the priority needs of the trains
2. Complete a condition assessment and structural integrity analysis of the DCMWTP membrane basins and chemical feed rooms

Progress Toward Completion

1. 70% - Train 2 membranes will be installed and commissioned in April; commencement of Train 4 membrane replacement is scheduled for November
2. 30% - Underway; assessment report from Peterson Structural Engineering is expected in late May

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

Objective

3. Partner with Asterra on satellite leak detection program and present findings to Facilities Committee
4. Complete construction of the DCMWTP pH Control System Project

Progress Toward Completion

3. 50% - Asterra completed satellite and ground inspections; staff is reviewing data
4. 25% - Construction commenced in February

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

Objective	Progress Toward Completion
5. Complete construction of the Manchester Avenue Potable Water Pipeline Replacement Project	5. 95% - Board to consider Notice of Completion on April 20
6. Complete construction of the Lone Jack Pressure Reducing Station Replacement Project	6. 25% - Contracts are complete, awaiting materials to begin construction
7. Complete preliminary design for the Unit A North Rancho Santa Fe Road Potable Water Pipeline Replacement or Rehabilitation Project	7. 10% - Design is underway; preliminary meetings held with design engineer

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

Objective

8. Outside of bird breeding season, complete maintenance of five impacted easements

Stretch

Complete maintenance of three additional impacted easements beyond Objective 8

Progress Toward Completion

8. 40% - Completed maintenance of two easements

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 preliminary design for the 4S Ranch Water Reclamation Facility Headworks Screening System Project
10. Make five new connections to the recycled water distribution system

9. 25% - Preliminary design review is underway
10. 10% - A number of sites are in various stages of conversion

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

11. Commence design of Extension
153 Flow Metering Facility

11. 25% - Gathering project data for
design

12. Commence construction of the
Manchester Avenue Recycled
Water Pipeline Project

12. 50% - Project bid award to be
considered at the April 20 board
meeting

13. Commence construction of the 4S
Ranch Neighborhood 1 Sewer
Pump Station Replacement
Project

13. 75% - Contracts are complete;
awaiting materials to begin
construction

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

Make two additional new connections to the recycled water distribution system beyond Objective 10

0% - Staff will review after the achievement of Objective 10

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

Objective	Progress Toward Completion
14. Continue education program for elementary schools in partnership with the Escondido Creek Conservancy as COVID restrictions allow, providing at least 1,000 students with in-person field trips to EFRR	14. 70% - Hosted over 700 students on in-person field trips in 2022
15. Utilize volunteer groups such as San Diego Mountain Bike Association and EFRR trail patrol for two trail maintenance/repair projects as COVID restrictions allow	15. 10% - Project locations have been identified; coordinating with SDMBA to set trail maintenance dates
16. Participate in I Love a Clean San Diego Creek to Bay Cleanup event if COVID restrictions allow	16. 75% - Staff is coordinating with ILACSD on April 23 in-person event

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

Objective	Progress Toward Completion
17. Begin sixteenth annual photo contest if COVID restrictions allow	17. 0% - Sixteenth annual photo contest is scheduled to launch in November
18. Conduct second round of oak tree monitoring for signs of Golden Spotted Oak Borer damage; report findings to EFRR Executive Committee with recommendations	18. 25% - Volunteers have been trained and GSOB monitoring is underway
19. Host water conservation workshop at Elfin Forest Interpretive Center Honoring Susan J. Varty if COVID restrictions allow	19. 10% - Workshop is scheduled for October 13

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

Objective

- 20. Investigate pedestrian safety along main driveway; report findings to EFRR Executive Committee with recommendations
- 21. Commemorate EFRR's 30th anniversary

Progress Toward Completion

- 20. 10% - Data collection is underway for driveway safety investigation
- 21. 10% - Planning has begun to celebrate EFRR's 30th anniversary

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

Objective	Progress Toward Completion
22. Address maintenance demands on Ridgeline Maintenance Road by installing stabilized decomposed granite between Escondido Overlook and end of maintenance road	22. 100% - Installed stabilized decomposed granite on Ridgeline Maintenance Road on April 13
23. Replace fencing at Ridgetop Picnic Area and lower section of Cielo Trail	23. 50% - Staff replaced Ridgetop Picnic Area fencing, and quotes have been acquired to replace fencing on Cielo Trail

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

Objective

Progress Toward Completion

Stretch

Cooperate with I Love a Clean San Diego on additional clean-up day if COVID restrictions allow

10% - Second ILACSD cleanup day is scheduled for September

Work with volunteer groups on two additional trail maintenance events if COVID restrictions allow

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. Commence overhaul and rehabilitation of one DCMWTP energy recovery turbine to ensure continuous energy savings	24. 25% - Contractor is removing one turbine for off-site rehabilitation
25. Continue partnerships with energy providers and third-party consultants to optimize energy costs	25. 15% - Continuing partnership with Utility Cost Management on SDG&E rate audit
26. Install power monitoring equipment at a recycled water pump station and collect data on SCADA to be used for future energy intensity recording	26. 10% - Site identified; design underway

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

Objective

27. Investigate cost/benefit alternatives for photovoltaic systems at Elfin Forest Interpretive Center Honoring Susan J. Varty to meet year-round power demands; submit a project for consideration in fiscal year 2023 annual budget

Stretch

Install power monitoring equipment at one additional recycled water pump station beyond Objective 26

Progress Toward Completion

27. 50% - Photovoltaic system was assessed and new solar panels with 80 percent higher generation capabilities were recommended; installation of new panels expected in May

10% - Site identified; design underway

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

- 28. Update Administrative and Ethics Code, Employee Handbook, and Compensation Policy to comply with new employee Memorandum of Understanding
- 29. Prepare staffing analysis succession planning document; present to Personnel Committee and full board
- 30. Add two less expensive ACWA HMO and PPO health insurance plans; make available to employees at open enrollment

- 28. 50% - Administrative and Ethics Code updated and approved at the January 19 board meeting; Employee Handbook under review
- 29. 100% - Staffing analysis succession planning document presented to Personnel Committee on March 21; presentation to full board scheduled for the April 20 board meeting
- 30. 25% - Notified ACWA to initiate contract health plan additions

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

- 31. Conduct employee morale survey in early October; meet with HEART Committee to review results and help determine the success of the 4/10 work schedule and remote work trial programs
- 32. Enhance employee health and wellness by providing quarterly wellness-related trainings and one wellness challenge

- 31. 0% - Survey scheduled for October
- 32. 25% - Held Employee Assistance Program's COVID fatigue wellness seminar for all employees on February 17; conducted a steps walking challenge in February

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. Conduct employee focus groups with General Manager	33. 0% - Focus groups will begin this summer
34. Develop and implement a network security training incentive program for employees	34. 20% - Program will be presented at an upcoming Staff Leadership Meeting for input
35. Complete installation of irrigation and plants in courtyards at headquarters	35. 15% - Design plans nearly complete; installation anticipated in June
36. In coordination with local law enforcement, conduct active shooter training education/drills	36. 20% - Met with potential trainers; conducted site review of headquarters

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

Objective	Progress Toward Completion
37. Complete and submit to Department of Water Resources the first Annual Water Supply and Demand Assessment	37. 0% - Final guidance document from DWR expected in May; assessment must be complete by July 1
38. Complete and submit to DWR the Annual Water Loss Audit using DWR's updated reporting criteria	38. 5% - Staff is reviewing 2022 criteria; audit is due October 1
39. Resume disconnections for non-payment in compliance with Senate Bill 998 (2018) upon discontinuation of the statewide moratorium	39. 25% - Disconnection procedures have reverted to the SB 998-compliant policy that had been scheduled to take effect immediately prior to COVID; disconnections will resume in May, effective with non-payment of bills issued in February

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

Objective	Progress Toward Completion
40. Enhance experience of in-house staff by completing replacement of 50 valves in support of the Valve Replacement Project	40. 22% - Eleven valves have been replaced by in-house staff
41. Complete self audit of the Sewer System Management Plan	41. 50% - Working with consultant to finalize plan
42. Conduct Public Health Goal public hearing by June 2022 to complete the State Water Resources Control Board Division of Drinking Water's tri-annual requirement	42. 10% - Public hearing scheduled for the June 22 board meeting
43. File application with SWRCB to remove the industrial permit status for the 4S WRF for the purpose of securing a Storm Water Pollution Prevention Plan exemption	43. 75% - Working on application for declassification from the Industrial General Permit

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

Objective

- 44. Continue to work with SWRCB on options/potential for a 4S WRF discharge permit and report findings to Facilities Committee
- 45. Based upon stormwater-related regulatory requirements, identify improvements to the headquarters site to enhance the site SWPPP, ensure regulatory compliance, and reduce potential violation exposure; present findings to Facilities Committee

Progress Toward Completion

- 44. 5% - Resumed discussions with SWRCB regarding discharge options
- 45. 10% - Identifying improvements; preliminary design completion anticipated in May; Facilities Committee presentation anticipated in June

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

Objective

46. Continue interdepartmental SWPPP committee to provide greater oversight for stormwater issues at headquarters and 4S WRF; conduct four quarterly meetings

Stretch

Complete replacement of 10 additional valves beyond Objective 40

Progress Toward Completion

46. 25% - Held first quarterly meeting on January 25; passed City of Carlsbad's annual site inspection on March 3

0% - Staff will review after achievement of Objective 40

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

Objective

47. Continue to pursue local, state, federal, and private grant funding to offset costs

Progress Toward Completion

47. 25% - Submitted application to USBR for North San Diego Water Reuse Coalition 2020 Project (Title XVI); submitted two applications to Department of Parks & Recreation for EFRR parking lot (Recreational Trails Program and Land & Water Conservation Fund); submitted request to County Board of Supervisors for American Rescue Plan Act Coronavirus Local Fiscal Recovery Funding; provided shovel-ready project descriptions to SDCWA/MWD for Bipartisan Infrastructure Law funding consideration

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

Objective	Progress Toward Completion
48. Upgrade to latest version of customer payment portal to facilitate autopay enrollment and eBilling for consolidated customers	48. 5% - Quote received and cost analysis is underway
49. Complete Phase 7 of the AMI Expansion Project	49. 93% - 1,755 of 1,882 meter transmitters have been upgraded to AMI
50. Review current and potential cost-sharing and/or resource-sharing opportunities with other local agencies; present to a board committee	50. 0% - Staff will discuss opportunities at an upcoming meeting

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

Objective

Progress Toward Completion

Stretch

Achieve one or more new grant awards

100% - Received notice of award for \$22,349 in grant funding from MWD's Leak Detection & Repair grant program; grant-seeking efforts will continue

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. Achieve District of Distinction and District Transparency Certificate of Excellence re-accreditation from Special District Leadership Foundation
- 52. Conduct comprehensive customer survey to measure customer satisfaction

Progress Toward Completion

- 51. 25% - Application is in progress
- 52. 5% - Evaluating scope of work, costs, and details of survey

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
53. Implement campaign to raise customer awareness of conservation-related resources and water use restrictions should they become mandated	53. 25% - February e-newsletter and March newsletter featured information on the drought, water waste prohibitions, rebates, water use evaluation program, and leak detection
54. Continue to develop messaging to protect customers' interests and to ensure customer awareness of SWRCB water use efficiency regulations and new legislative requirements	54. 25% - Ongoing; water use prohibitions were featured in March newsletter; staff continues to monitor for new developments at the state level

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

55. Partner with local businesses, vendors, and community organizations on a public service announcement and/or event

55. 25% - Ongoing; partnered with Solana Center, SFID, SDWD, and CMWD on January rain barrel program; partnered with SDCWA, Home Depot, and SDWD on March 26 plant sale event

56. Complete redistricting process in advance of November 2022 general election

56. 85% - New boundaries were adopted by the board on March 16; staff is working with registrar to finalize the changes

57. Commemorate DCMWTP's 20th anniversary

57. 45% - Planning underway for a June event; video under production

58. Complete installation of demonstration garden to model water-efficient landscaping for customers

58. 90% - Installation of materials is complete; staff is finalizing signage

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
59. Add a minimum of 500 households to My Water Use portal	59. 100% - Over 800 new subscribers have enrolled in 2022
60. Explore outreach efforts to increase customer e-newsletter participation by 500 subscribers	60. 30% - Staff has worked with web developer on new methods to increase participation; initial changes went live in late March
61. Update webpage to enhance user experience, including making the encroachment permit process and rebate programs more easily accessible	61. 5% - Staff is drafting website revisions

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

Stretch

Win award from CSDA, ACWA, or other industry group

0% - Awaiting determination from American Public Works Association on Project of the Year applications for Indian Head Canyon Pipeline Restoration Project and El Camino Real Potable Water Pipeline Replacement Project; seeking other award opportunities

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

62. Complete fiscal year 2022 Annual Comprehensive Financial Report

62. 0% - Work on the ACFR will commence after the fiscal year ends on June 30

63. Research and develop Pension Funding Policy; present to Finance Committee and full board

63. 25% - Completed the first pension workshop at the March 16 board meeting; anticipate completion in June

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

64. Complete Capital Assets Guidelines for GASB 87 implementation on leases

64. 25% - Work is underway; draft guidelines are nearly complete and will be discussed with the auditors

65. Complete the Fiscal Years 2022 and 2023 Biennial Operating and Capital Budget

65. 25% - Work is underway; updated budget master files for presentation to Facilities Committee in April; anticipate completion at the June 22 board 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

66. Review and update water and sewer rates and charges

66. 50% - 2022 water rates and charges were adopted at the February 16 board meeting; board adopted a five-year sewer rate ordinance; 2023 water rates and charges will be brought to the board for discussion in the fall

67. Update water capacity fees

67. 10% - Retained Raftelis in January to update both water and sewer capacity fees; working on updating CIP 10-year spending plans for water and sewer and providing Raftelis with a list of assets by zone of benefits

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

68. Implement Rate Reimbursement Credit program

68. 100% - Implemented program in billing software; credit shown on customers' monthly water bills; auditors agreed with staff recommendation on accounting and treatment of the RRC on the financial statement

69. Expand Electronic Fund Transfer payment process to avoid fraudulent checks

69. 25% - Ongoing; staff is setting up new EFT vendors each month

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

Stretch

Keep OMWD's planned revenue adjustment at 5% or below for fiscal year 2023

Progress Toward Completion

25% - Work in progress; staff is updating the budget master files for presentation to the Facilities Committee in April before taking to the full board; anticipate completion at the June 22 board meeting

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
70. Commence planning documents for the Potable and Recycled Water Master Plan	70. 25% - Ongoing; staff is working with Consulting Engineer
71. Complete the Long-Term CIP Study and report findings to Facilities Committee	71. 25% - Ongoing; staff is working with Consulting Engineer
72. Create Pipeline Sampling Program for data collection and infrastructure assessment	72. 75% - Commenced sample collection; program completion anticipated in May

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

Objective

73. Continue investigations to determine viability for the San Dieguito Valley Groundwater Project and present update to board at the March 30 special board meeting

Stretch

Continue working with DWR/SWRCB for a variance for the urban water use objective for recycled water with high TDS

Progress Toward Completion

73. 100% - Project update presented to board at March 30 special board meeting

25% - Provided input to DWR; awaiting DWR's draft proposed variance

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

Objective	Progress Toward Completion
74. Coordinate with Registrar of Voters on the 2022 general election process for board members	74. 0% - Scheduled to occur later in the year
75. Engage and influence SWRCB regulations and water use efficiency legislation utilizing OMWD's advocate in Sacramento	75. 25% - Ongoing; in March, expressed opposition to SB 1157, related to the unacceptably low proposed indoor water use standards
76. Revisit position on Delta Conveyance with board when the EIR is released in summer 2022	76. 0% - Release of EIR expected summer 2022

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

Objective	Progress Toward Completion
77. Revisit position on Regional Conveyance with board at the completion of Phase B	77. 0% - Completion of Phase B expected summer 2022
78. Work with SDCWA on development of its 2023 rates and five-year financial plan development	78. 25% - Ongoing; GM provides input at SDCWA board and committee meetings

Tiger Team Report

Fiscal Year 2022



Grants and Alternative Funding

- \$3,999—Awarded funding for California-friendly Demonstration Garden at headquarters via the Hans Doe Charitable Trust grant program
- \$22,349—Awarded funding for Asterra pipeline leak detection services from Metropolitan Water District of Southern California's Leak Detection & Repair grant program
- \$43,561—Awarded COVID relief funding from California Department of Finance
- \$6,100,000—Awarded funding for Regional Recycled Water Program: 2020 Project through WaterSMART: Title XVI Water Reclamation and Reuse Projects funding program (OMWD's share is approximately \$871,000)

**Total Grants and Alternative Funding Awarded to
OMWD During First Quarter
\$940,909**

Cost Savings

- \$300—Partnered with Greg Rubin on virtual native landscape workshop
- \$2,625—Cost-sharing partnership with Santa Fe Irrigation District, San Dieguito Water District, and Carlsbad Municipal Water District on a rain barrel education/distribution campaign

**Total Cost Savings During First Quarter:
\$2,925**

Tiger Team Report

Fiscal Year 2022



Pursued Grants and Alternative Funding

- *\$11,726,953—Pursuing funding for Regional Recycled Water Program: 2020 Project through WaterSMART: Title XVI Water Reclamation and Reuse Projects funding program (OMWD's share has yet to be determined)*
- *\$50,850—Pursuing Federal Emergency Management Agency COVID funding*
- *\$387,911—Pursuing San Diego County Neighborhood Reinvestment Program funding for EFRR Visitor Access Expansion Project*
- *\$628,300—Pursuing Department of Parks & Recreation Land and Water Conservation Fund grant for EFRR Visitor Access Expansion Project*
- *\$TBD—Pursuing American Rescue Plan Act's Coronavirus Local Fiscal Recovery Fund (requested funds toward \$2,984,370 in unmet needs)*
- *\$TBD—Pursuing Department of Parks & Recreation Recreational Trails Program funding for EFRR Visitor Access Expansion Project (application will be submitted in April)*
- *\$ TBD—Pursuing Community Project Funding from Senator Feinstein's and Congressman Levin's offices for EFRR Visitor Access Expansion Project*

Total Grants and Alternative Funding Pursued:

\$12,553,132

Tiger Team Report

Alternative Revenue



**OLIVENHAIN MUNICIPAL WATER DISTRICT
SCHEDULE OF OTHER BUSINESS (NON-WATER RELATED) REVENUES
FOR THE SIX MONTHS ENDED DECEMBER 31, 2021 (UNAUDITED)**

	ACTUAL	THREE MONTH BUDGET
REVENUES:		
CELL SITE LEASES + RENTAL	378,268	332,000
MISCELLANEOUS INCOME	2,185	
ROGER MILLER HYDROELECTRIC REVENUES	66,237	40,000
SELF-GENERATION INCENTIVE PROGRAM GRANT	-	2,500
CB&T VISA CASH INCENTIVE*	7,735	N/A
ESTIMATED DCMWTP ENERGY OFFSETS**	279,807	N/A
	<u>734,232</u>	374,500
 TOTAL REVENUE FOR THE SIX MONTHS ENDED DECEMBER 31, 2021	 <u><u>734,232</u></u>	

Total alternative revenue in first and second quarters of FY 2022: \$734,232

Tiger Team Report



Summary

Total FY 2022 grant and alternative funding, alternative revenue, and cost savings (less third quarter alternative revenue):

\$1,678,066

Total grant funding and potential alternative funding sources under pursuit:

\$12,553,132

Since Inception of the Program (2005)

Total grant funding and cost savings to date:

\$45,751,710

Total alternative revenue generated to date:

\$16,527,708

Memo

Date: April 20, 2022
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 2022-2023 to 2026-2027). 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 2022-2023 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 (Directors Watt and Bruce-Lane) 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 2022-2023 fiscal year will be 93 total positions as one additional position is being requested compared to the Board approved staffing level of 92 for the current 2021-2022 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 91 until the positions are unfrozen.

92 Board Approved Positions (current)
+ 1 Position Requested
=93 Recommended Positions

This year's recommendations for Board approval are for the Operations and Engineering Departments. The staffing recommendations for FY 2022-2023 are summarized below with further details on the following pages.

- 1) Allow for the addition of one Water Treatment Plant Operator Level II.
- 2) Reclassify the Engineering and Right of Way Coordinator to Engineering Technician I/II. This would create a multi-level I/II series Engineering Technician job classification.

Recommendation #1

Allow for the addition of one Water Treatment Plant Operator Level II. This additional position will help complete lower level routine duties at the treatment plant currently being handled by Water Treatment Plant Operator Level III staff thus, providing them more time to handle more critical tasks. The new position also creates an internal advancement opportunity to train a staff member to eventually move up to a Level III Operator and take duty. This new position is anticipated to be filled through the internal Grow Your Own (GYO) advancement process.

The plant is currently staffed with five Operators under the Water Treatment Plant Supervisor, one Level IV Operator who serves as lead and four Level III Operators. The plant operations are very complex and require a high level of oversight and attention from the Operators who perform adjustments to all of the plant flows, treatment processes, as well as continuous SCADA monitoring. The Operators work and alternate their weekly shifts to cover weekend duties and responsibilities of the twenty-four hour, seven days a week operation. As Operators rotate in and out of duty and weekend coverages, it creates staffing shortages during the remaining days of the week when

much of the maintenance, repair, and project work is being performed on the plant equipment. There are days when only two Operators cover a shift during the week under normal schedules and occasionally only one when other Operators are out on leave. On days when staffing is limited, it can be difficult to complete all of the routine work required in a day, especially when equipment and water quality issues arise. In addition to routine work, staff have also been assisting with the project to replace the membranes and associated filter basins. The project is highly involved and requires assistance from outside temporary labor. During that time, staff must also train and provide oversight of the temporary workers.

Over the last five years, there has also been high turnover with Operators leaving for other opportunities, which has impacted the operation and the workload for the remaining staff. Turnover has led to an increase in overtime and requires Operators to take on additional duties. The lead Operator has been routinely covering operational assignments and duty instead of focusing on higher level oversight of the plant operations, projects, and training. Staff turnover then necessitates the District to recruit from the outside for certified Operators with a treatment grade 3 (T3) certification. New hire Operator training then can take eight to ten months depending on prior experience and requires other staff to work additional shifts during the training period. Temporary outside Operators have been utilized on occasion to help staff but the extensive plant training required makes them not a cost effective option.

The plant infrastructure, equipment, regulatory requirements, staff turnover and increased maintenance has created the need for a Water Treatment Plant Operator II. This position will also provide the added benefit of providing a succession planning opportunity to develop a future duty Operator at the plant while simultaneously addressing the needs of the increased routine work, maintenance, repair, and project support. Because this position will only require a treatment grade 2 (T2) certification initially, this makes the position available to internal candidates. The Water Treatment Plant Operator Level II is a pay grade 4 job classification.

This additional position will result in an estimated \$109,606 cost increase over the fiscal year. The additional position will have an offset to temporary labor and overtime labor costs. Temporary certified Operators have averaged over \$88,000 per year over the last 3 fiscal years. Temporary Operators have supported the plant during high turnover but these contracted services have been found to be not cost effective so are not anticipated to be regularly utilized going forward. However, there will be an offset to temporary project support labor of approximately \$24,000 per year.

Recommendation #2

Allow for the reclassification of the Engineering and Right of Way Coordinator to an Engineering Technician I/II. This would create a multi-level I/II series Engineering Technician job classification with pay grades 4 and 5 respectively. Following the successful restructuring of the Engineering Department's inspection positions into an Inspector I/II/III classification in FY 2020-2021, staff seeks to streamline the Engineering and Right of Way Coordinator position and eventually the Engineering Project Administrator position into the same I/II/III classification structure. Once the incumbent Engineering Project Administrator retires, that position will then also be reclassified and filled at the Engineering Technician III level, anticipated to be a pay grade 6 job classification.

For the coming fiscal year, the Engineering Technician I/II classification gives staff the flexibility to recruit for the existing Engineering and Right of Way Coordinator (ROW) vacancy instead at the Engineering Technician II level in order to meet current and projected Engineering department demands. The reorganization of the current ROW position into Engineering Technician I/II levels is also consistent with the organizational structure of other District departments (e.g. Utility I/II/III or Field Services Technician I/II/III) and most other public agencies which have an Engineering Technician series job classification. The level I is anticipated to perform more administrative functions while the level II would perform more ROW services such as assisting with property acquisition. The Engineering Technician II would require a higher minimum level of experience and relevant expertise in the field upon hire.

The Engineering and Right of Way Coordinator is budgeted at a pay grade 4 with a midpoint annual salary of \$74,492. Staff proposes reclassifying and budgeting for an Engineering Technician II at a pay grade 5, with a midpoint annual salary of \$85,706. This position is currently vacant and scheduled for recruitment in July 2022, pending approval of these proposed staffing changes. This is an annual budget increase of \$13,354. Staff anticipates that a pay grade 5 will assist with the recruitment of desirable candidates. However, if staff is unable to fill the position at the II level, it could potentially be filled at the grade 4 level resulting in no cost increase.

Alternative(s)

The Board could elect not to approve the recommendations described for FY 2022-2023.

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

Other Organizational Changes

The General Manager will be transferring the Cathodic Protection Technician position from the Operations Department to the Engineering Department. This is not a change of the position itself, instead it will be a change in the supervisor the position reports to. Currently, the position reports to the Operations Supervisor (Systems) who oversees the System Operators and Valve Maintenance Technicians in the Operations Department. The transfer will place the position under the Engineering Services Supervisor in the Engineering Department. Bringing the Cathodic Protection Technician into the Engineering Department is in concurrence with Operations and Engineering management and creates many potential efficiencies in both work groups.

Under the direction of the Engineering Services Supervisor, the daily workload management will fit more seamlessly into tasks such as condition assessment, project research and planning, cathodic inspection and testing, and is a natural addition and complement to the inspection group. Many of the southern California water agencies house the cathodic protection workgroups within the Engineering department for these reasons. Additionally, shifting the cathodic protection program to the Engineering department allows for efficiencies of workload management within the System Operations workgroup, and allows them to focus more on the daily operations of the District water systems.

The incumbent Engineering Services Supervisor is also uniquely suited to oversee the cathodic program. The incumbent has extensive corrosion protection experience and background, holding current certifications from Association for Materials Protection and Performance/National Association of Corrosion Engineers (AMPP/NACE). This will lead to additional efficiencies as well as training and mentorship opportunities for the current Cathodic Protection Technician.

Background

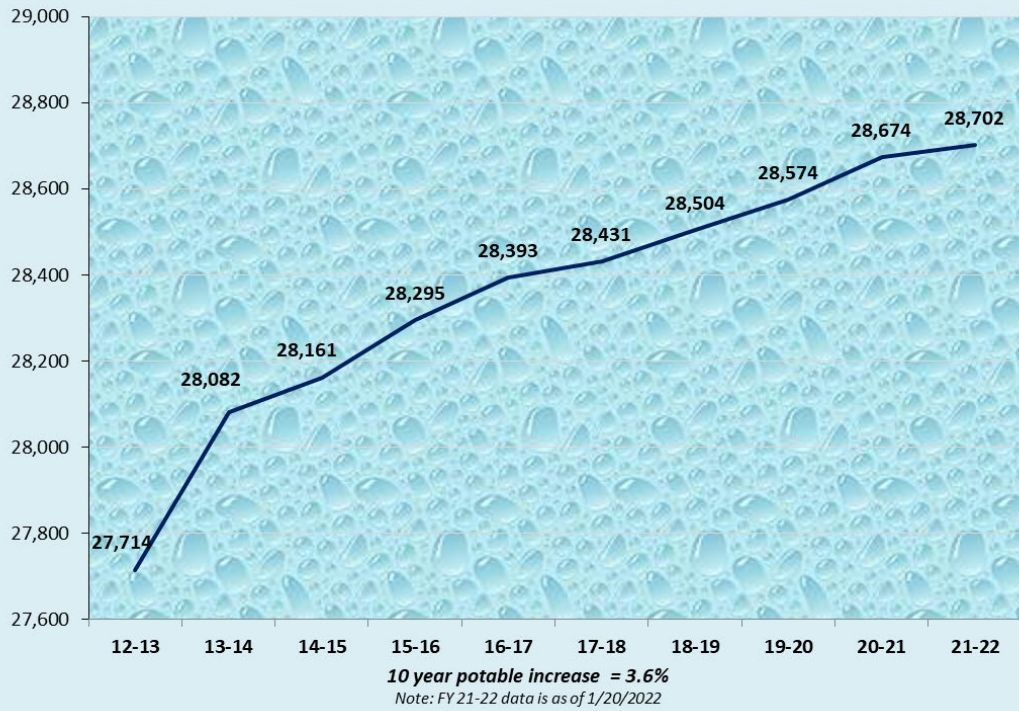
This Staffing Analysis was first presented to the Board and accepted in May of 2005 to forecast staffing levels and to serve as a succession planning tool for the District. The analysis continues to be a collaborative staff process with all District Departments participating. The Staffing Analysis takes 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.

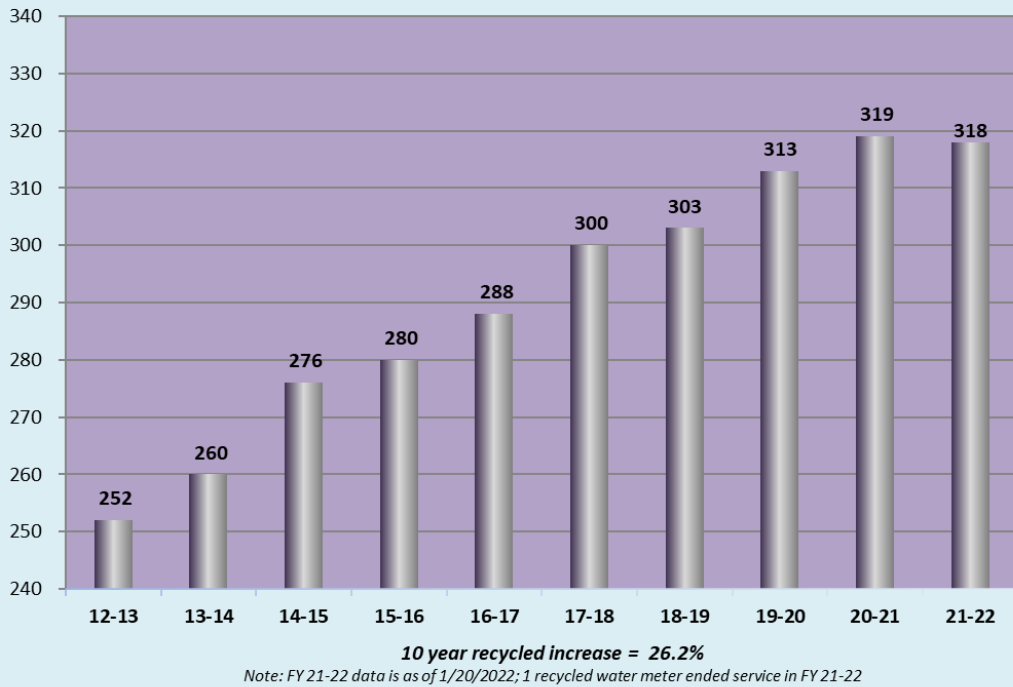
Since the Staffing Analysis was first presented to the Board over 15 years ago, the District has continued to grow and has experienced an increase in service demand in potable water, sewer, and recycled water. The District continues to increase recycled water sites throughout its service area via projects like the Village Park Recycled Water Project 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, and Calle Barcelona Recycled Water Projects.

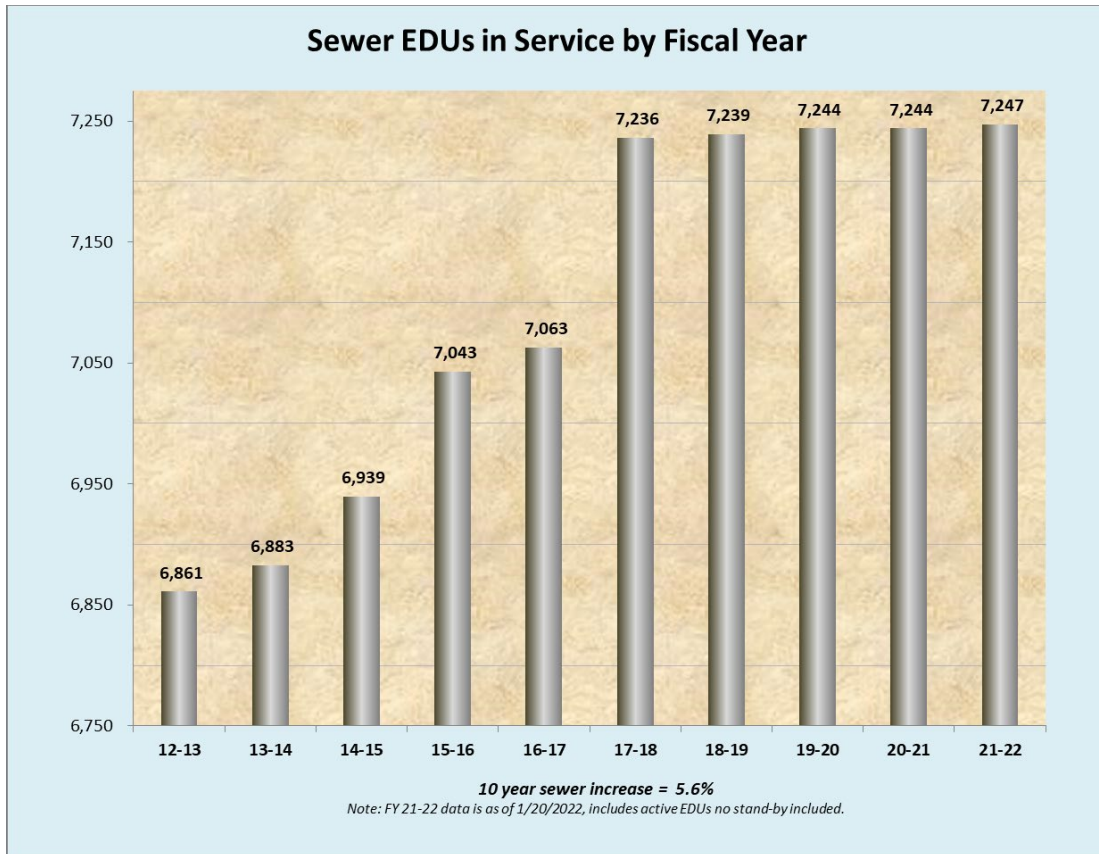
As of February 2022, the District had 28,702 active potable meters and 318 active recycled meters. The graphs on the next pages depict historical District growth as shown by the number of in service potable water meters (3.6% increase), recycled water meters (26.2% increase), and sewer equivalent dwelling units (EDUs) (5.6% increase) over the past 10 years.

Potable Meters in Service by Fiscal Year



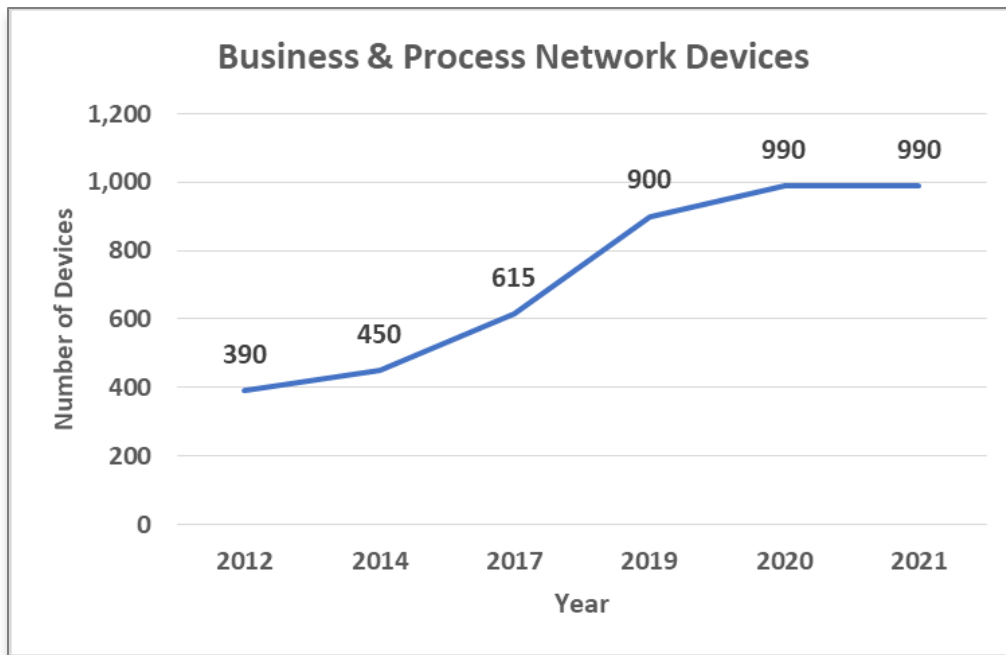
Recycled Water Meters in Service by Fiscal Year



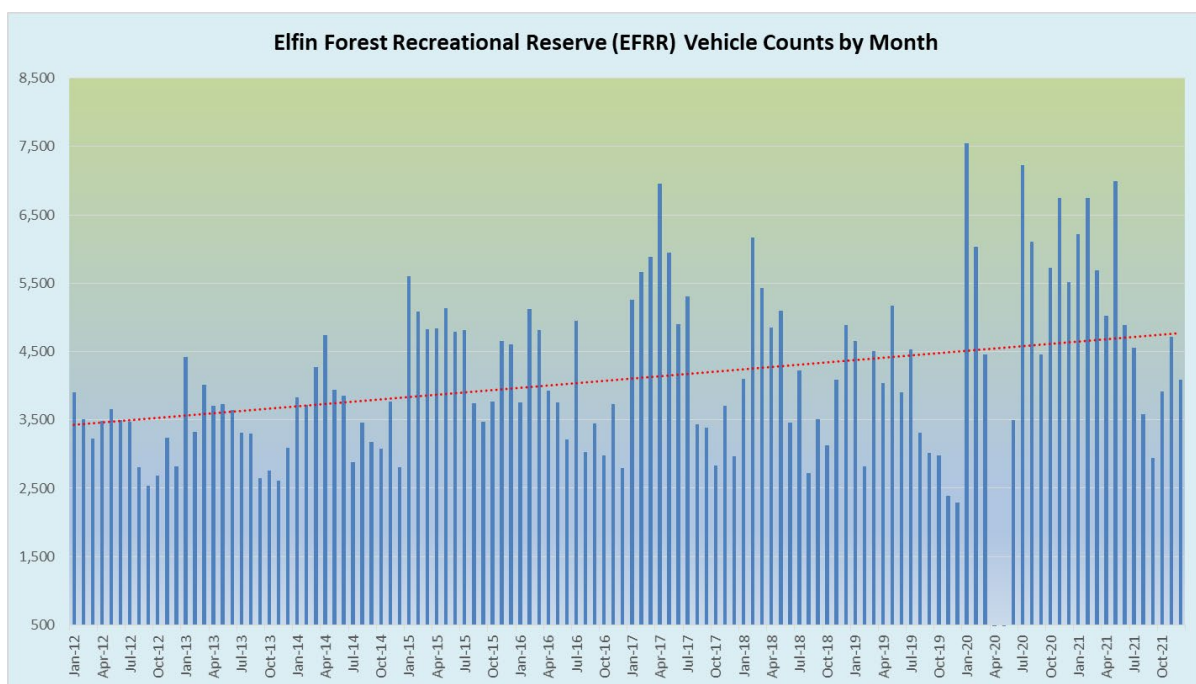


In addition to customer meters and sewer EDUs, the District’s IT infrastructure has continued to expand as well. The IT infrastructure is made up of a wide variety of hardware assets and devices which serve to support the District’s business and process SCADA networks.

Network devices include workstations, laptops, iPads, MacBooks, 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 2022, there are nearly 1,000 devices which is a 254% increase over ten years. The graph below shows this increase over time, which is expected to continue for the foreseeable future.

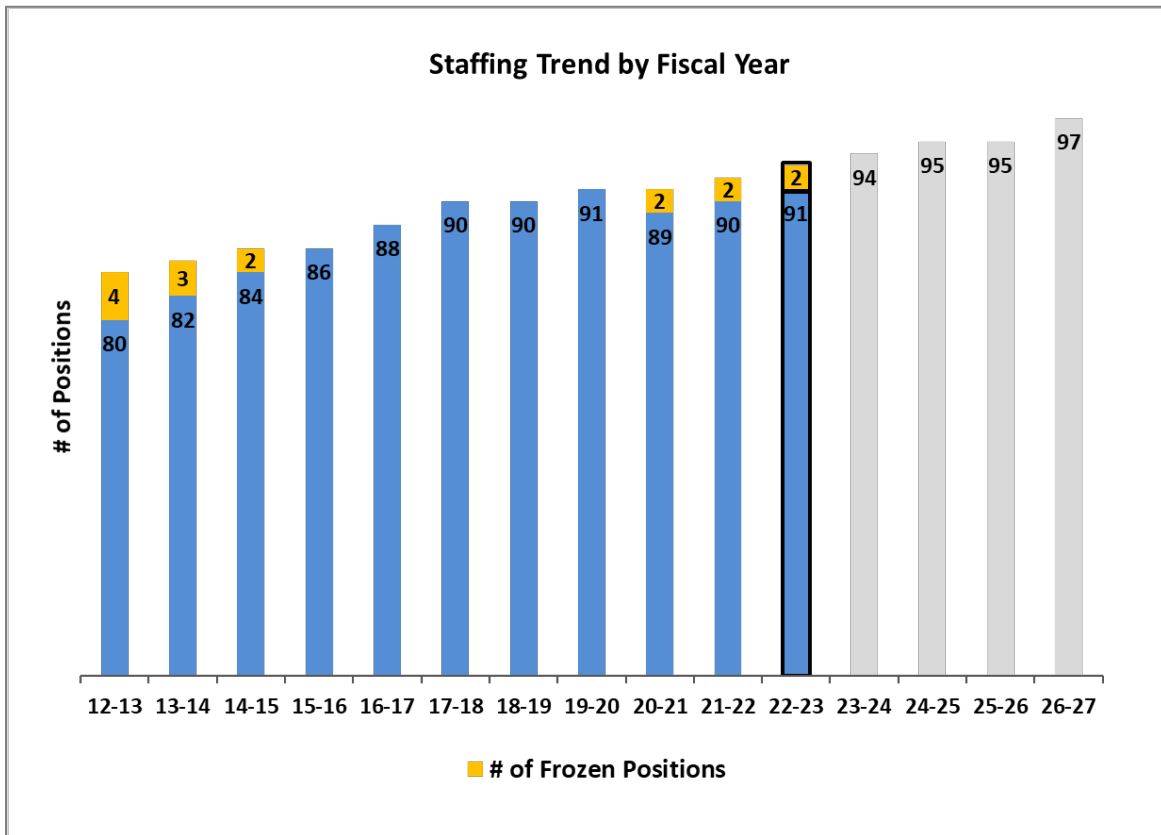


The chart below indicates a general increase in the number of vehicles and corresponding visitors to the Elfin Forest Recreational Reserve (EFRR) over time as highlighted by the trend line. The data represented is the actual number of vehicles the EFRR park car counter captured each month during the last ten years through December of 2021. While the data varies from month to month, and 2020 EFRR visitation was impacted by COVID-19, the total number of vehicles continues to steadily increase.



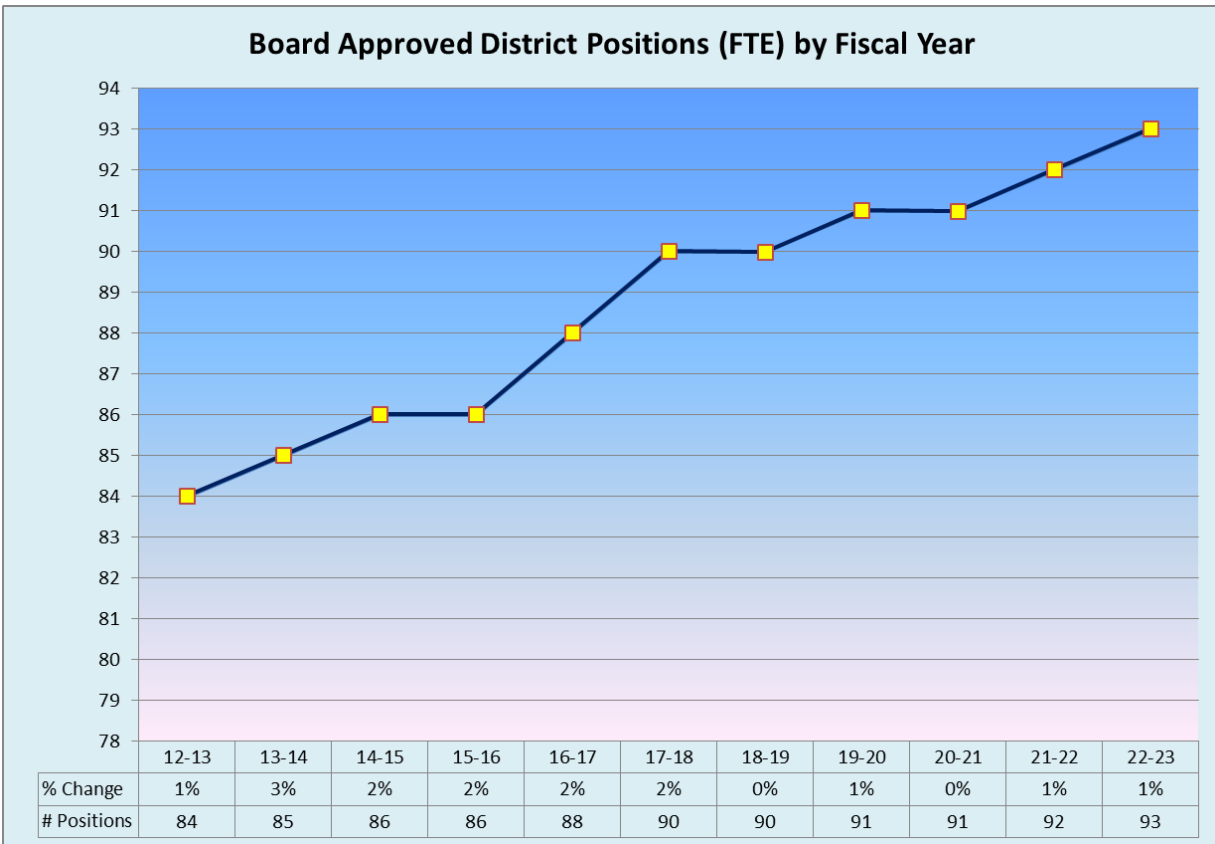
The chart below depicts the District’s total approved staffing levels over the past ten fiscal years as well as the projected future staffing levels for the next five fiscal years. A reduction in headcount took place starting in FY 2010-2011 as indicated by the number of frozen positions (in yellow) 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 and in FY 2021-2022 the headcount was 90. For the coming, 2022-2023 fiscal year, two Utility positions will continue to be frozen (with the exact level Utility I/II/III dependent on department need).

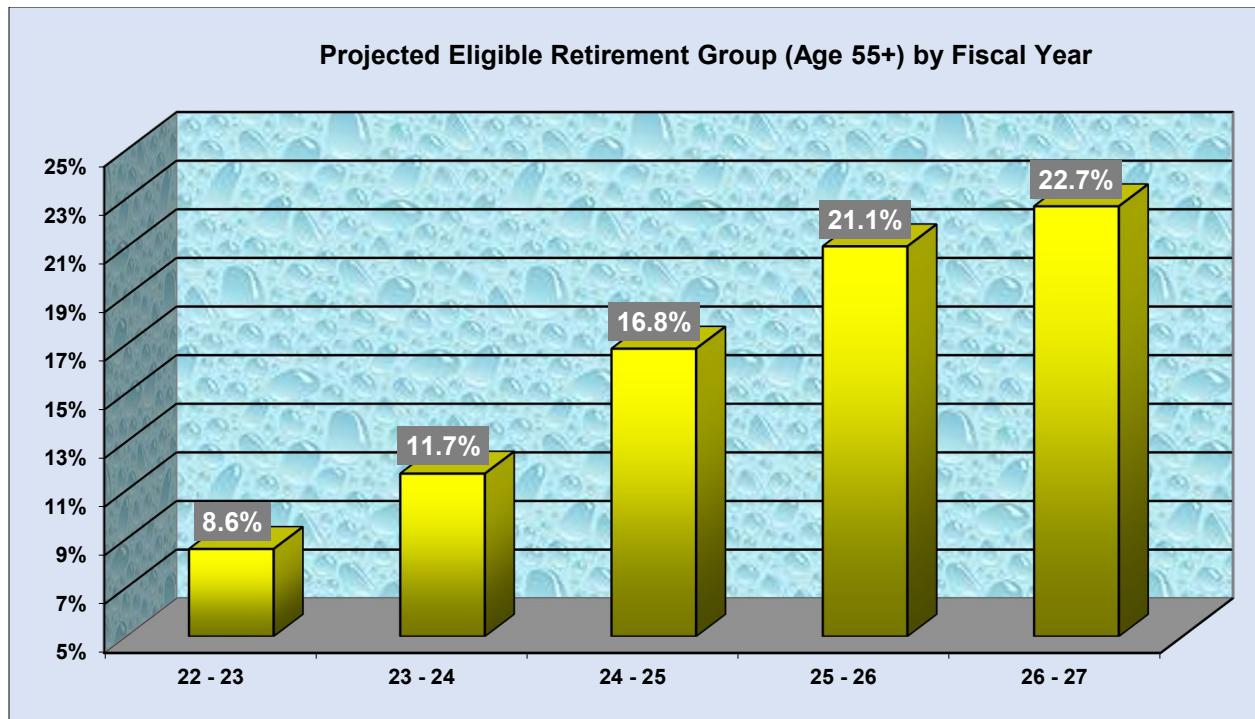


The chart on the following page also shows the approved staffing level as a trend over the past 10 years including percent change in approved staffing from year to year. Staffing levels reduced during the “holding the line” time period, then slowly increased until reaching the pre-freeze level in FY 2015-2016 with 86 approved positions. Two new positions were added in FY 2016-2017, the Assistant General Manager (AGM) and

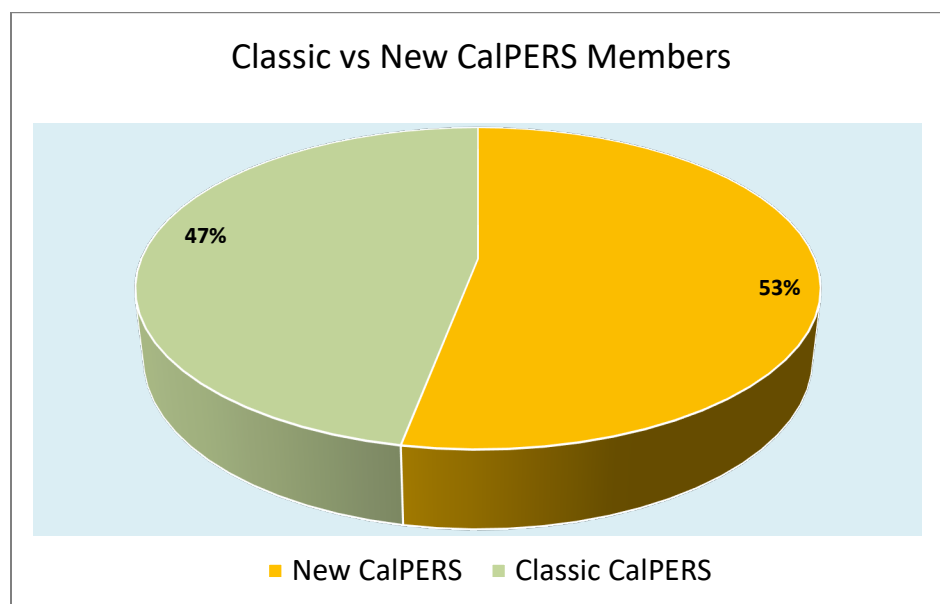
Department Assistant I for the new AGM. In FY 2017-2018 two new additional positions were also approved, the IT Senior Systems Administrator and the Cathodic Protection Technician. For FY 2018-2019, no additions were requested. In FY 2019-2020, one Administrative Analyst position was added bringing the approved headcount to 91 total employees. 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 is being requested. Thus, the recommended staffing level will be 93 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 2022-2023, approximately 8.6% of staff will be age 55 and over, most of whom are classic members eligible for full CalPERS retirement benefits at 55 under the 2.5% at 55 formula. In addition, another 17.2% of staff will be age 50-54 (within five years of retirement eligibility). Thus, approximately 25.8% of total staff (24 of proposed 93 total employees) will be age 50 or older in the coming fiscal year. These numbers fluctuate slightly from year to year due to employee turnover. The following chart shows the percentage of employees that will be age 55 and older over the next five years thus potentially eligible for retirement.



Currently a little less than half (47%) of the employees are CalPERS classic members while the other half (53%) are new PEPRAs members 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 (53%) 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 2021 Annual Valuation Report for FY 2022-2023, 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	2022-23 (Actual)	2023-24 (Projected)	2024-25 (Projected)	2025-26 (Projected)	2026-27 (Projected)
Employer Normal Cost - % of Payroll	11.59%	11.6%	11.6%	11.6%	11.6%
Annual Unfunded Liability Payment	\$1,291,742	\$1,388,000	\$1,490,000	\$1,557,000	\$1,620,000

Employer CalPERS Contributions – New Members					
Fiscal Year	2022-23 (Actual)	2023-24 (Projected)	2024-25 (Projected)	2025-26 (Projected)	2026-27 (Projected)
Employer Normal Cost - % of Payroll	7.47%	7.5%	7.5%	7.5%	7.5%
Annual Unfunded Liability Payment	\$8,208	\$10,000	\$12,000	\$13,000	\$14,000

For the current 2021-2022 fiscal year, the District has budgeted the required payroll based employer contribution portion (11.59% of payroll for classic members and 7.59% for new members) plus the required annual unfunded liability payments (\$1,139,402 for classic members and \$5,024 for new members) for a total of approximately \$1.91 million in required employer CalPERS contributions.

For last fiscal year 2020-2021, the District paid a total of \$1.70 million for payroll based and unfunded liability CalPERS employer contributions. For the same 2020-2021 year, the District CalPERS fringe expenses were approximately \$2.52 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 2022-2023 is described below. The salary ranges used are based on the recently executed Memorandum of Understanding (MOU) with the employees. 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 in at, insurance plan selected and coverage level, and if a new or classic CalPERS member.

- 1) It is expected that a new Water Treatment Plant Operator Level II with water industry experience will come on board near the midpoint of the grade 4 salary range at \$35.81 per hour (\$29.86 - \$41.77). Thus, the addition of this new staff member will cost approximately $\$35.81 \times 1.75 \times 1,040 = \$65,174$ for the first half of

the year (there are 2,080 work hours in a full year.) Then, following an estimated 5% pay increase (\$1.79 per hour) at the end of six months in the position, the cost would be $\$37.60 \times 1.75 \times 1,040 = \$68,432$ for the second half of the year.

Therefore, the estimated cost of the FY 2022-2023 recommendation for the new Water Treatment Plant Operator Level II position would be approximately \$133,606 offset by a savings of at least \$24,000 for temporary project support labor, thus the actual cost would be approximately \$109,606. Further savings can be realized by minimizing the need for certified temporary Operators. This recommendation amounts to less than 1% of the proposed FY 2022-2023 \$15.75 million budget for salary and benefits.

- 2) It is anticipated that a new Engineering Technician II with higher level experience will come on board near the midpoint of the grade 5 salary range at \$41.20 per hour (\$34.34 - \$48.07). The current Engineering and Right of Way Coordinator is a grade 4 salary range with midpoint at \$35.81 per hour (\$29.86 - \$41.77). The estimated increase will be \$5.39 per hour. Thus, reclassifying the position will cost approximately $\$5.39 \times 1,040 = \$5,606$ for the first half of the year. Then, following an estimated 5% pay increase (\$2.06 per hour) at the end of six months, the cost increase would be $\$7.45 \times 1,040 = \$7,748$ for the second half of the year. As this is a reclassification, benefits expenses for the position are already included in the budget.

Therefore, the estimated cost of the FY 2022-2023 recommendation to reclassify the Engineering and Right of Way Coordinator to Engineering Technician II would be an approximate increase of \$13,354.

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 or close to retirement age for succession planning purposes. Color pie charts are also included to depict workforce age as employees near eligibility for retirement, from age 50-54 (in blue) to those 55 or over (in yellow). For those employees, it has also been noted if a CalPERS new or classic member. The current 2021-2022 organizational chart is included for comparison purposes.

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

- 2022-2023
- 2023-2024
- 2024-2025
- 2025-2026
- 2026-2027

Please note staff is only requesting the Board approve the recommendation for FY 2022-2023. The organizational charts for FY 2023-2024 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 2022-2023 Organizational chart reflects:

For FY 2022-2023, staff recommends the addition of one Water Treatment Plant Operator Level II. Two Utility positions will also remain frozen. The Board approved total will then be 93 employees.

The FY 2023-2024 Organizational chart reflects:

For FY 2023-2024, staff recommends the addition of a new Wastewater Collection Systems Operator position. This position would report to the 4S Water Reclamation Facility and coordinate various elements of the collection system maintenance program assuming key collection related duties currently being performed by the Water Reclamation Plant Operators and contractors. The total employee headcount will then be 94 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 95 total employees.

The FY 2025-2026 Organizational chart reflects:

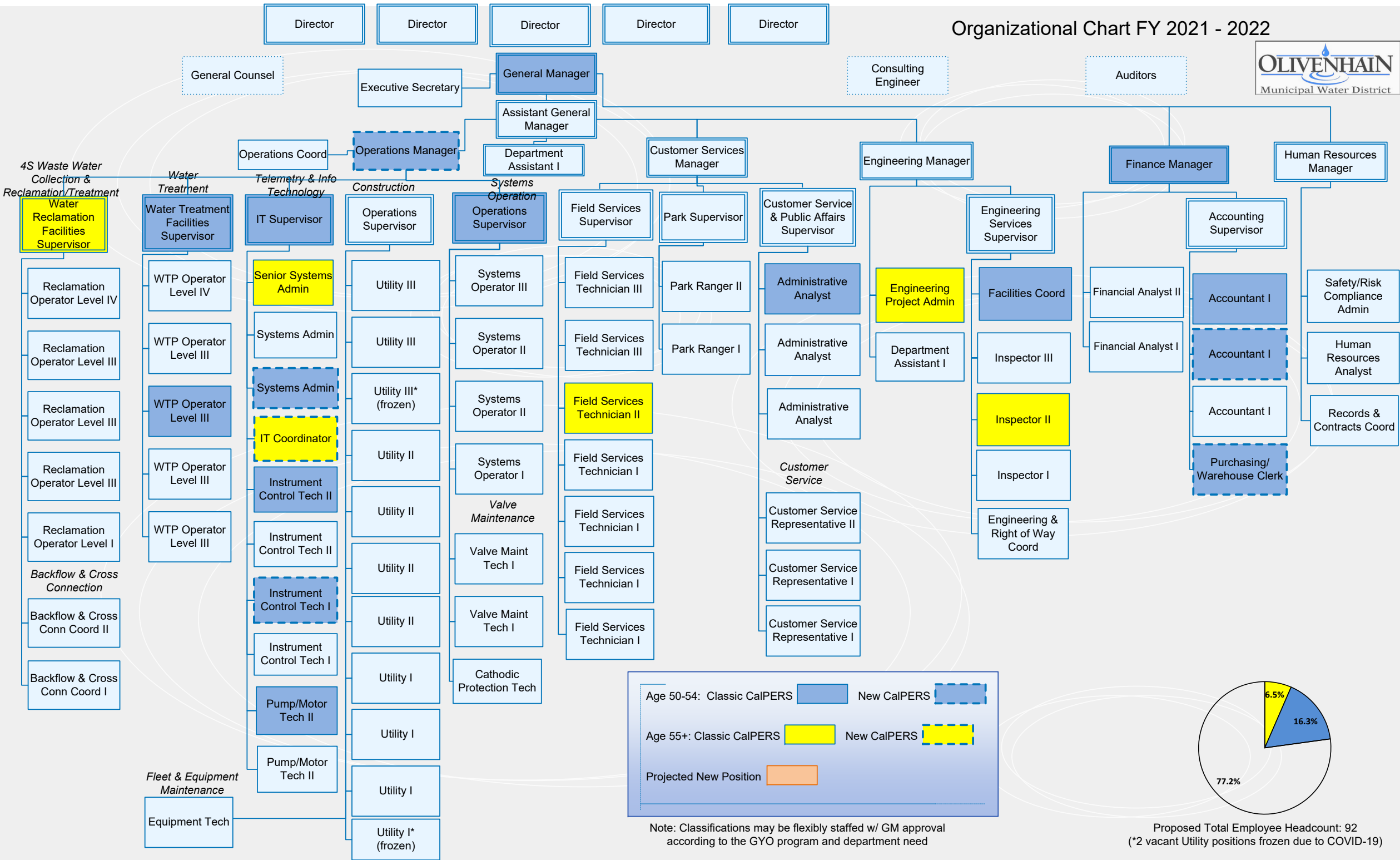
No changes anticipated for 2025-2026.

The FY 2026-2027 Organizational chart reflects:

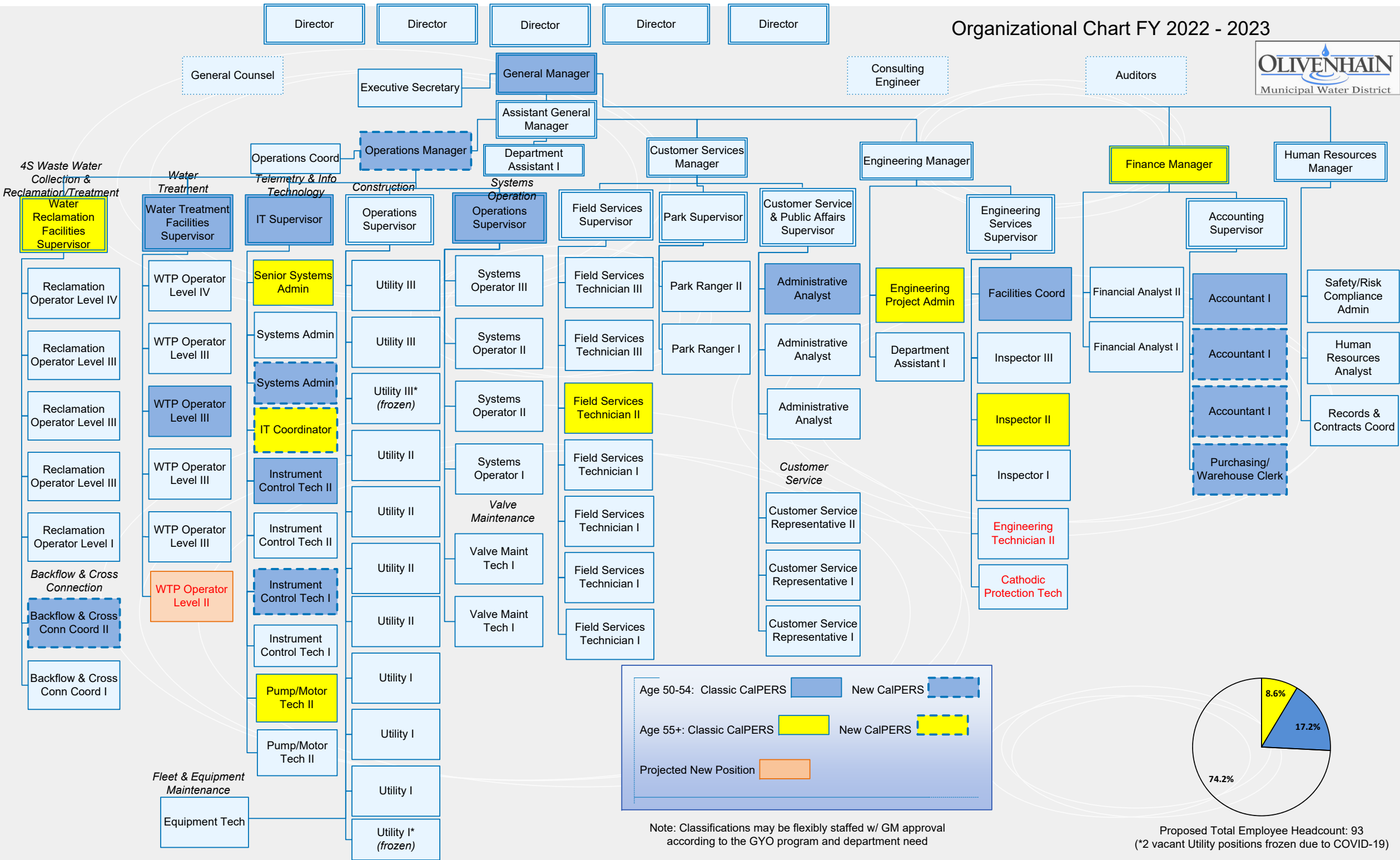
For FY 2026-2027, staff recommends the addition of a new Technical Services Manager. This Manager is expected to oversee the operations of the 4S Ranch Water Reclamation Facility and Water Treatment Plant and their staff members. In addition, the brackish/reuse plant and staff are anticipated to come on-line during this time period 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 in order 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 2026-2027 will then be 97 total employees.

Organizational Chart FY 2021 - 2022



Organizational Chart FY 2022 - 2023

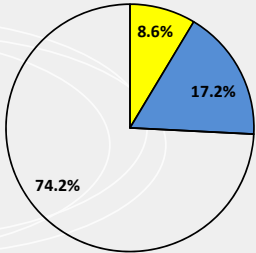


Age 50-54: Classic CalPERS [Solid Blue Box] New CalPERS [Dashed Blue Box]

Age 55+: Classic CalPERS [Solid Yellow Box] New CalPERS [Dashed Yellow Box]

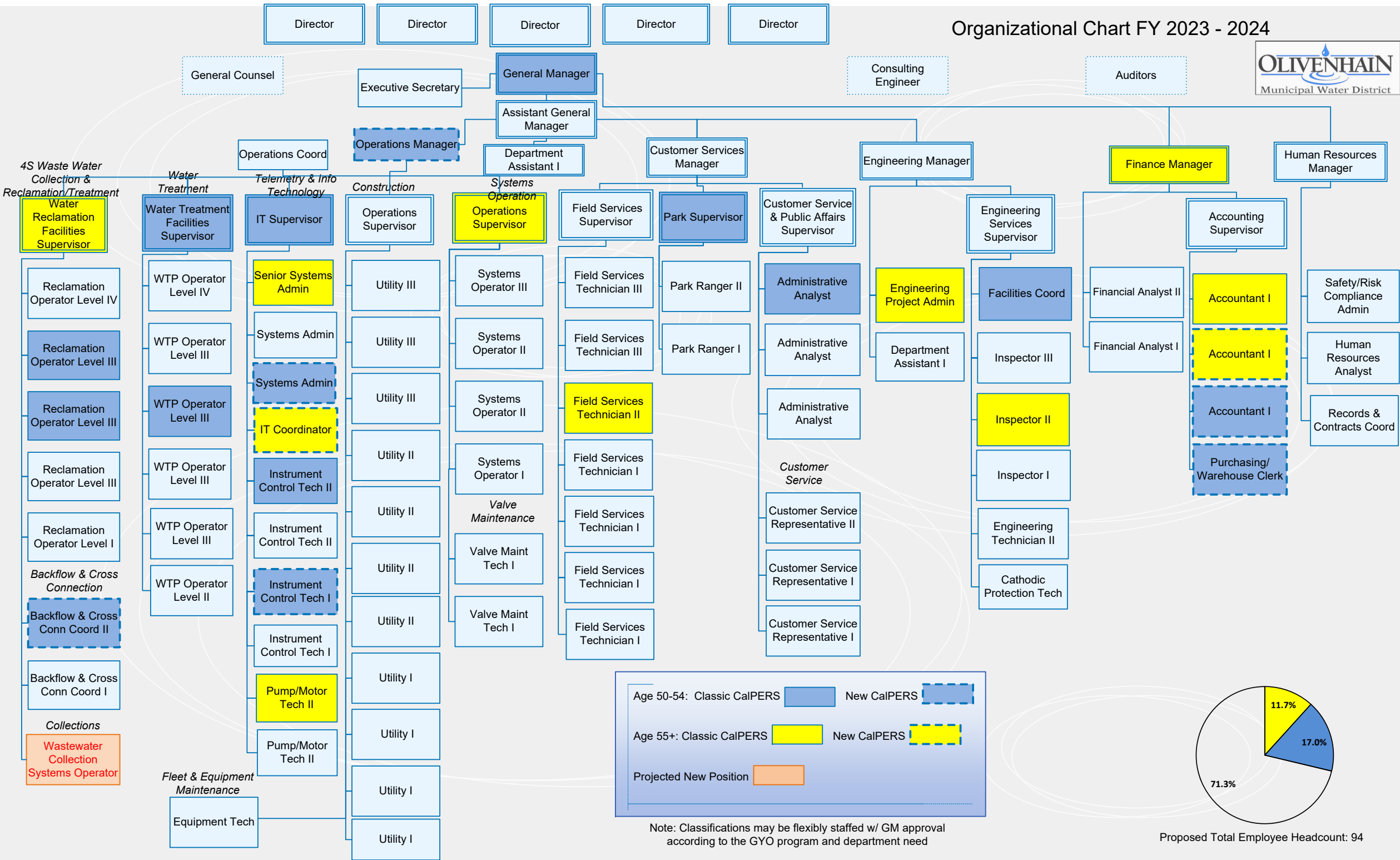
Projected New Position [Solid Orange Box]

Note: Classifications may be flexibly staffed w/ GM approval according to the GYO program and department need



Proposed Total Employee Headcount: 93
(*2 vacant Utility positions frozen due to COVID-19)

Organizational Chart FY 2023 - 2024

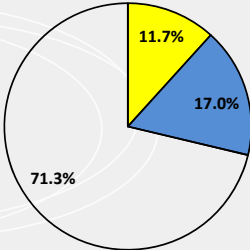


Age 50-54: Classic CalPERS [Solid Blue Box] New CalPERS [Dashed Blue Box]

Age 55+: Classic CalPERS [Solid Yellow Box] New CalPERS [Dashed Yellow Box]

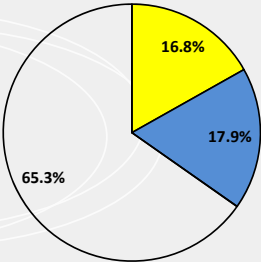
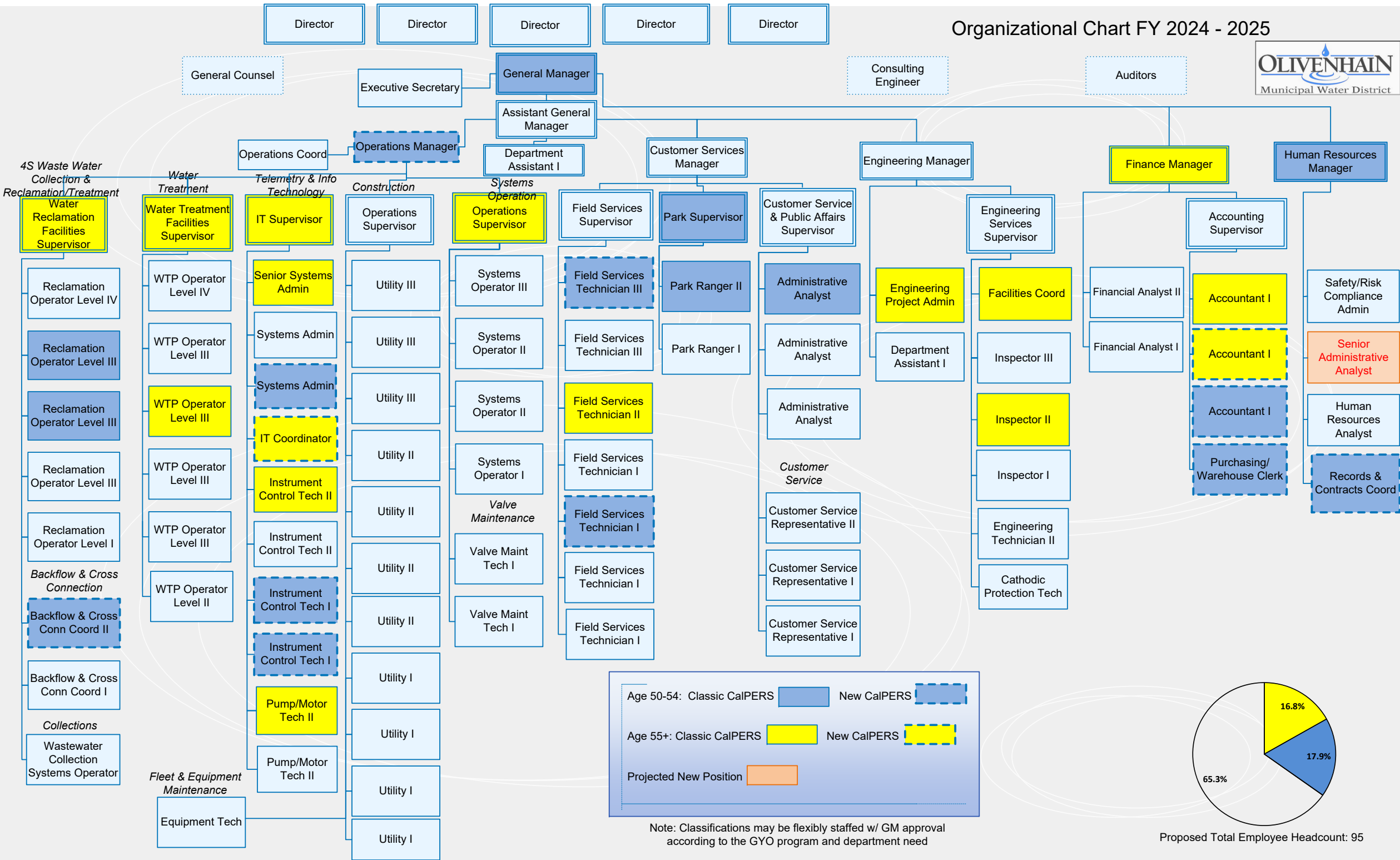
Projected New Position [Solid Orange Box]

Note: Classifications may be flexibly staffed w/ GM approval according to the GYO program and department need



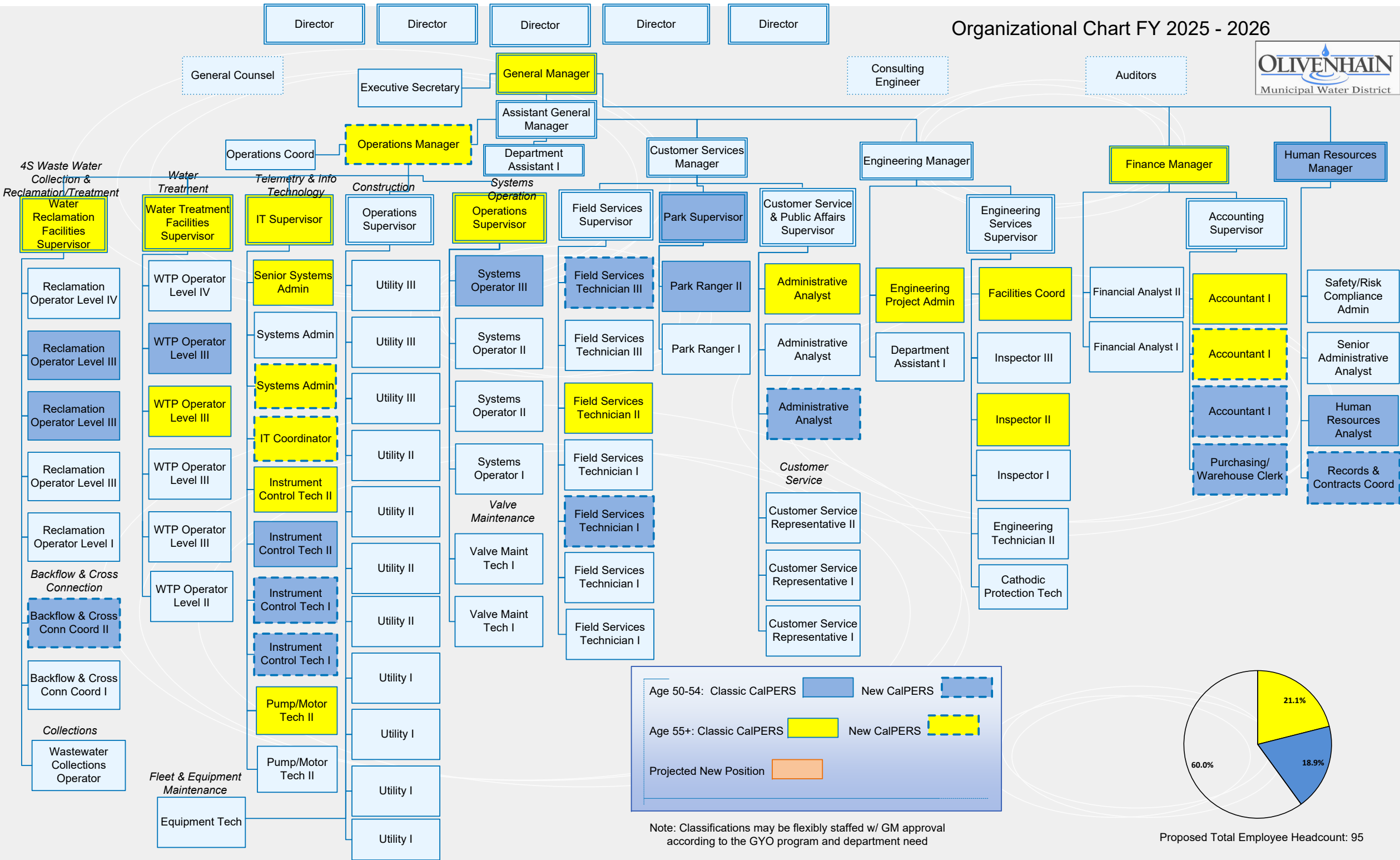
Proposed Total Employee Headcount: 94

Organizational Chart FY 2024 - 2025



Proposed Total Employee Headcount: 95

Organizational Chart FY 2025 - 2026

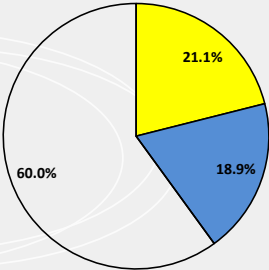


Age 50-54: Classic CalPERS [Solid Blue Box] New CalPERS [Dashed Blue Box]

Age 55+: Classic CalPERS [Solid Yellow Box] New CalPERS [Dashed Yellow Box]

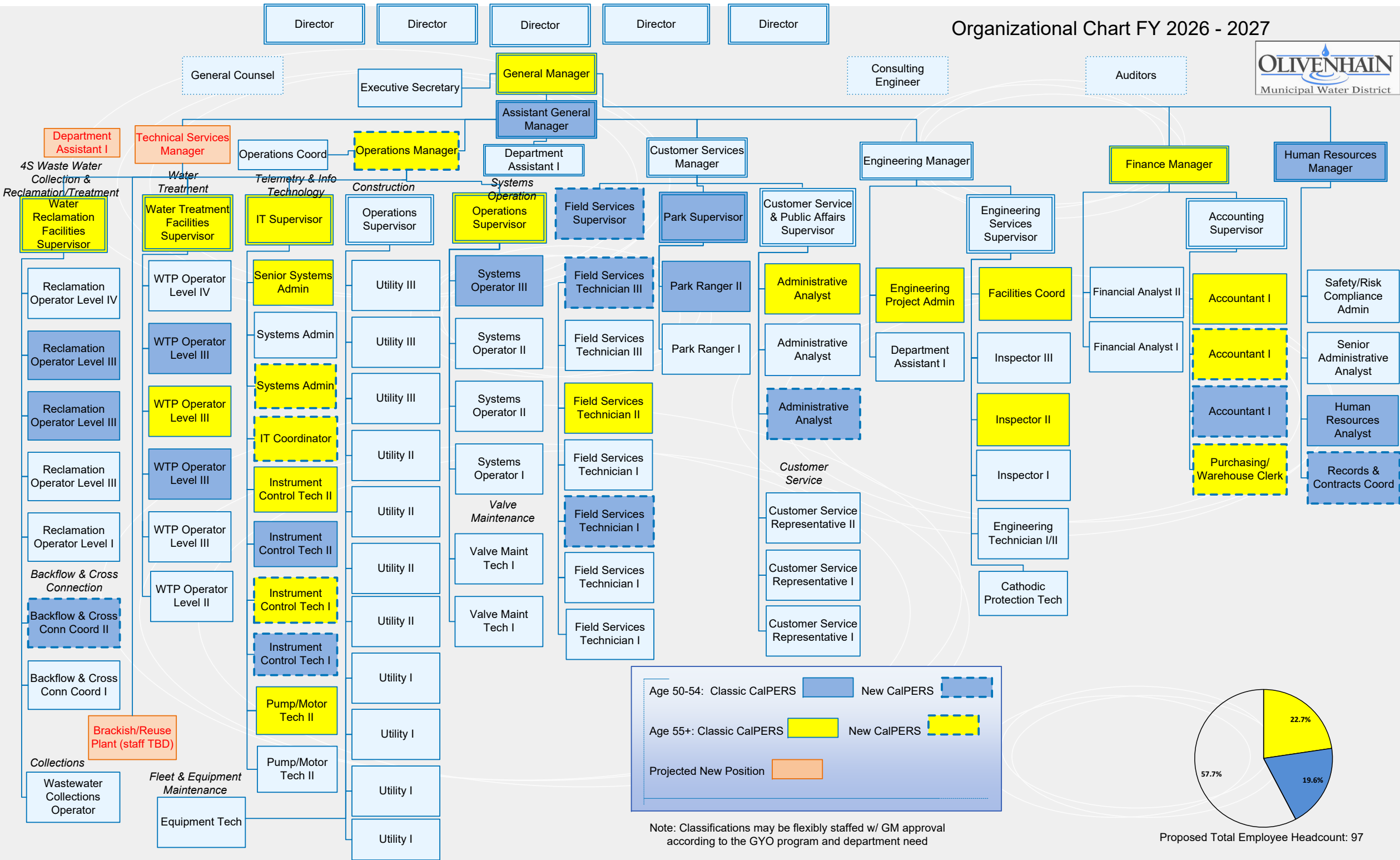
Projected New Position [Solid Orange Box]

Note: Classifications may be flexibly staffed w/ GM approval according to the GYO program and department need



Proposed Total Employee Headcount: 95

Organizational Chart FY 2026 - 2027



Memo

Date: April 20, 2022
To: Olivenhain Municipal Water District Board of Directors
From: George Briest, Consulting Engineering Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER AN AGREEMENT WITH THE CITY OF ENCINITAS REGARDING COST COLLABORATION ON THE PAVEMENT OF MANCHESTER AVENUE/SOUTH EL CAMINO REAL AS PART OF THE MANCHESTER AVENUE AND SOUTH EL CAMINO REAL RECYCLED WATER PIPELINES PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD**

Purpose

The purpose of this agenda item is to consider approval of an agreement with the City of Encinitas (COE) for cost collaboration on the paving of Manchester Avenue and South El Camino Real as part of the Manchester Avenue Recycled Water Pipelines Project and authorize the General Manager to sign on behalf of OMWD.

Recommendation

Staff recommends approval of the proposed agreement with COE and to authorize the General Manager to sign on behalf of OMWD.

Alternative(s)

In lieu of approving the proposed agreement, the Board could direct staff to:

- Modify the terms of the agreement;
- Incorporate the terms and conditions into a Memorandum of Understanding versus an agreement; or
- Decide to not approve any type of agreement setting terms and conditions for cost collaboration with the COE as part of OMWD's pipeline project.

Background

The Manchester Avenue and South El Camino Real Recycled Water Pipelines Project involves the construction of approximately 7,000 feet of 6-inch recycled water pipeline between Via Poco on the west and Tennis Club Drive on the north. All construction is planned to be within the public road and will involve the cutting and repaving of existing asphalt pavement within the right-of-way. COE standard requirements for construction of the pipeline require not only replacement of asphalt in the vicinity of the pipeline trench but also a slurry seal and restriping of the traffic lanes impacted by OMWD's project.

COE has an Active Transportation Enhancing (ATE) program throughout the city which constructs traffic calming measures through restriping and the painting of green bike lanes. One portion of the COE's ATE program includes such measures in the vicinity of OMWD's project.

COE does not currently have a schedule for the construction the ATE element in the vicinity of Manchester Avenue. COE has suggested, instead of slurry sealing the traffic lanes impacted by the pipeline project, that OMWD provide the funds that would have been used for the slurry seal to COE for use to construct the ATE element at a future date. Provision of funds by OMWD to COE would release OMWD from the requirement to slurry the traffic lanes as part of the pipeline project.

Combining the pavement restoration of the two projects would minimize impacts to the community, achieve potential cost savings by avoiding slurry sealing the same road twice, and take advantage of this partnership opportunity.

The agreement under consideration sets forth the conditions and obligations of the COE and OMWD.

Fiscal Impact

There is minimal fiscal impact to combining the slurry seal portion of the Manchester Recycled Water Pipelines Project into the COE project.

Funds for this project were approved with the FY 22 budget. The agreement proposes to average the costs received for all bids. Based on the three (3) bids received, this amount equates to \$106,000.

Is this a Multi Fiscal Year Project? **Yes**

In which FY did this capital project first appear in the CIP budget? **2016**

Total Current Project Budget: **\$4,634,000**

Current Fiscal Year Appropriation: **\$4,634,000**

To Date Approved Appropriations: **\$4,634,000**

Target Project Completion Date: **May 30, 2023**

Expenditures and Encumbrances as of (March 22, 2022): **\$857,398.57**

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

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

Discussion

This agreement has been reviewed and approved by OMWD's legal counsel and is being considered for approval by the City of Encinitas. Staff requests approval of the agreement and authorization for the General Manager to make minor revisions if necessary and sign on behalf of OMWD.

Staff is available to answer any questions.

Attachment:

Proposed Agreement;

Project Location Map

**AGREEMENT BETWEEN THE CITY OF ENCINITAS
AND THE OLIVENHAIN MUNICIPAL WATER
DISTRICT FOR COST COLLABORATION ON THE
PAVING OF MANCHESTER AVENUE AND SOUTH
EL CAMINO REAL**

THIS AGREEMENT, is made and entered into as of the _____ day of _____, 2022, by and between the CITY OF ENCINITAS, a municipal corporation, hereinafter "ENCINITAS," and OLIVENHAIN MUNICIPAL WATER DISTRICT, a municipal water district established pursuant to California Water Code sections 71000 *et seq.*, hereinafter "DISTRICT," (collectively the "PARTIES").

RECITALS

WHEREAS, the DISTRICT is constructing a 6 inch recycled water pipeline in Manchester Avenue and South El Camino Real between Via Poco and Tennis Club Drive; and,

WHEREAS, the new recycled water pipeline will require construction in Manchester Avenue and South El Camino Real and disturbance to the street pavement; and,

WHEREAS, ENCINITAS has plans for constructing an Active Transportation Enhancing Project (ATE) in Manchester Avenue and South El Camino Real, an area coincident with the area of the recycled water pipeline project; and

WHEREAS, the Parties desire to work cooperatively to minimize impacts to the community, achieve potential cost savings, and collaborate on a successful project; and,

WHEREAS, ENCINITAS and DISTRICT desire to fund and construct their respective projects; and

WHEREAS, in order to avoid duplicative work and unnecessary expenditure of funds, ENCINITAS has requested DISTRICT provide funding equal to the cost of the slurry seal of El Camino Real and South El Camino Real, required by the recycled water pipeline plans and specifications, to ENCINITAS for use in constructing the ATE project after the DISTRICT has completed construction of the recycled water project.

NOW THEREFORE, in consideration of the above recitals, ENCINITAS and DISTRICT do hereby mutually agree as follows:

I. Manchester Avenue and South El Camino Real Recycled Water Pipeline Project

(DISTRICT):

A. PROJECT DESCRIPTION

This project consists of the construction of approximately 7,020 linear feet of new six inch (6") PVC recycled water pipeline in Manchester Avenue and South El Camino Real between Via Poco and Tennis Club Drive together with the necessary appurtenances and connections to adjacent pipelines for delivery of recycled water service to customers within the District.

II. Manchester Avenue/South El Camino Real ATE (ENCINITAS):

A. PROJECT DESCRIPTION

The ATE project on South El Camino Real and Manchester Avenue will implement traffic calming measures along the corridor by re-striping and narrowing current travel lanes and will improve safety and mobility for bicyclists by adding buffers to existing bike lanes. Buffered areas will be delineated with traffic reflective and re-erectable bollards. Green color will be used at certain areas on the bike lanes to further notify users of the potential conflicts between bicycles and vehicles. Additional signage and pavement mark as needed will also be implemented.

III. DISTRICT AGREES:

- A. To act as lead agency for the purpose of design and environmental review and to provide all labor, materials, tools and equipment for the Manchester Avenue and South El Camino Real Recycled Water Pipeline Project. The design and environmental review do not include the proposed ATE project by ENCINITAS.
- B. To handle permit acquisition, advertising, award, contract administration, material source inspection, independent assurance and specialty testing, and such other construction engineering as may be required, for satisfactory completion of the recycled water pipeline project.
- C. To advertise for construction bids and construct the pipeline by contract in accordance with plans and specifications prepared by the DISTRICT, said plans being referred to as MANCHESTER AVENUE AND SOUTH EL CAMINO REAL RECYCLED WATER PIPELINES PROJECT. Such bids will break out by line item the cost of the slurry seal required by the plans and specifications.

- D. To fund the cost of the recycled water pipeline in Manchester Avenue and South El Camino Real including the cost of the slurry seal of Manchester Avenue and South El Camino Real as identified in the approved project plans and specifications.
- E. Within thirty (30) days of receipt of construction bids, provide a breakdown of bids received to ENCINITAS.
- F. Within thirty (30) days after the filing of a Notice of Completion (NOC) for the recycled water project, provide a check to ENCINITAS in the amount equal to the average amounts contained in Additive Alternate Bid Schedules A1 and B1 of all of the bids received for construction of the recycled water pipeline project.

IV. ENCINITAS AGREES:

- A. To act as lead agency for the purpose of design and environmental review and to provide all labor, materials, tools and equipment for the Manchester Avenue and South El Camino Real ATE Project. The design and environmental review do not include the proposed recycled water pipeline project by DISTRICT.
- B. To bear the actual cost for the Manchester Avenue and South El Camino Real ATE Project.
- C. Within ten working (10) days of completion of the recycled water project and notification by the DISTRICT, ENCINITAS shall inspect all work performed on Manchester Avenue and South El Camino Real and determine whether the work was completed in accordance with ENCINITAS approved plans and specifications. If by the end of this ten (10) day period, ENCINITAS has not notified the DISTRICT in writing that the work materially varies from the approved plans, ENCINITAS shall be deemed to have accepted the recycled water project in accordance with the approved plans and specifications.
- D. To expeditiously review and approve any required permits for construction of the recycled water project within its jurisdiction.

- E. Approval of this Agreement and payment of funds to ENCINITAS in accordance with Paragraph III F. above, releases DISTRICT from ENCINITAS' requirement to slurry seal any/all portions of Manchester Avenue and South El Camino Real coincident with the recycled water project. If ENCINITAS requires any portion of the project area to be slurry sealed as part of the recycled water pipeline construction, that cost shall be deducted from the amount paid in accordance with Paragraph III F.

II. OWNERSHIP AND MAINTENANCE

A. WATER LINES

Upon completion of all work under this Agreement, ownership and title to materials, equipment, and appurtenances which are installed will automatically be vested in and maintained by the District.

B. ACTIVE TRANSPORTATION ENHANCING PROJECT

Upon completion of all work under this Agreement, ownership and maintenance of the El Camino Real Active Transportation Enhancing Project will belong to ENCINITAS.

III. LIABILITY AND INDEMNIFICATION

Pursuant to Section 895.4 of the Government Code, the PARTIES agree that each will assume the full liability imposed upon it or any of its officers, agents, or employees for injury caused by or arising out of a negligent or wrongful act or omission accruing in the performance of its obligations under this Agreement, and each Party agrees to indemnify and hold harmless the other Party for any loss, cost, or expense that may be imposed upon such other Party by virtue of Sections 895.2 and 895.6 of the Government Code.

The indemnity provisions are not limited in any way by the extent of any policy of insurance currently in force and held by either Party. All construction contracts for any project which spans the jurisdictional boundary between the PARTIES shall include indemnity provisions and insurance provisions, whereby the contractor indemnities both PARTIES and adds both agencies as additional insured on Insurance Policies.

IV. NOTIFICATIONS

Unless otherwise specifically provided in this Agreement, all notices, demands, or other communications given hereunder will be in writing and will be deemed to have been duly delivered upon personal delivery or as of the second business day after mailing by United States mail, return receipt requested, postage prepared and addressed as follows:

If to DISTRICT: Kimberly A. Thorner, ESQ
 General Manager
 OLIVENHAIN MUNICIPAL WATER DISTRICT
 1966 Olivenhain Road
 Encinitas, CA 92024

If to ENCINITAS: Jennifer Campbell
 Interim Public Works Director
 CITY OF ENCINITAS
 505 South Vulcan
 Encinitas, CA 92024-3633

V. MODIFICATIONS

This Agreement may not be modified, amended, or otherwise changed unless by an amendment, in writing, executed by the parties hereto.

VI. COUNTERPARTS

This Agreement may be executed by the PARTIES in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument

VII. CHOICE OF LAW

This Agreement shall be governed by, the laws of the State of California and venue shall be proper in the San Diego Superior Court, North County Branch or such other venue as provided by law.

VIII. SEVERABILITY

If one or more clauses, sentences, paragraphs, provisions or terms of this Agreement shall be held to be unlawful, invalid, or unenforceable, it is hereby agreed by the PARTIES that the remainder of this Agreement shall not be affected hereby.

IX. HEADINGS

The headings of articles and paragraphs of this Agreement are for convenience only, and no presumption or implication of the intent of the parties as to the construction of this Agreement shall be drawn therefrom.

X. COMPLETE AGREEMENT

The foregoing constitutes the full and complete agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.

IN WITNESS WHEREOF, this Agreement is executed by ENCINITAS pursuant to action taken by its City Council and by DISTRICT pursuant to action taken by its Board of Directors.

OLIVENHAIN MUNICIPAL WATER DISTRICT,
a public agency

CITY OF ENCINITAS,
a municipal corporation

Kimberly A. Thorner, General Manager

Pamela Antil, City Manager

DATE: _____

DATE: _____

ATTEST:

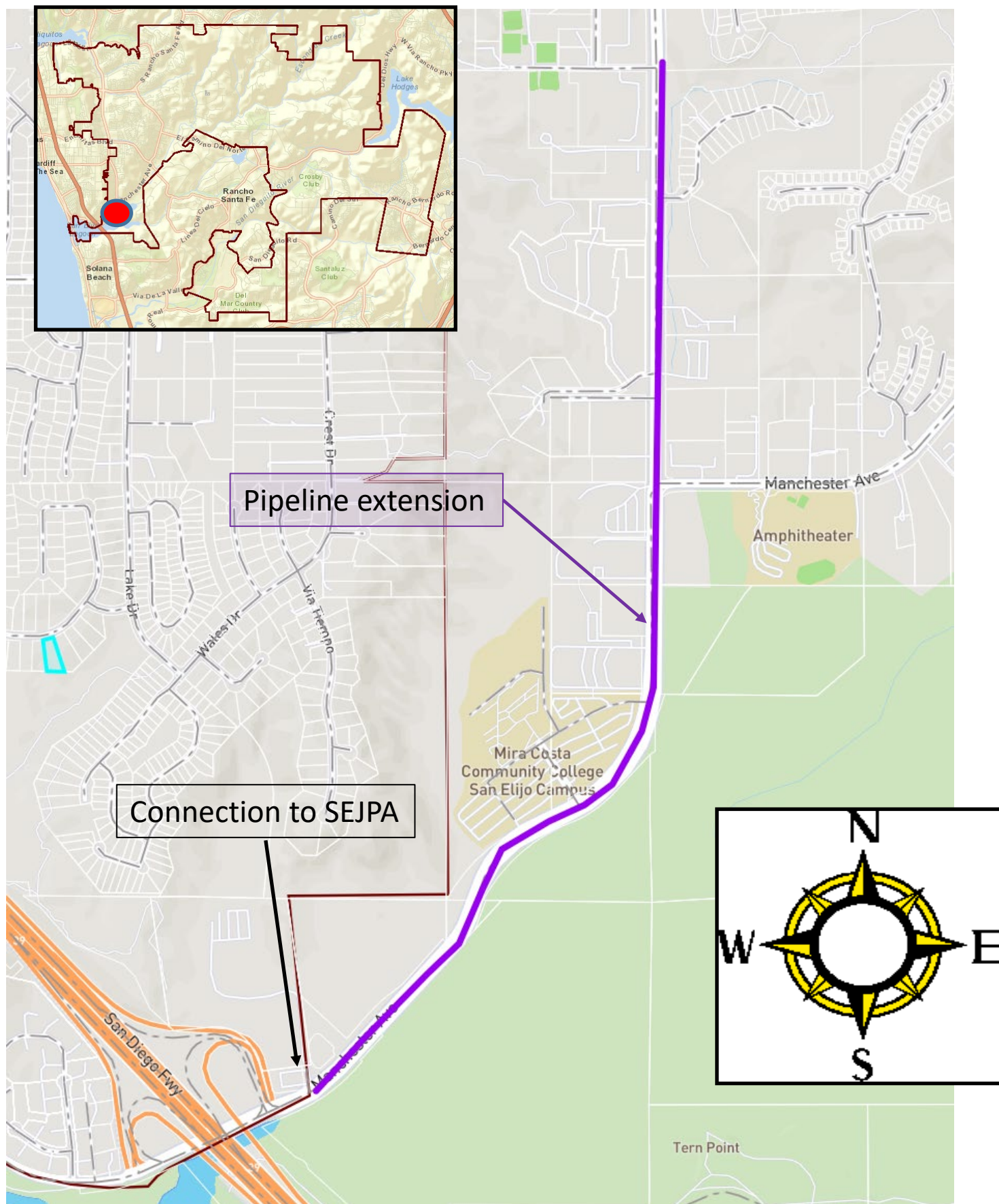
ATTEST:

'
City Clerk

APPROVED AS TO FORM:

City Attorney

By: _____



**Manchester Avenue/S. El Camino Real
Recycled Water Pipeline Extension**

Memo

Date: April 20, 2022
To: Olivenhain Municipal Water District Board of Directors
From: Steven Weddle, Engineering Services Supervisor
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER APPROVAL OF A CONTRACT WITH CCL CONTRACTING, INC. IN THE AMOUNT OF \$3,355,823.50 FOR THE CONSTRUCTION OF THE MANCHESTER AVENUE AND SOUTH EL CAMINO REAL RECYCLED WATER PIPELINES PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF OMWD**

Purpose

The purpose of this agenda item is to consider approval of a contract with CCL Contracting, Inc. (CCL Contracting) in the amount of \$3,355,823.50 for construction of the Manchester Avenue and South El Camino Real Recycled Water Pipelines Project (Manchester RW) and authorize the General Manager to sign on behalf of OMWD.

Recommendation

Staff recommends awarding a contract to CCL Contracting in the amount of \$3,355,823.50 for construction of the Manchester RW Project.

Alternative(s)

The Board could elect to:

- Delay or cancel the project; however, OMWD has received grant funding for the project (see Financial Impact for detailed breakdown), has already received initial

reimbursements from one (1) of the grants, and the project schedule has been extended several times already; or

- Reject all bids and direct staff to rebid a portion or the entire project; or
- Award Schedule A only (from Via Poco to the intersection of Manchester Ave. and S. El Camino Real).

Background

The Manchester RW Project is located in Manchester Avenue from Via Poco north to Manchester Avenue and in South El Camino Real from Manchester Avenue north to Tennis Club Drive in Director Division 1 (Topolovac). The project will install approximately 7,000 LF of recycled water pipeline in Manchester Avenue and South El Camino Real.

OMWD continues to expand recycled water infrastructure and the pipeline, once complete, will provide the existing schools, HOAs, religious centers, and commercial developments in the area a source of high-quality recycled water for irrigation purposes and reduce the demand for imported potable water.

Following the Request for Proposals process, per Administrative and Ethics Code Section 6.9A for design services for the project, the Board approved a Professional Services Agreement for design services with NV5 Inc. (NV5) in September 2018. Design efforts have involved coordination with Caltrans' work on the North Coast Corridor/Interstate 5 Manchester Avenue interchange expansion. The draft Mitigated Negative Declaration (MND) was released by the Board for public review in November 2019 and a public hearing to receive comments was held in January 2020. The Board adopted a Resolution certifying the Final MND in March 2020, in compliance with the California Environmental Quality Act.

The City of Encinitas (COE) has budgeted for a proposed green bike lane project for the northbound and southbound lanes of Manchester Avenue and South El Camino Real in an area coincident with the area of the Manchester RW Project. Green bike lanes (GBL) make bicyclists and bike lanes more visible and increase bicyclist safety at intersections. As both the Manchester RW and the GBL projects involve slurry-sealing the impacted lanes, COE has requested OMWD delete the slurry seal alternate item from the Manchester RW Project and reimburse the cost of the Manchester RW Project slurry seal to COE, who can then incorporate the lanes the Manchester RW Project would have sealed into their larger overall project for a cost savings to both OMWD and COE. This request from COE, resulted in the proposed Agreement heard under Agenda Item No. 12 this evening.

Fiscal Impact

Funds for this project are included in the FY 21/22 and 22/23 annual budget for the Manchester RW Project. The Manchester RW Project has been awarded a \$650,000 Proposition 84, Round 4 grant under the San Diego Integrated Regional Water Management Plan and \$750,000 in Department of Water Resources Proposition 1, Round 1 funding. Staff is currently finalizing an agreement for a grant award from the US Bureau of Reclamation's Title XVI Water Reclamation and Reuse Program, which will offset additional costs to complete the Manchester RW Project.

Is this a Multi Fiscal Year Project? **Yes**

In which FY did this capital project first appear in the CIP budget? **2016**

Total Project Budget: **\$4,634,000**

Current Fiscal Year Appropriation: **\$4,634,000**

To Date Approved Appropriations: **\$4,634,000**

Target Project Completion Date: **May 30, 2023**

Expenditures and Encumbrances as of (March 22, 2022): **\$857,398.57**

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

The Manchester RW Project was released for bid in February 2022. One (1) addendum was issued during the bidding process to respond to questions received by contractors and to clarify a Measurement and Payment line item. A total of three (3) bids were received on March 24, 2022 from:

- CCL Contracting, Inc.
- SC Valley Engineering, Inc.
- Ahrens Mechanical

Pursuant to the contract documents, the basis of award is based on the total Base Bid prices; the Add Alternates will be awarded at OMWD's sole discretion. The Total Amount of Bid Schedule pricing includes all labor, materials, removal, overhead, profit, insurance, and incidentals required to complete the work.

Staff is seeking approval to award both Base Bid Schedules A and B, as well as the Additive Alternate Bid Schedules A2, B2 and C. The Additive Alternate Bid Schedules A1 and B1 (slurry seal) have been excluded from the award total due to the slurry seal reimbursement agreement as requested by the COE, and heard under Agenda Item No. 12 this evening.

Minor bid item tabulation/mathematical discrepancies were found in all three (3) bids as shown in the table below:

	CCL Contracting, Inc.	SC Valley Engineering, Inc.	Ahrens Mechanical
Totals Recorded at Bid Open (All Schedules)	\$ 3,480,893.00	\$ 3,535,515.00	\$ 3,580,638.40
Prevailing Bid Totals (All Schedules)	\$ 3,480,783.50	\$ 3,535,623.00	\$ 3,580,638.40
Difference	\$ (109.50)	\$ 108.00	-
Type of Discrepancy	Bid Item Tabulation	Bid Item Tabulation	Bid Item Typing Error; all totals and math are correct
Final Award Totals (Using Prevailing Bid Total and Excluding Add Alternate Schedules A1 & B1)	\$ 3,355,823.50	\$ 3,431,283.00	\$ 3,491,838.40

*Note: General Provisions Section 2.3 states listed unit price prevails when discrepancies found in totals.

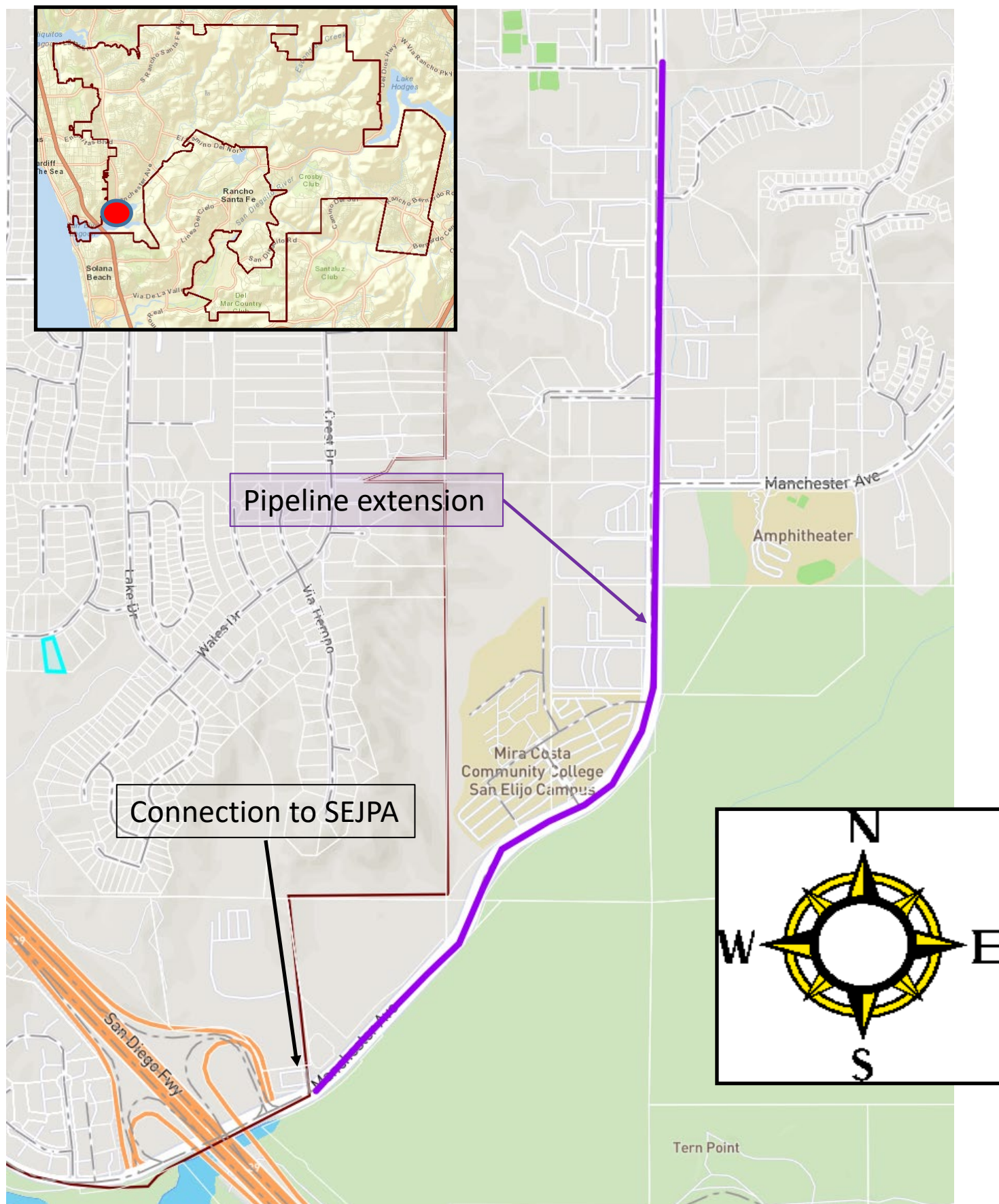
OMWD can waive these minor irregularities in its sole discretion, and no protests have been received to date. The irregularities do not change the outcome of the overall bid rankings. The Engineer's Estimate projected the construction cost of the project to be \$3,420,000.

CCL Contracting is local to San Diego County and based in Escondido. On July 14, 2021, the Board also awarded CCL Contracting the contract for the Manchester Avenue Potable Water Pipeline Replacement Project which was recently completed ahead of schedule and within budget.

Staff is available to answer any questions.

Attachments:

Project Location Map



Manchester Avenue/S. El Camino Real Recycled Water Pipeline Extension

Memo

Date: April 20, 2022
To: Olivenhain Municipal Water District Board of Directors
From: Rainy Selamat, Finance Manager
Via: Kimberly A. Thorner, General Manager
Subject: **REVIEW AND RECEIVE DIRECTION FROM THE BOARD ON THE PROPOSED PENSION FUNDING PLAN FOR OLIVENHAIN MUNICIPAL WATER DISTRICT PENSION FUNDING POLICY**

Purpose

The purpose of this agenda item is to review staff's proposed pension funding plan and receive direction which will be used by staff as the framework to draft the District's Pension Funding Policy. A draft copy of the Pension Funding Policy will be presented to the Board for approval and adoption at a future Board meeting (June 2022.) The proposed pension funding plan was reviewed and discussed with the Finance Committee (Director Guerin and Director Watt) at its April 12th meeting.

Recommendation

The Finance Committee recommends that the proposed plan be brought forward to the full Board for consideration. The District's pension advisor, Mr. Julio Morales with Urban Futures Inc., and staff will present the recommended pension funding plan and strategy which are outlined in the attached presentation.

Alternatives

The Board may instruct Staff to: (1) make a one-time lump sum payment to a Pension Stabilization Fund/Section 115 Trust Fund, (2) continue to make annual Additional Discretionary Payments to CalPERS from the District's unrestricted funds to pay-off a portion of the District's Unfunded Accrued Liability (UAL), or (3) Make regular pension payments as required by CalPERS and do nothing to proactively address the District's Unfunded Accrued Liability (UAL).

As of June 30, 2021, the District had \$69,268,884 in unrestricted funds (operating fund, rate stabilization fund, and capital reserve fund) in its water and sewer operations. The District has made two (2) Annual Additional Discretionary Payments (ADPs) to CalPERS in the amount of \$485,000 and \$300,000 in Fiscal Years 2021 and 2020, respectively, to pay down a portion of its unfunded pension liability.

A public agency's commitment to proactively address its pension liability by enacting a pension policy and making regular contributions is a key credit consideration for rating agencies.

Background

Mr. Julio Morales with Urban Futures, Inc. (UFI) presented an overview of the District's CalPERS unfunded pension liability at the March board meeting. Based on the actuarial report dated June 30, 2020, the District's CalPERS Unfunded Accrued Liability (UAL) was \$16.1 million.

CalPERS is expected to report a significant return on its investment of 21.3% in fiscal year 2021. A return of 21.3% is anticipated to result in a reduction of the District's UAL, bringing it to approximately \$10.8 million. This anticipated reduction in the District's projected UAL will also increase the District's funded status from 73% (based on CalPERS' actuarial report dated June 30, 2020) to approximately 82%.

However, the District's UAL is expected to fluctuate from year to year due to changes in CalPERS' actuarial assumptions, mainly due to returns on CalPERS' investment performance. A return of 21.3% in CalPERS' investments also triggered the CalPERS' Funding Mitigation Risk Mitigation (FRM) Policy. The CalPERS' FRM policy seeks to reduce CalPERS funding risk over time. The FRM Policy allows CalPERS to adjust its discount rate when its investment performance outperforms its expected investment return. Consequently, CalPERS decreased its discount rate from 7% to 6.8%. A decrease

in discount rate will decrease the District's pension assets as well as decrease the District's funded ratio in the future.

Staff has been working with Mr. Morales in developing funding scenarios in conjunction with the District's fiscal years 2023 and 2024 budget process. The proposed funding scenarios and staff's recommendation, included in the attached presentation, were reviewed and discussed with the Finance Committee (Director Guerin and Director Watt) at its special meeting on April 12, 2022.

Fiscal Impact

Addressing the District's unfunded pension liability will require utilization of available District resources and a funding discipline. The staff-proposed pension funding plan will help the District proactively address its pension liability but it will reduce the District's undesignated fund balances in water and sewer operations in the short run. It will not, however, impact District reserves' target level set by the Board nor will impact the District's ability to meet any board-determined priority.

Discussion

Mr. Morales and Staff will be available at the meeting to present the proposed pension funding scenarios and plan (attached) to the Board.

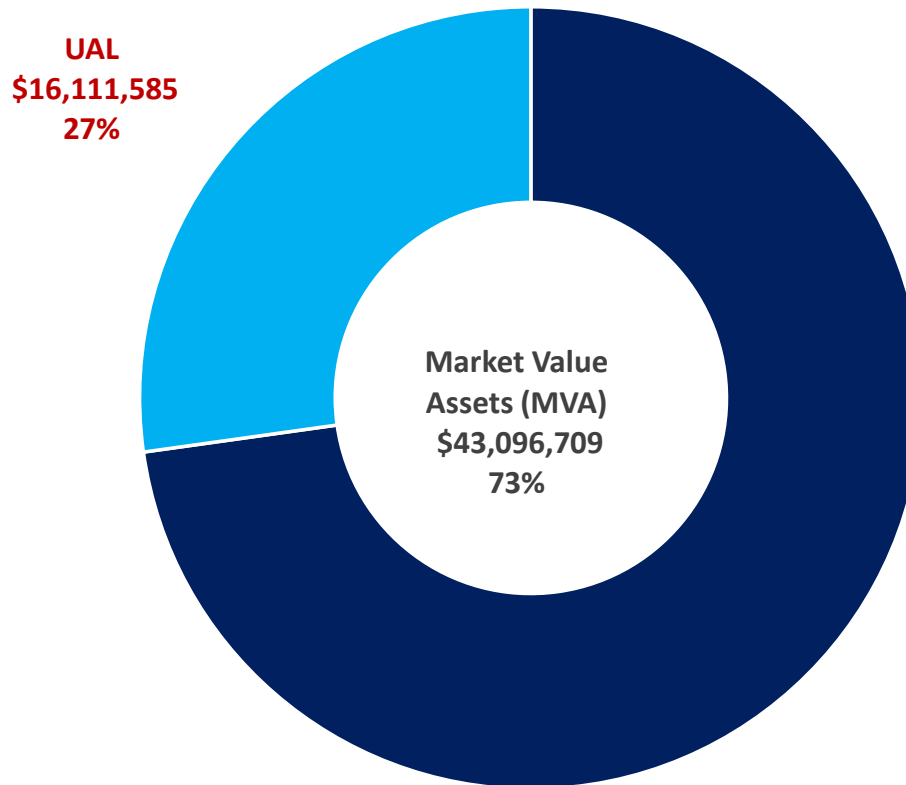
Attachment: Presentation



Pension Funding Solutions

April 20, 2022

Unfunded Accrued Liability (UAL)



Unfunded Actuarial Liability (UAL) June 30, 2020

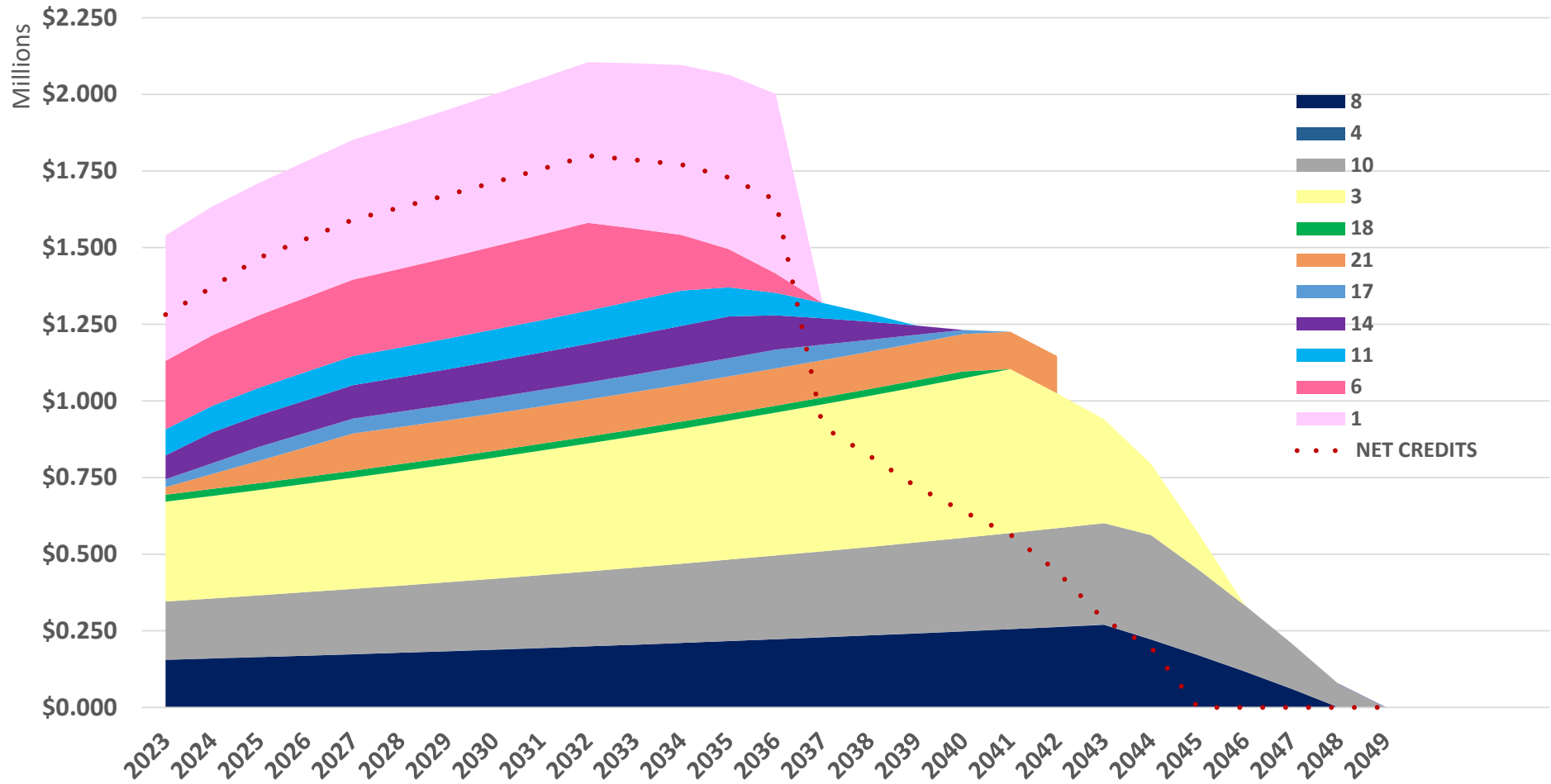
	<u>Classic</u>	<u>PEPRA</u>	<u>COMBINED</u>
Accrued Liability (AL)	\$ 57,897,331	\$1,310,963	\$59,208,294
Market Value Assets (MVA)	41,912,549	1,184,160	43,096,709
UAL = AL - MVA	\$ 15,984,782	\$ 126,803	\$16,111,585
	72.4%	90.3%	72.8%

Amortization Bases – June 30, 2022

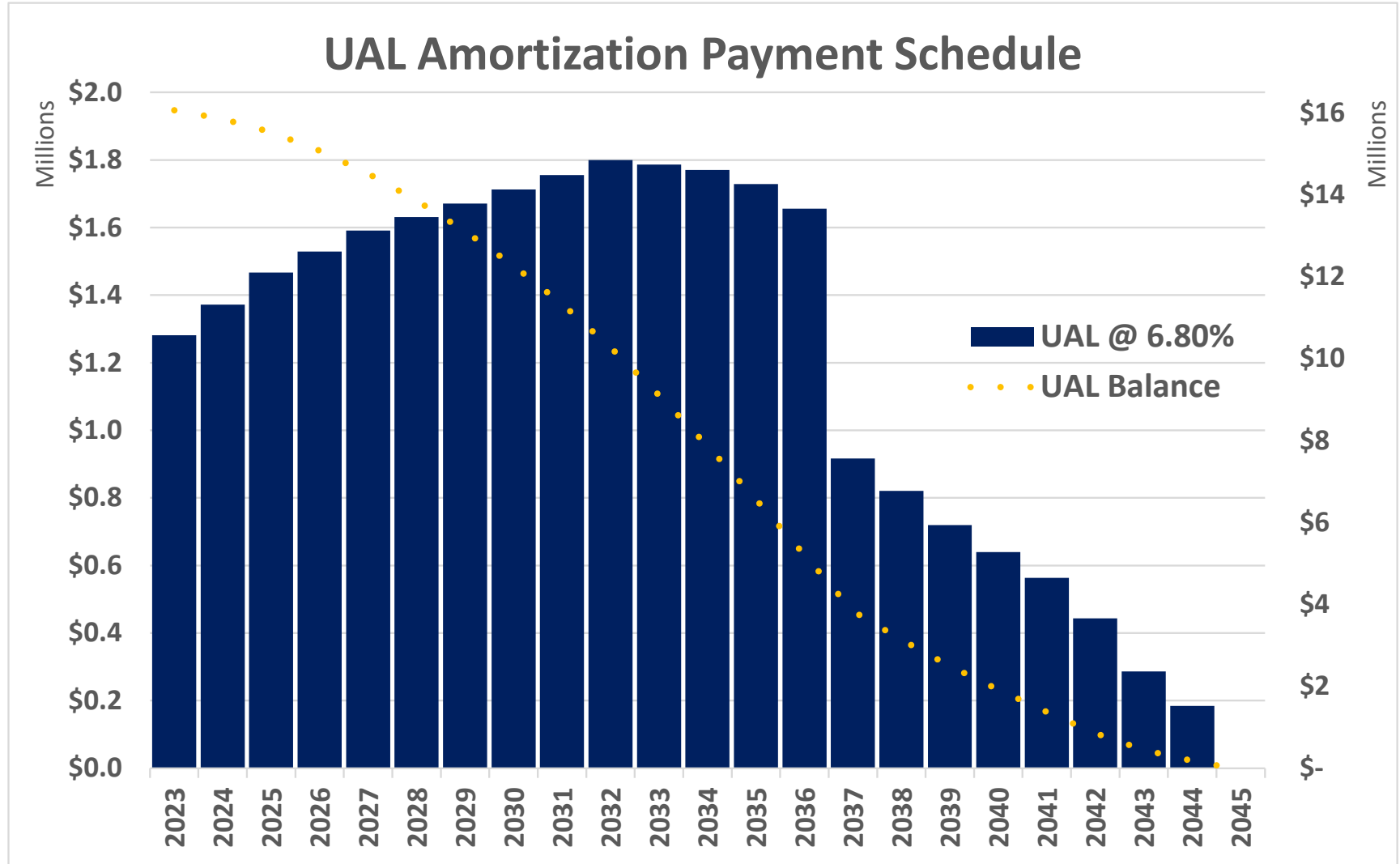
Olivenhain MWD Amortization Bases						
	Year	Reason	Ramp	Term	Balance	Payment
1	2013	Share of Pre-2013 Pool UAL	NO	14	\$ 4,380,841	\$ 415,674
2	2013	Non-Investment (Gain)/Loss	100%	23	(42,787)	(3,071)
3	2013	Investment (Gain)/Loss	100%	23	4,638,937	332,998
4	2014	Non-Investment (Gain)/Loss	100%	24	4,106	286
5	2014	Investment (Gain)/Loss	100%	24	(3,651,164)	(254,539)
6	2014	Assumption Change	100%	14	2,121,278	226,891
7	2015	Non-Investment (Gain)/Loss	100%	25	(195,458)	(13,259)
8	2015	Investment (Gain)/Loss	100%	25	2,346,336	159,168
9	2016	Non-Investment (Gain)/Loss	100%	26	(381,406)	(25,221)
10	2016	Investment (Gain)/Loss	100%	26	2,957,171	195,549
11	2016	Assumption Change	100%	16	908,166	86,357
12	2017	Non-Investment (Gain)/Loss	80%	27	(83,563)	(4,371)
13	2017	Investment (Gain)/Loss	80%	27	(1,596,041)	(83,479)
14	2017	Assumption Change	80%	17	1,080,976	79,541
15	2018	Investment (Gain)/Loss	60%	28	(493,486)	(19,393)
16	2018	Assumption Change	60%	18	1,769,351	96,332
17	2018	Method Change	60%	18	483,887	26,345
18	2019	Non-Investment (Gain)/Loss	No	19	238,283	22,288
19	2019	Investment (Gain)/Loss	40%	19	237,870	9,931
20	2020	Non-Investment (Gain)/Loss	No	20	207,390	18,925
21	2020	Investment (Gain)/Loss	20%	20	1,133,817	24,790
June 30, 2022					\$ 16,064,504	\$ 1,291,742
PEPRA					136,515	
					\$ 16,201,019	

Layer Cake

UAL PAYMENT SCHEDULE "LAYER CAKE"



UAL Payments (FY 2022-23)



FY21 Base

FY21 New Bases

**Current
UAL
\$16.2
Million**

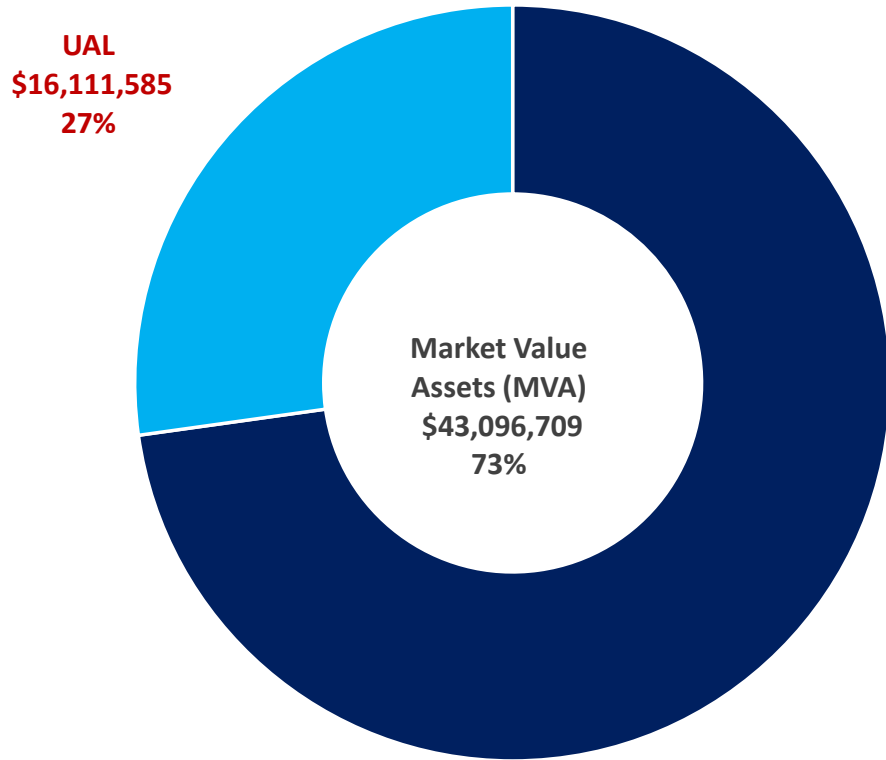
**FY 21 Return
= 21.2%
(\$6.5)
Million**

**Net
Credit
\$5.3
Million**

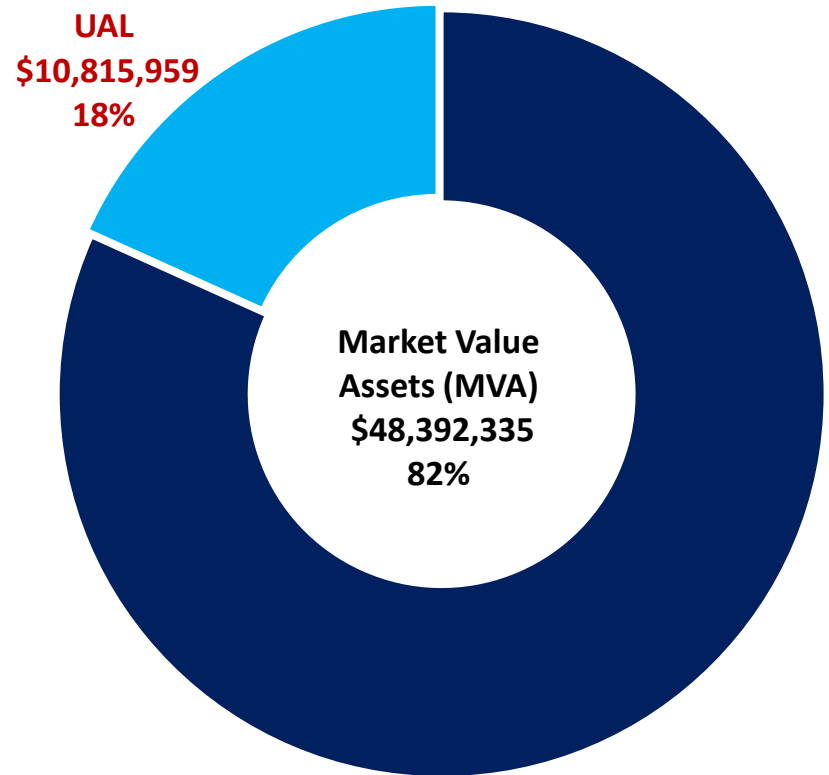
**Discount
Rate 6.80% +
Price Inflator
2.30%
\$1.2 Million**

**June 2022
Estimated
UAL
\$10.9
Million**

UAL After Projected FY21 Credit

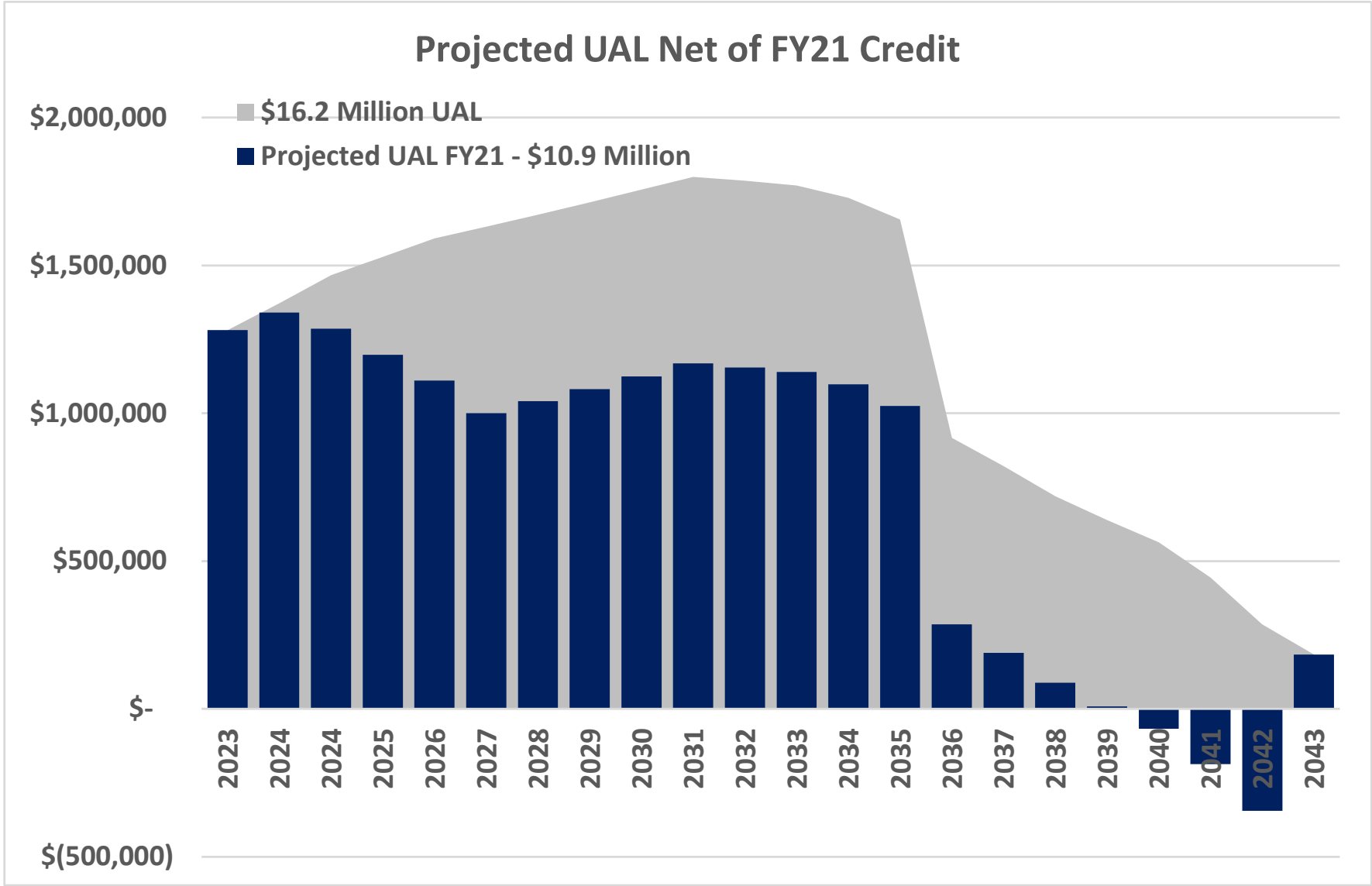


UAL – June 30, 2020



**Projected UAL
After FY21 Net Credit**

UAL After FY21 New Bases



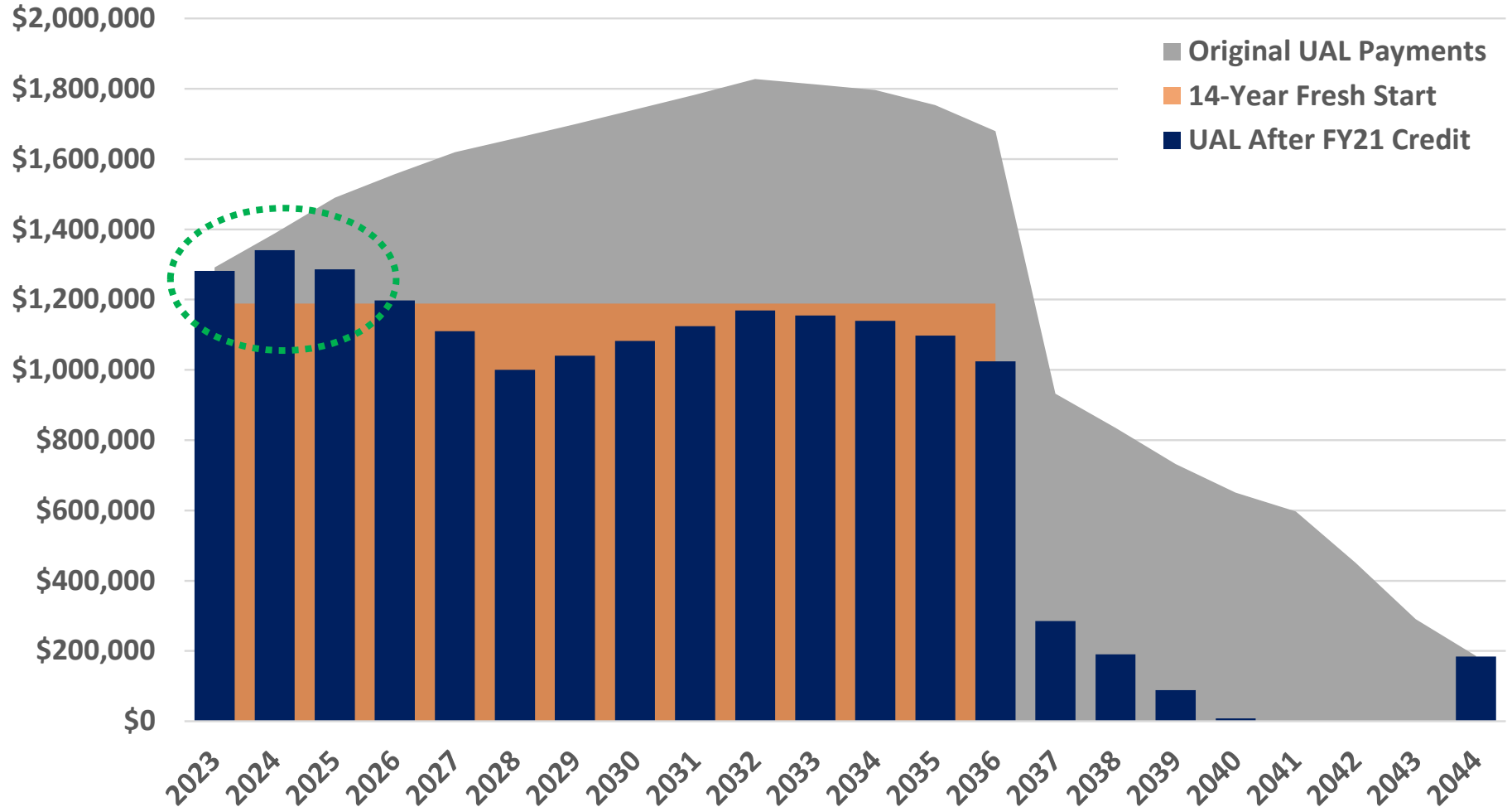
Projected UAL Payments After Credit

		Original UAL Payments	Adjusted UAL Payments	FY21 Return 21.20%	Discount Rate + Price Inflator	Net Impact	Projected UAL FY21
1	2023	\$ 1,281,225	\$ 1,281,225	\$ -	\$ -	\$ -	\$ 1,281,225
2	2024	1,371,840	1,371,840	(150,040)	119,208	(30,832)	1,341,008
3	2024	1,467,190	1,467,190	(300,079)	119,208	(180,872)	1,286,318
4	2025	1,528,786	1,528,786	(450,119)	119,208	(330,912)	1,197,875
5	2026	1,591,427	1,591,427	(600,159)	119,208	(480,951)	1,110,475
6	2027	1,630,814	1,630,814	(750,199)	119,208	(630,991)	999,823
7	2028	1,671,305	1,671,305	(750,199)	119,208	(630,991)	1,040,314
8	2029	1,712,929	1,712,929	(750,199)	119,208	(630,991)	1,081,938
9	2030	1,755,719	1,755,719	(750,199)	119,208	(630,991)	1,124,728
10	2031	1,799,706	1,799,706	(750,199)	119,208	(630,991)	1,168,715
11	2032	1,785,999	1,785,999	(750,199)	119,208	(630,991)	1,155,008
12	2033	1,770,258	1,770,258	(750,199)	119,208	(630,991)	1,139,267
13	2034	1,728,723	1,728,723	(750,199)	119,208	(630,991)	1,097,732
14	2035	1,655,653	1,655,653	(750,199)	119,208	(630,991)	1,024,662
15	2036	916,523	916,523	(750,199)	119,208	(630,991)	285,532
16	2037	821,070	821,070	(750,199)	119,208	(630,991)	190,079
17	2038	719,697	719,697	(750,199)	119,208	(630,991)	88,706
18	2039	639,309	639,309	(750,199)	119,208	(630,991)	8,318
19	2040	563,558	563,558	(750,199)	119,208	(630,991)	(67,433)
20	2041	443,898	443,898	(750,199)	119,208	(630,991)	(187,093)
21	2042	286,393	286,393	(750,199)	119,208	(630,991)	(344,598)
22	2043	184,173	184,173	-	-	-	184,173
23	2044	-	-	-	-	-	-
		\$ 27,326,194	\$ 27,326,194	\$ (13,503,574)	\$ 2,384,152	\$ (11,119,423)	\$ 16,206,772
		\$ 16,201,019	\$ 16,169,902	\$ (6,535,875)	\$ 1,240,248	\$ (5,295,626)	\$ 10,874,276
						Normal Cost	\$ 39,314

Fresh Start

Fresh Start - Level Annual Payments

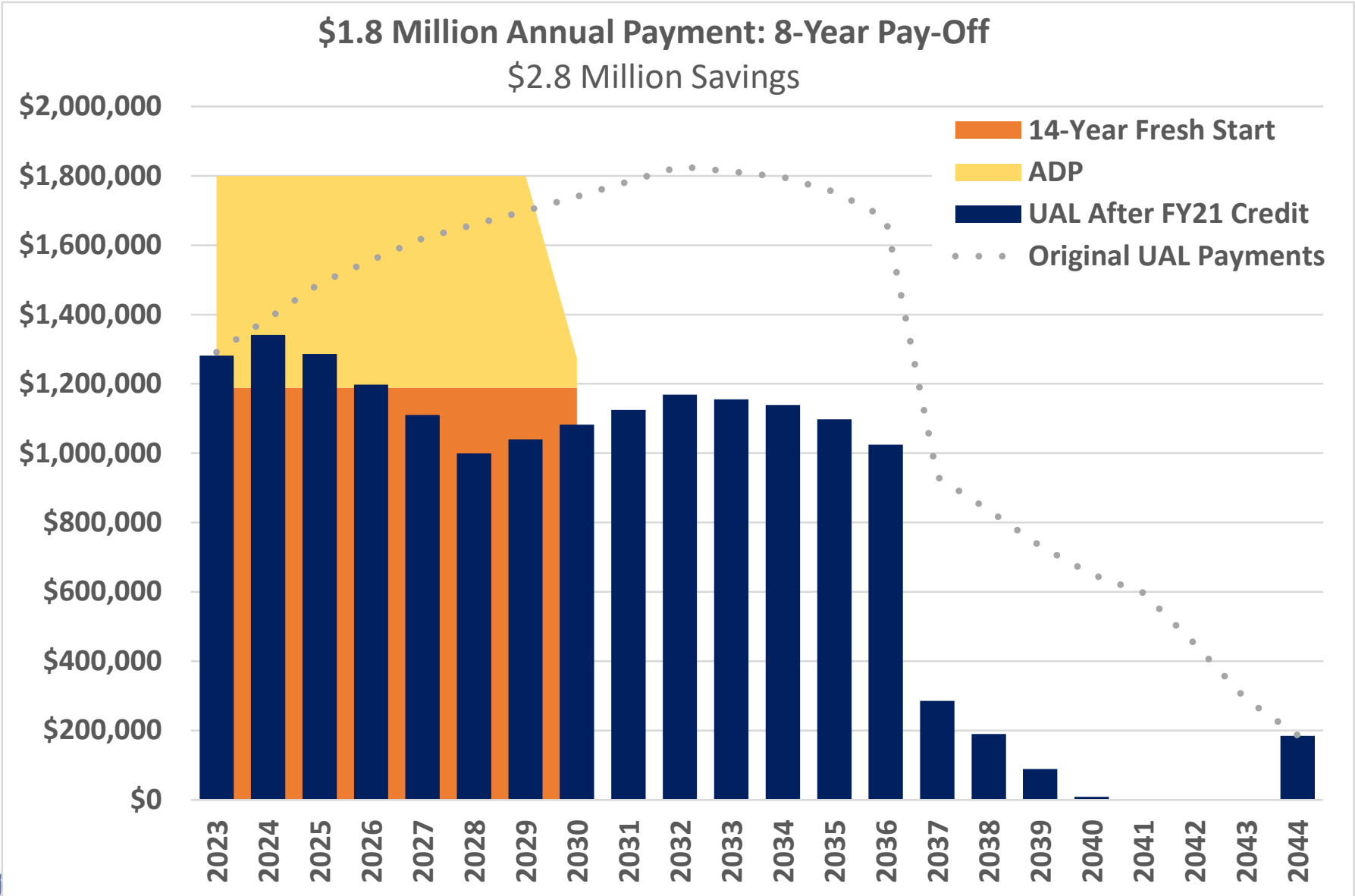
14-Year FRESH START



Questions

**\$1.8 Million Annual Payments
8-Year Pay-Off**

\$1.8 Million Combined Annual Payments



Savings - \$1.8 Million Annual Payments

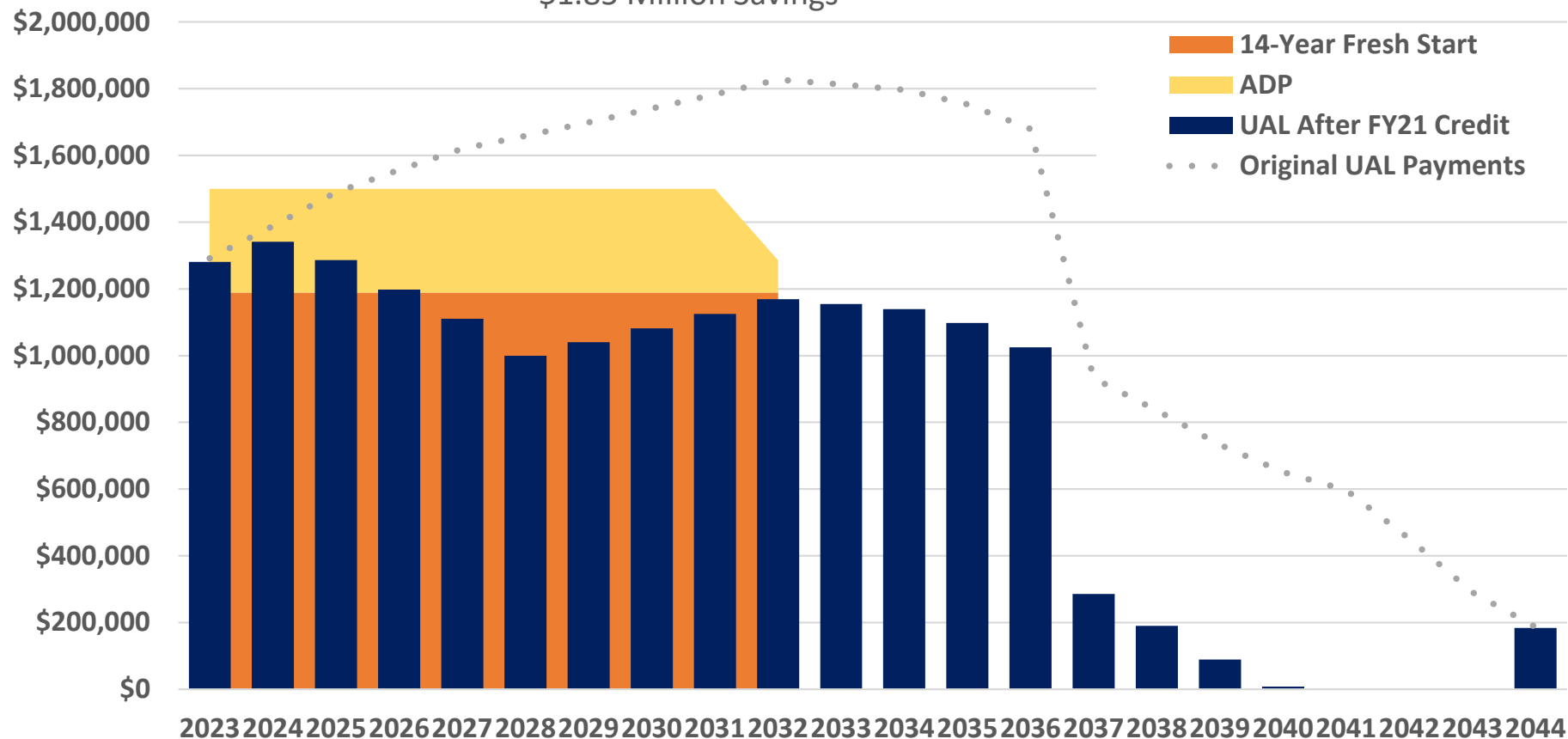
		14-Year Fresh Start	14-Year Fresh Start	ADP	Combined Payments	UAL Savings
1	2023	1,188,793	\$ 1,188,793	\$ 611,207	\$ 1,800,000	\$ (611,207)
2	2024	1,188,793	1,188,793	611,207	1,800,000	(611,207)
3	2025	1,188,793	1,188,793	611,207	1,800,000	(611,207)
4	2026	1,188,793	1,188,793	611,207	1,800,000	(611,207)
5	2027	1,188,793	1,188,793	611,207	1,800,000	(611,207)
6	2028	1,188,793	1,188,793	611,207	1,800,000	(611,207)
7	2029	1,188,793	1,188,793	611,207	1,800,000	(611,207)
8	2030	1,188,793	1,188,793	86,913	1,275,706	(86,913)
9	2031	1,188,793			-	1,188,793
10	2032	1,188,793			-	1,188,793
11	2033	1,188,793			-	1,188,793
12	2034	1,188,793			-	1,188,793
13	2035	1,188,793			-	1,188,793
14	2036	1,188,793			-	1,188,793
15	2037	-			-	-
16	2038	-			-	-
17	2039	-			-	-
18	2040	-			-	-
19	2041	-			-	-
20	2042	-			-	-
21	2043	-			-	-
22	2044	-			-	-
23	2045	-			-	-
24	2046	-			-	-
25	2047	-			-	-
		\$ 16,643,096	\$ 9,510,341	\$ 4,365,365	\$ 13,875,706	\$ 2,767,390

**\$1.5 Million Annual Payments
10-Year Pay-Off**

\$1.5 Million Combined Payments

\$1.5 Million Annual Payment: 10-Year Pay-Off

\$1.85 Million Savings



Savings - \$1.5 Million Annual Payments

		14-Year Fresh Start	14-Year Fresh Start	ADP	Combined Payments	UAL Savings
1	2023	\$ 1,188,793	\$ 1,188,793	\$ 311,207	\$ 1,500,000	\$ (311,207)
2	2024	1,188,793	1,188,793	311,207	1,500,000	(311,207)
3	2025	1,188,793	1,188,793	311,207	1,500,000	(311,207)
4	2026	1,188,793	1,188,793	311,207	1,500,000	(311,207)
5	2027	1,188,793	1,188,793	311,207	1,500,000	(311,207)
6	2028	1,188,793	1,188,793	311,207	1,500,000	(311,207)
7	2029	1,188,793	1,188,793	311,207	1,500,000	(311,207)
8	2030	1,188,793	1,188,793	311,207	1,500,000	(311,207)
9	2031	1,188,793	1,188,793	311,207	1,500,000	(311,207)
10	2032	1,188,793	1,188,793	96,770	1,285,563	(96,770)
11	2033	1,188,793			-	1,188,793
12	2034	1,188,793			-	1,188,793
13	2035	1,188,793			-	1,188,793
14	2036	1,188,793			-	1,188,793
15	2037	-			-	-
16	2038	-			-	-
17	2039	-			-	-
18	2040	-			-	-
19	2041	-			-	-
20	2042	-			-	-
21	2043	-			-	-
22	2044	-			-	-
23	2045	-			-	-
24	2046	-			-	-
25	2047	-			-	-
		\$ 16,643,096	\$ 11,887,926	\$ 2,897,637	\$ 14,785,563	\$ 1,857,533

\$300K to 115 Trust @ 6.0%

6.00%		115 Trust	
		Balance	Payment
1	2023	-	300,000
2	2024	318,000	300,000
3	2025	655,080	300,000
4	2026	1,012,385	300,000
5	2027	1,391,128	300,000
6	2028	1,792,596	300,000
7	2029	2,218,151	300,000
8	2030	2,669,240	300,000
9	2031	3,147,395	300,000
10	2032	3,654,238	300,000
			\$ 3,000,000

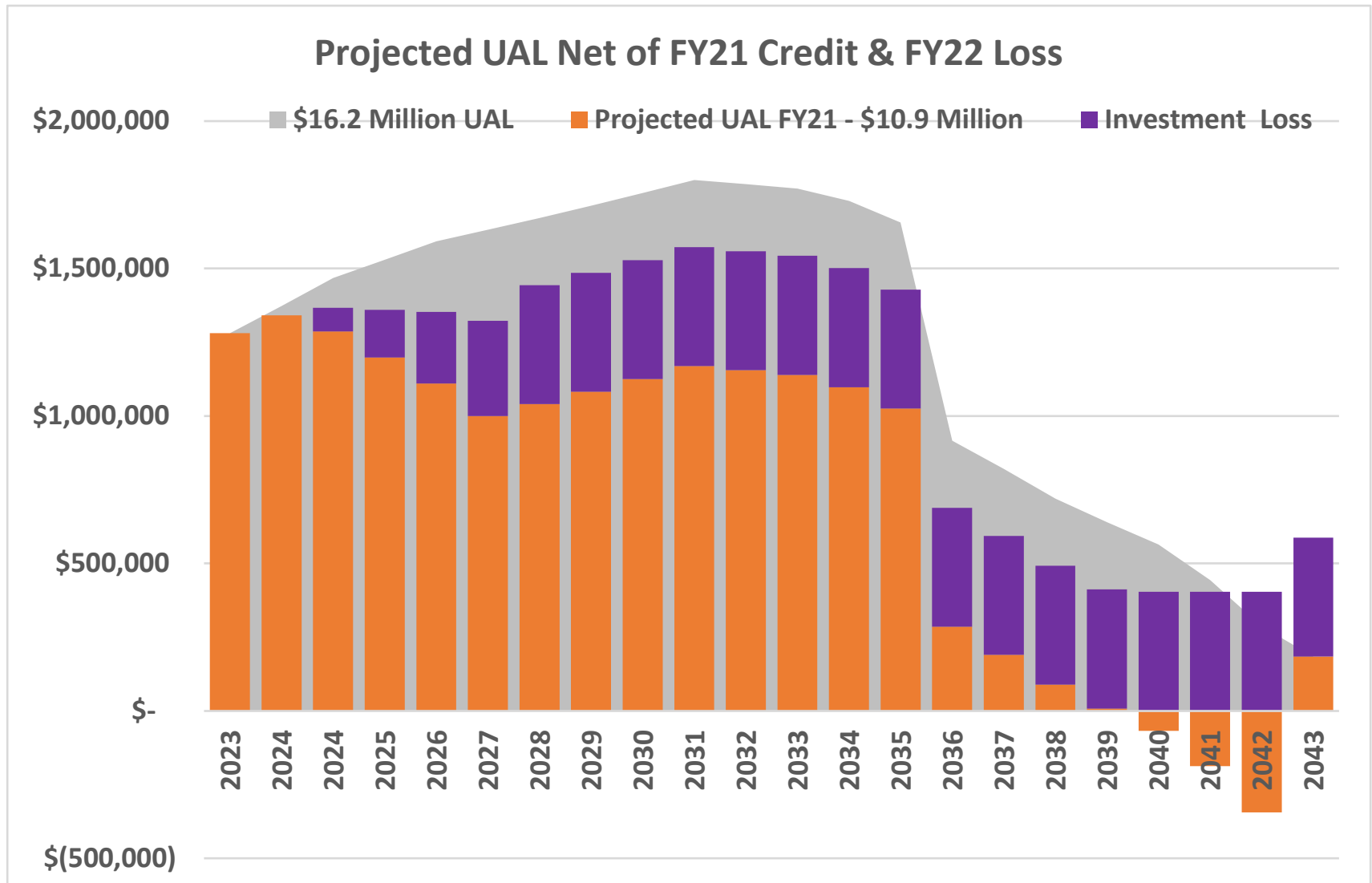
Projected Impact of 0.0% Return

Projected 0.0% Return (June 30, 2022)

Projected Impact of 0% Return		
Market Value Assets (MVA)	\$	48,392,335
0.0%		48,392,335
6.8%		51,683,014
New Base Value	\$	3,290,679

	Current UAL \$16.2 Million	Investment Loss	FY21 Net credit	FY22 Adj UAL
2023	\$ 1,281,225		\$ -	\$ 1,281,225
2024	1,371,840		(30,832)	1,341,008
1 2025	1,467,190	80,679	(180,872)	1,366,997
2 2026	1,528,786	161,358	(330,912)	1,359,232
3 2027	1,591,427	242,036	(480,951)	1,352,512
4 2028	1,630,814	322,715	(630,991)	1,322,538
5 2029	1,671,305	403,394	(630,991)	1,443,708
6 2030	1,712,929	403,394	(630,991)	1,485,332
7 2031	1,755,719	403,394	(630,991)	1,528,121
8 2032	1,799,706	403,394	(630,991)	1,572,109
9 2033	1,785,999	403,394	(630,991)	1,558,402
10 2034	1,770,258	403,394	(630,991)	1,542,661
11 2035	1,728,723	403,394	(630,991)	1,501,126
12 2036	1,655,653	403,394	(630,991)	1,428,056
13 2037	916,523	403,394	(630,991)	688,926
14 2038	821,070	403,394	(630,991)	593,472
15 2039	719,697	403,394	(630,991)	492,100
16 2040	639,309	403,394	(630,991)	411,712
17 2041	563,558	403,394	(630,991)	335,961
18 2042	443,898	403,394	(630,991)	216,301
19 2043	286,393	403,394	(630,991)	58,796
20 2044	184,173	403,394	-	587,567
	\$ 27,326,194	\$ 7,261,089	\$ (11,119,423)	\$ 23,467,861
UAL	\$ 16,169,902	\$ 3,290,679	\$ (5,295,626)	\$ 14,164,954

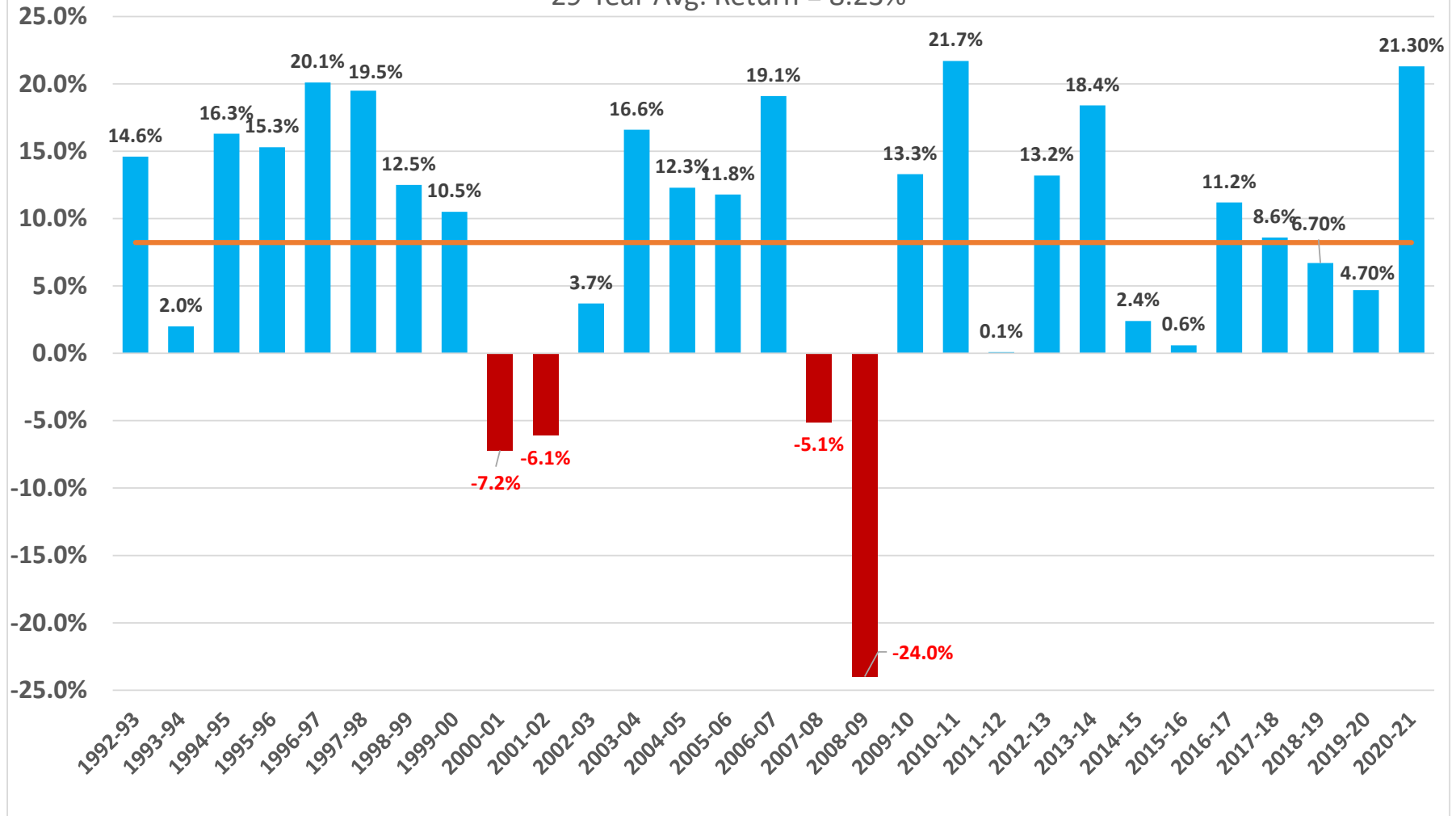
Projected 0.0% Return (June 30, 2022)



CalPERS Investment Returns

CalPERS Annual Investment Performance

29-Year Avg. Return = 8.23%



Regulatory Disclosure

Disclosure of Conflicts of Interest and Legal or Disciplinary Events. Pursuant to Municipal Securities Rulemaking Board (“MSRB”) Rule G-42, on Duties of Non-Solicitor Municipal Advisors, Municipal Advisors are required to make certain written disclosures to clients and potential clients which include, amongst other things, Conflicts of Interest and any Legal or Disciplinary events of Urban Futures, Inc. (“UFI”) and its associated persons.

Conflicts of Interest. Compensation. UFI represents that in connection with the issuance of municipal securities, UFI may receive compensation from an Issuer or Obligated Person for services rendered, which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. Consistent with the requirements of MSRB Rule G-42, UFI hereby discloses that such contingent and/or transactional compensation may present a potential conflict of interest regarding UFI’s ability to provide unbiased advice to enter into such transaction. This conflict of interest will not impair UFI’s ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer. It should be noted that other forms of compensation (i.e. hourly or fixed fee based) may also present a potential conflict of interest regarding UFI’s ability to provide advice regarding a municipal security transaction. These other potential conflicts of interest will not impair UFI’s ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer.

Other Municipal Advisor Relationships. UFI serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of another UFI client. These other clients may, from time to time and depending on the specific circumstances, have competing interests. In acting in the interests of its various clients, UFI could potentially face a conflict of interest arising from these competing client interests. UFI fulfills its regulatory duty and mitigates such conflicts through dealing honestly and with the utmost good faith with its clients. If UFI becomes aware of any additional potential or actual conflict of interest after this disclosure, UFI will disclose the detailed information in writing to the issuer or obligated person in a timely manner.

Legal or Disciplinary Events. UFI does not have any legal events or disciplinary history on UFI’s Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. The Issuer may electronically access UFI’s most recent Form MA and each most recent Form MA-I filed with the Commission at the following website: www.sec.gov/edgar/searchedgar/companysearch.html.

There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC. If any material legal or regulatory action is brought against UFI, UFI will provide complete disclosure to the Issuer in detail allowing the Issuer to evaluate UFI, its management and personnel.

Staff's Recommendation:

Pension Funding Target and Goal

- Funding Target: Shall not be below 85%, based on the most current CalPERS' Annual Valuation Report
- Funding Goal: 100%

Three-Year Average Pension Funded Ratio

1	90% or above	Strong
2	80%-90%	Good
3	60%-80%	Relatively low
4	60% or below	Weak

Source: S&P US State Ratings Report, October 17, 2016- Pension Liabilities

Staff's Recommendation:

Pension Funding Strategies

- \$1.5 Million Combined Payments of 14-Year Fresh Start and Annual Discretionary Payment of \$311,000 over the next 10 years
- OMWD's LRFP includes a required annual UAL and \$500,000 in Annual Discretionary Payment until 2025
- Create a Pension Stabilization Fund
 - Will be used to offset pension costs (normal costs or offset future increases in UAL)
 - Case-by-case basis with approval from by the Board
- Annual review of pension funding with the Board
 - After release of the Annual Valuation Report by CalPERS (August)
 - After the financial audit is completed to transfer excess funds from reserves to Pension Stabilization Fund (budget savings/surplus)

Next Step

- Staff will bring DRAFT of the District's Pension Funding Policy to the Finance Committee and the Board at a future meeting (May/June)

Memo

Date: April 20, 2022
To: Olivenhain Municipal Water District Board of Directors
From: Rainy Selamat, Finance Manager
Via: Kimberly Thorner, General Manager
Subject: **CONSIDER AND DISCUSS STAFF'S PROPOSED OLIVENHAIN MUNICIPAL WATER DISTRICT'S (DISTRICT) OPERATING AND CAPITAL BUDGET FOR FISCAL YEARS 2023 AND 2024 AND RECEIVE INPUT AND DIRECTION FROM THE BOARD**

Purpose

The purpose of this agenda item is to review Staff's proposed Biennial Operating and Capital Budget for fiscal years 2023 and 2024 (Budget) and receive input from the Board to finalize the Budget in preparation for the General Manager's Recommended Biennial Operating and Capital Budget book based on the progress made to the District's Budget process to date.

This draft Budget was reviewed with the Finance Committee (Director Guerin and Director Watt) at its April 12th special meeting.

Recommendation

The Finance Committee recommended that the Staff's proposed Budget be brought forward to the Board for consideration and action. Staff will continue updating the Budget for a final review with the Board at the May meeting and formal adoption of the Budget at the June meeting.

Alternative

The Board may instruct Staff to do otherwise. The District's Budget can't be finalized until purchased water costs have been released by the District's water wholesalers. Purchased water costs is a significant cost driver for the District's Operating Budget. Purchased water costs account for about 54% of the District's Operating Budget for each fiscal year.

Background

The District implemented a biennial budget process in 2020. A biennial budget is a multi-year budget that authorizes the District's appropriations (planned spending) based on anticipated revenues for two budgetary years (fiscal year 2023: July 1, 2022 to June 30, 2023 and fiscal year 2024: July 1, 2023 through June 30, 2024.) The District's Budget is approved and formally adopted by the Board every two years.

At mid-term of a two-year budget cycle (in June of each year), the Budget will be reviewed and reported to the Board. Proposed budget adjustments to the second fiscal year of the Budget will be subject to approval by the Finance Committee and the Board at mid-term budget adjustment process.

The draft Budget includes a series of goals and objectives. The District's annual goals and objectives were used as a tool to meet Board's priorities and the District's strategic goals, including its commitment to repair and maintain its aging infrastructure and maintenance of water and sewer capital facilities to serve water and sewer customers.

The draft Budget also includes other external factors that drive budget increases from year to year, such as annual inflationary adjustment in labor and benefit costs and increases in outside services, chemical, fuel, and power to sustain the District's water and sewer operations in order to serve its rate payers.

Fiscal Impact

Capital Budget

Staff is proposing a \$39.3 million capital spending for water and sewer capital improvement projects for fiscal years 2023 and 2024. Included in the \$39.3 million proposed capital expenditures are:

- about \$9 million for carry forward capital projects from fiscal years and 2021 and 2022 due to timing of capital expenditures and construction delays;
- approximately \$26.6 million in capital projects included in the original ten-year capital spending plan adjusted for revised cost estimates to complete these projects; and
- approximately \$3.7 million increase in capital spending for proposed new projects in fiscal years 2023 and 2024.

Operating Budget

The proposed draft operating budget for fiscal year 2023 includes an increase of \$3.8 million or 6.04% (net of capitalized labor) compared to Board approved budget for fiscal year 2022. The proposed fiscal year 2024 operating budget includes a 3.95% increase from fiscal year 2023 proposed draft operating budget.

As of the writing of this memo, future purchased water costs (2023 and after) have not been released by San Diego County Water Authority. Purchased water costs will be updated annually at mid-term budget process (June 2024.)

The District's Budget for fiscal years 2023 and 2024 also includes annual loan and debt service payments of \$6.4 million paid by water and sewer revenues and Pay-As-You-Go (PAYGO) annual fund transfer of \$10.2 million and \$9.4 million in fiscal years 2023 and 2024, respectively, to pay for planned water and sewer capital expenditures included in District ten-year capital spending plan. Additionally, the water operating fund will receive a fund transfer in of approximately \$600 thousand annually from the rate stabilization fund for the Rate Reimbursement Credit.

Discussion

Staff will be available for discussion with the Board. The final draft of fiscal years 2023 and 2024 Budget will be presented to the Board. Any material changes (more than \$75,000) to the draft Budget will be itemized and reviewed with the Finance Committee and the Board for review and consideration prior to formal adoption by the Board at the June meeting.

Draft Budget for Fiscal Years 2023 & 2024 Operating and Capital Budget

Board Meeting
April 20, 2022

Process

- 💧 Received input from each department manager on their departmental needs for the development of FY 2023 budget
- 💧 Developed budget key assumptions for FY 2023
- 💧 Conducted two budget workshops with managers and GM
- 💧 Used historical and current data for revenue projections
- 💧 Updated Rate Models and Financial Plan
 - 💧 Reviewed PAYGO and 10 Year Planned Capital Spending
- 💧 Reviewed projected reserve fund balances
 - 💧 Compliance with Board's Reserve Policies (target balances)
- 💧 Calculated net revenue to debt service coverage

Budget Assumptions

- 💧 Sales Volume - water: use average of CY '20 and CY '21 for FY '23 & FY'24 - decrease of 150 AF from fiscal year 2022 budgeted.
- 💧 Sales Volume – sewer: based on actual water consumption in fiscal year 2022
- 💧 Water Revenue:
 - 💧 Pass-through purchased water wholesale cost increases in fiscal years 2023 and 2024 – current estimate based on rates included SDCWA's long range plan.
 - 💧 Pass-through SDCWA-IAC increases in fiscal years 2023 and 2024
 - 💧 Pass-through inflation based on SDCPI - 6.35% increase based on **2nd half index in 2021 over 2nd half index in 2020 (used for rate adjustments)**
- 💧 Sewer Revenue:
 - 💧 3% rate increase effective July 1, 2022 and July 1, 2023 per Board approved rate plan
- 💧 Fixed Revenues - water: based on active water accounts, add 50 new meter installs in FY 2023 and 2024 for growth
- 💧 Fixed Revenues – sewer: based on FY 2022 actual EDU's
- 💧 Selling of Excess Treated Water to Vallecitos: FY '23 reduced to minimum purchase per agreement due to VWD tank maintenance, FY '24 based on average FY '20 & FY '21 actual deliveries

Budget Assumptions – cont.

- 💧 Rental Income: \$760k
 - 💧 Use 3% escalation factor per lease agreements over FY '22
- 💧 Property Tax Revenue: estimated at \$4.1 million
- 💧 Investment Income: estimated at 0.5% for FY 2023 and 1.0% thereafter
- 💧 Capacity Fee Revenues: used Engineering revised FY '23 and FY '24 cap fee projections
- 💧 Anticipated grant funding: \$1.9 million (FY '23) and \$514k (FY '24)
- 💧 Anticipate property sale revenue of approximately \$1 million in FY '23
- 💧 Annual Debt Service and loan payment: \$6.4 million based on debt service schedules 2015A, 2016A, SRF Loan, 2021A Loan, and 2021B Loan

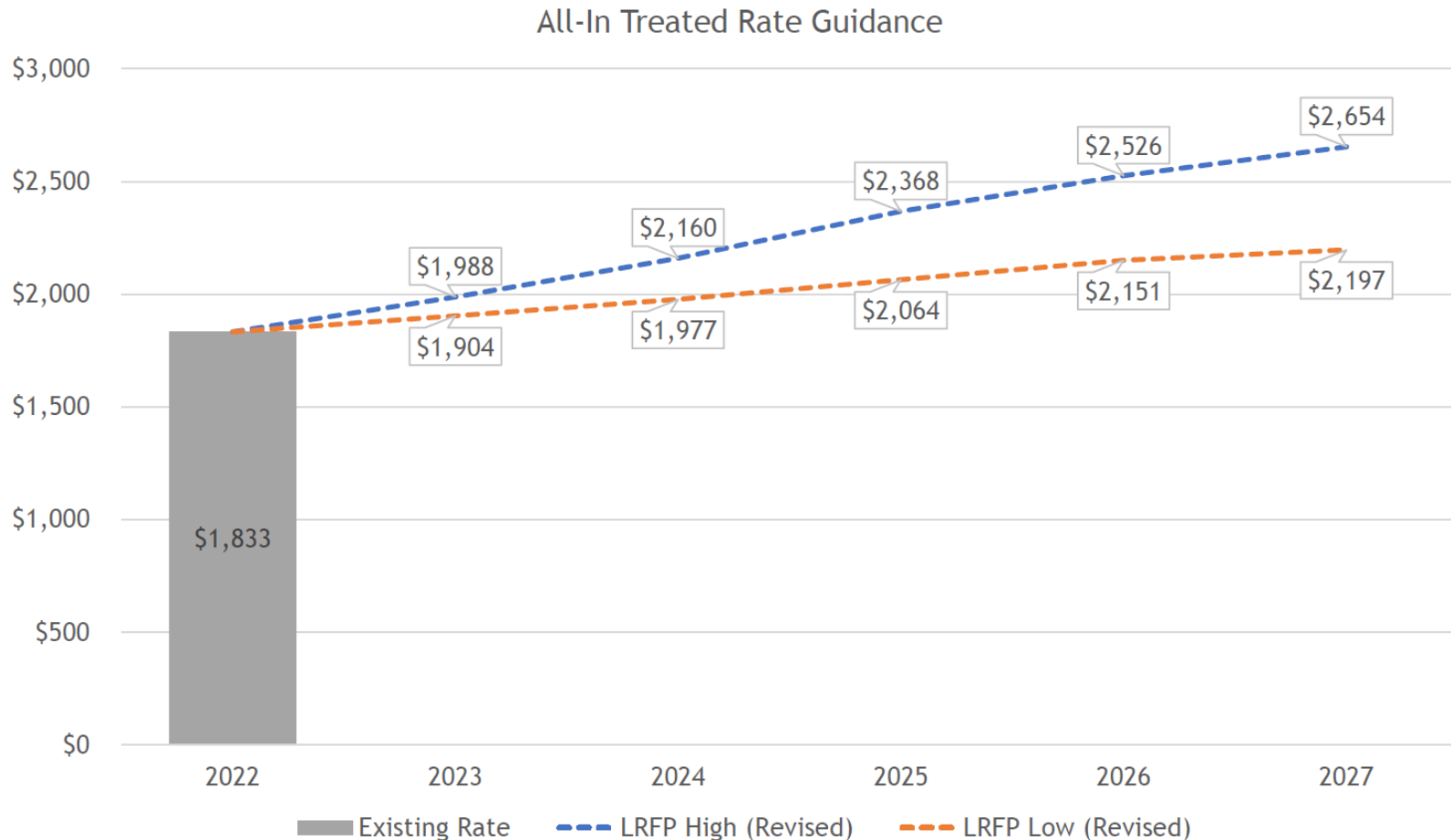
Factors Impacting FYs 2023 & 2024 Operating Budget

- 💧 Purchased Water Costs from SDCWA
 - 💧 Pending release of 2023 purchased water costs from SDCWA
- 💧 Inflation Adjustment
 - 💧 General supplies, chemical, power, and fuel
 - 💧 SD CPI increase of 8.22% in **January 2022 over January 2021 (current inflation rate)**
- 💧 New FTEs
 - 💧 FY '23 - add 1 new FTE for WTP Operator II per staffing analysis
 - 💧 FY '24 – add 1 new FTE for WW Plant Operator, unfreeze 2 vacant utility positions in construction that have remained frozen to help offset COVID-19 impacts on costs
- 💧 Salaries & Benefits – Water and Sewer
 - 💧 An anticipated 6% increase in salary and wages for fiscal years '23 and '24 based on SD CPI max of 3.5% (5.21% for 2021) plus 2.5% merit pool per MOU
 - 💧 Assume a 4% increase in health insurance premium costs in 2023 and 2024
 - 💧 Use SDRMA's estimated workers comp premium using current ex-mode rate of 74% for fiscal year '23
 - 💧 CalPERS Pension Costs: normal cost and required annual unfunded liability payment
- 💧 Meet Board's priorities included in the District's annual goals
 - 💧 Customer conservation and outreach programs, customer survey, and internal business process overview
- 💧 Additional Discretionary Payment of \$500k each year for 2023 and 2024

Uncertainties

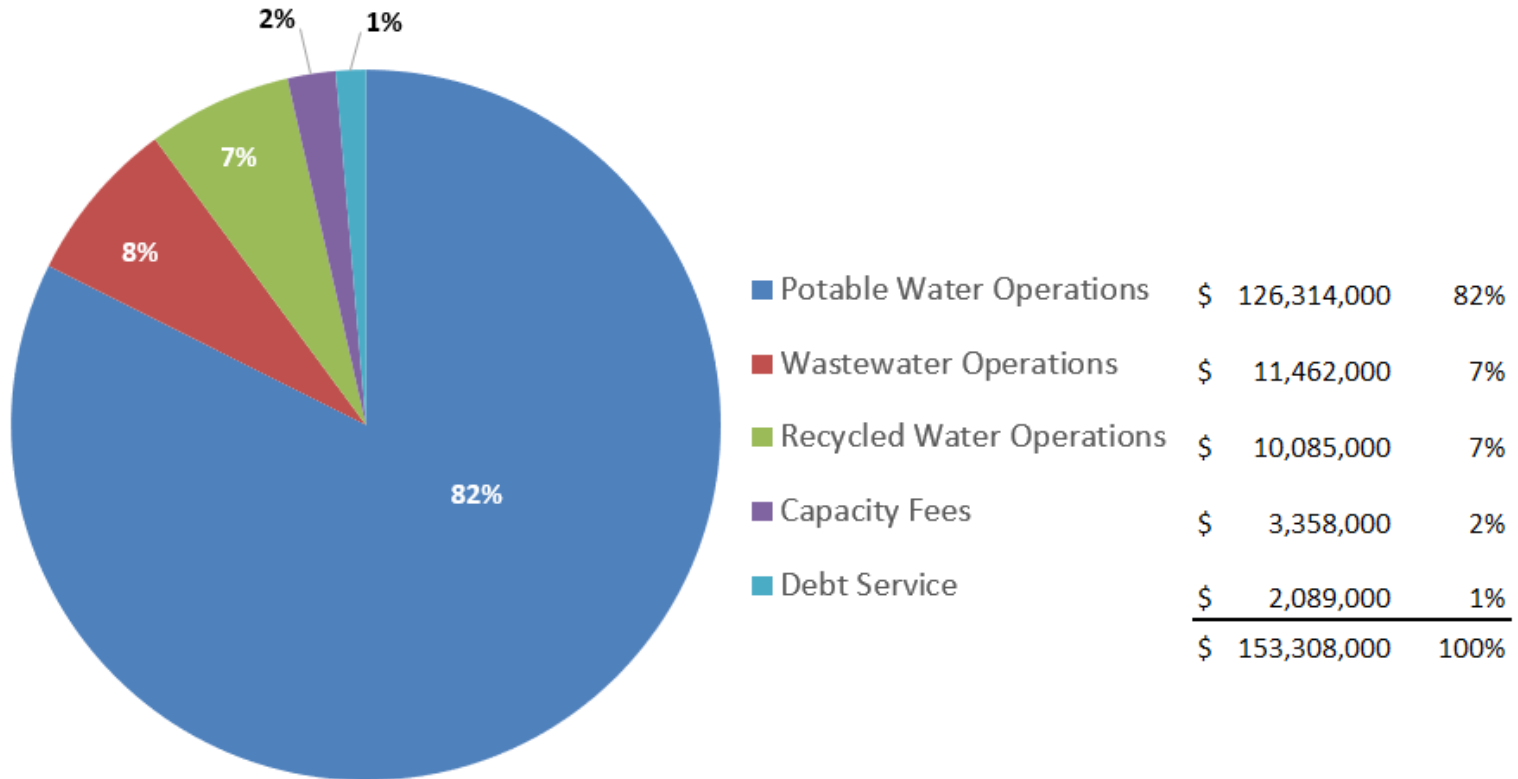
- 💧 Future pass-through wholesale purchased water costs from MWD and SDCWA
- 💧 Demand variability
 - 💧 Temperature
 - 💧 Governor's Executive Order N-7-22-Drought
- 💧 Economic conditions
 - 💧 Inflationary pressures and expectations on supply costs

Estimate of Purchased Water Costs from SDCWA



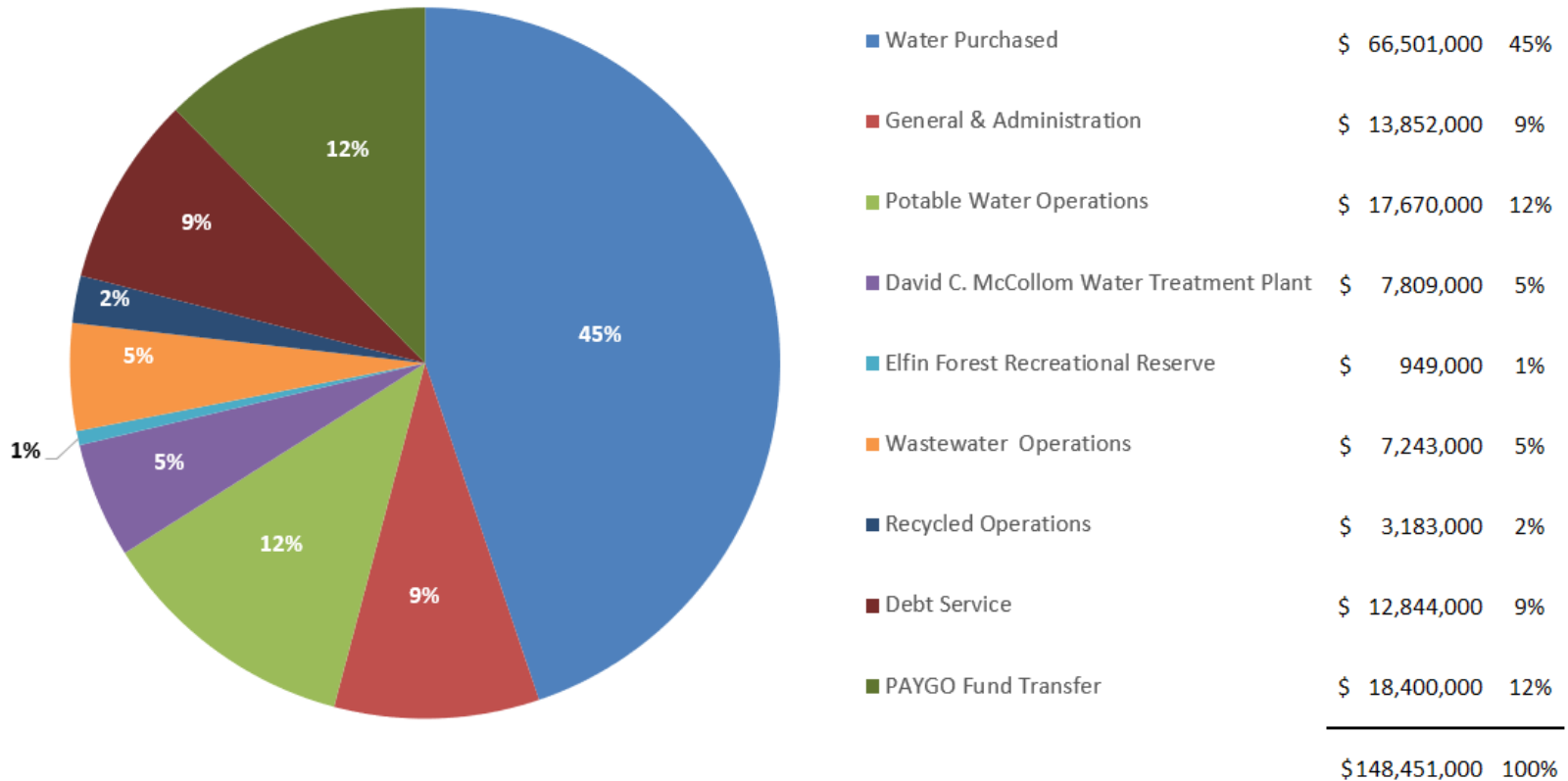
FYE 2023 & 2024 Sources of Funds

FYE 2023 & 2024 Revenues (\$153.3 million)*



FYE 2023 & 2024 Uses of Funds

FYE 2023 & 2024 Expenditures (\$148.5 million)*



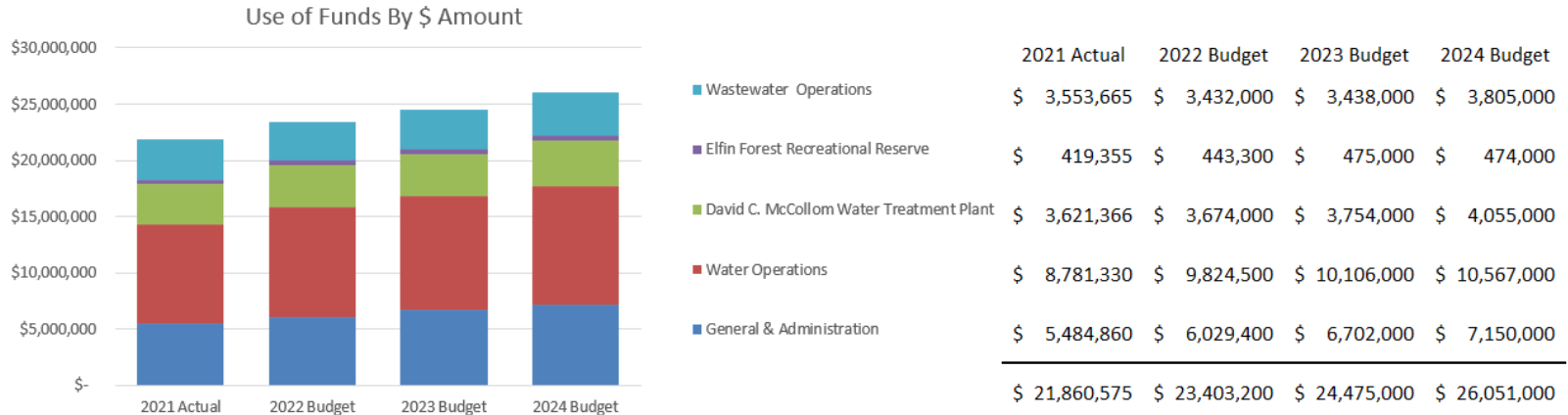
Departmental Operating Costs

	FYE 2021 Actual	FYE 2022 Adopted	% Diff	FYE 2023 Proposed ¹	% Diff	FYE 2024 Proposed ²	% Diff
Salaries & Benefits	\$ 14,388,254	\$ 14,938,000	3.8%	\$ 15,657,000	4.8%	\$ 16,817,000	7.4%
Operations	\$ 9,002,542	\$ 9,784,200	8.7%	\$ 10,448,000	6.8%	\$ 10,784,000	3.2%
Capitalized Operating Expenditures ³	\$ (1,530,221)	\$ (1,319,000)	-13.8%	\$ (1,630,000)	23.6%	\$ (1,550,000)	-4.9%
Total	\$ 21,860,575	\$ 23,403,200	7.1%	\$ 24,475,000	4.6%	\$ 26,051,000	6.4%

¹ Includes addition of (1) FTE for WTP Operator II

² Includes addition of (1) New FTE for WW Operator and unfreezing (2) vacant utility positions

³ Includes District overhead costs for Elfin Forest Recreational Reserve



FYE 2023 & 2024

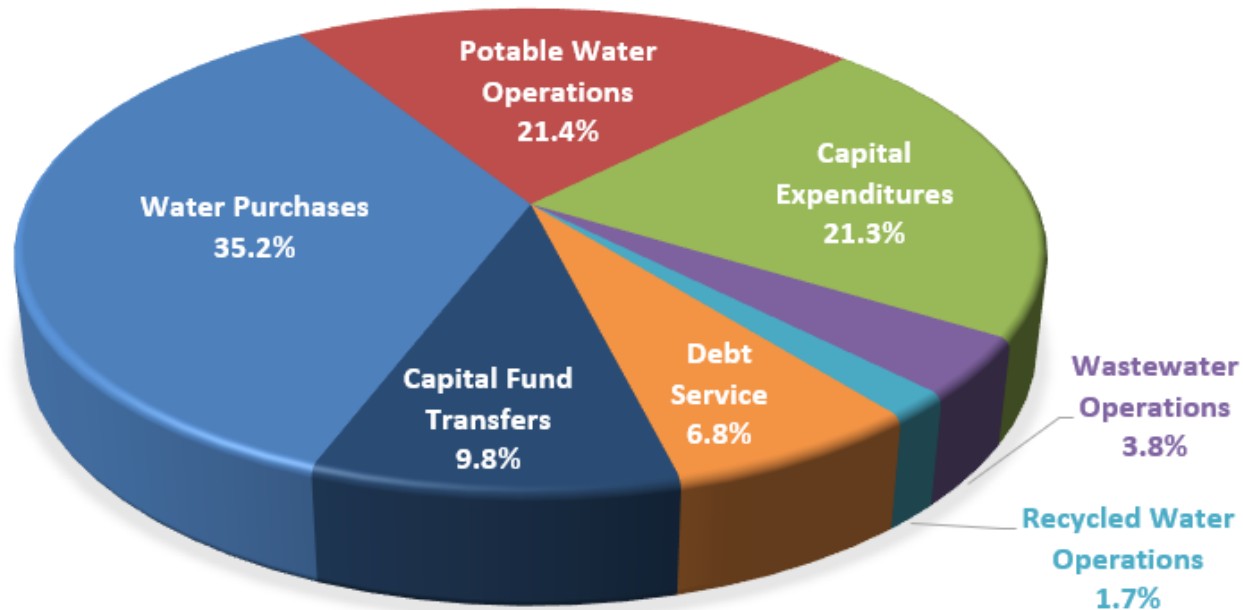
Operating Budget Summary – All Funds

Description	FYE 2021 Actual	FYE 2022 Approved*	FYE 2023 Proposed	% Change From FYE '22 Approved*	FYE 2024 Proposed	% Change From FYE '23 Proposed
<u>Operating Revenues</u>						
Potable Water Operations	55,528,789	54,802,000	56,688,000	3.44%	59,952,000	5.76%
Wastewater Operations	5,127,136	5,435,000	5,598,000	3.00%	5,766,000	3.00%
Recycled Water Operations	4,819,058	4,580,000	4,844,000	5.76%	5,089,000	5.06%
Total Operating Revenues	65,474,983	64,817,000	67,130,000	3.57%	70,807,000	5.48%
<u>Non-operating Revenues</u>						
Fund Potable Water - Property Tax	4,027,357	3,800,000	4,100,000	7.89%	4,100,000	0.00%
Water - Investment and Other **	5,581,795	1,909,000	1,173,000	-38.55%	301,000	-74.34%
Debt Service	1,175,805	1,049,000	1,044,000	-0.48%	1,045,000	0.10%
Wastewater - Investment and Other **	(4,634)	39,000	32,000	-17.95%	66,000	106.25%
Recycled - Investment and Other	4,555	60,000	52,000	-13.33%	100,000	92.31%
Capital Contributions from Others***	3,656,811	2,400,000	2,255,000	-6.04%	1,103,000	-51.09%
Total Revenues	79,916,672	74,074,000	75,786,000	2.31%	77,522,000	2.29%
<u>Operating Expenses</u>						
Purchased Potable Water Cost	29,145,311	29,312,000	30,959,000	5.62%	32,733,000	5.73%
Purchased Recycled Water Cost, net of credit	1,456,672	1,354,000	1,368,000	1.03%	1,441,000	5.34%
Potable Water Operations	19,220,585	20,422,400	21,635,000	5.94%	22,839,000	5.57%
Wastewater Operations	2,989,361	2,817,000	2,972,000	5.50%	3,207,000	7.91%
Elfin Forest Recreational Reserve (Park) Operations	419,355	443,300	475,000	7.15%	474,000	-0.21%
Recycled Water Operations	1,194,205	1,239,500	1,286,000	3.75%	1,344,000	4.51%
Less: Capitalized Operating Expenditures	(1,733,991)	(1,519,000)	(1,843,000)	21.33%	(1,763,000)	-4.34%
Transfer To (From) Other Fund Balances	11,150,000	8,600,000	9,600,000	11.63%	8,800,000	-8.33%
Total Operating Expenses	63,841,497	62,669,200	66,452,000	6.04%	69,075,000	3.95%
<u>Non-operating Expenses</u>						
Loan and Debt Service Payments	5,776,055	6,344,000	6,424,000	1.26%	6,420,000	-0.06%
Water Other Non-Operating Expense	217,457	40,000	40,000	0.00%	40,000	0.00%
Wastewater Other Non-Operating Expense	780,517	-	-	0.00%	-	0.00%
Total Expenses	70,615,526	69,053,200	72,916,000	5.59%	75,535,000	3.59%
Net Income	9,301,146	5,020,800	2,870,000	-42.84%	1,987,000	-30.77%

FYE 2023 & 2024

Operating and Capital Expenditures

FISCAL YEARS 2023 & 2024
EXPENDITURES BY COST CATEGORY
(\$188.7 MILLION)*



Capital Expenditures and Spending Plan

**FYE 2023 & FYE 2024
Biennial Budget**

FYE '23 and '24 Capital Expenditures Summary

- 💧 Annual Capital Item/Equipment Purchases – less than \$500k annually
- 💧 Proposed Fiscal Years 2023 and 2024 Capital Improvement Projects (CIP) Spending Plan
 - 💧 Use 4% capital inflation starting Fiscal Year 2024
- 💧 CIP planned spending of approx. \$39.3 million projected over two fiscal years (2023 and 2024)
 - 💧 Includes approximately \$9 million in unspent capital from prior budget – primarily from NH1PS and Manchester Recycled
- 💧 Summary of FYs 23 and 24 significant projects:
 - 💧 Neighborhood 1 Sewer Pump Station: Wastewater Capital Fund
 - 💧 Manchester Recycled Pipeline Extension: Recycled Capital Fund and Grants
 - 💧 Calle Barcelona, VP, & Summerhill HOA Extension: Recycled Capital Fund and Grants
 - 💧 Replace Pipelines: Potable Capital Fund
 - 💧 RSF Unit A North PL Replacement: Potable Capital Fund
 - 💧 Replace Valves: Potable Capital Fund
 - 💧 San Dieguito Groundwater Desalination: Cap Fees and Grants

Equipment Purchases FYE 2023

Asset Class	Qty.	Item Description	Budget Amount	Source of Funds *		
				Potable Water	Wastewater	Recycled Water
Automotive Equipment Project # D139830 - Potable Water Project # D739830 - Wastewater Project # D839830 - Recycled Water	1	New Vehicle for Ops Const Crew Valve Turning Truck / Ford 3500XD V-8 Engine	75,000	64,000	4,000	7,000
	1	New Vehicle for Ops Const Crew Valve Turning Truck / Ford 3500XD V-8 Engine	75,000	64,000	4,000	7,000
	1	New Vehicle for Ops Supervisor / Ford F-150 V-6	39,000	33,000	2,000	4,000
	1	New Vehicle for Cross Connection Specialist / Ford F-150 V-6	39,000	33,000	2,000	4,000
	1	New Vehicle for Ops Supervisor / Ford Explorer V-6	40,000	34,000	2,000	4,000
Subtotal Automotive Equipment			\$ 268,000	\$ 228,000	\$ 14,000	\$ 26,000
Furniture and Fixtures Project # D139850 - Potable Water Project # D739850 - Wastewater Project # D809850 - Recycled Water	1	Office Workstations	35,000	35,000	-	-
Subtotal Furniture and Fixtures			\$ 35,000	\$ 35,000	\$ -	\$ -
Computer Hardware/Software Project # D139860 - Potable Water Project # D739860 - Wastewater Project # D839860 - Recycled Water	1	Help Desk System (Multi-Fund)	15,000	8,000	6,000	1,000
	62	Laptop Replacements (Potable)	124,000	124,000	-	-
	10	Desktop Replacements (Potable)	15,000	15,000	-	-
	4	Mac Replacements (Potable)	8,000	8,000	-	-
	2	Server Replacements (Recycled)	12,000	-	-	12,000
	1	Server Replacement (Wastewater)	6,000	-	6,000	-
Subtotal Computer Hardware/Software			\$ 180,000	\$ 155,000	\$ 12,000	\$ 13,000
				Potable Water	Wastewater	Recycled Water
TOTAL			\$ 483,000	\$ 418,000	\$ 26,000	\$ 39,000

* Capital item funding sources are allocated based on percentage of use of each asset.

Equipment Purchases FYE 2024

Asset Class	Qty.	Item Description	Budget Amount	Source of Funds *		
				Potable Water	Wastewater	Recycled Water
Automotive Equipment Project # D139830 - Potable Water Project # D739830 - Wastewater Project # D839830- Recycled Water	1	New Vehicle for Ops Construction Dump Truck / Ford F-650 Reg Dump Truck	105,000	89,000	5,000	11,000
	1	New Vehicle for Ops Construction Dump Truck / Ford F-650 Reg Dump Truck	105,000	89,000	5,000	11,000
	1	New Vehicle for Field Service Truck / Ford F-150 S/C V-6	39,000	33,000	2,000	4,000
				-	-	-
				-	-	-
Subtotal Automotive Equipment			\$ 249,000	\$ 211,000	\$ 12,000	\$ 26,000
Furniture and Fixtures Project # D139850 - Potable Water Project # D739850 - Wastewater Project # D809850 - Recycled Water	1	Office Workstations	35,000	35,000	-	-
Subtotal Furniture and Fixtures			\$ 35,000	\$ 35,000	\$ -	\$ -
Computer Hardware/Software Project # D139860- Potable Water Project # D739860 - Wastewater Project # D839860 - Recycled Water	4	Server Replacements (Potable)	50,000	50,000	-	-
	5	Laptop Replacements (Potable)	10,000	10,000	-	-
	1	Desktop Replacement (Potable)	1,500	1,500	-	-
	1	Server Replacement (Recycled)	12,000	-	12,000	-
	1	Server Replacement (Wastewater)	12,000	-	-	12,000
	1	Laptop Replacement (Wastewater)	2,000	-	-	2,000
Subtotal Computer Hardware/Software			\$ 87,500	\$ 61,500	\$ 12,000	\$ 14,000
				Potable Water	Wastewater	Recycled Water
TOTAL			\$ 371,500	\$ 307,500	\$ 24,000	\$ 40,000

* Capital item funding sources are allocated based on percentage of use of each asset.

Fiscal Years 2023 & 2024 CIP Spending Plan

Potable, Recycled, and Wastewater

Major Projects	Cumulative Appropriation
Rehab Neighborhood 1 Pump Station	\$ 7,292,000.00
San Dieguito Groundwater Desalination	\$ 6,231,000.00
Manchester Recycled Pipeline Ext.	\$ 5,225,000.00
Calle Barcelona, VP, & Summerhill HOA Exten	\$ 2,645,000.00
Replace Pipelines	\$ 2,420,000.00
Replace Valves	\$ 2,191,000.00
RSF Unit A North PL Replacement	\$ 2,177,000.00
Advanced Metering Infrastructure (AMI)	\$ 1,532,000.00
Replace DCM WTP Membranes	\$ 1,474,000.00
4th Stage Centrifuge Addition	\$ 996,000.00
Village Park PRS Replacement	\$ 960,000.00
Gardendale PRS Replacement	\$ 960,000.00

*Cumulative Appropriation=approved appropriation since project inception + fiscal years 2023 & 2024 proposed appropriation, except for ongoing projects (AMI, valve replacement, and membrane replacement).
Ongoing projects= appropriation is reset each fiscal year after assets are placed in service.*

Fiscal Years 2023 & 2024 Appropriation Summary

Project Type	# Projects		Revised FY 2023 & 2024 Appropriations	Original FY 2023 & 2024 Appropriations	\$ Increase	
Recurring	13	\$	10,184,000	\$ 8,936,000	\$ 1,248,000	⁽¹⁾
Multi-Year	25	\$	19,729,000	\$ 14,604,000	\$ 5,125,000	⁽²⁾
New Projects	15	\$	3,708,000	\$ -	\$ 3,708,000	
Delayed	5	\$	5,675,000	\$ -	\$ 5,675,000	⁽³⁾
	58	\$	39,296,000	\$ 23,540,000	\$ 15,756,000	

⁽¹⁾ Increase primarily due to addition of VP and Gardendale PRS Replacement projects

⁽²⁾ Includes \$3.8 million in unspent appropriations from prior budget rolled forward plus increase in cost estimates primarily from the NH1PS project.

⁽³⁾ Includes \$4.9 million in unspent appropriations from prior budget period primarily from Manchester Recycled Pipeline Ext.

Capital Improvement Projects Spending Plan

Water (Potable & Recycled) (1 of 2)

	Project Description	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
(1)	San Dieguito Groundwater Desalination	781,000	1,669,000	2,813,000	11,345,000	22,448,000	-	-	-	-	-
(1)	Advanced Metering Infrastructure (AMI)	853,000	679,000	884,000	-	-	-	-	-	-	-
	District-Wide PLC Replacements (PW/RCW)	198,000	90,000	386,000	386,000	-	-	-	-	-	-
(1)	District Wide Scada Upgrades	256,000	-	-	-	-	-	-	-	-	-
(1)	Network User Enhancements	60,000	-	-	-	-	-	-	-	-	-
(1)	District Wide Physical Security Improvements	50,000	30,000	30,000	30,000	30,000	-	-	-	-	-
(1)	OMWD Parking and Access Improvements	150,000	-	-	-	-	243,000	-	-	-	-
(1)	SWPPP Facility Improvements	100,000	-	-	-	-	-	-	-	-	-
(1)	PW and RCW Master Plan Update	325,000	220,000	-	-	-	-	-	-	-	-
(1)	RSF Unit A North PL Repl	1,238,000	844,000	-	-	-	-	-	-	-	-
	Gaty II Safety Improvements	67,000	523,000	-	-	-	-	-	-	-	-
	Unit B & K Rehab	-	327,000	1,533,000	-	-	-	-	-	-	-
	Dusty Trail PL Replacement	-	-	698,000	-	-	-	-	-	-	-
	Encinitas Blvd PL Inspection and Repair	145,000	537,000	-	-	-	-	-	-	-	-
	Encinitas Blvd PL Replacement	-	-	-	-	-	500,000	2,282,000	7,617,000	-	-
	RSF Rd PL Inspection	-	-	164,000	524,000	-	-	-	-	-	-
	RSF Rd PL Replacement	-	-	-	-	-	-	-	-	460,000	885,000
(1)	Village Park PRS Replacement	180,000	760,000	-	-	-	-	-	-	-	-
(1)	Gardendale PRS Replacement	180,000	760,000	-	-	-	-	-	-	-	-
	Del Lago PRS Replacement	-	-	120,000	820,000	-	-	-	-	-	-
	SE #1 PRS Replacement	-	-	-	-	130,000	880,000	-	-	-	-
	Quail Gardens	-	-	-	-	-	-	140,000	960,000	-	-
	Via Valle Verde	-	-	-	-	-	-	-	-	150,000	1,030,000
	Palms I and II Reservoirs Replacemt	-	150,000	1,135,000	-	-	-	-	-	-	-
	Rancho La Cima/Aliso Canyon PL Relocation	-	5,000	130,000	-	-	-	-	-	-	-
	Harris Ranch Right-of-Way Acquisition	-	-	182,000	-	-	-	-	-	-	-
	Unit B & K EM CCTV Inspect & Rehab Phase 2	-	-	412,000	1,838,000	-	-	-	-	-	-
	EV Charging Station	-	-	60,000	750,000	1,485,000	-	-	-	-	-
	Pressure Zone 386 Expansion	-	-	-	989,000	-	-	-	-	-	-
	Gano Reservoir Improvements	-	-	-	20,000	159,000	-	-	-	-	-
	Gaty I Reservoir Decommissioning	-	-	-	-	-	398,000	-	-	-	-
	Berk Reservoir Improvements	-	-	-	-	-	-	22,000	179,000	-	-
	Replace Maryloyd Pump Station	-	-	-	-	-	-	-	506,000	-	-
	Replace Lone Jack Pipeline	-	-	-	-	-	-	-	-	1,447,000	-
(1)	Residuals Handling Building Canopy	414,000	-	-	-	-	-	-	-	-	-
(1)	DCMWTP pH Control Systems	586,000	-	-	-	-	-	-	-	-	-
	4th Stage Centrifuge Addition	996,000	-	-	-	-	-	-	-	-	-
	Hydropower Turbine Refurbishment	160,000	-	-	-	-	-	-	-	-	-
	Chlorine Gen Rm Lining Rehab	150,000	-	-	-	-	-	-	-	-	-
	Air Monitoring and HVAC Improvement	50,000	100,000	-	-	-	-	-	-	-	-
	General WTP Inspect & Cond Assessment	400,000	-	-	-	-	-	-	-	-	-
	2nd Stage Membrane Train Overhaul	270,000	280,000	295,000	-	-	-	-	-	-	-

Capital Improvement Projects Spending Plan

Water (Potable & Recycled) (2 of 2)

Project Description	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Membrane Train Control Wiring Replacement	-	-	55,000	-	-	62,000	-	-	70,000	-
Flow Meter Replacements	-	-	-	-	-	-	-	85,000	89,000	92,000
DCMWTP Office Construction	-	-	-	-	-	1,874,000	1,423,000	-	-	-
DCMWTP Analyzer Replacement	-	-	-	-	-	-	451,000	-	-	-
Replace Strainer Isolation Valves	-	-	-	-	-	-	-	101,000	-	-
Replace Chemical Feed Systems	-	-	-	-	-	-	-	108,000	112,000	116,000
Replace Chemical Storage Systems	-	-	-	-	-	-	-	232,000	241,000	251,000
DCMWTP Sewer Manhole Project	-	-	-	-	-	-	-	131,000	-	-
Repl Main DCMWTP Compressors	-	-	-	-	-	-	-	216,000	-	-
Replace Chlorine Generator	-	-	-	-	-	-	-	-	1,442,000	-
DCMWTP Chemical Systems Upgrade	-	-	-	-	-	-	-	-	-	150,000
3rd Stage DAF Addition	-	-	-	-	-	-	-	-	-	758,000
Bridge Crane Rehabilitation and Mods	-	-	-	-	-	-	-	-	-	836,000
Scata Ignition Upgrade	275,000	-	-	-	-	-	-	-	-	-
Recurring Replacement Projects										
Network Security	165,000	115,000	96,000	100,000	104,000	109,000	114,000	119,000	124,000	129,000
Replace Pipelines	1,350,000	1,070,000	544,000	1,279,000	658,000	684,000	712,000	875,000	910,000	946,000
Replace Valves	1,085,000	1,106,000	917,000	907,000	888,000	854,000	821,000	789,000	759,000	730,000
Replace DCM WTP Membranes	725,000	749,000	900,000	936,000	842,000	876,000	911,000	947,000	985,000	1,024,000
Replace PRS Valves	50,000	52,000	54,000	56,000	58,000	60,000	62,000	65,000	68,000	71,000
Pressure Reducing Stations Rehab	-	-	140,000	356,000	152,000	546,000	164,000	887,000	164,000	887,000
Replace Potable Meters	315,000	328,000	336,000	342,000	515,000	575,000	598,000	615,000	637,000	660,000
Steel Mains Protection	281,000	292,000	304,000	316,000	329,000	342,000	356,000	370,000	384,800	400,000
Replace Meter Anodes	146,000	152,000	158,000	164,000	171,000	178,000	185,000	192,000	200,000	208,000
Replace Pumps and Motors	84,000	88,000	91,000	95,000	99,000	103,000	107,000	111,000	115,000	119,000
Rehab Concrete Tanks	45,000	47,000	49,000	51,000	53,000	55,000	57,000	60,000	62,000	425,000
Physical Security Upgrades	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Recycled Projects										
(1) Manchester Recycled Pipeline Ext.	4,465,000	-	-	-	-	-	-	-	-	-
(1) Replace Recycled Meters	21,000	18,000	16,000	16,000	25,000	26,000	27,000	28,000	31,000	33,000
(1) Retrofit Potable Services to Recycled	2,110,000	500,000	-	-	-	-	-	-	-	-
(1) Retrofit Potable Meters to Recycled	60,000	62,000	65,000	67,000	70,000	73,000	76,000	79,000	82,000	85,000
(1) Ext. 153 Flow Meter	205,000	155,000	-	-	-	-	-	-	-	-
Wanket RW Reservoir Rehabilitation	75,000	75,000	-	-	-	-	-	-	-	-
Santa Fe Valley RW Reservoir Improvements	-	-	-	20,000	159,000	-	-	-	-	-
Total	\$ 19,091,000	\$ 11,808,000	\$ 12,592,000	\$ 21,432,000	\$ 28,400,000	\$ 8,463,000	\$ 8,533,000	\$ 15,297,000	\$ 8,557,800	\$ 9,860,000

Source: Capital Projects Budget for Fiscal Year Ended June 30, 2023

(1) These projects are carried over from the prior year and have incurred costs prior to FYE 2023

Capital Improvement Projects Spending Plan

Sewer (Wastewater)

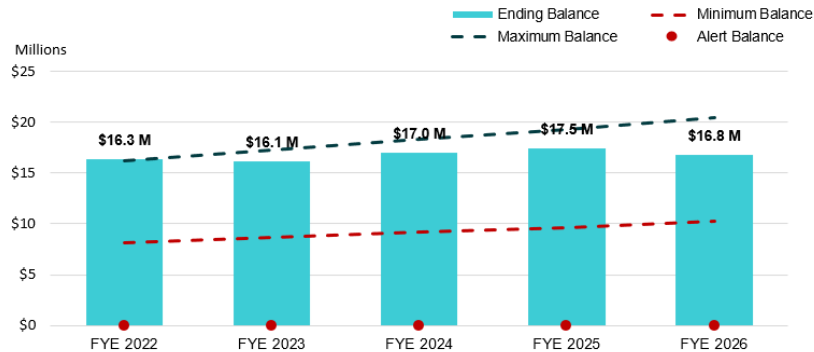
	Project Description	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
(1)	Rehab Neighborhood 1 Pump Station	6,592,000	-	-	-	-	-	-	-	-	-
(1)	Headworks Screening System Improvements	116,000	39,000	2,754,000	-	-	-	-	-	-	-
(1)	Replace Overflow Pond Strainer	25,000	206,000	-	-	-	-	-	-	-	-
	District-Wide PLC Replacements (WW)	38,000	91,000	386,000	386,000	-	-	-	-	-	-
	4S WRF Scada Upgrades	64,000	-	-	-	-	-	-	-	-	-
(1)	Cielo SPS Flow Meters	193,000	-	-	-	120,000	-	-	130,000	-	-
	Wastewater Master Plan	2,000	16,000	-	-	-	-	-	-	-	-
	4S WRF Tertiary Filter Condition Assessment	-	-	61,000	-	-	-	-	74,000	-	-
	EV Charging Station	-	-	15,000	187,000	748,000	-	-	-	-	-
	Replace Digester Blowers	-	-	-	-	75,000	802,000	213,000	-	-	-
	Main Electrical Switchgear Upgrade	-	-	-	-	-	366,000	3,405,000	3,316,000	-	-
	Stormwater Diversion Pipeline	-	-	-	-	-	-	80,000	530,000	-	-
	Emergency Generator Replacement	-	-	-	-	-	-	204,000	1,078,000	-	-
	Upgrade Plant B Oxidation Ditch	-	-	-	-	-	-	-	100,000	713,000	1,220,000
(1)	Site Paving Improvements	-	-	-	-	-	-	-	-	151,000	313,000
(1)	Neighborhood 3 SPS Pumps	-	-	-	-	-	-	-	-	142,000	993,000
	Non-Potable Water Pump Station Rehab	-	-	-	-	-	-	-	-	-	219,000
	Headworks Odor Scrubber Replacement	-	-	-	-	-	-	-	-	-	199,000
(1)	4S Ranch Pipe Replacement	136,000	-	-	153,000	-	-	172,000	-	-	199,000
(1)	4S Ranch System Manhole Lining	17,000	18,000	18,000	19,000	20,000	21,000	21,000	23,000	24,000	25,000
	Collection System SPS Rehab	169,000	-	100,000	-	198,000	-	214,000	-	231,000	-
(1)	Rancho Cielo Pipe Replacement	173,000	-	-	194,000	-	-	218,000	-	-	246,000
(1)	Rancho Cielo System Manhole Lining	48,000	50,000	52,000	54,000	57,000	59,000	61,000	66,000	68,000	71,000
	Biological Process Optimization	-	-	-	-	-	-	-	-	-	-
(1)	Replace Pumps/Motors/Equipment	169,000	175,000	182,000	190,000	197,000	205,000	213,000	222,000	231,000	240,000
Recurring Replacement Projects											
(1)	4S WRF Physical Security Upgrades	30,000	30,000	30,000	30,000	15,000	15,000	15,000	15,000	15,000	15,000
Total		\$ 7,772,000	\$ 625,000	\$ 3,598,000	\$ 1,213,000	\$ 1,430,000	\$ 1,468,000	\$ 4,816,000	\$ 5,554,000	\$ 1,575,000	\$ 3,740,000

Source: Capital Projects Budget for Fiscal Year Ended June 30, 2023

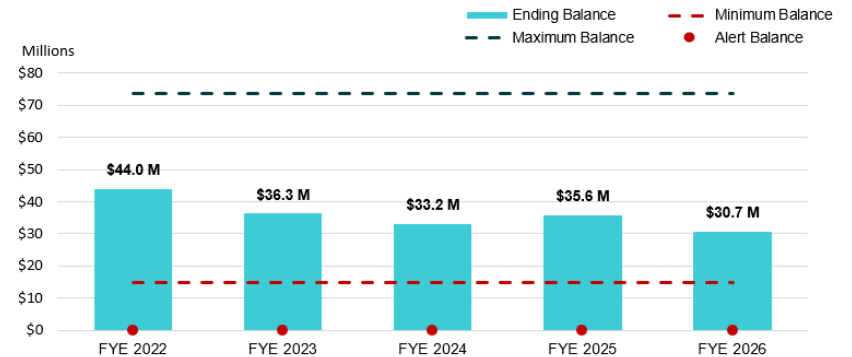
(1) These projects are carried over from the prior year and have incurred costs prior to FYE 2023

Reserve Balance Projections Potable & Recycled

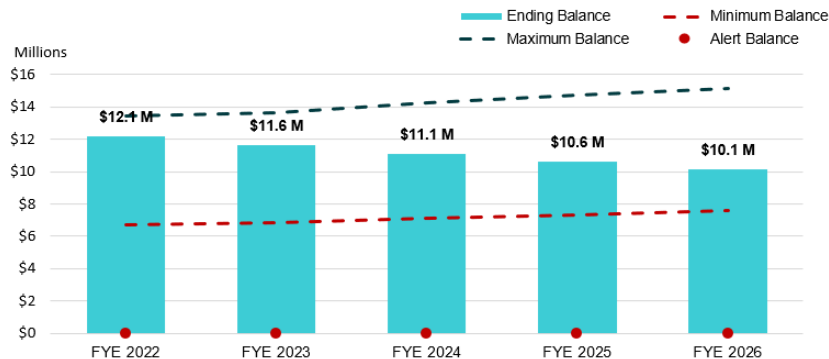
OPERATING FUND BALANCE



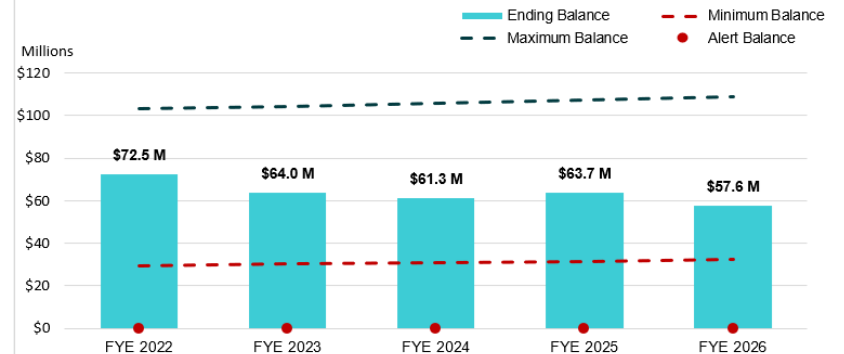
CAPITAL IMPROVEMENT FUND BALANCE



RATE STABILIZATION FUND BALANCE

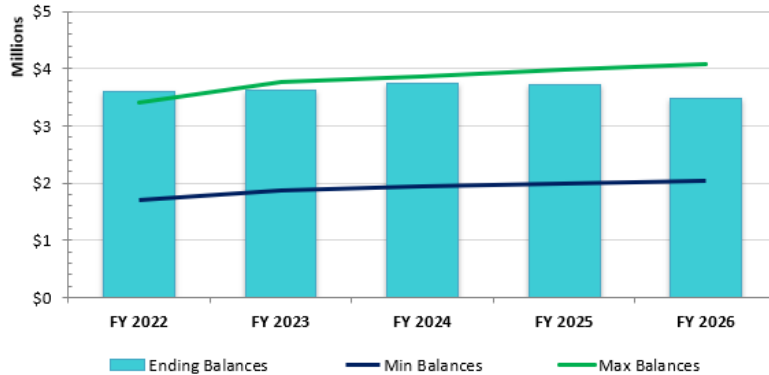


TOTAL FUNDS BALANCE

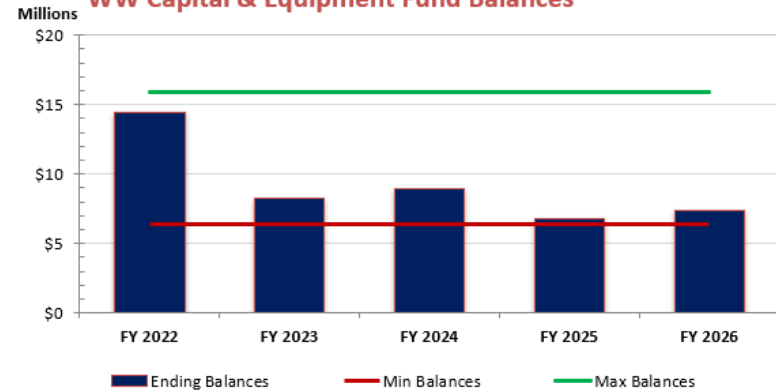


Reserve Balance Projections Wastewater

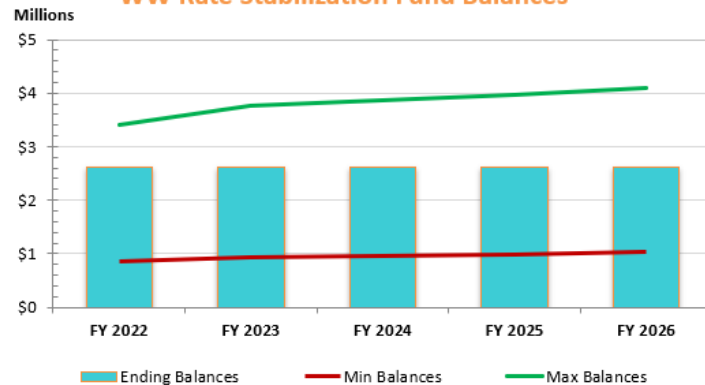
WW Operation Fund Balances



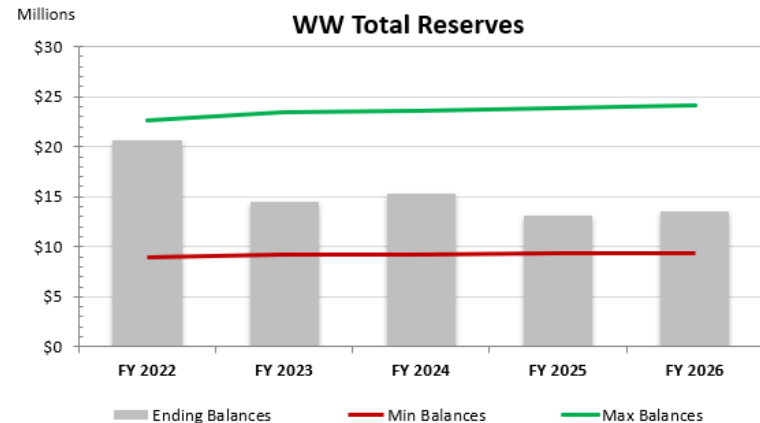
WW Capital & Equipment Fund Balances



WW Rate Stabilization Fund Balances



WW Total Reserves



Staff Requests and Board Actions

- 💧 Staff will continue to revise estimates until the next budget meeting, any significant changes to the draft budget will be presented and discussed with the Board
 - 💧 SDCWA Purchased Water Costs for 2023 and 2024
- 💧 Final draft will be presented to the Committee and the Board in May
- 💧 Adoption of the budget in June
 - 💧 Certain expenditures are subject to change especially SDCWA purchased water wholesale costs for 2023 and 2024.

Memo

Date: April 20, 2022
To: Olivenhain Municipal Water District Board of Directors
From: Geoff Fulks, Operations Manager
Via: Kimberly A. Thorner, General Manager
Subject: **CONSIDER APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH HAZEN AND SAWYER IN THE AMOUNT OF \$234,549 FOR THE DAVID C. MCCOLLOM WATER TREATMENT PLANT FOURTH STAGE CENTRIFUGE ADDITION PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN ON BEHALF OF THE DISTRICT**

Purpose

The purpose of this agenda item is to consider approval of a professional services agreement (PSA) with Hazen and Sawyer in the amount of \$234,549 for design services as part of the David C. McCollom Water Treatment Plant Fourth Stage Centrifuge Addition project and authorize the General Manager to sign on behalf of the Olivenhain Municipal Water District (OMWD).

Recommendation

Staff recommends approval of the PSA with Hazen and Sawyer and authorization for the General Manager to sign on behalf of OMWD.

Alternatives

- The Board may direct staff to select another firm for the design services.
- The Board may choose against creating a design for the project at this time; however, this could impact water quality and delay construction of critical plant infrastructure leading to limited treatment capabilities and plant production.
- The Board could direct staff as it otherwise deems appropriate.

Background

OMWD owns and operates the DCMWTP, located in Director Division 4 (Bruce-Lane), which provides the majority of treated drinking water to its customers. The centrifuge processes concentrated solids residuals delivered from the third stage process. Without a centrifuge in operation, the DCMWTP would need a special permit to haul waste off-site daily consisting of 30,000 gallons of wet sludge at a considerable cost. The DCMWTP currently utilizes one centrifuge for the dewatering of the sludge. While the existing centrifuge can adequately handle the range of water treatment residuals historically generated at the DCMWTP, the equipment is over 10 years old and reaching expected end of life. A capacity reliability study completed by Hazen and Sawyer in 2017, recommended adding a second unit to enhance reliability, redundancy, and operations.

Fiscal Impact

Funds for this project in the amount of \$1,040,000 were approved by the Board with the FY 20-22 Capital and Operating Budget at the June 17, 2020 meeting.

Is this a Multi Fiscal Year Project? **Yes**

In which Fiscal Year did this project begin? **2020**

Total Project Budget: **\$1,040,000**

Current Fiscal Year Appropriation: **\$104,000**

Target Project Completion Date: **6/30/23**

Expenditures and encumbrances as of April 8, 2022: **\$6,591**

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

Staff planned for the DCMWTP Fourth Stage Centrifuge Addition project in the Board-approved 20 Year Capital Improvement Program. The first phase of the project will develop detailed design plans and technical specifications. In January 2022, a request for proposals was posted to OMWD's website for professional design of the Fourth Stage Centrifuge project. OMWD received two proposals from:

- Dudek \$192,560
- Hazen and Sawyer \$234,549

Proposals were reviewed by an interdepartmental committee. The Hazen and Sawyer proposal was extremely comprehensive and had a reasonable schedule which gave staff the confidence in their ability to deliver the design work according to project demands. Hazen and Sawyer have in-depth experience with the centrifuge and the related processes including pumping, piping, electrical, and instrumentation. Their evaluation of overall plant reliability identified this project along with other enhancements that will be evaluated. Hazen and Sawyer were selected to provide the design services for the project based on their experience and expertise with DCMWTP processes, team qualifications and the detailed project analysis provided in their proposal. Staff is available to answer any questions.

Attachment(s): Draft Professional Services Agreement; Project Site Map

PROFESSIONAL SERVICES AGREEMENT
FOR PRELIMINARY AND FINAL DESIGN OF THE
DAVID C. MCCOLLOM WATER TREATMENT PLANT (DCMWTP)
FOURTH STAGE CENTRIFUGE ADDITION PROJECT
FOR THE OLIVENHAIN MUNICIPAL WATER DISTRICT

22AGRXXX
D120096

This Agreement is entered into by and between the Olivenhain Municipal Water District, a Municipal Water District organized and operating pursuant to Water Code Sections 71000 *et seq.* (hereinafter the District) and Hazen and Sawyer, a California corporation organized and operating in the State of California (hereinafter “HAZEN & SAWYER”).

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

1. The District is a public agency organized and operating pursuant to Water Code Sections 71000 *et seq.*, which provides water, recycled water, and sewer service within certain areas of Northern San Diego County.
2. The District requires the services of qualified engineering consultants to provide planning, preliminary design, and final design services within the District boundaries.
3. HAZEN & SAWYER is a qualified engineering HAZEN & SAWYER licensed to do business in the State of California with expertise in planning, preliminary design, and final design for the David C. McCollom Water Treatment Plant (DCMWTP) Fourth Stage Centrifuge Addition Project.
4. The District desires to retain HAZEN & SAWYER to provide planning, preliminary design, final design, plans, specifications, contract documents, construction cost estimates, and construction phase support services for the David C. McCollom Water Treatment Plant (DCMWTP) Fourth Stage Centrifuge Addition Project.

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

1. Services to Be Performed. HAZEN & SAWYER agrees to perform planning, preliminary design, final design, plans, specifications, contract documents, construction cost estimates, and construction phase support services for the DCMWTP Fourth Stage Centrifuge Addition Project. The services to be provided by HAZEN & SAWYER are more particularly described in the Scope and Cost Proposal attached hereto as Exhibit "A" and incorporated herein by reference. All work performed by HAZEN & SAWYER shall be subject to review and approval by the District. The District shall have no obligation to approve any work found defective by the District, in its sole discretion.

2. Correction of Defective Work. HAZEN & SAWYER agrees to correct all labor or materials found defective by the District at its sole cost and expense. All work found defective by the District shall be corrected in the time specified by the District by written notice to HAZEN & SAWYER.

3. Price for Work. HAZEN & SAWYER agrees to perform all work described in Exhibit "A" for a total price not to exceed \$234,549. No increase in this price shall be allowed without the express written consent of the District. The District shall have no obligation to grant this consent and may deny consent to any price increase, in its sole discretion.

4. Payment for Work. HAZEN & SAWYER shall bill the District monthly for all labor and materials provided during the previous month. All billings shall include a complete description of all work completed during the previous month, including hours and costs of each person performing the work and shall also include a detailed description of progress to date on each task of work described in Exhibit "A". All bills shall be subject to review and approval by the District. Invoices approved by the District will be paid on a monthly basis thirty (30) days after the invoice has been approved by the District. The District shall have no obligation to pay for any work not expressly approved by the District. The District's approval shall not be unreasonably withheld. HAZEN & SAWYER shall provide the District with any additional information requested by the District from time to time to support any item contained on an invoice no later than seven (7) days after a written request for this information from the District.

5. Extra Work. The District may request additional work or services from HAZEN & SAWYER from time to time, as the District shall determine, in its sole discretion. HAZEN & SAWYER shall not commence any extra work without a written change order expressly approved by the District, in writing. Work performed by HAZEN & SAWYER without an approved change order signed by the District will not be paid for by the District. In the event the District determines that additional work is justified, the parties shall agree on the additional work to be performed and the price to be paid for this additional work prior to commencement of any additional work by CONSULTANT. It is understood by the parties that HAZEN & SAWYER shall not be entitled to any payment for extra work unless the District determines that it desires extra work to be performed and a written change order has been executed by the parties. Attached as Exhibit "B" is the Request for Additional Work Form required by the District for all requests for additional work or task transfers.

6. Standard of Care. In performing all work and services required by this Agreement, HAZEN & SAWYER agrees to use the highest degree of skill and expertise ordinarily exercised, under similar circumstances, by a qualified engineering HAZEN & SAWYER with expertise in planning, preliminary design, final design and the other services described in the Scope and Cost Proposal attached as Exhibit "A". As a material term of this Agreement, HAZEN & SAWYER warrants and represents that it has secured all licenses required by federal or California law to perform all work and services required by this Agreement. HAZEN & SAWYER agrees to perform all work required by this Agreement at all times in strict accordance with all applicable federal, state, and local laws and regulations which apply to the labor or materials being provided.

7. Work Performance Standards. HAZEN & SAWYER agrees to perform all work and services required by this Agreement in a manner which complies with all federal and state health and safety standards and in a manner which avoids damage or injury to any real or personal property of any person or entity, including any real or personal property of the District. HAZEN & SAWYER agrees to perform the work at all times in a manner which avoids the creation of any trespass or private or public nuisance during conduct of the work.

8. Liability for Work of Agents, Independent Contractors, and Subcontractors. HAZEN & SAWYER shall be solely liable and responsible for all labor and materials provided

by any director, officer, agent, employee, subcontractor, supplier, or independent contractor hired or retained by HAZEN & SAWYER to perform any work or to provide any materials or supplies. The District shall have no liability whatsoever for any work or services performed or any materials or supplies provided by HAZEN & SAWYER or its directors, officers, agents, employees, subcontractors, suppliers, or independent contractors.

9. Time for Completion of Services. As a material term of this Agreement, HAZEN & SAWYER agrees to complete all work and services required by this agreement by no later than June 30, 2023. The breach of this paragraph shall constitute a material breach of this Agreement.

10. District Termination Right. The District shall have the express right to terminate this Agreement at any time without cause by giving seven (7) consecutive days advance written notice to HAZEN & SAWYER. This Agreement shall be automatically terminated without further action of any party upon expiration of the seven (7) day period. Promptly upon receipt of any termination notice from the District, HAZEN & SAWYER shall cease all further work and services, except as otherwise expressly directed by the District in the written termination notice. In the event the District exercises its termination right, HAZEN & SAWYER shall be paid only for work and services performed and approved by the District to the date this Agreement terminates. The District shall have the express right to withhold any payment otherwise due HAZEN & SAWYER to correct any labor or materials determined to be defective by the District at the time of termination. All plans, maps, drawings, reports, designs, or other writings of any type or nature prepared by HAZEN & SAWYER as a result of this Agreement shall become and remain the sole property of the District. All such writings shall be provided to the District not later than seven (7) consecutive days after termination of this Agreement for any reason. All labor, supplies, work and materials provided by HAZEN & SAWYER in conjunction with this Agreement shall become and remain the sole property of the District.

11. Hazardous and Toxic Waste. For purposes of this section, the term “hazardous or toxic waste” means any solid, liquid, or gaseous product classified as a hazardous or toxic waste under any federal, state, or local laws, rules, regulations, or ordinances, and all gas and oil products and by-products of every kind or nature. HAZEN & SAWYER shall be solely liable and responsible for the proper clean-up and removal of all hazardous or toxic waste used, handled,

stored, or spilled by HAZEN & SAWYER or any director, officer, agent, employee, subcontractor, independent contractor or representative of HAZEN & SAWYER. HAZEN & SAWYER shall pay all fees, costs, expenses and fines necessary to clean-up or remediate any hazardous or toxic waste for which HAZEN & SAWYER is liable under this paragraph in strict accordance with all federal, state and local laws, rules and regulations at CONSULTANT's sole cost and expense. HAZEN & SAWYER shall not be liable for any hazardous or toxic waste used, handled, stored or spilled by the District or its directors, officers, employees or contractors.

In the event any third party, including any regulatory agency, brings any claim or cause of action against the District to clean-up or remediate any hazardous or toxic waste for which HAZEN & SAWYER is liable under this section, HAZEN & SAWYER shall also indemnify and hold harmless the District and its directors, officers, agents, and employees from all claims, actions, losses, costs, fees, expenses, fines, and penalties, of whatever type or nature, including all costs of defense and attorneys fees, upon written demand for indemnity from the District.

12. Independent Contractor. As a material term of this Agreement, it is expressly agreed between the parties that HAZEN & SAWYER is performing all work and services for the District pursuant to this Agreement as an independent contractor and not as an agent or employee of the District. The parties further agree and acknowledge that the District expects HAZEN & SAWYER to make its own independent determination of the means and methods to perform all work required by this Agreement, and will not be directed as to any of these means or methods by the District.

13. Conflicts of Interest Prohibited. As a material term of this Agreement, HAZEN & SAWYER shall not in any way attempt to use its position to influence any decision of the District in which it knows, or has reason to know, it has a financial interest other than the compensation provided in this agreement. As a material term of this Agreement, HAZEN & SAWYER warrants and represents that it does not, to the best of its knowledge, have any economic interests which would conflict with any of its duties under this Agreement. HAZEN & SAWYER agrees not to secure any economic interest during the performance of this Agreement which conflicts with its duties to the District under this Agreement.

14. Breach. The breach of any term or provision of this Agreement by HAZEN & SAWYER shall constitute a material breach of this Agreement.

15. District Remedies for Breach. In the event HAZEN & SAWYER breaches any term, covenant, or condition of this Agreement or fails to perform any work or services required by this Agreement, the District shall be entitled to elect all or any of the following remedies at the District's sole option:

15.1 Unilateral Termination. Unilaterally terminate this Agreement by written notice to CONSULTANT. Upon election of this remedy by the District, Paragraph 10 governing District Termination Right shall apply; or

15.2 Specific Enforcement. Enforce any provision of this Agreement by specific performance. If this remedy is elected by the District, HAZEN & SAWYER agrees that specific performance is appropriate and reasonable given the unique and special services being performed by HAZEN & SAWYER and expressly waives the right to contest the right of the District to seek specific performance in any subsequent action or proceeding between the parties; or

15.3 File suit against HAZEN & SAWYER for damages arising from breach of this Agreement. In the event the District elects this remedy, it shall be entitled to recover all damages authorized by law; and/or

15.4 The District shall be entitled to withhold such amounts as the District determines are appropriate, in its sole discretion, to complete the work or services required by this Agreement, or to correct any labor or materials resulting from HAZEN & SAWYER'S negligence.

In the event the District is required to pay any sum or amount to complete any labor or materials services required by this Agreement, or to correct any labor or materials resulting from HAZEN & SAWYER'S negligence, amounts paid by the District shall earn interest at the rate of one percent (1%) per month from the date of payment until the District is repaid in full.

16. Insurance. At all times during the term of this Agreement, HAZEN & SAWYER must maintain a commercial liability insurance policy, workers' compensation insurance, and

professional liability insurance in strict accordance with all terms of this paragraph. The insurance required by this paragraph shall be provided as follows:

16.1 Liability Insurance. Following execution of this Agreement, and prior to commencement of any work, HAZEN & SAWYER shall provide the District with proof of liability insurance coverage with an insurance company licensed to do business in the State of California and acceptable to the District, providing \$1,000,000 of coverage per occurrence and \$2,000,000 minimum aggregate. The liability insurance coverage shall include each of the following types of insurance:

A. General Liability:

- | | |
|---|---|
| 1. Comprehensive Form | 6. Contractual Insurance |
| 2. Premises-Operations | 7. Broad form Property Damage, Including Completed Operations |
| 3. Explosion and Collapse Hazard | 8. Independent Contractors |
| 4. Underground Hazard | 9. Personal Liability |
| 5. Projects/Completed Operations Hazard | |

B. Auto Liability

1. Comprehensive Form
2. Owned
3. Hired

The policy shall include contractual coverage sufficiently broad to insure the matters set forth in the section entitled “Indemnity” in this Agreement. The deductible amount shall not exceed \$5,000.00. Also included in such insurance shall be a “cross-liability” or “severability of interest” clause.

16.2 Workers’ Compensation Insurance. Following execution of this Agreement and prior to commencement of any work, HAZEN & SAWYER shall submit proof of insurance showing they have obtained, for the period of the agreement, full workers’ compensation insurance coverage for no less than the statutory limits covering all persons whom HAZEN & SAWYER employs or may employ in carrying out the work under this agreement.

16.3 Professional Liability Insurance. Following execution of this Agreement, and prior to commencement of any work, HAZEN & SAWYER shall provide the District with proof of professional liability insurance with an insurance provider licensed to do business in the

State of California, providing \$1,000,000 of coverage per occurrence and \$2,000,000 minimum aggregate. This insurance shall have a deductible not to exceed \$5,000.

16.4 ACORD Certificate of Liability Insurance and Additional Insured Endorsements. All insurance required by Paragraph 16.1, 16.2, and 16.3 of this agreement shall be submitted on an ACORD Certificate of Liability Insurance. Insurers must be authorized to do business and have an agent for service of process in the State of California and have an 'A' financial strength rating and a financial size rating of at least Class VI in accordance with the most current A.M. Best's Rating Guide. Additional Insured Endorsements must be provided for the Liability Insurance called out in Paragraph 16.1 with the **Olivenhain Municipal Water District (District), the District's Engineer/Architect, the District's Representatives, Consultants, and each of the District's Directors, Officers, Agents, and Employees** named as additional insureds. The insurance must include a Waiver of Subrogation and must be Primary and non-Contributory. The additional insured endorsements must be provided on Form CG 20 10 10 01. The insurance certificate and endorsements shall be cancelable with notice delivered to the District in accordance with the policy provisions.

17. Job Site Safety. HAZEN & SAWYER shall be solely liable and responsible for complying with all federal, state and local laws, rules and regulations pertaining to job safety for all agents, employees, subcontractors, suppliers, and independent contractors retained by HAZEN & SAWYER to perform any work or services or to provide any materials required by this Agreement. However, HAZEN & SAWYER shall not be liable or responsible for overall job site safety or the job site safety for any workers or agents employed by any construction contractor performing any work for the District on any construction project.

18. Indemnity. As a material term of this Agreement, HAZEN & SAWYER agrees to hold harmless, indemnify, and defend the District and its directors, officers, employees, agents, and representatives from and against any and all demands, liability, claims, suits, actions, damages, costs, fees, expenses, fines, and penalties, of whatever type or nature, including, but not limited to, reasonable attorney fees, to the extent arising out of, pertaining to, or relating to the willful misconduct, recklessness, or negligence of HAZEN & SAWYER, including its directors, officers, employees, agents, subcontractors, sub-consultants, suppliers, independent contractors, or other

persons and entities employed or utilized by HAZEN & SAWYER in the performance of this Agreement. In the event that any administrative proceeding, litigation or arbitration is instituted naming the District or any other indemnified parties as a defendant, the District and such other indemnified parties shall be entitled to appoint their own independent counsel to represent them, and HAZEN & SAWYER agrees to pay all reasonable attorneys fees, expert fees and costs, and litigation costs associated with this defense within thirty (30) days of any billing; provided however, that the CONSULTANT's obligation shall be limited as provided by Civil Code Section 2782.8 to the extent that the HAZEN & SAWYER establishes its proportionate percentage of fault by stipulation of all the parties to the proceeding or a final adjudicatory determination.

19. Miscellaneous Provisions.

19.1 California Law Governs. This Agreement shall be governed by California law.

19.2 Jurisdiction and Venue. In the event of any legal or equitable proceeding to enforce or interpret the terms and conditions of this Agreement, the parties agree that jurisdiction and venue shall lie only in the federal or state courts in or nearest to the North County Judicial District, County of San Diego, State of California.

19.3 Modification. This Agreement may not be altered in whole or in part except by a written modification approved by the Board of Directors of the District and executed by all the parties to this Agreement.

19.4 Attorneys' Fees. In the event any arbitration, action or proceeding is initiated to challenge, invalidate, enforce or interpret any of the terms of this Agreement, the prevailing party shall be entitled to all attorneys' fees, all expert fees and costs, and all litigation fees, costs, and expenses in addition to any other relief granted by law. This provision shall apply to the entire Agreement.

19.5 Entire Agreement. This Agreement, together with all exhibits attached hereto, contains all representations and the entire understanding between the parties with respect to the subject matter of this Agreement. Any prior correspondence, memoranda, or agreements, whether or not such correspondence, memoranda or agreements are in conflict with this

Agreement, are intended to be replaced in total by this Agreement and its exhibits. HAZEN & SAWYER warrants and represents that no District representative has made any oral representations or oral agreements not contained in this Agreement. HAZEN & SAWYER further warrants and represents that HAZEN & SAWYER has not relied upon any oral statements or promises made by any District representative or agent in executing this Agreement. The parties mutually declare that this Agreement and its exhibits constitute a final, complete and integrated agreement between the parties.

19.6 Prohibition on Assignment. HAZEN & SAWYER shall not be entitled to assign or transfer all or any portion of its rights or obligations in this Agreement without obtaining the express prior written consent of the District. The District shall have no obligation to give its consent to any assignment and may deny any requested assignment, in its sole discretion.

19.7 Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties and on their respective purchasers, successors, heirs and assigns.

19.8 Unenforceable Provisions. The terms, conditions, and covenants of this Agreement shall be construed whenever possible as consistent with all applicable laws and regulations. To the extent that any provision of this Agreement, as so interpreted, is held to violate any applicable law or regulation, the remaining provisions shall nevertheless be carried into full force and effect and remain enforceable.

19.9 Representation of Capacity to Contract. Each party to this Agreement represents and warrants that he or she has the authority to execute this Agreement on behalf of the entity represented by that individual. This representation is a material term of this Agreement.

19.10 Opportunity to be Represented by Independent Counsel. Each of the parties to this Agreement warrants and represents that it has been advised to consult independent counsel of its own choosing and has had a reasonable opportunity to do so prior to executing this Agreement.

19.11 No Waiver. The failure of either party to enforce any term, covenant or condition of this Agreement on the date it is to be performed shall not be construed as a waiver of that party's right to enforce this, or any other, term, covenant, or condition of this Agreement at

any later date or as a waiver of any term, covenant, or condition of this Agreement. No waiver shall occur unless the waiver is expressly stated in writing and signed by the person for the party having the authority to expressly waive the benefit or provision, in writing. No oral waivers shall be effective against either party.

19.12 No Joint Venture and No Third Party Beneficiaries. Nothing in this Agreement is intended to create a joint venture, partnership or common enterprise relationship of any kind between the District and HAZEN & SAWYER. No third parties shall be construed as beneficiaries of any term, covenant or provision of this Agreement.

19.13 Time of Essence. The parties agree that time is of the essence as to all matters specified in this Agreement. The parties mutually declare that this is a material term of this Agreement.

19.14 Notices. All letters, statements, or notices required pursuant to this Agreement shall be deemed effective upon receipt when personally served, transmitted by facsimile machine, or sent certified mail, return receipt requested, to the following addresses or facsimile numbers:

To: "HAZEN & SAWYER"
Hazen and Sawyer
Attn: Kevin Alexander, PE
11290 El Camino Real, Suite 102
San Diego, CA 92130

To: "District"
Olivenhain Municipal Water District
Attn: Kimberly A. Thorner, General Manager
1966 Olivenhain Road
Encinitas, California 92024

19.15 Effective Date. The effective date of this Agreement executed in counterparts in Encinitas, California, within the North County Judicial District, County of San Diego, State of California, is _____, 2022.

Dated: _____, 2022

Olivenhain Municipal Water District,
a public agency

By: _____
Kimberly A. Thorner
General Manager

Dated: _____, 2022

HAZEN & SAWYER

By: _____

Title: _____

EXHIBIT "A"

OMWD - Design for Stage 4 Centrifuge Addition (Rev 1)					Management				QA/QC					Task Lead					Engineering Support					CAD					
	ODC	Hours	Labor	Total	PIC VP	TA A/VP	TA SP	PM SA	Pro/Mech SA	Civil TB	Elect SA	I&C SA	Struct SA	Pro/Mech SA	Civil SA	Elect SP	I&C SP	Struct A	Pro/Mech AE	Elect AE	Cost A	I&C AE	Struct AE	Pro/Mech S. Designer	Elect AE	I&C AE	Archit PD	Struct AE	
					K. Alexander	A. Duke	Goralsky	S. Ghia	TBD	TBD	TBD	TBD	TBD	M. Peterson	T. Yokoyama	A. Miklar	A. Miklar	W. Dressler	B. Melara	A. Lau	C. Portner	M. Burba	J. Berger	V. Paner	A. Lau	M. Burba	A. Blaha	J. Berger	
					\$300	\$266	\$211	\$250	\$250	\$250	\$250	\$250	\$250	\$232	\$264	\$222	\$222	\$213	\$119	\$146	\$213	\$151	\$148	\$164	\$146	\$151	\$165	\$148	
TASK 1- PRELIMINARY DESIGN																													
TASK 1.1- Project Management																													
Invoices, budget checks, status reports					\$0	16																							
Subtotal Task 1.1					\$0	16																							
TASK 1.2- Quality Control/Quality Assurance																													
QA/QC BODR					\$0	9	\$2,250																						
Subtotal Task 1.2					\$0	9	\$2,250																						
TASK 1.3- Review Previous Planning Work and Meet with OMWD																													
Site Visit (one)					\$500	16																							
Documents Review					\$0	44																							
Subtotal Task 1.3					\$500	60	\$10,210																						
TASK 1.4- Prepare Draft Preliminary Design Report																													
Draft PDR					\$150	199	\$33,679																						
Meeting with OMWD					\$0	6	\$1,399																						
Subtotal Task 1.4					\$150	205	\$35,078																						
TASK 1.5- Construction Cost Estimate and Schedule																													
Develop Preliminary Construction Costs					\$0	13	\$2,705																						
Develop Preliminary Construction Schedule					\$0	9	\$2,213																						
Subtotal Task 1.5					\$0	22	\$4,918																						
TASK 1.6- Prepare Final Preliminary Design Report																													
Final PDR					\$150	22	\$3,956																						
Subtotal Task 1.6					\$150	22	\$3,956																						
TASK 2- ENVIRONMENTAL DOCUMENTATION AND PUBLIC OUTREACH SUPPORT (N/A)																													
TASK 3- FINAL DESIGN																													
TASK 3.1- Record Research																													
Complete review of record drawings					\$0	19	\$3,266																						
Subtotal Task 3.1					\$0	19	\$3,266																						
TASK 3.2- Plans and Specifications																													
Project Management					\$0	16	\$4,000																						
QA/QC 50% Submittal					\$0	24	\$6,000																						
QA/QC 90% Submittal					\$0	26	\$6,500																						
QA/QC 100% Submittal					\$0	8	\$2,000																						
Design Review Workshops (3 meetings)					\$300	31	\$6,161																						
Draft 20% Plans and Specs					\$200	227.5	\$37,801																						
Draft 90% Plans and Specs					\$500	235.5	\$39,581																						
Draft 100% Plans and Specs					\$200	161.5	\$26,417																						
Final Plans and Specs					\$200	53	\$8,877																						
Subtotal Task 3.2					\$1,400	783	\$137,337																						
TASK 3.3- Construction Cost Estimate and Schedule																													
Develop Final Construction Costs					\$0	11	\$2,305																						
Develop Final Construction Schedule					\$0	3	\$746																						
Subtotal Task 3.3					\$0	14	\$3,051																						
TASK 3.4 - PRE-BID ASSISTANCE (OPTIONAL)																													
Pre-bid meeting					\$0	20	\$4,656																						
Technical Questions Support (up to 3)					\$0	12	\$2,322																						
Subtotal Task 3.4					\$0	32	\$6,978																						
TASK 3.5- ENGINEERING SERVICES DURING CONSTRUCTION (OPTIONAL)																													
Field Meeting (3)					\$900	44	\$8,628																						
Submittals Review (Up to 5)					\$0	23	\$5,028																						
Request for Information (Up to 3)					\$0	14	\$3,027																						
Potential Change Orders (up to 2)					\$0	17	\$3,723																						
Subtotal Task 3.5					\$900	98	\$20,406																						
ODC																													
Hours																													
Labor																													
Total																													
Task 1 - Preliminary Design					\$800	334	\$60,411																						
Task 3 - Final Design					\$1,400	816	\$143,654																						
Total Tasks 1 and 3					\$2,200	1149	\$204,065																						
Optional Tasks 3.4 and 3.5					\$900	130	\$27,384																						

OMWD - Design for Stage 4 Centrifuge Addition (Rev 1)	Weeks	2022								2023		
		May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March
		1	2	3	4	5	6	7	8	9	10	11
TASK 1- PRELIMINARY DESIGN	14											
TASK 1.1- Project Management	14											
TASK 1.2- Quality Control/Quality Assurance	1											
TASK 1.3- Review Previous Planning Work and Meet with OMWD	4											
TASK 1.4- Prepare Draft Preliminary Design Report	8											
TASK 1.5- Construction Cost Estimate and Schedule	2											
OMWD PDR Review	2			*								
TASK 1.6- Prepare Final Preliminary Design Report	2											
TASK 2 - ENVIRONMENTAL DOCUMENTATION AND PUBLIC OUTREACH SUPPORT (N/A)	N/A											
TASK 3 - FINAL DESIGN	28											
TASK 3.1- Record Research	2											
TASK 3.2- Plans and Specifications	28											
Project Management	28											
Draft 50% Plans and Specs	8											
OMWD Review 50%	2					*						
Draft 90% Plans and Specs	8											
OMWD Review 90%	2							*				
Draft 100% Plans and Specs	4											
OMWD Review 100%	2									*		
Final Plans and Specs	2											
TASK 3.3 - Construction Cost Estimate and Schedule	3											
TASK 3.4 - PRE-BID ASSISTANCE (OPTIONAL)	6											
TASK 3.5- ENGINEERING SERVICES DURING CONSTRUCTION (OPTIONAL)	40											

Legend:

	OMWD Review Period with Workshop
	Hazen Work Development
	Overall Schedule Per Task

EXHIBIT "B"

Olivenhain Municipal Water District Request for Additional Work (Includes Authorization to Perform Additional Services and Inter-Task Transfers)

Consultant name Hazen & Sawyer Request # 1

Project name DCMWTP 4th Stage Centrifuge Addition Date Required _____

Project Task	Current Budget	Change	Revised Budget
			\$0.00
			\$0.00
			\$0.00
Total Contract Change Amount		\$0.00	\$0.00

Original Project Budget	\$234,549.00
Prior requests approved	
This request	\$0.00
Revised Project Budget	

Reason for requested change(s), please attach supporting documentation

Signature of consultant representative _____ Date _____
e-mail _____

Email the completed form to cbarrow@olivenhain.com or mail to 1966 Olivenhain Rd., Encinitas, CA. 92024

OMWD use only below this line

Approved by _____ Date _____
D120096 _____ 22AGR0XX
Workorder number(s) to charge _____ OMWD Record No. _____

Original to General Manager

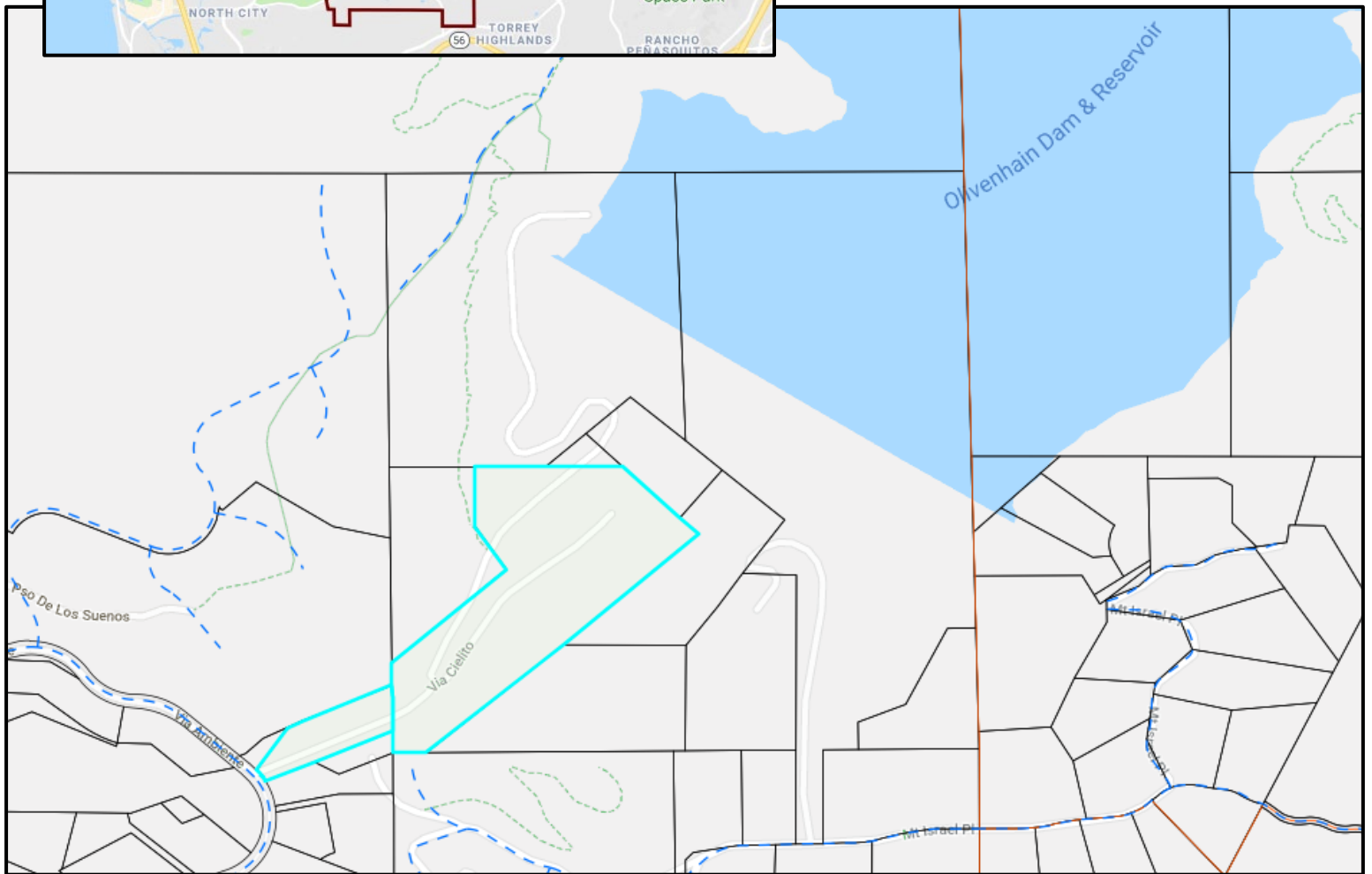
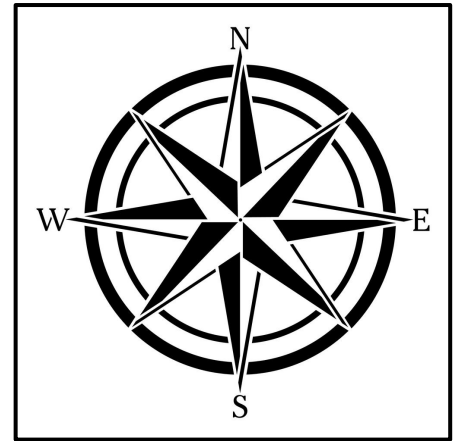
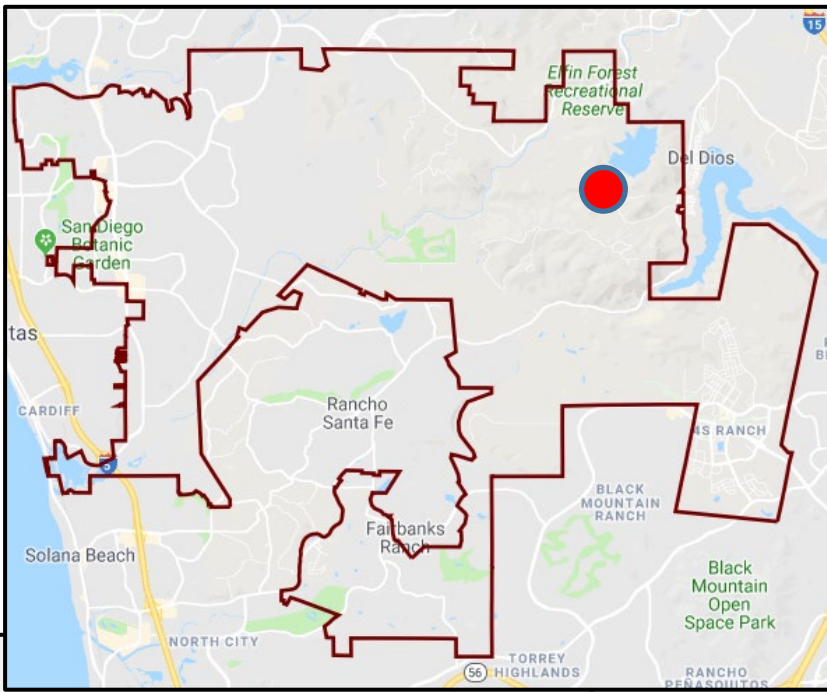
☐

Copies to

Originating Dept. ☐

Consultant ☐

Project Acct ☐



**DAVID C. MCCOLLOM WATER TREATMENT PLANT
FOURTH STAGE CENTRIFUGE ADDITION PROJECT**

DISTRICT PROJECT NO. D120096

Memo

Date: April 20, 2022
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 20 meeting and further discuss water supply related developments.

Attachments: PowerPoint presentation

WATER SUPPLY AND LONG-TERM WATER USE EFFICIENCY LEGISLATION

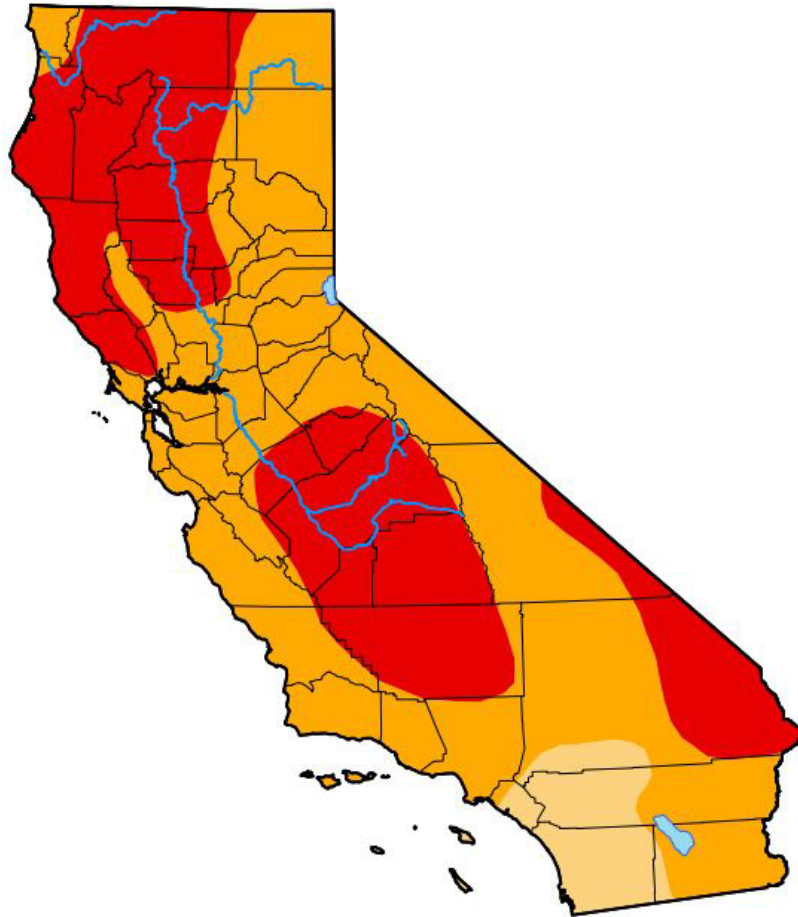
April 20, 2022



Water Supply Conditions

U.S. Drought Monitor California

March 29, 2022
(Released Thursday, Mar. 31, 2022)
Valid 8 a.m. EDT



Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	0.00	100.00	100.00	93.65	40.25	0.00
Last Week 03-22-2022	0.00	100.00	100.00	93.65	37.69	0.00
3 Months Ago 12-28-2021	0.00	100.00	100.00	86.28	32.93	0.84
Start of Calendar Year 01-04-2022	0.00	100.00	99.30	67.62	16.60	0.84
Start of Water Year 09-28-2021	0.00	100.00	100.00	93.93	87.88	45.66
One Year Ago 03-30-2021	0.77	99.23	90.66	64.02	31.76	5.36

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:

Deborah Bathke
National Drought Mitigation Center



droughtmonitor.unl.edu

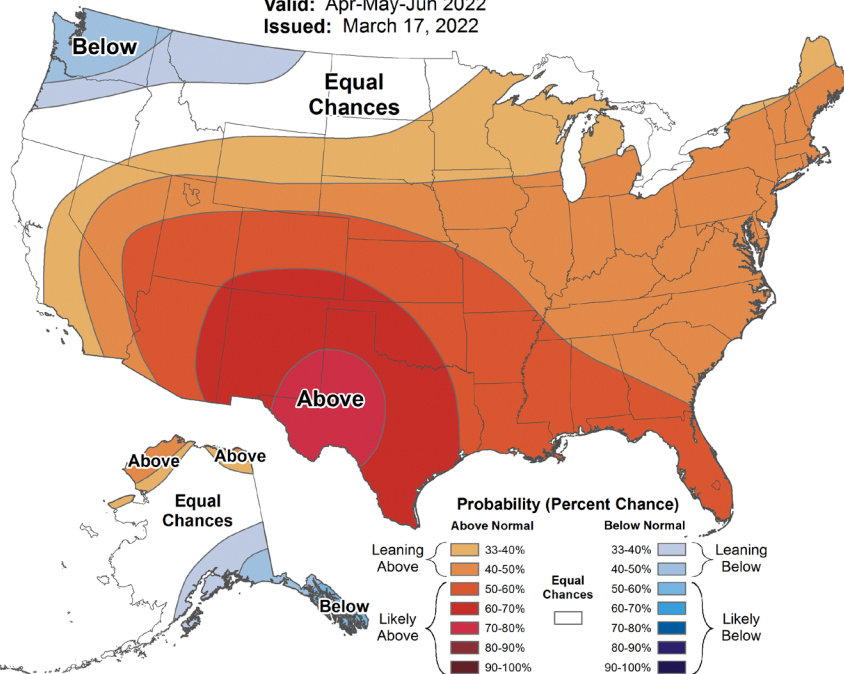
National Weather Service Outlook

April 2022 – June 2022



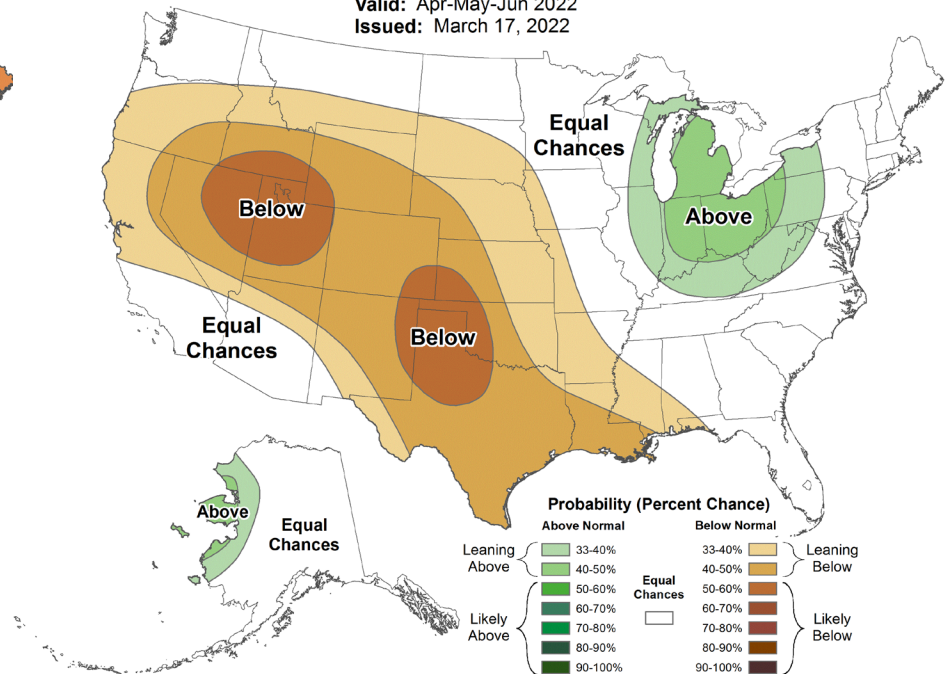
Seasonal Temperature Outlook

Valid: Apr-May-Jun 2022
Issued: March 17, 2022

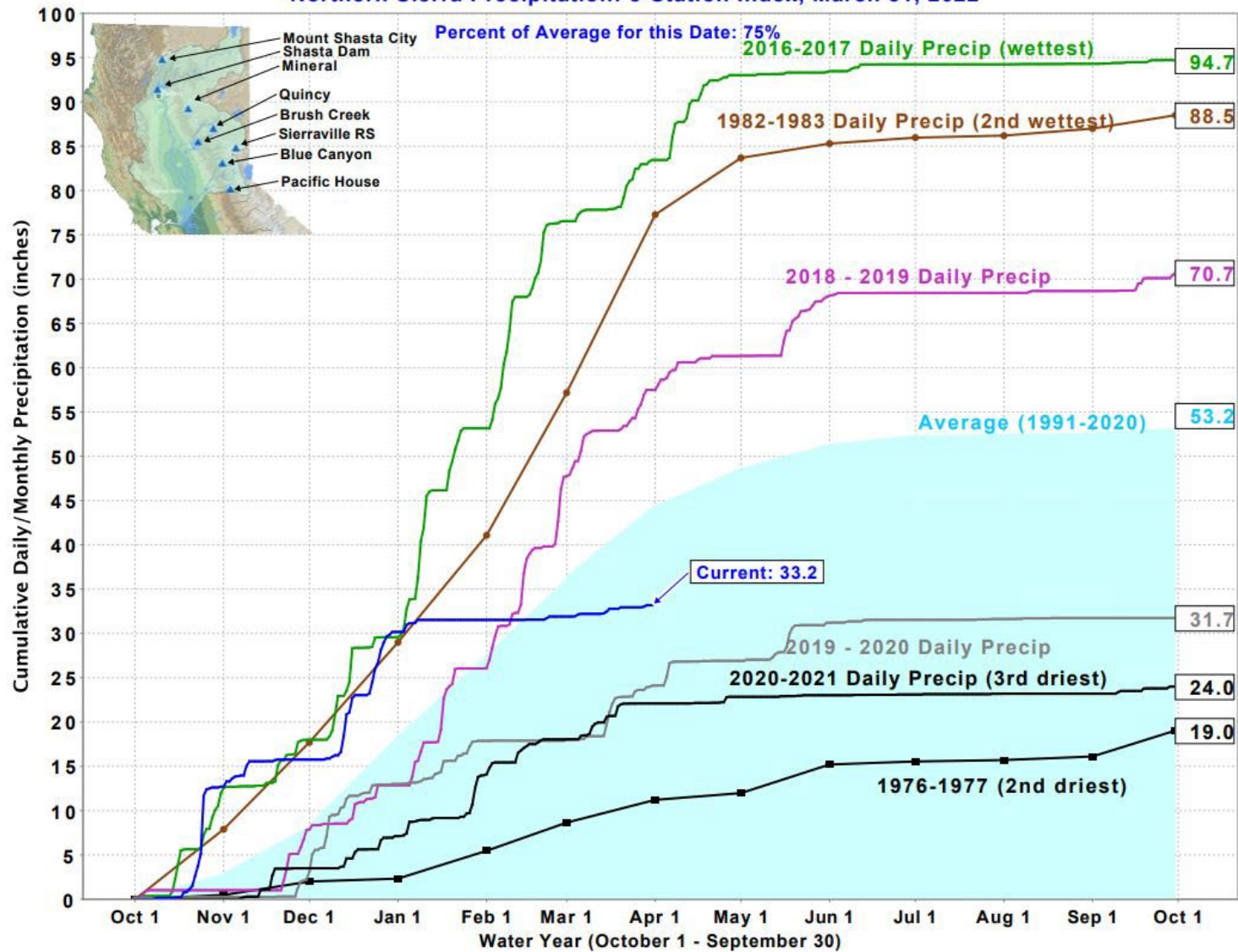


Seasonal Precipitation Outlook

Valid: Apr-May-Jun 2022
Issued: March 17, 2022

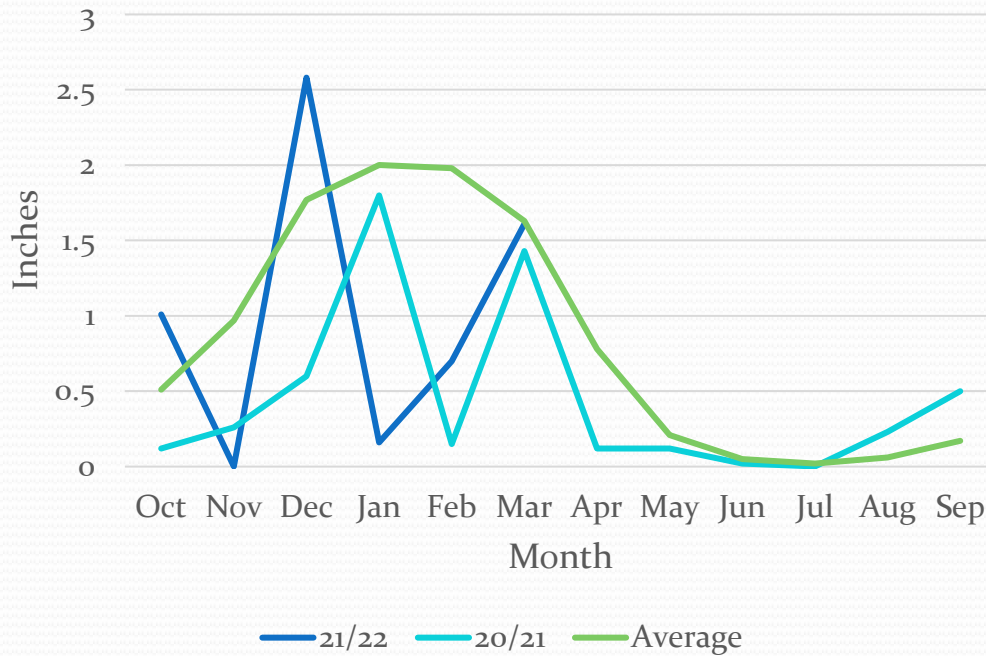


Northern Sierra Precipitation: 8-Station Index, March 31, 2022

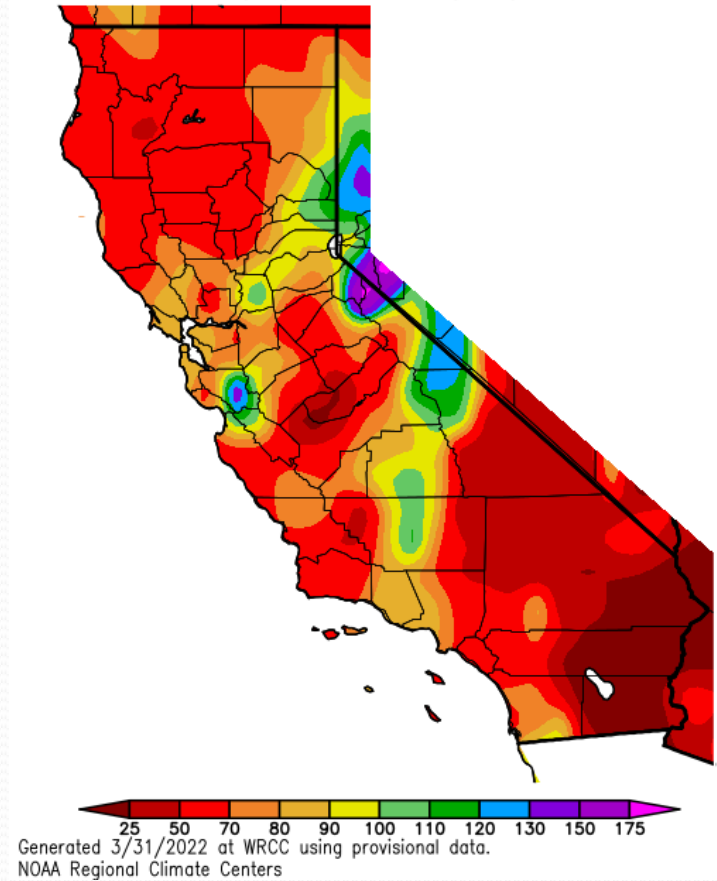


Total Water Year Precipitation

San Diego Rainfall



Percent of Average Precipitation (%) 10/1/2021 – 3/30/2022

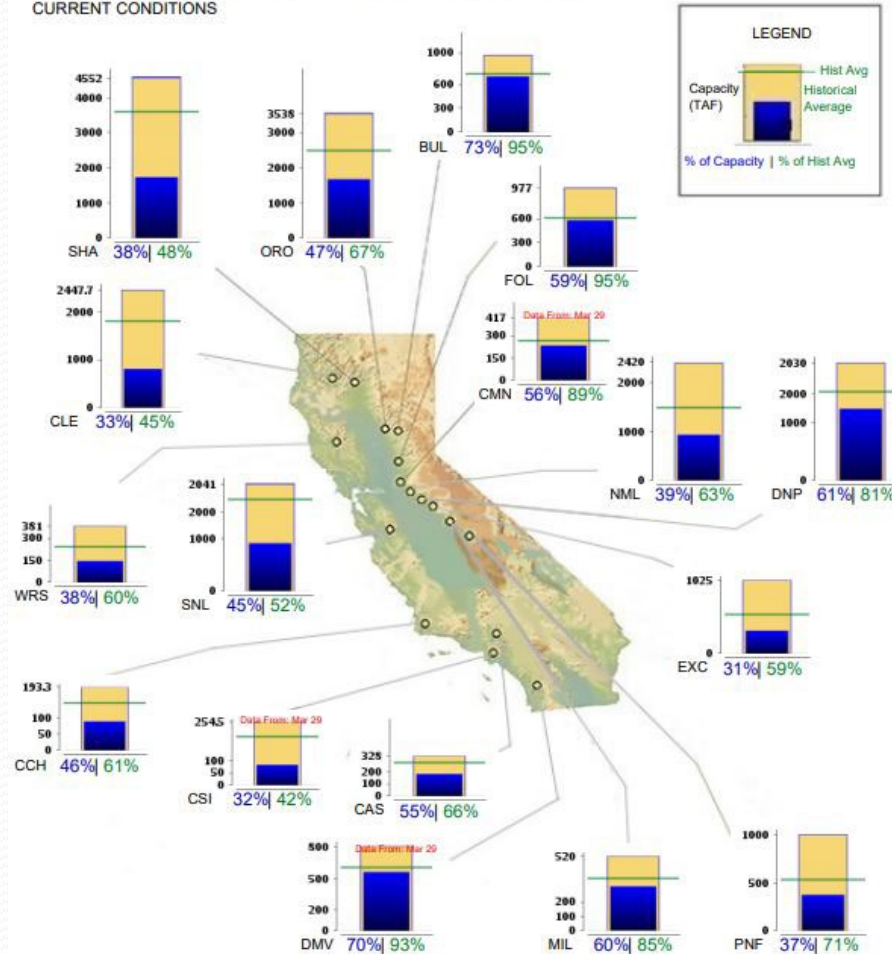




CURRENT RESERVOIR CONDITIONS

CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS CURRENT CONDITIONS

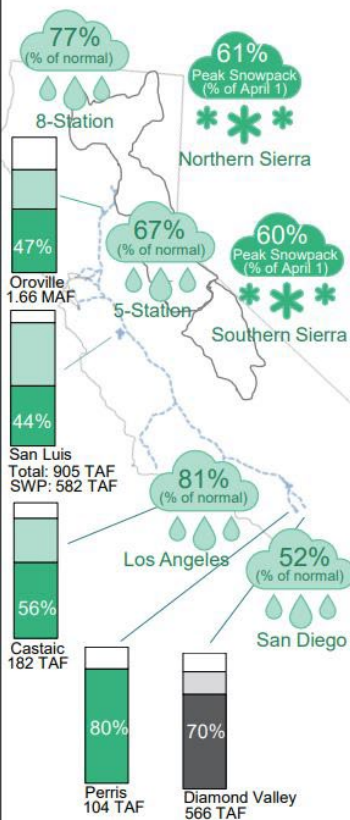
Midnight - March 30, 2022



Updated 03/31/2022 08:48 AM

State Water Project Resources

SWP Table A – 5% - 95,575 AF



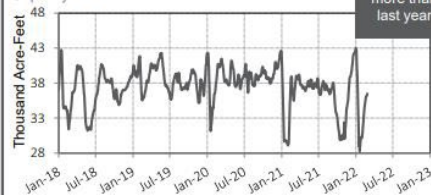
WATER SUPPLY CONDITIONS REPORT

Water Year
2021-2022
As of: March 27, 2022

Metropolitan Resources

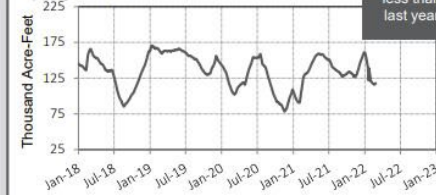
Lake Skinner Storage

Capacity: 44 TAF



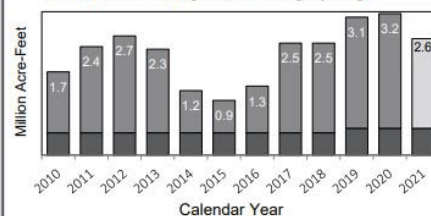
Lake Mathews Storage

Capacity: 182 TAF



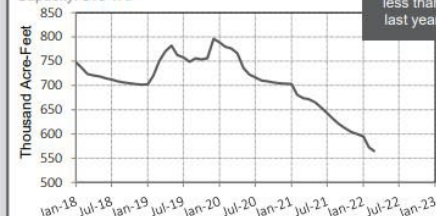
MWD Storage Reserve Levels

Estimated Balance Storage Balance Emergency Storage



Diamond Valley Lake Storage

Capacity: 810 TAF



Highlights

- SWP allocation is 5% of Table A
- Sacramento River unimpaired runoff forecast is 57% of normal
- Unregulated Powell inflow forecast is 71% of normal

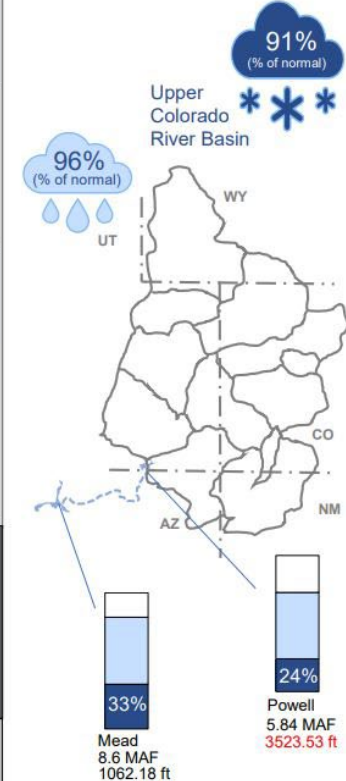


This report is produced by the Water Resource Management Group and contains information from various federal, state, and local agencies. The Metropolitan Water District of Southern California cannot guarantee the accuracy or completeness of this information. Readers should refer to the relevant state, 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 mfrreira@mwdh2o.com

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

Colorado River Resources

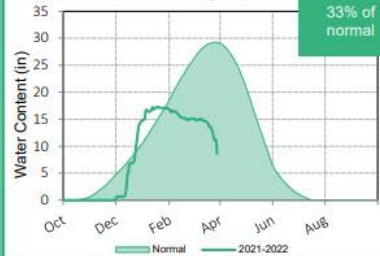
Projected CRA Diversions – 1,135,000 AF



State Water Project Resources

As of: 03/27/2022

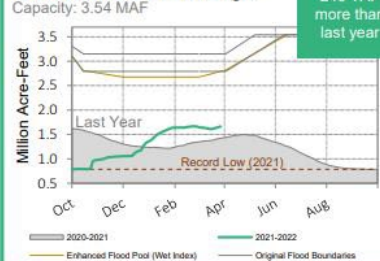
Northern Sierra Snowpack



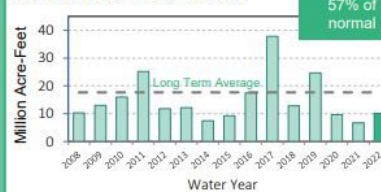
8 Station Index Precipitation



Oroville Reservoir Storage



Sacramento River Runoff

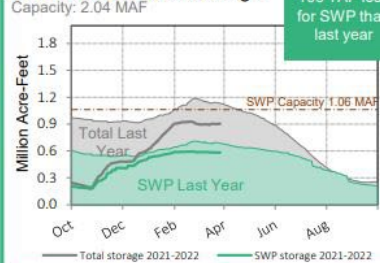


Other SWP Supplies

Calendar Year 2022

Carryover 38,000 AF (Est.)

San Luis Reservoir Storage



5 Station Index Precipitation

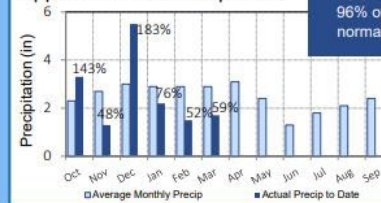


<http://www.mwdb2o.com/WSCR>

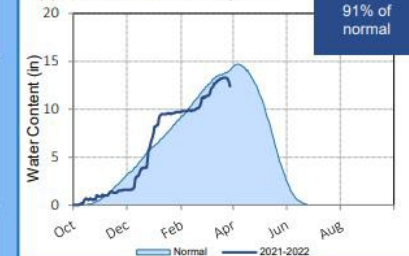
Colorado River Resources

As of: 03/27/2022

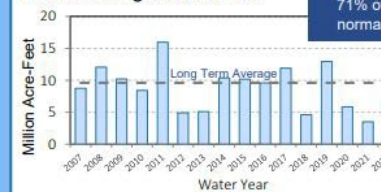
Upper Colorado Precipitation



Upper Colorado Snowpack



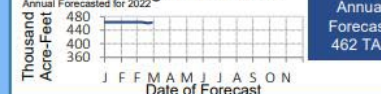
Powell Unregulated Inflow



Lake Powell Storage



PVID/Yuma Agricultural Use



Projected Lake Mead ICS

Calendar Year 2022

Put (+) / Take (-)
-236,000 AF

Lake Mead Surplus/Shortage Outlook

	2022	2023	2024	2025	2026
Surplus	0%	0%	0%	0%	0%
Shortage	100%	100%	93%	93%	93%
Metropolitan			60%	63%	60%
DCP*			245 TAF	287 TAF	295 TAF

Likelihood based on results from the corrected February 2022 CRMMIS in Ensemble Mode/CRSS model run. Includes DCP Contributions. Only includes 500+ Plan items implemented to date.

* Chance of required DCP contribution by Metropolitan. Volume is average contribution when needed.

<http://www.mwdb2o.com/WSCR>

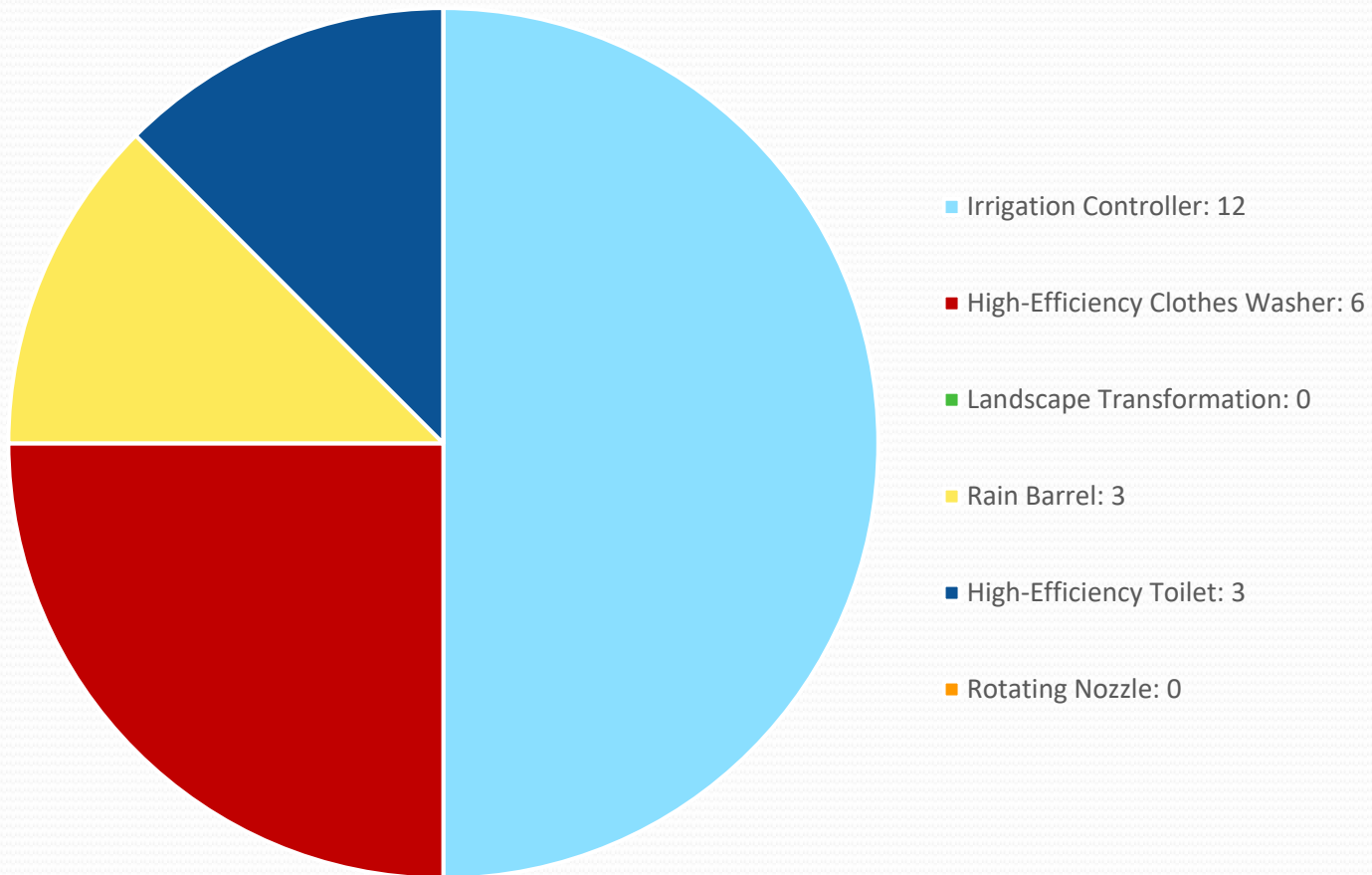
OMWD Activity

Restrictions Enforcement

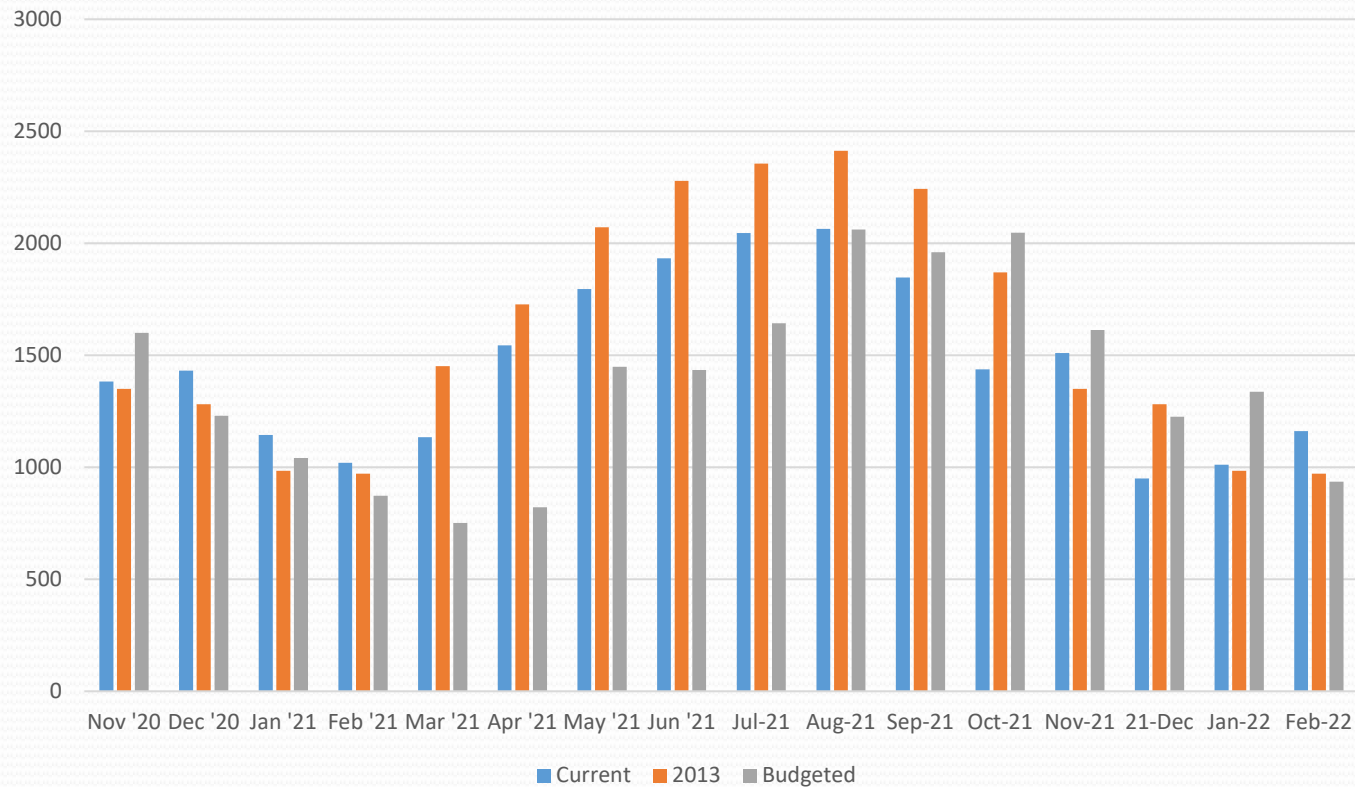
	Reports	Actions	Fines
June '20	7	7	0
July '20	18	18	0
August '20	4	4	0
September '20	12	12	0
October '20	2	2	0
November '20	3	3	0
December '20	6	6	0
January '21	7	7	0
February '21	7	7	0
March '21	1	1	0
April '21	0	0	0
May '21	3	3	0
June '21	2	1	0
July '21	18	18	0
August '21	14	14	0
September '21	6	6	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
Totals	137	136	0



January - March Rebate Activity



No Conservation Requirement



Water Consumption Compared to 2013

Nov-20	2%
Dec-20	12%
Jan-21	16%
Feb-21	5%
Mar-21	-22%
Apr-21	-11%
May-21	-13%
Jun-21	-15%
Jul- 21	-13%
Aug- 21	-14%
Sep- 21	-14%
Oct- 21	-24%
Nov- 21	12%
Dec-21	-27%
Jan-22	2%
Feb-22	20%

Legislation & Regulations

Legislative and Regulatory Update

- AB 1668-SB 606 (2018 long-term water conservation targets)
 - DWR's deadline to provide standards recommendations to SWRCB has been pushed to mid 2022.
- Meetings attended:
 - DWR's Standards, Methodologies and Performance Measures Stakeholder Meeting
 - SDCWA JPIC Meeting
- Comment letters submitted
 - PFAS Action Act
 - Indoor Water Use Standard Recommendations
 - Special District Inclusion in American Rescue Plan Act
 - Turf Replacement Rebate Income Tax Exclusion

Legislative and Regulatory Update

Drought Updates

- Strictly voluntary requirements to date
 - OMWD remains at WSCP Level 1
- SWP Allocation- decreased to 5%

Executive Order N-7-22 issued 3/29/2022

- No statewide mandatory conservation requirements... yet
- SWRCB to consider adopting emergency regulations by May 25, 2022
 - Water agencies to submit Annual Water Supply and Demand Assessments to “stress test” adequacy of regional water supply levels
 - Due to DWR by 6/01/2022 based on forecasted projections for FY22-23
 - Potential requirement to activate Level 2 of WSCP
- SWRCB to define “non-functional turf” and restrict irrigation thereof
- SWRCB to expand inspections and enforcement actions against wasteful water uses
- Department of Finance to consider additional project funding to mitigate effects of worsening drought conditions
- Staff to stay engaged in developments to ensure OMWD’s interests are represented

**Possible future Ad Hoc Conservation Committee meeting to address urgent developments*

Legislative and Regulatory Update

Water Shortage Contingency Plan (Ord. 489)

- Adopted by board June 16, 2021
- Updated and to comply with UWMP requirements

WSCP Water Shortage Levels	Use Restrictions	Conservation Target
1	Voluntary	Up to 10%
2	Mandatory	Up to 20%
3	Mandatory	Up to 30%
4	Mandatory	Up to 40%
5	Mandatory	Up to 50%
6	Mandatory	Above 50%

WSCP Level 2 (mandatory conservation)

- Declared by Board of Directors
- Voluntary conservation elements in Level 1 become mandatory
- Additional mandates:
 - Landscape irrigation limited to no more than 3 assigned days per week
 - Landscape irrigation sprinklers limited to no more than 10 minutes per watering station per assigned day
 - Landscape areas without irrigation systems required to adhere to same watering schedule as outlined above and to use sprayer with positive shut-off nozzle
 - Requirement to repair all leaks within 72 hours of notification
 - Requirement to stop operating ornamental fountains or similar decorations requiring potable water

Legislative and Regulatory Update

WSCP Level 2 (mandatory conservation)

OMWD water shortage playbook:

- Increased outreach (*customer education is first priority*)
 - Appeal to conservation ethic
 - Develop understanding of water supply issues
 - Increase awareness of conservation objectives and restrictions in place
 - Offer available tools and resources to support conservation efforts
- Violation enforcement tactics (*proven methods from 2015*)
 - Community monitoring
 - Employee water waste reports
 - Public water waste reports (phone calls, emails, website submissions)
 - Collecting penalties is a low priority and OMWD offered “educational courses” as alternatives to paying fines in the past

Legislative and Regulatory Update

Water Supply Shortage Rate Levels

- Declared by Board of Directors
- Keeps OMWD revenue neutral with required cutbacks at each level
- Currently at Base Rates

CUSTOMER TYPE	COMMODITY CHARGE BASE RATES	10% DEMAND REDUCTION RATES	20% DEMAND REDUCTION RATES	30% DEMAND REDUCTION RATES
Potable: Domestic				
Tier 1: 0 - 6 Units	\$3.39	\$3.62	\$3.89	\$4.24
Tier 2: 7 - 23 Units	\$5.02	\$5.25	\$5.52	\$5.87
Tier 3: 24 - 80 Units	\$5.63	\$5.86	\$6.13	\$6.48
Tier 4: 80+ Units	\$6.74	\$6.97	\$7.24	\$7.59
Agricultural	\$5.55	\$5.78	\$6.05	\$6.40
Combined Agricultural / Domestic	First 23 Units per month: Follow Domestic rate structure. Over 23 Units per month: Follow Agricultural rate structure.			
Commercial	\$4.71	\$4.94	\$5.21	\$5.56
Irrigation				
Tier 1	\$5.33	\$5.56	\$5.83	\$6.18
Tier 2	\$5.71	\$5.94	\$6.21	\$6.56
Construction	\$6.81	\$7.04	\$7.31	\$7.66
Recycled Water	\$3.65	Shortage rates do not apply.		

20% Demand Reduction Rates impact to average household using 22 units of water per month:

\$11 increase if they do not reduce consumption.

\$13 decrease if they reduce consumption by 20%

Recent Updates



Water Boards

STATE WATER RESOURCES CONTROL BOARD
REGIONAL WATER QUALITY CONTROL BOARDS

**Save
Our
Water**



Memo

Date: April 20, 2022
To: Olivenhain Municipal Water District Board of Directors
From: Kimberly A. Thorner, General Manager
Subject: **CONSIDER UPDATE ON THE COVID-19 EMERGENCY DECLARATION**

Purpose

The purpose of this Board item is to provide an update on the COVID-19 Emergency Declaration. The General Manager declared an emergency on March 12, 2020 and the Board has received updates of this emergency declaration at all subsequent Board Meetings. The Board shall receive an update of the General Manager's emergency action at subsequent Board Meetings until we are no longer in the state of emergency.

Recommendation

This is an informational update pursuant to the Administrative and Ethics Code §3.2.1. No Board action is required. To date, thirty eight employees have had COVID-19, there have been twenty one breakthrough cases, and we have had one workplace exposure.

Background

Pursuant OMWD's Administrative and Ethics Code §3.2.1, it is under my authority as the General Manager to declare an emergency if there is an unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent and mitigate

the loss or impairment of life, health, property, or essential public services. COVID-19 poses an imminent danger to the health of OMWD employees and customers. After notifying the Board via email, I declared a state of emergency regarding COVID-19 on March 12, 2020 based on the threat of the spreading pandemic.

There have been a series of email communications with the Board, staff, teleconferences with other General Managers in the County, and multiple messages conveyed to customers ensuring that OMWD's water is safe. The chart below shows the ongoing efforts we are taking here at OMWD to help navigate and mitigate the COVID-19 emergency while remaining prepared and reliable to our customers and community.

CORONAVIRUS (COVID-19) ACTIONS

DATE	ACTION
February 2020	OMWD began actively monitoring situation.
March 5, 2020	Staff begins formulating outreach plan and design of OMWD's online COVID-19 Response Center.
March 9, 2020	Staff participated in regional meeting regarding COVID-19 at the San Diego County Water Authority.
March 11, 2020	OMWD's online COVID-19 Response Center published.
	Social Media outreach regarding water safety during COVID-19.
March 12, 2020	Emergency Declaration made by GM to ensure critical supplies, parts, and inventory are in stock or can be purchased more freely. OMWD implemented Pandemic Response Plan.
	Staff advised not to report to work if they exhibit any signs or symptoms.
	Travel to large conferences, group meetings, and trainings by OMWD employees suspended until further notice.
	Public Tours of OMWD delayed until further notice. Events and workshops postponed.
	Laptops and phones to be ordered in anticipation of telecommuting needs.
	Elfin Forest Recreational Reserve's Interpretive Center closed until further notice.
March 13, 2020	OMWD's lobby temporarily closed until further notice.
	Disconnection moratorium for customers facing financial difficulty.
March 16, 2020	Staff advised not to report to work if family/friends/people they have interacted with exhibited any symptoms.

	Employees can work remotely or on alternate schedules, so long as essential services are not interrupted.
	All non-vital construction, outside work, and outside meetings are cancelled.
	Social distancing policies implemented within the District. (E.g. no sharing vehicles, no congregating, etc.)
	OMWD Sick Time Bank established for employees to donate sick leave to those who do not have enough accrued sick time to meet their needs, thereby encouraging employees to call in sick if needed.
March 17, 2020	OMWD's Emergency Operations Center plans reviewed in order to prepare should it be activated.
	General Manager participates on region-wide water teleconference regarding status of all water agencies. All agencies commit to mutual aide, especially at the operator level. OMWD begins providing San Diego County Water Authority and San Diego County Office of Emergency Services with daily status updates via WEBEOC.
March 18, 2020	OMWD's regularly scheduled board meeting transitioned to teleconference format.
March 21, 2020	California Public Utilities Commission informed that OMWD has initiated a temporary disconnection moratorium.
March 22, 2020	OMWD's Elfin Forest Recreational Reserve closed until further notice.
March 23, 2020	OMWD participated in second teleconference meeting regarding wastewater mutual aid with SEJPA, LWWD, VWD, Oceanside, Carlsbad, and Encina.
	Finance Department creates account to track costs associated with COVID-19.
March 24, 2020	Schedules further modified to ensure as much social distancing as possible; operations divisions separated into alternating teams to allow for separation on a weekly basis. Teams not working are to stay home, safe and sober in the event of an emergency need. Remaining administrative employees authorized remote working capability with laptops.
March 25, 2020	Deployed additional laptops to enable additional employees to work from home.
	Filmed informational video about the safety of our water that will be released in the near future.
	Prepared a list of shovel ready projects to CWA.
March 26, 2020	Sent an informational mailer to all customers regarding the safety of their water supply.
	Secured adequate supply of N95 masks for employees.
March 27, 2020	Staff has contacted certified retired operators to determine their ability to provide support in the event our current staff was impacted.
March 30, 2020	Made and distributed hand sanitizer to be used as needed.

	OMWD participated in third teleconference meeting regarding wastewater mutual aid with SEJPA, LWWD, VWD, Oceanside, Carlsbad, and Encina.
March 31, 2020	Posted an informational video about the safety of our water on website and social media.
April 3, 2020	Secured Zoom meeting software license; Reviewed security protocols to ensure a safe and successful meeting.
April 6, 2020	Ordered cloth masks for each employee to take home and have while out in the community
	Provided one dust mask and gloves for employee significant others and family members who you are exposed to on a daily basis to wear while out in the community.
April 7, 2020	Participated in an EPA COVID-19 Webinar
	Provided employees with an Essential Worker letter in the event that they are stopped by law enforcement while on the clock.
April 15, 2020	Submitted a Request for Public Assistant (RPA) to FEMA within 30 days of our area being designated in the emergency declaration. OMWD anticipates submitting for costs that were incurred outside of normal business practices to respond to the emergency, including additional overtime paid due to the isolation of employees in shifts.
	Participated in an ACWA webinar: COVID-19 Response: Understanding the Financial Aspects.
	Distributed COVID care package supplies to Board Members with sanitizer, masks, and gloves.
April 16, 2020	Received 275 gallons of hand sanitizer to distribute to all OMWD facilities.
April 23, 2020	Participated in the ACWA Brown Act COVID Webinar.
April 28, 2020	Discussed transitioning efforts with Managers and Supervisors.
	Established guidelines for contractor work at the DCMWTP.
May 1, 2020	Presented on a Governments COVID 19 Town Hall Webinar hosted by The Pun Group.
May 4, 2020	OMWD participated in third teleconference meeting regarding wastewater mutual aid with SEJPA, LWWD, VWD, Oceanside, Carlsbad, and Encina.
May 5, 2020	Prepared list of OMWD shovel ready projects to MWD.
May 11, 2020	OMWD participated in fourth teleconference meeting regarding wastewater mutual aid with SEJPA, LWWD, VWD, Oceanside, Carlsbad, and Encina.
	Per the May 10 County Order for essential workers, all employees are to wear face coverings while in public. Thermometers for temperature checks have been ordered.

May 12, 2020	Secured software to enable front desk phone rollover capabilities.
May 14, 2020	Provided COVID-19 IgG Antibody Testing for employees and family members.
May 20, 2020	Executed a Resolution for California Office of Emergency Services (Cal OES) and Federal Emergency Management Agency (FEMA) Funding for expenditures incurred by the District as a result of the COVID-19 Pandemic.
May 26, 2020	Replaces the podium PC in the Boardroom that had Zoom issues.
June 1, 2020	Modified employee work schedules to stagger shifts and isolate, ended the shelving of employees.
	Created a Telecommuting Policy; currently under management review.
June 2, 2020	Hosted an Employee Forum via Zoom.
June 15, 2020	Reopened the Elfin Forest Recreational Reserve with the following restrictions: require that visitors have face coverings at all times and they must be worn when six feet of social distancing is not possible.
June 15, 2020	Slowly started to increase in office presence with fewer telecommuting shifts.
June 17, 2020	Revised the Annual Goals and Objectives to reflect the impacts of COVID-19.
June 19, 2020	Reminded employees that masks should be worn outside of offices in the halls and/or when in a meeting when unable to stay 6 feet apart.
June 22, 2020	Reopened the Lobby with the following restriction: visitors and receptionist to wear face masks.
June 26, 2020	Moved back to increased telecommuting and split shifts due to COVID surge.
June 30, 2020	Closed lobby due to non-compliance with the County Health Order requiring all visitors to wear facial coverings.
July 22, 2020	Implemented employee temperature and COVID-19 symptom certification portal, with mandatory/daily reporting.
July 29, 2020	Implemented emergency sick leave for employees through the end of the calendar year to cover the time off pursuant to the Families First Coronavirus Act (FFCRA). The emergency sick leave time will only be for COVID-19 quarantine related situations and separate from normal sick leave.
July 30, 2020	Review emergency telecommuting policy with managers for implementation in August.
August 1, 2020	Continued split schedules, remote site reporting, distancing, and telecommuting for all employees.
August 31, 2020	Started research on the August 8 Executive Order for payroll tax deferral and its applicability to OMWD.
September 1, 2020	Implemented Telecommuting Policy District wide.
	EOC books updated.

September 15, 2020	Switched to regional reporting to SDCWA to once per week versus daily.
September 22, 2020	Directed supervisors to continue split schedules, telecommuting, remote site reporting, and distancing through at least the end of November. Will revisit as needed.
September 22, 2020	Updated all supervisors on new legislation regarding COVID outbreaks in the workplace and employee notification.
October 28, 2020	Reminded all employees on the importance of resisting COVID fatigue.
November 4, 2020	Requested Supervisors prepare plans in case San Diego gets second Purple Tier rating on 11/10/20.
November 10, 2020	Implemented increased distancing/remote work, modifications to use of Wellness Center, switch to Zoom meetings if unable to distance, lobby remains closed, reinforced importance of mask wearing and daily self-reporting.
November 19, 2020	Reminded employees to have the essential worker letter if out on OMWD business, duty calls, or leaks, etc., past the curfew.
December 1, 2020	Began working with staff on plan for the reinstitution of late charges in 2021.
December 1, 2020	Implemented further distancing work from home schedules due to purple tier.
December 8, 2020	Prepared social media posts for OMWD's COVID preparedness and response.
December 17, 2020	Signed on to a Vaccine Coalition letter to the California Community Vaccine Advisory Committee regarding prioritization of water sector essential critical infrastructure workers for COVID vaccination.
December 21, 2020	Email to all employees about COVID reporting requirements.
January 19, 2021	Ordered hands free door openers for bathrooms.
January 25, 2021	Divided the District into 6 separate workplaces (pods) with physical barriers to separate pods, closed Wellness Center to those without a COVID vaccine, shut down the ice machine, modified warehouse access with new procedures, secured mass testing if needed, approved the purchase of new air filters for the HVAC system that are MERV 13 rated, and secured a contract for industrial cleaning services in case of an outbreak in a pod.
February 1, 2021	Created a COVID Task Force with employee representatives from each pod that will meet bi-weekly.
February 9, 2021	Held a COVID Task Force Meeting.
February 22, 2021	Held a COVID Task Force Meeting.
February 23, 2021	Addressed respirator N95 needs, porta potties deployed, and more sanitizer.

March 2, 2021	Contacted the County of San Diego and determined vaccine eligibility for emergency operations center (EOC) employees, duty operators, and those on call to respond.
March 4, 2021	Distributed individual approval letters to employees as emergency service workers to schedule vaccine appointment.
March 8, 2021	Coordinated with SDCWA on CALFire vaccinations for OMWD employees.
March 22, 2021	Held a COVID Task Force Meeting.
March 23, 2021	Employees eligible to sign up for CALFire vaccinations.
March 30, 2021	Joined CSDA Coalition on COVID relief for Special Districts.
April 15, 2021	Held a COVID Task Force Meeting.
April 19, 2021	HR coordinated a COVID Wellness Challenge
April 29, 2021	Email to all employees about the path moving forward – removing the pod walls, vaccinated employee exposure requirements, targeted lobby re-opening, self-certification form, and meeting requirements, and reminded employees that mask wearing and social distancing is still required at OMWD subject to OSHA requirements.
May 4, 2021	Held a COVID Task Force Meeting.
May 5, 2021	Removed the Pod walls.
May 10, 2021	Reopened the front lobby.
May 11, 2021	Email to all employees about continued mask wearing until OSHA guidelines are updated, self-certification on Target Safety, and schedules starting late May/early June.
June 9, 2021	CALOSHA voted unanimously to withdraw the revisions approved on June 3 that are currently at OAL for review but have not yet become effective. CALOSHA will review the new mask guidance and bring any recommended revisions to the board. All OMWD precautions will remain in effect until the CALOSHA meeting and decision.
June 9, 2021	Held a COVID Task Force Meeting.
June 15, 2021	Email to all employees on the updated CalOSHA ruling – fully vaccinated employees do not have to wear masks, provide proof or self-attest, social distancing rules no longer apply, and N-95 masks are available for any employee who wants one. These revised regulations will be in effect for 210 days, unless they revisit it earlier in the event of a surge in statewide cases.
June 22, 2021	Email to all employees that the wellness facility may now be used at 50% capacity. If not vaccinated, you can use the facility, but must be masked.

July 21, 2021	Held a COVID Task Force Meeting.
July 23, 2021	Email to all employees with a reminder of the COVID guidelines – self certification on Target Safety, mask wearing if unvaccinated.
July 27, 2021	Email to all employees regarding the CDC’s new guidance asking employees who are vaccinated to use their own discretion on mask wearing indoors at this time, and not mandating employee vaccinations (or weekly testing) at this time.
August 21, 2021	Re-instituted masks required indoors immediately unless you are in your office alone with door shut and asked that meetings be Zoom whenever possible.
August 31, 2021	Held a COVID Task Force Meeting.
September 15, 2021	Announced that the 2021 COVID-19 Supplemental Paid Sick Leave will end on September 30, 2021.
September 16, 2021	Governor Newsom signed AB 361, which extends virtual meetings for all Brown Act meetings (Board and Committee) with conditions.
September 10, 2021	Attended workshops on the SWRCB Arrearages Process and CSDA’s Special District Relief Fund Program.
September 30, 2021	Governor Newsom’s Executive Order N-15-21 comes to an end.
October 13, 2021	With the County showing a downward trend in a positive direction, mask wearing returned to optional indoors for vaccinated employees. The Board also implemented AB 361 in order to continue with virtual board and committee meetings for the next 30 days.
November 17, 2021	The Board continued to implement AB 361 in order to continue with virtual board and committee meetings for the next 30 days.
December 9, 2021	Held a COVID Task Force Meeting.
December 14, 2021	Email sent to all employees on the new California Department of Public Health and San Diego County mask mandates go into effect on December 15th requiring masks to be worn in all indoor public settings, irrespective of vaccine status, for the next four weeks (December 15, 2021 through January 15, 2022).
January 3, 2022	With positive cases increasing, sent all employee email to keep up your safe practices and reporting.
January 5, 2022	Sent email to employees that for at least the month of January, any employee that develops COVID symptoms, if you get a rapid test by a health professional and OMWD will reimburse you the out of pocket cost up to \$200. This will shorten the time waiting in isolation for results and will assist OMWD in maintaining critical staffing levels
January 6, 2022	Implemented separation work scheduling for the next two weeks based on the already declared emergency from 2020 and emergency telecommuting agreements on file with HR. Ordered a supply of home tests for employee use. Tests are locked in an outdoor safe where an OMWD Manager or telehealth provider can witness in real time.

January 10, 2022	Sent booster shot clarification email for the updated January 14 th CALOSHA regulations that you are now deemed in the unvaccinated bucket (for exposure purposes) if you are eligible for a booster shot and have not received one.
January 14, 2022	CALOSHA adopted new regulations that go into effect on January 14, 2022 – face covering must pass light test, Testing for all employees (regardless of vaccination status) due to “close contact” in the workplace will be on paid regular work time, not sick leave, home COVID-19 tests are now permissible, however the employer or an authorized telehealth provider must observe the testing in real time.
January 18, 2022	Held a COVID Task Force Meeting.
January 25, 2022	Met via Zoom with Managers and Supervisors to discuss signs COVID fatigue in employees.
February 1, 2022	Awarded certificates to the top 5 employees who completed the most COVID symptom certification checklists since it was implemented at the beginning of the pandemic.
February 14, 2022	Email sent to all employees on the Governor’s COVID-19 paid sick leave retroactive to January 1, 2022, which will remain in effect through September 30, 2022, masks are no longer required for vaccinated individuals, and the COVID-19 Isolation and Quarantine flowchart.
March 2, 2022	Investigated and participated in a webinar on how to request County transfer of federal COVID relief funds. Will submit to County for OMWD impacts.
March 3, 2022	State extended the CALOSHA ETS to May 5, 2022. Informed the Employees at the Employee Forum.
March 15, 2022	Commenced planning for “End of COVID” restrictions event with employees to honor their frontline work for the past two years.

Fiscal Impact

Staff has reviewed all mission critical chemicals, supplies, parts, and inventory on hand and was instructed to order 120 days of mission critical supplies and chemicals to store here at OMWD. OMWD is using funds from Water and Wastewater Operating Reserves to pay for these expenditures, as water sales have been lower than projected through March 2020 due to weather conditions. Total expenditures in the categories of information technology, inventory, supplies, and customer service total \$331,920.64 as of the publishing of this memo. Of this amount, only \$134,033.45 represents special expenditures that would not have otherwise been incurred but for the COVID-19 pandemic. The remaining \$197,887.19 of expenditures represents parts, supplies, chemicals and materials that were ordered earlier than normal in order to have 5 to 6 months of supplies, materials, chemicals and parts on hand in case of lack of availability. The chart below reflects the COVID-19 expenditures incurred since March 12, 2020. OMWD submitted a Request for Public Assistant (RPA) to FEMA on September 18, 2020.

OMWD has submitted for costs that were incurred outside of normal business practices to respond to the emergency, including additional overtime paid due to the isolation of employees in shifts. To date, OMWD's FEMA claim is still pending and we are awaiting direction as to what will be reimbursed. OMWD's FEMA representative indicated that the delay is due to the Presidential transition and that FEMA has been prioritizing vaccine projects.

On October 14th, 2021, OMWD submitted an application for the \$100 million Special District Relief Fund, available through the State of California, for the potential reimbursement of the district's unanticipated COVID-related costs incurred between March 2020 and June 2021. Costs totaling \$372,547 that are not anticipated to be reimbursed by FEMA were included in the application. These costs included: technology costs that allowed select staff to work remotely, customer outreach costs related to water safety and COVID, supplemental COVID sick leave provided to employees, and wages incurred for non-telecommuting employees that were required to stay home at the onset of the pandemic to ensure social distancing. The district was successful in its application and was awarded \$43,561.00 in COVID-19 relief funding to reimburse OMWD for our extraordinary incurred costs for staffing and supplies related to the pandemic.

COVID-19 Expenditures Incurred Since March 12, 2020

Item	Cost	Category	Note
Laptops	30,605.96	Information Technology	15 laptops
Laptop backpacks	486.33	Information Technology	15 laptops
Zoom meetings	2,398.80	Information Technology	
Duo 2 FA	980.00	Information Technology	
Mitel IP Phone Licenses	1,290.00	Information Technology	
Jabra headsets	645.24	Information Technology	

Sonim phones	611.55	Information Technology	
Samsung phones w/ Case and Hotspot	2,171.00	Information Technology	
Wireless mice & misc. supplies	528.47	Information Technology	
Bluetooth keyboards & mice, headsets, and phone chargers	440.47	Information Technology	
Spray bottles for sanitizer	940.00	Supplies	
Hand soap	817.00	Supplies	
Gloves, Glycerol, Hydrogen Peroxide, Distilled Water, batteries, safety glasses, and stock up of other warehouse supplies	7,957.06	Supplies	Warehouse supplies for the next 5-6 months.
Pinesol disinfectant	459.00	Supplies	
Janitorial supplies – hand wipes, paper towels, trash bags, cleaner, hand soap, facial tissue, bleach, toilet paper, hand sanitizer, etc.	9,352.33	Supplies	Janitorial supplies for the next 5-6 months.
Dust masks (not N95)	322.71	Supplies	
Hand sanitizer packets	397.33	Supplies	
Propanol	515.23	Supplies	
Pacific Pipeline Supply- hydrants, gate valves, copper pipe, repair couplings, and various other inventory items	100,714.07	Inventory	Inventory restock for the next 5-6 months.

AquaMetric - meters	68,954.48	Inventory	Inventory restock for the next 5-6 months.
Hach - Laboratory supplies - reagents and other supplies (WTP)	4,738.00	Supplies	6 month supply
IDEXX - Laboratory supplies - BAC-T bottles (WTP)	315.08	Supplies	120 day supply
Nalco - Water treatment chemicals - 7768 polymer barrels, four 55 gallon drums (WTP)	5,053.83	Supplies	
Sterling Water Technologies - Water treatment chemicals - ACH coagulant 2,000 gallons to top off tank (WTP)	8,759.40	Supplies	
Traffic cones to block off street parking (EFRR)	385.21	Supplies	
Custom COVID-19 park closure signs (EFRR)	221.10	Supplies	
COVID-19 Safety of Your Water Postcard - printing and mailing	9,559.69	Customer Service	Quantity sent: 25,584 postcards
Hair Trigger LLC - Hand Sanitizer	15,015.63	Supplies	Qty. 55 - 5 gallon buckets
Masks, disinfectants, hand soap, DIY hand sanitizer supplies	1,921.24	Supplies	
Barricades (EFRR)	56.01	Supplies	
Hydrogen peroxide, propanol for DIY cleaners	922.48	Supplies	
Disposable gloves	556.19	Supplies	
N95 Masks	242.44	Supplies	

Masks for employees	1,293.50	Supplies	
Containers for hand sanitizer	53.17	Supplies	
Propanol	412.19	Supplies	
Disposable gloves	1,559.72	Supplies	
Reusable masks	118.01	Supplies	
Hydrogen peroxide for DIY cleaners	161.85	Supplies	
Disinfectants, hand sanitizer packets, reusable masks, spray bottles, disposable gloves	2,019.92	Supplies	
Fork/Spoon/knife dispensers	47.97	Supplies	
Hydrogen peroxide for DIY cleaners	107.90	Supplies	
Cleaning wipes	2,248.56	Supplies	
Reusable masks	1,787.86	Supplies	
Thermometers, batteries for thermometers, bins to hold thermometers, bottles for hand sanitizer.	2,940.38	Supplies	
Disinfecting wipes, hand sanitizer, cleaning supplies	1,694.39	Supplies	
Custom COVID-19 park signs (EFRR)	738.24	Supplies	
Disinfecting wipes, alcohol wipes	467.61	Supplies	

Washable Masks (Qty. 400)	1,869.61	Supplies	
N95 masks (Qty. 1,000)	5,710.75	Supplies	
N95 masks (Qty. 130), spray bottles, utensil dispensers, thermometers, touchless soap dispensers, reusable masks (Qty. 250), hand soap	6,959.25	Supplies	
Customer COVID-19 courtesy letters for past due accounts	1,546.51	Customer Service	
Touchless items for Building D including: touchless soap dispensers, touchless paper towel dispensers, hands-free trash cans,	1,656.20	Supplies	
Wall-mounted forehead thermometer (touchless)	109.90	Supplies	
Disposable masks (Qty. 950)	292.82	Supplies	
Disposable masks (Qty. 1,000), alcohol wipes (24 packs)	672.32	Supplies	
Thermometers (5), Surface disinfectant spray (49), alcohol wipes (24 packs).	704.70		
Surface disinfectant, alcohol wipes, disposable face masks	628.42	Supplies	
Materials for temporary walls to divide Building D into pods.	658.29	Supplies	
N95 Masks (Qty 300), disinfectant	1,384.34	Supplies	
Heating, Ventilation, and Air Conditioning (HVAC) Filters	3,868.00	Supplies	
Disposable masks (Qty. 1,500)	398.35	Supplies	

N95 masks (Qty. 80) and thermometers (Qty. 3)	177.76	Supplies	
Disposable masks (500), N95 masks (240), alcohol wipes.	1002.20	Supplies	
Reusable masks (Qty. 100), Disposable masks (Qty. 1,060)	718.80	Supplies	
Disposable masks (Qty. 350)	188.44	Supplies	
Disposable masks (Qty. 1050)	329.28	Supplies	
COVID rapid tests (Qty. 540 total tests)	6369.77	Supplies	
Reusable "no light" masks for OSHA compliance (Qty. 300)	1008.60	Supplies	
Disposable masks (Qty. 800), alcohol wipes	464.41	Supplies	

Category	Total
Information Technology	40,990.12
Inventory	169,668.55
Supplies	110,155.77
Customer Service	11,106.20
Grand Total	\$331,920.64

Discussion

OMWD will continue to take proactive measures to stay ahead of the curve while keeping customers supplied with safe and reliable drinking water. Monthly COVID-19 emergency updates will continue at each subsequent board meeting until further notice. The district will continue our objectives to protect the health and safety of employees and customers; and ensure the continuity of business operations.



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 the District's website.

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 20, 2022

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 2022:

Operations & Maintenance	Current Month	Last Month
DCMWTP Total Production	369.6 million gallons	377.9 million gallons
DCMWTP Average Daily Production	11.9 million gallons	13.5 million gallons
DCMWTP Peak Day Production	18.7 million gallons	19.6 million
Source Water Blend (% State Project Water)	30%	4
Total Deliveries to VWD	40.30 acre feet 13.05 million gallons	124.14 acre feet 40.45 million gallons
4S and Rancho Cielo Sewer Systems Total Inflow	40.19 million gallons	35.15 million gallons
4S and Rancho Cielo Sewer Systems Average Daily Inflow	1,296,757 gallons	1,255,645 gallons
4S and Rancho Cielo Sewer Systems Peak Day Inflow	1,359,532 gallons	1,400,306 gallons
4S and Rancho Cielo Sewer Systems Low Day Inflow	1,234,838 gallons	1,173,949 gallons
4SWRF Average Daily Production	637,124 gallons	641,334 gallons
4SWRF Peak Day Production	1,134,094 gallons	941,313 gallons
4SWRF Total to Recycled Water Distribution System	19.75 million gallons	17.95 million gallons
4S Recycled Water Storage Pond Volume	184 acre feet	150 acre feet
Repaired Potable Water Main Leak(s)	1	3
Repaired Potable Water Service Lateral Assembly Leak(s)	2	2
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)	1	0
Replaced Valve(s) Monthly Total	2	1
Replaced Valve(s) Calendar Year To Date	3	1
Recycled Water Use Site Inspections & Visits	20	10
Recycled Water Use Site Cross Connection Tests	2	1
Cross Connection Site Surveys	14	1
Backflow Inspections & Testing (New)	7	5
IT Help Requests	20	30
Customer Services	Current Month	Last Month
Customer Calls and Inquiries	1,059	1,116
Total Monthly Bills Issued	23,082	22,996
Service Orders	1,217	1,107
New Potable Meters	0	0
New Fire Meters	0	0
New Recycled Water Meters	0	0
AMI Troubleshooting Investigations	36	38

AMR Troubleshooting Investigations	39	30
Stopped/Underperforming Meters Replaced	44	42
Customer Services - Continued	Current Month	Last Month
MXUs Upgraded to AMI	801	701
Meter Accuracy Tests Performed	0	0
Water Use Evaluations	12	10
Water Use Violation Reports	0	8
Workshops, Events, and Tours	1	0
High-Efficiency Clothes Washer Rebates	1	0
Weather-Based Irrigation Controller Rebates	1	2
Hose Irrigation Controller Rebates	0	0
High-Efficiency Rotating Nozzle Rebates	0	0
High-Efficiency Toilet Rebates	0	0
Rain Barrel Rebates	0	0
Flow Monitor Device Rebates	0	0
Turf Removal Project Rebates	3	0
Social Media Posts	18	24
News Releases/Media Advisories	1	1
EFRR	Current Month	Last Month
Special Use/Event Permits	8	5
Parking Notices	132	221
Incident Reports	7	6
Vehicle Count	5,275	5,817
Trail Use Count	11,767	12,804
Days Closed Due to Rain/Red Flag/COVID-19	1	0
Days IC Open	20	14
Number of IC Visitors	335	484
Volunteer Trail Patrol Shifts	7	8
Volunteer Docent Hours	92	84
Total Number of Docents	64	64
Finance	Current Month	Last Month
Infosend Payments	10,370	9,883
OMWD Auto Debit Payments	2,256	2,319
CB&T Lockbox Payments	3,252	2,939
Over the Counter Payments	517	486
Check-free, Metavante and Chase	5,155	4,546
Paymentus (Credit Card) Payments	1,004	910
Finance Calls and walk-ins	55	50
Service Orders Processed	8	5
Service Orders Closed Out	0	1
Purchase Orders	20	15
Inventory Items Received	439	595
Invoices Processed	721	699
Payroll Direct Deposits Processed	231	234
Accounts Payable Checks	261	185

ENGINEERING DEPARTMENT

Engineering Highlights for March 2022:

The Manchester Avenue Potable Water Pipeline Replacement contractor completed the cleanup and punch list phase, including the final pavement slurry seal and striping. Coordination with Caltrans and their contractor for work occurring at I-5 and Manchester Avenue continued during the month of March. Staff received bids and held a public bid open for the Manchester Avenue Recycled Water Pipeline Project. Three (3) Requests for Proposals were released to the public for As-Needed Construction Management Services, As-Needed Environmental Services, and As-Needed Geotechnical Services with proposals due in April. Staff continues to handle developer and other minor projects including fire hydrants, detector checks, water service laterals, etc., assist other departments with engineering related work, and manage OMWD's right of ways.

HUMAN RESOURCES DEPARTMENT

Human Resources Manager Jennifer Joslin Highlights for March 2022:

Human Resources staff coordinated recruitments for the vacant Utility III and Field Services Technician I positions. Conducted interviews for the vacant Engineering Manager position. Presented the annual Staffing Analysis succession planning document to the Human Resources/Employee Association (HEART) and Personnel Committees in order to discuss staffing recommendations. Created individualized Benefits Cost Statements for FY 2021-2022 for each employee. Hosted the annual Safety Awards luncheon event for all employees. Coordinated the "Guess the Vacation Location" picture contest for employees. Records staff processed multiple public records requests. Collected Form 700 Statement of Economic Interests from required District filers. Reviewed and updated the Employee Handbook to comply with the new Memorandum of Understanding (MOU). Safety staff facilitated the annual servicing of all fire extinguishers throughout the District. Conducted annual fire drills at the water treatment plant and 4S water reclamation facility. Coordinated the first Prescription Safety Glasses Program fitting for relevant employees. Hosted on-site Traffic Control/Flagger training for necessary field employees. Safety staff attended a Water Utility Safety Management Association (WUSMA) meeting.

OPERATIONS & MAINTENANCE

Operations Manager Geoff Fulks Highlights for March 2022:

DCMWTP staff have successfully managed to maintain permeability of the membranes and optimal solids processing during the transition to higher State Project Water (SPW) in late February through the end of March. Energy Recovery Turbine (ERT) 123 was removed and shipped out to Canyon Hydro Industries for refurbishment on March 22 as part of the ERT Refurbishment project. At 4S WRF, inspections were performed by Air Pollution Control District and State Division of Dam Safety with no issues or violations noted. Staff developed plans and specifications for cathodic protection upgrades as part of the Steel Mains Protection project. IT continued the deployment of Microsoft 365, implemented multi-factor authentications for Rose Desktop and updated the phone system software. IT and ICT staff replaced the legacy polycom systems with Zoom room systems at both DCMWTP and 4S WRF. ICT staff updated the security cameras at the Ammonia Feed Injection Facility.

CUSTOMER SERVICES DEPARTMENT

Customer Services Manager John Carnegie Highlights for March 2022:

Published March issue of *Watching Water* newsletter and 2022 update to OMWD's Strategic Plan; sent e-newsletter subscribers information on US EPA's Fix A Leak week, free water use evaluations, and landscape and poster contests; went live with website enhancements to increase customer e-newsletter participation, including a website pop-up and checkbox on start service form; mailed 225 postcards notifying customers affected by the next AMI Expansion Project phase of upcoming work and the My Water Use portal; submitted a USBR WaterSMART Title XVI WIIN program application for North San Diego Water Reuse Coalition's Regional Recycled Water 2020 Project; received notice of award for \$22,349 in grant funding from MWD's Leak Detection and Repair grant program; and attended succulent giveaway and water use efficiency event at the Encinitas Home Depot with roughly 300 attendees.

At EFRR, hosted eight field trips for Escondido Unified School District third graders; held Golden Spotted Oak Borer beetle monitoring field training; completed installation of new post and cable fencing at Ridgetop Picnic Area; and hosted Water for People fundraiser hike.

FINANCE DEPARTMENT

Finance Manager Rainy Selamat Highlights for March 2022:

Staff worked on getting reimbursements from State and Federal agencies for COVID costs; continued working on the biennial budget process for fiscal years 2023 and 2024 to include updating rate model, long-range financial plan, and meeting with managers and the General Manager; worked with the District's pension advisor on the pension funding plan to provide informational report to the Finance Committee and the Board; discussed pension funding plan with the General Manager; discussed San Dieguito Groundwater economic analysis; discussed treatment of the District's Rate Reimbursement Credit program with the auditors for financial reporting; staff supported other departments with miscellaneous analyses upon request; and attended various OMWD meetings San Diego County Water Authority's rate workshops.

ASSISTANT GENERAL MANAGER:

The Assistant General Manager reports the following:

Attended several meetings with the North San Diego Water Reuse Coalition and Woodard & Curran regarding the 2022 Title XVI WINN application; attended meeting regarding redistricting; attended board meeting with SDNEDC; engaged in several meetings with consultants for the SDVGWP; Presented to the San Diego River Valley Regional Open Space Park Citizens Advisory Committee; attended the Conservation Committee Meeting; conducted department budget development and review; served on multiple interview panels; dedicated significant time to personnel matters, employee recruitment, and claims management.

GENERAL MANAGER:

The General Manager reports the following:

General Manager Thorner participated in the SDCWA General Managers meeting, the SDCWA Board Meeting, held a Conservation Committee meeting, participated in a General Managers meeting on California's recurring drought crisis, held an employee annual objectives lunch & learn, participated in the SDCWA board retreat, participated in a MAM/MAFO Rate Workgroup Meeting, chaired the LAFCO Special Districts Advisory Committee, hosted a Personnel Committee Meeting, held Engineering Manager interviews, attended the Pure Water Oceanside Dedication Event, participated in the North County Work Group, attended the SDCWA Audit Committee Meeting, dedicated significant time to interviews, personnel matters, handling COVID issues, reviewing the budget, and reviewing legal matters.

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 11,12, 2022

This is a report on the Finance and Insurance, Water Planning and Stewardship, and Engineering and Operations Committee meetings, held on April 11 and 12, 2022. The report is based on the webcast, Board reports and memorandums. Note that Committee approvals may be changed by the full Board at their meeting on April 12, 2022.

Delta Outflow – During the month of March 2022, the flow averaged 9,500 cubic feet per second (cfs). Over a 24-hour period, 9,500 cfs is approximately equal to 18,800 acre-feet.

Finance and Insurance Committee –

1. Water Deliveries – Through February 2022

2. Variation	Budget Month	Budget YTD	Prior Year YTD
Transactions (TAF)	Not Available	Not Available	Not Available
Transactions \$MM	Not Available	Not Available	Not Available
	Actual Month		Prior Year
March Delivery (TAF)	124		108

3. FY 2023 and FY 2024 Budget –

- Staff recommended setting the ad valorem property tax rate at 0.0035 percent for FY 2023 through FY 2026. The Committee approved the recommendation 10 Yes, 1 No, with the SDCWA Director abstaining.
- Staff presented three optional budgets with 8.0, 6.5, and 5.5 percent increases for the next two years. The 8.0 percent increase was the staff's original recommendation and the other options responded to Board input. The Committee discussed the options for nearly three hours. One Director moved an alternative budget with 5.0 percent increases and it was seconded. A substitute motion for the 6.5 percent

MEMORANDUM

Metropolitan Water District of Southern California

April 11,12 2022 Committee Meetings

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4/13/2022

increase was moved and seconded. A second substitute motion for the 5.5 percent increase was moved and seconded. All three motions were voted on and all three failed. The Committee will not make a recommendation to the full Board.

- c. A fourth, new option, was presented at the Board Meeting with 5 percent increases for the next two years. It passed unanimously. The budget details were not readily available, and the CIP and other expenditures discussed in this memorandum, may change.

Water Planning and Stewardship Committee

1. Water Surplus Drought Management Notes, April 1, 2022 -
 - a. The Northern Sierra Watershed peak snowpack is 61 percent of normal, while runoff is forecast at 56 percent of normal.
 - b. Predictions are that the most current three-years of runoff will be the lowest on record in northern California.
 - c. The Upper Colorado River Watershed peak snowpack is 91 percent of normal, while runoff is forecast at 71 percent of normal.
 - d. The current forecast is to use 870 TAF from dry-year storage and transfers in 2022.
2. North of Delta Water Transfers – The Committee approved up to 75 TAF of transfers. If executed, these transfers will help the SWP Dependent Areas.
3. Sites Reservoir Workplan Development – The Committee approved a \$20 million contribution for continued participation.
4. High Desert Water Bank – Construction of the facilities to support the water bank are underway, with recharge scheduled to start in 2023, and with recovery as early as 2025. An emergency drought operation is possible in the summer of 2022.

Engineering and Operations Committee

1. Capital Improvement Projects for the Biennial Budget – The Committee approved a 2-year CIP budget of \$600 million. SDCWA and other Directors expressed a concern about the level of funding and the impact on water rates. Staff responded that the CIP project scheduling is a matter of risk management and that they had done extensive reviews to try and reduce projects and costs. Lowering the CIP won't directly lower rates, as most of the cost is bond funded and the resulting changes in debt service are minor. Lowering the PayGo portion does make a difference but staff has already lowered PayGo to \$135 million a year, which reduced bond coverage ratios. Further reductions would impact the bond financing costs. The CIP budget was approved by the Committee 8 Yes, 0 No, with the

MEMORANDUM

Metropolitan Water District of Southern California

April 11, 12, 2021 Committee and Board Meetings

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4/13/2022

SDCWA directors abstaining.

2. Percent State Water Project Water at Lake Skinner – 0 percent.

CIP – Capital Improvement Program

SWP – State Water Project

CRA – Colorado River Aqueduct

TAF – Thousand acre-feet

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 20, 2022

RE: Attorney Report: CEQA and Water Supply Projects
150152-0005

I. INTRODUCTION.

This attorney report provides an update on a recent Court of Appeal decision upholding a water agency's environmental impact report ("EIR") for a local water supply project. In *Buena Vista Water Storage District v. Kern Water Bank Authority* (March 22, 2022), the Second District Court of Appeal upheld the EIR for the Kern Water Bank groundwater recharge project involving the diversion of unappropriated Kern River water. The appellate court further rejected CEQA objections alleging the EIR included an improper water rights analysis, inconsistent project description, inaccurate environmental setting, and inadequate water supply impacts analysis.

As many water agencies consider local supply projects to enhance water supply reliability, increase local water resources, and reduce dependence on imported water sources, the *Kern Water Bank* opinion provides important guidance and precedent to help streamline the environmental review process for local water agencies.

II. BACKGROUND.

The Kern Water Bank Authority ("KWBA"), a Joint Powers Authority comprised of five water districts and one mutual water company, operates and diverts water from the Kern River and other sources for storage in the Kern Water Bank ("Water Bank"). In dry years, KWBA recovers water from the Water Bank. The Kern River originates in the southern Sierra Nevada. It flows southwest to the San Joaquin Valley floor, with its upper segment flowing into the Lake Isabella Reservoir and Dam. That reservoir is managed by the Kern River Watermaster, who directs releases from it for water control purposes or to satisfy obligations to Kern River water rights holders.

Below the dam, a series of weirs and canals are used to divert water and control river flows. Features in the river's lower segment include: the First Point of measurement (30 miles downstream from the Lake and used to measure river flows before major diversions to facilitate proper apportionment among water rights holders); the Second Point of measurement (several miles downstream from the First and used to document deliveries to rights holders); and the Kern River-California Aqueduct Intertie

("Intertie"), a physical structure through which flood waters are diverted to the California Aqueduct.

Normally the Kern River is dry when it reaches Bakersfield. In some wet years – about 18% of the time – it flows through Bakersfield before reaching the Intertie. Water levels in such years trigger "mandatory release" flood conditions under which the U.S. Army Corps orders water releases (flood flows) from Lake Isabella, and the Department of Water Resources catches excess flows and diverts them through the Intertie to the California Aqueduct to alleviate downstream flooding. The Intertie only diverts Kern River flows to the aqueduct when they are in excess of water claimed by rights holders, and such a condition has occurred in wet years nine times since the Intertie's 1977 construction.

In 2010, the State Water Board removed the Kern River's previous "fully appropriated stream" designation based on evidence that some unappropriated water in excess of rights holders' claims existed in certain wet years. This allowed water appropriation applications to be processed. KWBA accordingly proposed the "Kern Water Bank Authority Conservation and Storage Project" (the "Project") to divert up to 500,000 acre-feet-per-year ("AFY") from the Kern River for recharge, storage, and later recovery within the Water Bank and/or direct delivery to its member service areas, all via existing physical facilities. Project diversions would be limited to high flow wet years when all senior rights holders have been satisfied and the water diverted would otherwise have flowed to the Intertie, flooded farmlands, or left the County.

KWBA separately applied for a water right permit from the State Water Board to divert the 500,000 AFY during years when water was available, and its EIR analyzed the impacts of the State Water Board's approval of that permit. The EIR evaluated the Project's potential environmental impacts, including impacts on hydrology and groundwater resources. The EIR used environmental setting baselines from 1995 (when the Kern Water Bank began operating) to February 2012 (when the Project Notice of Determination was issued).

The EIR's appendix included a Water Availability Analysis conducted by KWBA that included as a "key objective" determining if floodwater is available for appropriation. Based on KWBA's historical diversions of floodwaters in the three high flow years occurring during the baseline period under the Flood Policy, and measurements of Kern River water diverted to the Intertie, the Water Availability Analysis found that surplus water would be available in the quantity requested by the Project in high flow years.

The EIR found that because the Project would only divert surplus waters in wet years which could not otherwise be used or stored by existing water right holders, it would not have a significant impact on available water supply and thus no mitigation would be required. The EIR also determined there would be a less-than-significant impact on groundwater levels since the Project would only increase recharge and

storage, but would not change the historical levels of recovery operations from the Water Bank.

Buena Vista Water Storage District (“Buena Vista”), a Kern River “Second Point” water rights holder, sued KWBA. The trial court granted Buena Vista’s petition for writ of mandate, finding that the Project EIR was inadequate under CEQA for three stated reasons:

- (1) the definitions of Project water and existing water rights are “inaccurate, unstable, and indefinite”;
- (2) the baseline analysis is inadequate and incomplete for failure to analyze and quantify competing existing Kern River water rights; and
- (3) the impact analysis is inadequate for failure to analyze significant environmental impacts on senior rights holders, and on groundwater from long-term Water Bank recovery operations.

The trial court ordered KWBA to set aside its resolution certifying the EIR, to prepare a legally adequate EIR, and to suspend activities related to Project approval. KWBA appealed and the Court of Appeal reversed.

III. COURT’S ANALYSIS.

A. Project Description Issue

The Second District Court of Appeal first analyzed Buena Vista’s claim that the EIR failed to contain “an accurate, stable, and finite project description” as an alleged failure to proceed in a manner required by law. The Court of Appeal held that the EIR’s Project Description properly described Project water as “high flow Kern River water, only available under certain hydrologic conditions and after the rights of senior Kern River water rights holders have been met, that otherwise would have (1) been diverted to the Intertie, (2) flooded farmlands, or (3) left Kern County.” In the same and other chapters, the EIR properly described the relevant “hydrologic conditions” and defined the related qualifying conditions.

The appellate court accordingly rejected Buena Vista’s contention that the EIR’s description of Project water was inconsistent. Buena Vista argued it was inconsistent or misleading for the EIR to use phrases such as “flood flows,” water that would “trigger mandatory release conditions,” water that was “historically offered” to the Intertie, “historically diverted” by KWBA, or “unappropriated” or “surplus” water. The appellate court dismissed Buena Vista’s inconsistency argument, finding that such terms “described in different words the same conditions under which Project water has historically flowed.” The EIR explained that “the Project would result in a State Water

Board permit for the continuance of a pre-existing activity through use of existing facilities;” that Project water existed “only to the extent unappropriated Kern River flows” are available; and the Project would not necessarily represent an increase in historical diversions of such waters. The Court concluded: “In essence, the Project seeks to establish a right to the same water that KWBA has historically diverted under the Flood Policy.”

The Court also rejected Buena Vista’s attempt to analogize the EIR’s Project description to that found fatally “indefinite” in the case of *Stopthemillenniumhollywood.com v. City of Los Angeles* (2019) 39 Cal.App.5th 1. In distinguishing that case, the Court held:

“Here, a precise amount of water for the Project cannot be determined because water availability will fluctuate from year to year. Nevertheless, the Project proposes a finite maximum amount of water for diversion and provides estimates of the amount of water that could have been diverted based on historical hydrological conditions. A project description may use a flexible parameter when the project is subject to future changing conditions.”

The Court further rejected the trial court’s finding that the EIR’s Project description was inadequate because it failed to include a “complete quantification of existing Kern River water rights.” The Court found the EIR satisfied the elements for a project description pursuant to CEQA Guideline section 15124, by including a *general* description of the Project’s technical and environmental characteristics, including information about the process of obtaining a water right permit/license from the State Water Board, the methods and locations of water diversion, the water operations process, and monitoring the groundwater. Notably, the Court stated:

“Nothing in the CEQA guidelines required KWBA to provide a specific quantification of the existing water rights within its Project description. The trial court erred in requiring a quantification of existing rights because there has never been a stream-wide adjudication quantifying such rights, and such an adjudication is a complex proceeding conducted by the State Board or a court and could take several years or even decades to complete. While CEQA requires a good faith effort at full disclosure, an EIR need not be perfect or exhaustive in nature. The EIR here disclosed all it reasonably could and its project description satisfied CEQA.”

B. Baseline/Environmental Setting Issue.

The Court of Appeal rejected the trial court finding that the EIR’s description of the environmental setting was inadequate for not including quantified measurements of the specific amounts existing Kern River water rights holders may divert. The Court concluded:

“Here, a quantification of existing water rights was not necessary to an accurate and complete description of the environmental setting. Historical use may determine the quantitative limits on the amount of water that a pre-1914 water appropriator may divert, and KWBA had the discretion to rely upon historical measurements of water to determine how the existing physical conditions without the project can most realistically be measured.”

The EIR provided a detailed description of existing allocations and historical measurements of water from the First Point, Second Point and Intertie during the baseline period, and also measurements of water historically diverted to the Water Bank. From this information, the EIR demonstrated the availability of unappropriated water and provided estimates of amounts that could have been diverted into the Water Bank under baseline conditions; a complete quantification of existing water rights was unnecessary to conduct this analysis under CEQA.

C. Environmental Impacts Analysis.

Finally, the Court rejected the trial court’s finding that the EIR did not adequately analyze the Project’s impacts on existing water rights and on groundwater levels. The Court found that the Project, by its very definition, would use only unappropriated water and would therefore not adversely impact existing appropriative water rights. The EIR’s conclusions that there would be no significant impact and no mitigation required in this regard were supported by substantial evidence in that:

- (1) the State Water Board cannot issue new permits to divert water already subject to existing rights;
- (2) the State Water Board has expressly allowed new applications after finding water diverted to the Intertie was unappropriated water in excess of existing water rights; and
- (3) the EIR’s analysis of historical measurements showed KWBA would only divert surplus water that would be available approximately 18% of the time.

With regard to groundwater impacts, the Court found the EIR made clear that even maximum recovery volumes during a 3-year drought would not change substantially because no new recovery facilities would be built. Citing KWBA’s numerous preexisting operational commitments and monitoring programs, the Court further found the EIR adequately analyzed sufficient recovery periods to ensure banked water quantities would not be exceeded and not result in changes to groundwater levels adversely impacting nearby wells or land uses. Rejecting Buena Vista’s argument that the EIR improperly relied on preexisting commitments and programs to avoid impact analysis, the Court concluded:

“Preexisting operations are not mitigation measures designed to reduce a project’s impact. Rather they are part of the ongoing baseline operations. Substantial evidence thus supported the EIR’s conclusion there would be no significant impact on groundwater levels since the Project will not increase long-term recovery beyond historical baseline operations.”

IV. CONCLUSION.

The appellate court’s decision is very helpful for water districts considering local water supply projects. The Court of Appeal reversed the trial court, concluding that the Kern Water Bank Authority complied with CEQA in its evaluation of impacts associated with the water agency’s efforts to appropriate up to 500,000 acre feet of water from the Kern River.

In affirming the Board’s decision to move forward with the water project and certify the EIR, the Second District Court of Appeal rejected the petitioners’ claims, finding that perfection and exhaustive analysis aren’t required in an EIR -- only adequacy and a good faith effort to disclose all that reasonably can be disclosed. Specifically, in order to have adequate project and baseline descriptions, the EIR for a water diversion project seeking to use water documented to be surplus and unappropriated did not need to provide an extraneous and detailed quantification of existing water rights that would have required a complex, years-long adjudicatory process to produce.

This is the first appellate court decision holding that the CEQA “baseline” for evaluation of water rights may be defined by recent physical conditions on the water supply source, and that CEQA does not require a quantification of existing senior water rights.

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 24, 2022

1. Monthly Treasurer's Report on Investments and Cash Flow.
The Board noted and filed the Treasurer's report.
2. Resolution amending the titles of authorized officers and employees to invest monies in the Local Agency Investment Fund (LAIF).
The Board adopted Resolution No. 2022-07 amending the titles of authorized officers and employees to invest monies in the Local Agency Investment Fund (LAIF).
3. Approve City of Escondido Waiver Request for Late Fee on October, November and December 2021 Capacity Fee Charges.
The Board authorized the General Manager to waive City of Escondido late fee for the October, November and December 2021 capacity fees amounting to \$2,687.82.
4. Liquidity Facility Supporting the Water Authority Tax Exempt Commercial Paper Program.
The Board adopted Resolution 2022-08 authorizing the extension of the term of a liquidity agreement with Bank of America, N.A., as the liquidity provider for the Series 9 Commercial Paper Notes program and authorizing and approving certain actions in connection therewith.
5. Mission Trails Regional Park Flow Regulatory Structure II Vernal Pool Habitat Restoration Site Transfer and Endowment Payment in the amount of \$364,450.
The Board authorized the General Manager, or designee, to enter into an Agreement with the City of San Diego (City) for Transfer, Conservation, and Maintenance of the Mission Trails Regional Park Flow Regulatory Structure II Vernal Pool (FRS II VP) Habitat Restoration Site; authorized the payment of the \$364,450 endowment to a City-owned investment account; and, authorized a transfer of fee interest in the FRS II VP Habitat Restoration Site to the City.
6. Agreement for Legal Services with Allen Matkins LLP.
The Board authorized the General Counsel to execute an agreement for legal services with Allen Matkins LLP related to the San Vicente Energy Storage Facility in an amount not to exceed of \$900,000.
7. Design-Build contract with Michels Pipe Services for the First Aqueduct Treated Water Tunnel Rehabilitations Project.
The Board authorized the General Manager, or designee, to award a design build contract to Michels Pipe Services in the amount of \$22,145,492 for the First Aqueduct Treated Water Tunnels Rehabilitation project.
8. Adopt positions on various state bills.
The Board adopted a position of support on: AB 1845 (Calderon), relating to accelerating drought-resilient water infrastructure projects; AB 2142 (Gabriel), relating to water conservation; and, AB 2449 (Rubio), relating to open meetings.
9. Assembly Bill 361 Continued Determination Acknowledging the Governor of the State of California's Proclamation of a State of Emergency and of Remote Teleconference Meetings of the



Legislative Bodies of San Diego County Water Authority due to the Emergency Pursuant to Brown Act Provisions.

The Board approved Governor's proclaimed State of Emergency, and approve continued remote teleconference meetings of the legislative bodies of San Diego County Water Authority due to the emergency pursuant to Brown Act after reconsidering the circumstances and finding that state or local officials continue to impose or recommend measures to promote social distancing.

10. Officer Replacement

The Board approved the appointment of Director Mel Katz for the position of Vice Chair to complete the unexpired term of Director Rios.

11. Approval of Minutes.

The Board approved the minutes of the Special Administrative and Finance meeting of February 10, 2022 and the Formal Board of Directors' meeting of February 24, 2022.

12. Reappointment of Director.

The Board acknowledged the reappointment of Craig Elitharp, representing the Vallecitos Water District. Term ending March 13, 2028.

13. Imported Water – Closed Session.

The Board approved the Imported Water Committee's recommendation that, at the Board's regular June meeting, the issue of what to do with the \$14,649,112.78 in attorney's fees, costs and interest paid by Metropolitan Water District of Southern California to the Water Authority on March 21, 2022, be part of the closed session on the MWD litigation. General Counsel notes that if the Board approves this recommendation, though this issue will be addressed in June's closed session because litigation actions may affect it, any decision by the Board will be publicly reported.

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

FROM: Ashley Walker, Senior Policy Advisor, Nossaman LLP
Jennifer Capitolo, Jennifer M. Capitolo and Associates LLC

DATE: April 13, 2022

RE: March 2022 Public Policy Report

State Legislative Update:

Status of the Legislature: The Legislature is on Spring Recess until April 18th. Policy and budget hearings have been well underway. Policy Committee deadline for fiscal bills is April 29 and for non-fiscal bills is May 6. The May Revision of the Governor's 2022-23 State Budget will be released mid-May, and the final budget bill must be passed by the Legislature by June 15th.

FY 2022-23 State Budget: State budget negotiations are still underway in the Legislature. ACWA recommendations for Drought Infrastructure Investments include:

- \$850 Million for Dam Safety/Reservoir Operations
- \$500 Million for Conveyance
- \$470 Million for Groundwater
- \$450 Million for Recycling
- \$300 Million for Urban Water Conservation
- \$75 Million for Agriculture Water Conservation
- \$100 Million for Flood Protection
- \$15 Million for Water Data

Additionally, ACWA is supporting the following funding proposed in the Governor's 2022-23 Budget:

- \$40 Million for Multi-Benefit Land Repurposing
- \$145 Million for Small Water Suppliers Drought Relief and Urban Water Management Grants
- \$20 Million for State Water Efficiency and Enhancement Program

OMWD provided Nossaman with feedback regarding our local priorities in the State Budget, including:

- Recycling: (\$450 million)
 - \$300 million to the State Water Board for competitive grants for water recycling and reuse projects.
 - \$150 million to DWR for competitive grants for brackish and sea water desalination projects.
- Urban Water Conservation: (\$300 million)
 - \$300 million to DWR for competitive grants to large urban and small water suppliers to improve water efficiency, address leaks, reduce demand, provide water use efficiency-related mapping and training, support turf replacement, and maintain a drought vulnerability tool.

Nossaman informed the entire San Diego legislative delegation of OMWD's budget priorities.

Governor's Drought Related Executive Order: The Governor announced an Executive Order (E.O.) on March 28 that is focused on drought mitigation efforts. You can find the press release and a copy of the E.O. [here](#).

The E.O. called on the State Water Resources Control Board (SWRCB) to deliberate requiring urban water suppliers to move to Level 2 of their relative Water Shortage Contingency Plans. As you know, this would include implementing water conservation actions in preparation for a water shortage level of up to 20 percent.

The E.O. also calls on several actions, including:

- **New Local Well Permitting Requirements.** Local governments may not approve a permit for a new groundwater well or alteration of an existing well in a basin with a Groundwater Sustainability Agency (medium- or high-priority) without first obtaining written verification from the managing Groundwater Sustainability Agency; and must determine that the groundwater will is not likely to interfere with nearby wells and/or cause subsidence that may damage nearby infrastructure. Domestic and small wells are excluded.
- **Certain Water Hauling Ordinances Suspended.** Suspends all local prohibitions on hauling of water for human consumption, cooking, or sanitation out of a water basin of origin, or public agency jurisdiction.
- **Groundwater Recharge Projects Expedited.** Expedites and reduces permitting requirements for groundwater recharge projects to support future flood-flows.
- **Expanded Illegal Diversion Enforcement.** Expands State Water Board inspections for illegal diversions and/or waste and unreasonable use of water.
- **Non-functional Turf.** Orders the State Water Board to evaluate the adoption of regulations banning irrigation of "non-functional" turf (or grass), such as decorative grass adjacent to large industrial and commercial buildings. The ban would not include residential lawns or grass used for recreation, such as school fields, sports fields and parks. The Department of Water Resources estimates this ban alone would result in potential water savings of several hundred thousand acre-feet. An acre-foot of water serves the needs of approximately three households for a year.
- **Funding Requests for State Agencies.** Requests state agencies to submit proposals for drought mitigation by April 15, 2022 for inclusion in the Governor's May Revision budget. This specifically aligns with WaterReuse California's advocacy in seeking \$750 million in this year's budget for recycled water. A coalition letter was formed supporting this effort, and OMWD signed on.

Legislation: Nossaman suggests the following positions on legislation, and has provided an update on current positions OMWD has taken.

- **AB 1817 (Ting and Cristina Garcia) Product safety: textile articles: perfluoroalkyl and polyfluoroalkyl substances (PFAS):** Prohibits, beginning January 1, 2024, a person from distributing, selling, or offering for sale in the state a textile article, as defined and as customarily used in households and businesses, that contains regulated perfluoroalkyl and polyfluoroalkyl substances (PFAS), and requires a manufacturer to use the least toxic alternative when removing regulated PFAS in textile articles to comply with the provisions of this bill. Excludes personal protective equipment from the PFAS prohibition. **Recommended position: Support.**

- **AB 2016 (Bauer-Kahan): State Water Resources Control Board: desalination plant: feasibility.** This bill would require the State Water Board to complete a comprehensive feasibility study of the potential impact of desalination plants within the state and present it to the Legislature on or before January 1, 2025. The bill would authorize the State Water Board to contract with an educational institution or related organization to conduct the feasibility study. AB 2016 would allow the State Water Board to request a one-time extension of up to one year to complete the feasibility study. **Recommended position: Watch.**
- **AB 2142 (Gabriel): Income taxes: exclusion: turf replacement water conservation program.** This bill would, for taxable years beginning on or after January 1, 2022, and before January 1, 2027, under both of these laws, provide an exclusion from gross income for any amount received as a rebate, voucher, or other financial incentive issued by a local water agency or supplier for participation in a turf replacement water conservation program. **Current Position: Support.**
- **AB 2247 (Bloom): Perfluoroalkyl and polyfluoroalkyl substances (PFAS) and PFAS products and product components: publicly accessible reporting platform:** Would require manufacturers of PFAS or products containing PFAS, to disclose the presence of PFAS in those products in a publicly accessible database. **Current Position: Support.**
- **AB 2387 (Garcia): Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.** Authorizes the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Act of 2022 (Climate Bond), a \$7.4 billion general obligation bond to address the impacts of climate change, to be placed before voters on the November 8, 2022, general election ballot. **Recommended position: Support if amended to align with ACWA's suggested amendments.**
- **AB 2864 (Rivas): Local Government Renewable Energy Self Generation Program.** This bill would remove the current statewide 250 MW limit on participation in the Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) program. **Recommended position: Support.**
- **SB 832 (Dodd): Water rights: measurement of diversion.** This bill would authorize the State Water Board to modify water diversion measurement requirements if it finds certain criteria to be met. **Recommended position: Watch.**
- **SB 892 (Hurtado): Cybersecurity preparedness: food and agriculture sector and water and wastewater systems sector.** This bill would require CalOES to develop and enact reporting requirements applicable to companies and cooperatives in the food and agriculture industry if they identify a significant and verified cyber threat or active cyberattack. This bill would require a water and wastewater systems sector entity serving more than 3,300 people to report their risk assessments and emergency response plan required by AWIA to CCIC, the Department of Water Resources (DWR), and the State Water Resources Control Board (State Water Board). The bill would require CalOES to direct CCIC to prepare a strategic, multiyear outreach plan that focuses on methods for state agencies to reach out to the food and agriculture sector and the water and wastewater sector in the state to increase awareness and interest in cybersecurity. **Recommended position: Watch.**
- **SB 1157 (Hertzberg): Urban water use objectives: indoor residential water use.** This bill would change the change the standards for indoor residential water use, to reflect those recommended by DWR and the SWRCB. Specifically, it would change the indoor residential water use standards beginning January

1, 2025, to be: Beginning January 1, 2025, until January 1, 2030 – 47 gpcd; Beginning January 1, 2030 – 42 gpcd. **Current position: Oppose.**

- **SB 1205 (Allen): Water rights: appropriation.** This bill would require the State Water Board to develop and adopt regulations to provide greater specificity as to the methods and practices for determining water availability in the issuance and administration of water right permits and licenses, including consideration of the effects of climate change upon watershed hydrology as part of the preparation of water availability analyses. The bill would require the State Water Board to consult with the Department of Water Resources (DWR), the Department of Fish and Wildlife (DFW), qualified hydrologists, and climate change scientists to prepare the regulations. **Recommended position: Watch.**

Executive Orders and Actions Related to COVID-19: This list is compiled from CalOES, California Health and Human Services, California Department of Public Health, and FEMA.

- March 30 - Governor Gavin Newsom signed an executive order that supports communities recovering from recent wildfires, extending various prohibitions on price gouging in Butte, El Dorado, and Plumas counties through June 30, 2022.
- March 23 – Governor Newsom proclaimed a State of Emergency in 16 counties to support recovery from October storms.
- March 18 – Governor Newsom announced a budget proposal to establish a \$100 million funding opportunity to strengthen partnerships with California Native American tribes to achieve the state’s ambitious climate and conservation goals.
- March 15 – Governor Newsom visited the state’s disaster logistics warehouse in Solano County to help pack emergency relief supplies for Ukraine. The needed medical aid is being prepared for an upcoming shipment by Direct Relief, a California-based humanitarian aid organization that has been coordinating with the government of Ukraine and on-the-ground partners to provide support during the current crisis.
- March 1 - FEMA Administrator Deanne Criswell joined the National Governors Association call with the White House COVID-19 team to discuss the latest 100% COVID-19 federal cost share extension. The extension will be for an additional three months from April 1 to July 1, 2022. Specifically, this extension allows FEMA to pay 100% federal funding for the costs of activities that have previously been determined eligible from the beginning of the pandemic. Those costs may include the safe opening and operating of eligible facilities, including schools, and to continue COVID-19 related medical care, vaccination and testing efforts.

Drought Update

After the lowest precipitation amounts ever recorded in January through March, California is now clearly within its third year of a statewide drought. On April 1, the Department of Water Resources (DWR) conducted its fourth snow survey of the season at Phillips Station, resulting in just 2.5 inches of snow depth and a snow water equivalent of only one inch, just four percent of the April 1 average for this location. Statewide, the snowpack was just 38 percent of average for April.

An April 7 status report from the National Integrated Drought Information System indicated that California is experiencing “extreme snow drought” conditions, which have become more severe over the past month due to a spring heat wave causing an early melt-out. Snow Water Equivalent (SWE) is currently around 30%–60% of

median, with many stations below the 10th percentile; several stations are at record low SWE for this date. March precipitation was only about 25%–50% of normal in the Sierra Nevada, and northwestern California. The April 7 report of the U.S. Drought Monitor indicates that 100 percent of the state is experiencing drought conditions, with over 40 percent of the state is now classified in Extreme Drought. On March 28 Governor Newsom issued his fifth drought-related Emergency [Executive Order N-7-22](#) (E.O.), calling on urban water suppliers statewide to move to Stage 2 (up to 20 percent reduction) of their Water Shortage Contingency Plans. The E.O. directs the State Water Resources Control Board (Water Board) to consider a statewide ban on the watering “non-functional” for Commercial, Industrial, and Institutional (CII) water users. The E.O. also includes direction for urban water suppliers to submit to DWR by June 1 a “Preliminary” Annual Water Supply and Demand Assessment (Annual Assessment), which is one month earlier than the submission date required in statute. The E.O directs the State Water Board to adopt drought emergency conservation regulations to prepare for and mitigate the effects of the drought conditions. The State Water Board has scheduled a public webinar to provide an overview of a draft Proposed Emergency Regulation for Conservation. That webinar is scheduled for April 21, 2022.

On April 5, the State Water Board reported that statewide urban water use in February 2022 was only one-half of one percent lower than that of February 2020. Statewide cumulative water use is now only 5.8 percent lower than at this point in 2020, continuing to be far short of the goal of the 15 percent reduction called for by the Governor. At this same meeting, the State Water Board indicated the imminent reimposition of emergency water rights curtailments on surface water diverters in the Sacramento San Joaquin Delta watershed, as well as in the Russian, Scott, and Shasta and other northern California watersheds. On April 4, the Water Board approved Temporary Urgency Change Petition (TUCP) by DWR and the Bureau of Reclamation to conserve water storage in reservoirs in the Sacramento-San Joaquin Delta watershed.

Water Quality Update

Draft CrVI MCL – The State Water Board released the draft CrVI MCL which is 10 ppb and the DLR is 0.05 ppb. The MCL includes a compliance schedule based on water system size.

- Systems with 10,000 or more service connections will have a 2-year compliance schedule.
- Systems with 1,000 to 10,000 service connections will have a 3-year compliance schedule.
- Systems with less than 1,000 service connections will have 4-year compliance schedule.

The MCL is being proposed outside of the formal rulemaking to allow additional time for comments. Letters are due Friday, April 29, 2022. There will be additional opportunities to comment as the formal rulemaking process is initiated later this year.

PFOA/PFOS Funding Workshop – On March 30, 2022, at 9am, the State Water Board held a staff workshop to provide an overview of the proposed implementation plan for Per- and Polyfluoroalkyl Substances (PFAS) Funding appropriated in the 2021/22 State Budget (PFAS General Fund allocation). This funding is available for technical and financial assistance to drinking water systems. This workshop provided an overview of the PFAS funding available, proposed projects that may be considered for funding, and existing funding programs which will be utilized to administer the funds. The Budget Act of 2021 appropriates \$30 million from the General Fund to the State Water Resources Control Board (State Water Board) to address PFAS. A budget addendum includes another \$50 million for fiscal year (FY) 2022/23 and \$20 million for FY 2023/24.

PFOA/PFOS Statewide Investigation – At the April 5, 2022, State Water Board meeting, the water board staff provided an update on the occurrence data collected and analyzed as part of the statewide PFOA/PFOS investigations, which includes data for PFAS chemicals from nearly 1,000 investigation orders issued to airports,

landfills, chrome platers, publicly-owned treatment works, bulk fuel terminals, and refineries, along with nearly 1,200 orders issued to public water systems.

WATER USE EFFICIENCY/CONSERVATION UPDATE

State Water Board:

Water Loss Standards Rulemaking – Water Board staff had noticed a proposed April 5 Board workshop to discuss possible revisions to the proposed Water Loss Performance Standards, but then cancelled it the week prior with no explanation. Comments submitted in February by the Water Loss Coalition (which includes ACWA, CMUA, and CWA) proposed several revisions to the proposal, and State Water Board staff had indicated that some revisions may be made to the regulation. The revised regulation was to have been released in April for an additional 15-day comment period focused only on the proposed revisions. With the Board workshop not yet rescheduled, a decision hearing by the State Water Board is now unlikely before at least early June.

Department Water Resources:

Water Use Standards Recommendations – DWR has not yet released its revised recommendations for water use standards for outdoor CII landscape areas that are irrigated with dedicated irrigation meters (DIMs). A final recommendation is still expected to be submitted to the Water Board in coming weeks, along with final recommendations for residential outdoor water use standards, and variances.

Later this Spring the Water Board is expected to formally initiate its regulatory rulemaking process, which will coordinate the interrelated water use standard-setting elements of the comprehensive water conservation legislation of 2018, AB 1668 (Friedman) and SB 606 (Hertzberg), the so-called “Conservation as a California Way of Life” framework. Attached is a list of the upcoming deadlines and deliverables associated with the framework. Urban Water Supplier deadlines are indicated in **bold text**. Delayed rulemaking by the Water Board for both the Water Loss Performance Standards and the Water Conservation Standards is now making compliance deadlines for urban water suppliers much more challenging and may start to necessitate consideration of future Legislative action to extend those deadlines.

Annual Supply and Demand Assessment – Comments on the updated Draft Annual Water Supply and Demand Assessment Guidance were due to DWR on March 11. The final Guidance will contain information on the recommended scope of the Annual Assessment, including reporting templates and worksheets. It was expected to be available in April but has not yet been released. Although water suppliers are required to conduct and submit their Annual Assessment by July 1, 2022, the E.O. now requires submission of a “Preliminary” Annual Assessment on June 1 this year. This will present a challenge for urban water suppliers, who may only have a month or less to prepare, approve, and submit this new report.

List of Upcoming AB 1668/SB 606 and Related Drought Executive Order Deadlines and Deliverables
Prepared April 7, 2022

Deadline	Deliverable	Responsible Entity	Notes
July 1, 2020	Public Review and adoption of water loss performance standard for urban retail water suppliers	State Water Board	<i>Significantly Delayed and still in progress at State Water Board; adoption to be expected by end of 2022?</i>
October 1, 2021	Recommend to State Water Board outdoor residential water use efficiency and CII DIM standards; CII performance measures; variances; guidelines and methodologies for water use objective calculation	DWR (with State Water Board)	<i>Significantly Delayed and still in progress at DWR; recommendations expected in coming weeks? Will certainly delay State Water Board deadlines through 2022.</i>
May 25, 2022	Adopt emergency regulations requiring Urban Water Suppliers to submit a “preliminary Annual Water Supply and Demand Assessment” by June 1, and implement WSCP Stage 2 by a date TBD (or consider model actions to be developed by DWR); State Water Board to define CII “non-functional turf” and details of irrigation ban	State Water Board and DWR	<i>Per E.O. N-7-2 issued on March 28</i> <i>Urban Water Suppliers will be required to implement a state ban on irrigating CII non-functional turf in 2022-23 with details TBD.</i>
May 30, 2022	Identify potential effects of standards on wastewater systems, parklands, and urban tree health	State Water Board	<i>Analysis in progress (likely to be delayed through 2022)</i>
June 1, 2022	Submit “Preliminary Annual Water Supply and Demand Assessment to DWR”	Urban Water Suppliers	<i>Per E.O. N-7-2; details TBD</i>

June 30, 2022	Public Review and adoption of WUE Standards for outdoor residential water use, CII DIMs, and CII performance measures	State Water Board (with DWR)	<i>likely to be delayed through 2022</i>
"presumed by June 30, 2022" (not specified in statute)	Guidelines and methodologies for water use objective calculation, and variances	State Water Board (with DWR)	<i>likely to be delayed through 2022</i>
July 1, 2022; annually thereafter	Submit Annual Water Supply and Demand Assessment to DWR	Urban Water Suppliers	
July 1, 2022	Report to Legislature on UWMPs	DWR	
Sept. 30, 2022; annually thereafter	Submit report to State Water Board on results of urban annual water supply and demand assessments and DWR analysis of regional and statewide water supply conditions	DWR	
January 18, 2023	Statewide Emergency Water Use Prohibitions Expire (if not extended)	State Water Board	
Spring and Summer 2023	Calculate water use objective, implement programs, and evaluate progress on urban water use objectives against actual urban water use, implement CII water use performance measures; prepare first annual report to DWR	Urban Water Suppliers	<i>Presumes State Water Board adopts WUE standards and guidelines and methodologies for water use objective calculation, and variances early enough in 2023 to allow Urban Water Suppliers sufficient time to implement and evaluate progress; OR get a legislative extension to the November 1, 2023 report deadline</i>

November 1, 2023; annually thereafter	Submit annual report to DWR on urban water use objectives, actual urban water use, implementation of CII water use performance measures, and progress towards urban water use objective	Urban Water Suppliers	<i>Key Deadline; activates State Board “progressive enforcement” informational orders on or after 11/1/23, written notices on or after 1/1/24, conservation orders on or after 11/1/25, and civil liability (fine) on or after 11/1/27</i>
Jan 1, 2024	Submit supplement to adopted 2020 UWMP to DWR on implementation of demand management measures to achieve their urban water use objective	Urban Water Suppliers	
On or around January 1, 2026	Report to policy committees of both Legislative houses by Chair of the State Water Board and Director of DWR on implementation of WUE standards and water use reporting	State Water Board and DWR	<i>Also includes State Water Board and DWR consultation with LAO to inform a report</i>
July 1, 2026	Update and adopt UWMP (incl. WSCP and DRA) and submit to DWR	Urban Water Suppliers	
Thereafter	Annual implementation and reporting cycles; Progressive tightening of indoor WUE standards through 2030	All	<i>Likely need for regulatory (and possibly statutory) revisions to address unforeseen issues; on-going funding to assist with implementation</i>



**Olivenhain Legislative Report 2021-22
Report as of 4/13/2022**

Oppose

SB 1157 (Hertzberg D) Urban water use objectives: indoor residential water use.

Status: 4/7/2022-Set for hearing April 18.

Location: 4/5/2022-S. APPR.

Calendar: 4/18/2022 9 a.m. - 1021 O Street, Room
1200 SENATE APPROPRIATIONS, PORTANTINO, Chair

Summary: Current law requires the Department of Water Resources, in coordination with the State Water Resources Control Board, and including collaboration with and input from stakeholders, to conduct necessary studies and investigations and authorizes the department and the board to jointly recommend to the Legislature a standard for indoor residential water use. Current law, until January 1, 2025, establishes 55 gallons per capita daily as the standard for indoor residential water use. Existing law establishes, beginning January 1, 2025, the greater of 52.5 gallons per capita daily or a standard recommended by the department and the board as the standard for indoor residential water use, and beginning January 1, 2030, establishes the greater of 50 gallons per capita daily or a standard recommended by the department and the board as the standard for indoor residential water use. This bill would eliminate the option of using the greater of 52.5 gallons per capita daily and the greater of 50 gallons per capita daily, as applicable, or a standard recommended by the department and the board as the standard for indoor residential water use.

Position

Oppose

Support

AB 2142 (Gabriel D) Income taxes: exclusion: turf replacement water conservation program.

Last Amend: 4/6/2022

Status: 4/7/2022-Re-referred to Com. on REV. & TAX.

Location: 2/24/2022-A. REV. & TAX

Summary: Current law provides an exclusion from gross income for any amount received as a rebate or voucher from a local water or energy agency or supplier for the purchase or installation of a water conservation water closet, energy efficient clothes washers, and plumbing devices, as specified. This bill would, for taxable years beginning on or after January 1, 2022, and before January 1, 2027, under the Personal Income Tax Law and the Corporation Tax Law, provide an exclusion from gross income for any amount received as a rebate, voucher, or other financial incentive issued by a public water system, as defined, local government, or state agency for participation in a turf replacement water conservation program.

Position

Support

[AB 2247](#) (Bloom D) Perfluoroalkyl and polyfluoroalkyl substances (PFAS) and PFAS products and product components: publicly accessible reporting platform.

Last Amend: 3/21/2022

Status: 4/6/2022-In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 3/3/2022-A. E.S. & T.M.

Calendar: 4/26/2022 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, QUIRK, Chair

Summary: Would require, as part of the hazardous waste control laws, the Department of Toxic Substances Control to work with the Interstate Chemicals Clearinghouse to establish, on or before January 1, 2024, a publicly accessible reporting platform to collect information about PFAS and products or product components containing regulated PFAS, as defined, being sold, offered for sale, distributed, or offered for promotional purposes in, or imported into, the state. The bill would require, on or before March 1, 2024, and annually thereafter, a manufacturer, as defined, of PFAS or a product or a product component containing regulated PFAS that is sold, offered for sale, distributed, or offered for promotional purposes in, or imported into, the state to register the PFAS or the product or product component containing regulated PFAS, and specified other information, on the publicly accessible reporting platform.

Position

Support

[AB 30](#) (Kalra D) Outdoor access to nature: environmental equity.

Last Amend: 1/24/2022

Status: 2/1/2022-In Senate. Read first time. To Com. on RLS. for assignment.

Location: 2/1/2022-S. RLS.

Summary: Would declare that it is the established policy of the state that all Californians have safe and affordable access to nature and access to the benefits of nature, among other things. The bill would require all relevant state agencies, including the Natural Resources Agency, state departments, including the Department of Transportation, and their respective departments, boards, and commissions to incorporate this state policy when revising, adopting, or establishing policies, regulations, and grant criteria, or making expenditures, pertinent to the uses of outdoor access to nature, as provided.

Position

[AB 79](#) (Committee on Budget) Budget Act of 2020.

Last Amend: 4/8/2021

Status: 5/18/2021-Re-referred to Com. on B. & F.R.

Location: 5/18/2021-S. BUDGET & F.R.

Summary: The Budget Act of 2020 made appropriations for the support of state government for the 2020-21 fiscal year. This bill would amend the Budget Act of 2020 by amending and adding items of appropriation and making other changes. This bill would declare that it is to take effect immediately as a Budget Bill.

Position

AB 84 (Committee on Budget) Employment: COVID-19: supplemental paid sick leave.

Last Amend: 2/2/2022

Status: 2/9/2022-Re-referred to Com. on B. & F.R.

Location: 2/9/2022-S. BUDGET & F.R.

Summary: Would, beginning January 1, 2022, until September 30, 2022, provide for COVID-19 supplemental paid sick leave for covered employees who are unable to work or telework due to certain reasons related to COVID-19, including that the employee is attending a COVID-19 vaccine or vaccine booster appointment for themselves or a family member, or is experiencing symptoms, or caring for a family member experiencing symptoms, related to a COVID-19 vaccine or vaccine booster. The bill would entitle a covered employee to 40 hours of COVID-19 supplemental paid sick leave if that employee either works full time or was scheduled to work, on average, at least 40 hours per week for the employer in the 2 weeks preceding the date the covered employee took COVID-19 supplemental paid sick leave. The bill would provide a different calculation for supplemental paid sick leave for a covered employee who is a firefighter subject to certain work schedule requirements and for a covered employee working fewer or variable hours, as specified.

Position

AB 87 (Committee on Budget) Economic relief: COVID-19 pandemic.

Last Amend: 2/2/2022

Status: 2/9/2022-Re-referred to Com. on B. & F.R.

Location: 2/9/2022-S. BUDGET & F.R.

Summary: Would create the California Emergency Relief Fund as a special fund in the State Treasury to provide emergency resources or relief relating to state of emergency declarations proclaimed by the Governor. The bill would transfer from the General Fund to the California Emergency Relief Fund \$150,000,000 for purposes relating to the COVID-19 emergency proclaimed by the Governor on March 4, 2020. The bill would appropriate \$150,000,000 from that fund to the Office of Small Business Advocate for a closed round to fund small business grant applications waitlisted from previous rounds of the California Small Business COVID-19 Relief Grant Program.

Position

AB 147 (Ting D) Budget Act of 2021.

Last Amend: 2/2/2022

Status: 2/9/2022-Re-referred to Com. on B. & F.R.

Location: 2/9/2022-S. BUDGET & F.R.

Summary: The Budget Act of 2021 made appropriations for the support of state government for the 2021–22 fiscal year. This bill would amend the Budget Act of 2021 by amending and adding items of appropriation and making other changes. This bill would declare that it is to take effect immediately as a Budget Bill.

Position

AB 522 (Fong R) Forestry: Forest Fire Prevention Exemption.

Last Amend: 1/12/2022

Status: 1/27/2022-Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment.

Location: 1/27/2022-S. RLS.

Summary: The Z'berg-Nejedly Forest Practice Act of 1973 authorizes the State Board of Forestry and Fire Protection to exempt from some or all of those provisions of the

act a person engaging in specified forest management activities, as prescribed, including the harvesting of trees for the purpose of reducing the rate of fire spread, duration and intensity, fuel ignitability, or ignition of tree crowns, as provided, known as the Forest Fire Prevention Exemption. The act provides that the Forest Fire Prevention Exemption is operative for a period of 5 years after the effective date of emergency regulations adopted by the board to implement the exemption and is inoperative after that 5-year period. Current regulations implementing that exemption specify that it becomes inoperative 5 years after February 19, 2019. This bill would make the operation of the Forest Fire Prevention Exemption inoperative on January 1, 2026.

Position

AB 921 (McCarty D) Flood protection: City of West Sacramento flood risk reduction project.

Status: 1/19/2022-In Senate. Read first time. To Com. on RLS. for assignment.

Location: 1/19/2022-S. RLS.

Summary: Unless a city or county within the Sacramento-San Joaquin Valley makes certain findings after the effective date of specified amendments to its general plan, the Planning and Zoning Law prohibits a city or county from entering into a development agreement for property located in a flood hazard zone; approving a discretionary permit, ministerial permit, or other discretionary entitlement for a project that is located within a flood hazard zone, as specified; or approving a tentative map, or a parcel map for which a tentative map was not required, for a subdivision that is located within a flood hazard zone. This bill would require the City of West Sacramento, as defined, to achieve the urban level of flood protection by 2030.

Position

AB 1001 (Garcia, Cristina D) Environment: mitigation measures for air quality impacts: environmental justice.

Last Amend: 3/22/2022

Status: 3/22/2022-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on RLS.

Location: 2/1/2022-S. RLS.

Summary: The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would require mitigation measures, identified in an environmental impact report or mitigated negative declaration to mitigate the adverse effects of a project on air quality of a disadvantaged community, to include measures for avoiding, minimizing, or otherwise mitigating for the adverse effects on that community. The bill would require mitigation measures to include measures conducted at the project site that avoid or minimize to less than significant the adverse effects on the air quality of a disadvantaged community or measures conducted in the affected disadvantaged community that directly mitigate those effects.

Position

AB 1154 (Patterson R) California Environmental Quality Act: exemption: egress route projects: fire safety.

Last Amend: 1/12/2022

Status: 1/27/2022-Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment.

Location: 1/27/2022-S. RLS.

Summary: Would, until January 1, 2029, exempt from CEQA egress route projects undertaken by a public agency to improve emergency access to and evacuation from a subdivision without a secondary egress if the State Board of Forestry and Fire Protection has recommended the creation of a secondary access to the subdivision and certain conditions are met. The bill would require the lead agency to hold a noticed public meeting to hear and respond to public comments before determining that a project is exempt. The bill would require the lead agency, if it determines that a project is not subject to CEQA and approves or carries out that project, to file a notice of exemption with the Office of Planning and Research and with the clerk of the county in which the project will be located.

Position

AB 1624 (Ting D) Budget Act of 2022.

Status: 1/20/2022-Referred to Com. on BUDGET.

Location: 1/10/2022-A. BUDGET

Summary: Would make appropriations for the support of state government for the 2022–23 fiscal year. This bill contains other related provisions.

Position

AB 1640 (Ward D) Office of Planning and Research: regional climate networks: regional climate adaptation and resilience action plans.

Last Amend: 3/23/2022

Status: 3/24/2022-Re-referred to Com. on APPR.

Location: 3/21/2022-A. APPR.

Summary: Current law requires, by July 1, 2017, and every 3 years thereafter, the Natural Resources Agency to update, as prescribed, the state's climate adaptation strategy, known as the Safeguarding California Plan. Current law establishes the Office of Planning and Research in state government in the Governor's office. Current law establishes the Integrated Climate Adaptation and Resiliency Program to be administered by the office to coordinate regional and local efforts with state climate adaptation strategies to adapt to the impacts of climate change, as prescribed. This bill would authorize eligible entities, as defined, to establish and participate in a regional climate network, as defined. The bill would require the office, through the program, to encourage the inclusion of eligible entities with land use planning and hazard mitigation planning authority into regional climate networks.

Position

AB 1642 (Salas D) California Environmental Quality Act: water system well and domestic well projects: exemption.

Last Amend: 3/24/2022

Status: 3/28/2022-Re-referred to Com. on APPR.

Location: 3/21/2022-A. APPR.

Summary: Would, until January 1, 2028, exempt from The California Environmental Quality Act (CEQA) a well project, as defined, that meets specified conditions, including that the domestic well or the water system to which the well is connected has been designated by the State Water Resources Control Board as high risk or medium risk in the state board's drinking water needs assessment. The bill would require a lead agency, before determining that a well project is exempt from CEQA pursuant to these provisions, to contact the state board to determine whether

claiming the exemption will affect the ability of the well project to receive federal financial assistance or federally capitalized financial assistance. The bill would require a lead agency that determines that a well project is exempt from CEQA pursuant to these provisions to file a notice of exemption with the Office of Planning and Research and the county clerk, as provided.

Position

AB 1644 (Flora R) Greenhouse Gas Reduction Fund: California Jobs Plan Act of 2021.

Last Amend: 3/30/2022

Status: 3/31/2022-Re-referred to Com. on L. & E.

Location: 1/20/2022-A. L. & E.

Calendar: 4/20/2022 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LABOR AND EMPLOYMENT, KALRA, Chair

Summary: Current law, beginning in the 2022–23 fiscal year through the 2028–29 fiscal year, continuously appropriates \$200,000,000 from the fund to the Department of Forestry and Fire Protection for healthy forest and fire prevention programs and projects, and the completion of prescribed fire and other fuel reduction projects. The California Jobs Plan Act of 2021 requires the State Air Resources Board to work with the Labor and Workforce Development Agency to update, on or before July 1, 2025, Greenhouse Gas Reduction Fund funding guidelines for administering agencies to ensure that all applicants to grant programs funded by the fund meet specified standards, including fair and responsible employer standards and inclusive procurement policies, as provided. Current law exempts from these standards applicants for certain types of projects. This bill would exempt from these standards applicants for projects for healthy forest and fire prevention programs and projects, and the completion of prescribed fire and other fuel reduction projects.

Position

AB 1717 (Aguilar-Curry D) Public works: definition.

Status: 3/17/2022-From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 0.) (March 16). Re-referred to Com. on APPR.

Location: 3/16/2022-A. APPR.

Summary: Current law requires that, except as specified, not less than the general prevailing rate of per diem wages, determined by the Director of Industrial Relations, be paid to workers employed on public works projects. Current law defines the term "public works" for purposes of requirements regarding the payment of prevailing wages to include construction, alteration, demolition, installation, or repair work done under contract and paid for using public funds, except as specified. Current law makes a willful violation of laws relating to the payment of prevailing wages on public works a misdemeanor. This bill would expand the definition of "public works" to include fuel reduction work paid for in whole or in part out of public funds performed as part of a fire mitigation project, as specified.

Position

AB 1724 (Stone D) Washing Machines: Microfiber Filtration.

Status: 4/6/2022-In committee: Set, second hearing. Hearing canceled at the request of author.

Location: 2/3/2022-A. E.S. & T.M.

Calendar: 4/26/2022 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, QUIRK, Chair

Summary: Current law, to protect public health and water quality, regulates a broad range of consumer products and processes, including water softeners, water treatment devices, and backflow prevention devices, among others. This bill would

require, on or before January 1, 2024, that all washing machines sold as new in California contain a microfiber filtration system. The bill would also require all state-owned washing machines to contain a microfiber filtration system.

Position

AB 1725 (Smith R) Illegal cultivation of cannabis.

Last Amend: 3/9/2022

Status: 3/15/2022-In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 2/3/2022-A. PUB. S.

Summary: Would amend the Control, Regulate and Tax Adult Use of Marijuana Act (AUMA) to make it a felony, punishable by 16 months or 2 or 3 years in county jail, for a person over 18 years of age to plant, cultivate, harvest, dry, or process more than 6 living cannabis plants. The bill would additionally make it a felony, punishable by 16 months or 2 or 3 years in county jail, for a person at least 18 years of age but less than 21 years of age to plant, cultivate, harvest, dry, or process less than 6 living cannabis plants. By increasing the penalty for a crime, this bill would impose a state-mandated local program.

Position

AB 1751 (Daly D) Workers' compensation: COVID-19: critical workers.

Status: 3/30/2022-From committee: Do pass and re-refer to Com. on APPR. (Ayes 10. Noes 1.) (March 30). Re-referred to Com. on APPR.

Location: 3/30/2022-A. APPR.

Summary: Current law defines "injury" for an employee to include illness or death resulting from the 2019 novel coronavirus disease (COVID-19) under specified circumstances, until January 1, 2023. Existing law create a disputable presumption, as specified, that the injury arose out of and in the course of the employment and is compensable, for specified dates of injury. Current law requires an employee to exhaust their paid sick leave benefits and meet specified certification requirements before receiving any temporary disability benefits or, for police officers, firefighters, and other specified employees, a leave of absence. Existing law also make a claim relating to a COVID-19 illness presumptively compensable, as described above, after 30 days or 45 days, rather than 90 days. Current law, until January 1, 2023, allows for a presumption of injury for all employees whose fellow employees at their place of employment experience specified levels of positive testing, and whose employer has 5 or more employees. This bill would extend the above-described provisions relating to COVID-19 until January 1, 2025.

Position

AB 1771 (Ward D) The California Housing Speculation Act: income taxes: capital gains: sale or exchange of qualified asset: housing.

Last Amend: 3/22/2022

Status: 3/23/2022-Re-referred to Com. on REV. & TAX.

Location: 3/3/2022-A. REV. & TAX

Summary: The Personal Income Tax Law and Corporation Tax Law impose taxes upon income, including income generated from any gain from the sale or exchange of a capital asset. This bill would, for taxable years beginning on or after January 1, 2023, impose an additional 25% tax on that portion of a qualified taxpayer's net capital gain from the sale or exchange of a qualified asset, as defined. The bill would reduce those taxes depending on how many years has passed since the qualified taxpayer's initial purchase of the qualified asset.

Position

AB 1774 (Seyarto R) California Environmental Quality Act: water conveyance or storage projects: judicial review.

Status: 2/10/2022-Referred to Coms. on NAT. RES. and JUD.

Location: 2/10/2022-A. NAT. RES.

Summary: The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report (EIR) on a project that the lead agency proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA establishes a procedure by which a person may seek judicial review of the decision of the lead agency made pursuant to CEQA. This bill would require the Judicial Council to adopt rules of court applicable to actions or proceedings brought to attack, review, set aside, void, or annul the certification or adoption of an environmental impact report for water conveyance or storage projects, as defined, or the granting of project approvals, including any appeals to the court of appeal or the Supreme Court, to be resolved, to the extent feasible, within 270 days of the filing of the certified record of proceedings with the court to an action or proceeding seeking judicial review of the lead agency's action related to those projects.

Position

AB 1784 (Smith R) Water Quality, Supply, and Infrastructure Improvement Act of 2014: groundwater sustainability projects: grants and loans.

Status: 2/4/2022-From printer. May be heard in committee March 6.

Location: 2/3/2022-A. PRINT

Summary: Current law provides for the sum of \$900,000,000 to be available, upon appropriation by the Legislature from the Water Quality, Supply, and Infrastructure Improvement Fund of 2014, for expenditures on, and competitive grants, and loans for, projects to prevent or clean up the contamination of groundwater that serves or has served as a source of drinking water, as provided. Current law requires a project that receives funding to be selected by a competitive grant or loan process with added consideration for those projects that leverage private, federal, or local funding, and outlines the additional requirements and processes applicable to projects that receive funding. This bill would make nonsubstantive changes to these latter provisions.

Position

AB 1795 (Fong R) Open meetings: remote participation.

Status: 2/18/2022-Referred to Com. on G.O.

Location: 2/18/2022-A. G.O.

Summary: The Bagley-Keene Open Meeting Act, requires state bodies to allow all persons to attend meetings and provide an opportunity for the public to address the state body regarding any item included in its agenda, except as specified. This bill would require state bodies, subject to existing exceptions, to provide all persons the ability to participate both in-person and remotely, as defined, in any meeting and to address the body remotely.

Position

AB 1817 (Ting D) Product safety: textile articles: perfluoroalkyl and polyfluoroalkyl substances (PFAS).

Last Amend: 3/24/2022

Status: 3/28/2022-Read second time. Ordered to third reading.

Location: 3/28/2022-A. THIRD READING

Summary: Would prohibit, beginning January 1, 2024, any person from distributing, selling, or offering for sale in the state any textile articles that contain regulated PFAS, and requires a manufacturer to use the least toxic alternative when removing regulated PFAS in textile articles to comply with these provisions.

Position

AB 1845 (Calderon D) Metropolitan Water District of Southern California: alternative project delivery methods.

Last Amend: 4/4/2022

Status: 4/5/2022-Re-referred to Com. on W.,P., & W.

Location: 3/23/2022-A. W.,P. & W.

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: Current law authorizes certain entities, including the Department of General Services, the Military Department, the Department of Corrections and Rehabilitation, and specified local agencies, to use the design-build procurement process, as prescribed, for specified public works. This bill would authorize the Metropolitan Water District of Southern California to use the design-build procurement process for certain regional recycled water projects or other water infrastructure projects. The bill would define "design-build" to mean a project delivery process in which both the design and construction of a project are procured from a single entity. The bill would require the district to use a specified design-build procedure to assign contracts for the design and construction of a project, as defined.

Position

AB 1857 (Garcia, Cristina D) Solid waste.

Status: 3/22/2022-From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 3.) (March 21). Re-referred to Com. on APPR.

Location: 3/21/2022-A. APPR.

Summary: (1)The California Integrated Waste Management Act of 1989 requires the department and local agencies to maximize the use of all feasible source reduction, recycling, and composting options in order to reduce the amount of solid waste that must be disposed of by transformation and land disposal. This bill would require the department to certify that a local agency is in compliance with that requirement before approving a permit for a new transformation, EMSW, or land disposal facility serving the local agency.

Position

AB 1865 (Bennett D) Court fee waiver: water rights cases.

Last Amend: 3/16/2022

Status: 3/17/2022-Re-referred to Com. on W.,P., & W.

Location: 3/15/2022-A. W.,P. & W.

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: Current law requires the court to grant a fee waiver to an applicant at any stage of the proceedings at both the appellate and trial court levels if the applicant

meets specified standards of eligibility and application requirements, including a person who is receiving certain public benefits, such as Supplemental Security Income or Medi-Cal, or who has a monthly income of 125% or less of the current poverty guidelines, as specified. An initial fee waiver excuses the applicant from paying, among other fees and costs, fees for the first pleading and other court fees and costs as specified in rules adopted by the Judicial Council. This bill would require a court to initially grant permission to proceed without paying court fees and costs to a person who was joined or countersued in a case involving a water right held by the person.

Position

AB 1879 (Mathis R) California regional water quality control boards: investigations.

Status: 4/6/2022-In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 2/18/2022-A. E.S. & T.M.

Calendar: 4/26/2022 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, QUIRK, Chair

Summary: Under current law, the State Water Resources Control Board and the California regional water quality control boards implement the Federal Water Pollution Control Act and the Porter-Cologne Water Quality Control Act by prescribing waste discharge requirements for discharges to the waters of the state, as specified. This bill would authorize a regional board to decline to investigate one or more complaints if the regional board determines, after an initial investigation, that repeated demands for subsequent investigations regarding a matter that is within the jurisdiction of the regional board are not warranted. If the regional board determines a demand or complaint is not warranted, the bill would require the regional board to notify the complainant and the subject of the complaint, as specified, of that determination and the decision to decline to investigate. If demands for investigations or complaints alleging violations regarding matters that are within the jurisdiction of the regional board persist, the bill would authorize the regional board to investigate the accused agency, business, or other entity not more than once per quarter and up to 4 times per calendar year.

Position

AB 1906 (Stone D) Voluntary stream restoration: property owner liability: indemnification: claims.

Status: 3/29/2022-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 10. Noes 0.) (March 29). Re-referred to Com. on APPR.

Location: 3/29/2022-A. APPR.

Summary: Current law requires a qualifying state agency, as defined, that funds a project to restore fish and wildlife habitats to indemnify and hold harmless a real property owner who voluntarily allows their real property to be used for the project from civil liability for property damage or personal injury resulting from the project if the project qualifies for a specified exemption and meets specified requirements. Current law authorizes a qualifying state agency to indemnify and hold harmless a real property owner who voluntarily allows their real property to be used for that project from civil liability for property damage or personal injury resulting from the project in the case the project does not meet the specified exemption. Current law requires the costs of any civil liability incurred by a qualifying state agency to be promptly paid from the General Fund, and requires those costs to be submitted as a claim by the real property owner to the Department of General Services pursuant to specified provisions. This bill would delete the requirement that those costs be submitted as a claim by the real property owner to the Department of General Services, and would authorize the department to adopt any regulations necessary to establish a process for paying claims arising pursuant to these provisions.

Position

AB 1944 (Lee D) Local government: open and public meetings.

Status: 2/18/2022-Referred to Com. on L. GOV.

Location: 2/18/2022-A. L. GOV.

Summary: Current law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. Current law, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with those specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect, or in other situations related to public health. This bill would specify that if a member of a legislative body elects to teleconference from a location that is not public, the address does not need to be identified in the notice and agenda or be accessible to the public when the legislative body has elected to allow members to participate via teleconferencing.

Position

AB 1956 (Mathis R) Solid waste: woody biomass: collection and conversion.

Last Amend: 3/23/2022

Status: 3/24/2022-Re-referred to Com. on APPR.

Location: 3/21/2022-A. APPR.

Summary: Would create a 5-year woody biomass rural county collection and disposal pilot program, to be administered by the Department of Resources Recycling and Recovery. The bill would require the department, pursuant to the program, to award funding to participating counties with a total population of less than 250,000 for the purpose of conducting community collection days on which individuals could dispose of woody biomass and other source-separated biomass free of charge. The bill would require a county awarded funding under the program to contract with a local compost facility, mulch production facility, or biomass conversion facility to collect and to process or convert the biomass in a way that results in less greenhouse gas emitted than if the biomass had been disposed of. The bill would require the department to report specified program information to the Legislature after the conclusion of the program.

Position

AB 1993 (Wicks D) Employment: COVID-19 vaccination requirements.

Status: 3/29/2022-In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 2/10/2022-A. L. & E.

Summary: Would require an employer to require each person who is an employee or independent contractor, and who is eligible to receive the COVID-19 vaccine, to show proof to the employer, or an authorized agent thereof, that the person has been vaccinated against COVID-19. This bill would establish an exception from this vaccination requirement for a person who is ineligible to receive a COVID-19 vaccine due to a medical condition or disability or because of a sincerely held religious belief, as specified, and would require compliance with various other state and federal laws. The bill would require proof-of-vaccination status to be obtained in a manner that complies with federal and state privacy laws and not be retained by the employer, unless the person authorizes the employer to retain proof.

Position

AB 2016 (Bauer-Kahan D) State Water Resources Control Board: desalination plant: feasibility study.

Last Amend: 3/31/2022

Status: 4/5/2022-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 13. Noes 0.) (April 5). Re-referred to Com. on APPR.

Location: 4/5/2022-A. APPR.

Summary: Current law requires the Department of Water Resources, not later than July 1, 2004, to report to the Legislature on potential opportunities and impediments for using seawater and brackish water desalination, and to examine what role, if any, the state should play in furthering the use of desalination technology. Current law requires the department to convene a Water Desalination Task Force, composed of representatives from listed agencies and interest groups, to advise the department in carrying out these duties and in making recommendations to the Legislature. This bill would repeal those provisions.

Position

AB 2041 (Garcia, Eduardo D) California Safe Drinking Water Act: primary drinking water standards: compliance.

Status: 3/23/2022-In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 2/24/2022-A. E.S. & T.M.

Calendar: 4/26/2022 1:30 p.m. - State Capitol, Room

444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, QUIRK, Chair

Summary: Would require the State Water Resources Control Board to take specified actions if the state board adopts a primary drinking water standard with a compliance period for which public water systems are given a designated period of time to install necessary measures, including, but not limited to, installation of water treatment systems, to comply with the primary drinking water standard without being held in violation of the primary drinking water standard. Those actions would include, among other actions, developing a financial plan to assist public water systems that will require financial assistance in procuring and installing the necessary measures.

Position

AB 2078 (Flora R) Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program.

Last Amend: 3/22/2022

Status: 4/5/2022-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 13. Noes 0.) (April 5). Re-referred to Com. on APPR.

Location: 4/5/2022-A. APPR.

Summary: Current law establishes the Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program in the Department of Water Resources. Existing 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, upon the appropriation of funds for these purposes, 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

AB 2081 (Garcia, Eduardo D) Municipal water districts: water service: Indian lands.

Status: 3/23/2022-From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 0.) (March 23). Re-referred to Com. on APPR.

Location: 3/23/2022-A. APPR.

Summary: The Municipal Water District Law of 1911 provides for the formation of municipal water districts and grants to those districts specified powers. Current law permits a district to acquire, control, distribute, store, spread, sink, treat, purify, recycle, recapture, and salvage any water for the beneficial use of the district, its inhabitants, or the owners of rights to water in the district. Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed. Current law also authorizes a district, until January 1, 2023, under specified circumstances, to apply to the applicable local agency formation commission to provide this service of water to Indian lands, as defined, that are not within the district and requires the local agency formation commission to approve such an application. This bill would extend the above provisions regarding the application to the applicable local agency formation commission to January 1, 2025.

Position

AB 2106 (Rivas, Robert D) Water quality: permits.

Last Amend: 3/15/2022

Status: 3/23/2022-From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 2.) (March 22). Re-referred to Com. on APPR.

Location: 3/23/2022-A. APPR.

Summary: The State Water Resources Control Board and the 9 California regional water quality control boards regulate water quality and prescribe waste discharge requirements in accordance with the federal national pollutant discharge elimination system (NPDES) permit program established by the federal Clean Water Act and the Porter-Cologne Water Quality Control Act. Current law requires each regional board to formulate and adopt water quality control plans for all areas within the region, as provided. This bill would require, on or before December 31, 2024, the state board to modernize its Stormwater Multiple Application and Report Tracking System (SMARTS) database through specified actions.

Position

AB 2108 (Rivas, Robert D) Water policy: environmental justice: disadvantaged and tribal community representation.

Last Amend: 3/15/2022

Status: 3/23/2022-From committee: Do pass and re-refer to Com. on W.,P., & W. (Ayes 6. Noes 1.) (March 22). Re-referred to Com. on W.,P., & W.

Location: 3/23/2022-A. W.,P. & W.

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: Current law establishes the State Water Resources Control Board (state board) in the California Environmental Protection Agency. The state board consists of 5 members appointed by the Governor, including one member who is not required to have specialized experience. Current law requires one of those members, excluding the member who is not required to have specialized experience, to additionally be

qualified in the field of water supply and water quality relating to irrigated agriculture. This bill would require that one of the persons appointed by the Governor to the state board be qualified in the field of water supply and water quality relating to disadvantaged or tribal communities. The bill would also require that at least one person appointed to each regional board have specialized experience to represent disadvantaged or tribal communities.

Position

AB 2113 (Rivas, Robert D) State Water Pollution Cleanup and Abatement Account: annual proceed transfers.

Last Amend: 3/15/2022

Status: 3/23/2022-From committee: Do pass and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (March 22). Re-referred to Com. on APPR.

Location: 3/23/2022-A. APPR.

Summary: Would create within the Waste Discharge Permit Fund the Waterway Recovery Account, the Citizen Monitoring Account, the Community Capacity Building Account, and the Stormwater Innovation Account, and, subject to future legislation, would annually transfer from the annual proceeds of the State Water Pollution Cleanup and Abatement Account, subject to a future legislative act, the following amounts: 30% to the Waterway Recovery Account; 5% to the Citizen Monitoring Account, but in no instance less than \$250,000; 10% to the Community Capacity Building Account, but in no instance less than \$500,000; and 5% to the Stormwater Innovation Account. The bill would require moneys in the Waterway Recovery Account to be distributed by the State Water Resources Control Board, upon appropriation by the Legislature, to each regional board on a pro rata basis to expend on specified purposes, including, among others, restoration projects that improve water quality.

Position

AB 2163 (Rubio, Blanca D) San Gabriel Basin Water Quality Authority Act.

Status: 3/23/2022-From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 0.) (March 22). Re-referred to Com. on APPR.

Location: 3/23/2022-A. APPR.

Summary: The San Gabriel Basin Water Quality Authority Act establishes the San Gabriel Basin Water Quality Authority and provides for its powers and duties. Current law repeals the act on July 1, 2030. Upon the act's repeal, existing law prescribes various requirements for the administration of the authority's debts and assets. This bill would extend the July 1, 2030, date of repeal of the act to July 1, 2050, thereby imposing a state-mandated local program by extending the period of time in which the authority and other local public entities are required to carry out various duties under the act.

Position

AB 2173 (Petrie-Norris D) Public contracts: payment.

Status: 4/7/2022-Read second time. Ordered to third reading.

Location: 4/7/2022-A. THIRD READING

Summary: Current law, until January 1, 2023, authorizes the retention proceeds withheld from any payment by an awarding entity, as described, from the original contractor, by the original contractor from any subcontractor, and by a subcontractor from any subcontractor, to exceed 5% on specific projects where the director of the applicable department, as specified, has made, or the governing body of the public entity or designated official of the public entity has approved, a finding prior to the bid that the project is substantially complex and requires a higher retention and the

department or public entity includes both this finding and the actual retention amount in the bid documents. This bill would make these provisions operative indefinitely.

Position

AB 2258 (Wood D) Property Assessed Clean Energy program: wildfire safety improvements.

Last Amend: 3/30/2022

Status: 3/31/2022-Re-referred to Com. on L. GOV.

Location: 3/3/2022-A. L. GOV.

Calendar: 4/20/2022 9:30 a.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair

Summary: Current law authorizes a legislative body of any public agency, defined to mean a city, county, or city and county, that has accepted the designation of very high fire hazard severity zone to designate an area for contractual assessments to finance the installation of wildfire safety improvements, as defined, that are permanently fixed to real property. This bill would instead authorize a public agency that has established a PACE program, as specified, to enter into voluntary contractual assessments with property owners to finance the installation of wildfire safety improvements, as defined, that are permanently fixed to real property and would provide that wildfire resiliency and safety improvements that contribute to the defensible space Zones 1 and 2 of a property, as specified, are wildfire safety improvements for purposes of those provisions.

Position

AB 2313 (Bloom D) Water: judges and adjudications.

Last Amend: 3/30/2022

Status: 3/31/2022-Re-referred to Com. on W.,P., & W.

Location: 3/29/2022-A. W.,P. & W.

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: Would require the Judicial Council, on or before January 1, 2025, to establish a program that provides training and education to judges in specified actions relating to water, as defined. The bill would provide that the program may be funded by an appropriation from the General Fund in the annual Budget Act or another statute, or by using existing funds for judicial training. The bill would authorize the Chairperson of the Judicial Council to assign to certain actions relating to water a judge with that training or education.

Position

AB 2377 (Muratsuchi D) Department of Forestry and Fire Protection: Chief of Wildfire Prevention.

Status: 3/3/2022-Referred to Com. on NAT. RES.

Location: 3/3/2022-A. NAT. RES.

Calendar: 4/18/2022 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, RIVAS, LUZ, Chair

Summary: Current law establishes in the Natural Resources Agency the Department of Forestry and Fire Protection, which is under the control of an executive officer known as the Director of Forestry and Fire Protection. Current law requires the director to be appointed by the Governor and to hold office at the pleasure of the Governor. Current law requires the director to appoint a cultural burning liaison who is required to do certain things, including advising the department on developing increased cultural burning activity. This bill would establish within the department a

Chief of Wildfire Prevention, to be appointed by the Governor. The bill would require the chief to be responsible for certain activities, including prioritizing acres for fire and fuels treatment and executing those treatments.

Position

AB 2387 (Garcia, Eduardo D) Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.

Last Amend: 3/21/2022

Status: 4/5/2022-From committee: Do pass and re-refer to Com. on NAT. RES. (Ayes 11. Noes 2.) (April 5). Re-referred to Com. on NAT. RES.

Location: 4/5/2022-A. NAT. RES.

Calendar: 4/25/2022 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, RIVAS, LUZ, Chair

Summary: Would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$7,430,000,000 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.

Position

AB 2412 (Villapudua D) Agriculture: State Water Efficiency and Enhancement Program.

Status: 4/6/2022-From committee: Do pass and re-refer to Com. on W.,P., & W. (Ayes 9. Noes 0.) (April 6). Re-referred to Com. on W.,P., & W.

Location: 4/6/2022-A. W.,P. & W.

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: Would require the Department of Food and Agriculture, upon appropriation by the Legislature of additional funds, to administer the State Water Efficiency and Enhancement Program to provide grants to agricultural operations to implement irrigation, water reclamation, water storage, or groundwater recharge systems that reduce greenhouse gases and energy use and increase water use efficiency. The bill would require the secretary, on or before one year after receiving an appropriation by the Legislature for these purposes, in consultation with the Secretary of the Natural Resources Agency, the Natural Resources Conservation Service of the United States Department of Agriculture, and the Scientific Advisory Panel on Environmental Farming, to develop guidelines for awarding grants under the program, as specified. The bill would require the secretary, on or before January 1, 2027, and biennially thereafter, to submit a report to the relevant legislative policy committees, as prescribed.

Position

AB 2419 (Bryan D) Environmental justice: federal Infrastructure Investment and Jobs Act: Justice40 Oversight Committee.

Last Amend: 4/7/2022

Status: 4/7/2022-Read second time and amended.

Location: 4/4/2022-A. E.S. & T.M.

Summary: The federal Infrastructure Investment and Jobs Act (IIJA) provides additional federal funds to rebuild the nation's infrastructures. Executive orders issued

by President Biden established the federal Justice40 Initiative with the goal that 40% of the overall federal benefits flow to disadvantaged communities and stating that the implementation of the IIJA should prioritize investing public dollars equitably, including through the Justice40 Initiative. This bill would require a minimum of 40% of funds received by the state under the IIJA to be allocated to projects that provide direct benefits to disadvantaged communities and a minimum of an additional 10% be allocated for projects that provide direct benefits to low-income households and low-income communities, as provided. The bill would require specified agencies administering federal funds to perform specified tasks related to the expenditure of those federal funds.

Position

AB 2421 (Rubio, Blanca D) Water: unlicensed cannabis cultivation.

Last Amend: 3/14/2022

Status: 4/5/2022-From committee: Do pass and re-refer to Com. on JUD. with recommendation: To Consent Calendar. (Ayes 13. Noes 0.) (April 5). Re-referred to Com. on JUD.

Location: 4/5/2022-A. JUD.

Calendar: 4/19/2022 8 a.m. - State Capitol, Room 437 ASSEMBLY JUDICIARY, STONE, Chair

Summary: Current law makes it unlawful to deposit, permit to pass, or place where it can pass, specified pollutants into the waters of this state, including any substance or material deleterious to fish, plant life, mammals, or bird life. A violation of this provision is a crime under the Fish and Game Code. Current law also subjects a violation of that provision to a civil penalty of no more than \$25,000 for each violation and an additional civil penalty of no more than \$10 for each gallon or pound of material discharged, and requires the civil action to be brought by the Attorney General upon complaint by the Department of Fish and Wildlife or by the district attorney or city attorney in the name of the people of the State of California. Current law provides that a specified affirmative defense to a violation of the criminal provision does not apply to an action for civil penalties or injunctive relief pursuant to that civil provision. This bill would provide that the specified affirmative defense to a violation of the criminal provision also does not apply in any other civil action that alleges a violation resulting from unlicensed cannabis cultivation.

Position

AB 2447 (Quirk D) Oil and gas wastewater: unlined ponds: prohibition.

Last Amend: 4/7/2022

Status: 4/7/2022-From committee chair, with author's amendments: Amend, and re-refer to Com. on NAT. RES. Read second time and amended.

Location: 3/3/2022-A. NAT. RES.

Calendar: 4/18/2022 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, RIVAS, LUZ, Chair

Summary: Current law establishes the Geologic Energy Management Division in the Department of Conservation under the direction of the State Oil and Gas Supervisor, who is required to supervise the drilling, operation, maintenance, and abandonment of oil and gas wells. Current law requires the owner of any well to file with the supervisor a monthly statement that provides certain information relating to the well, including the source, volume, treatment, and disposition of water produced in oil and gas activities. Under current law, a person who fails to comply with this and other requirements relating to the regulation of oil or gas operations is guilty of a misdemeanor. Beginning January 1, 2023, and until January 1, 2025, this bill would prohibit the disposal of produced wastewater, as defined, into unlined ponds and the construction of new unlined ponds, except as conducted pursuant to a permit or other

authorization lawfully issued before that date, and would also prohibit the issuance or renewal of a permit or other authorization for those activities. Beginning January 1, 2025, the bill would prohibit all disposal of produced wastewater into unlined ponds and the construction of new unlined ponds. The bill would exclude from these prohibitions the discharge of produced wastewater into unlined ponds under specified conditions.

Position

AB 2449 (Rubio, Blanca D) Open meetings: local agencies: teleconferences.

Status: 3/3/2022-Referred to Com. on L. GOV.

Location: 3/3/2022-A. L. GOV.

Summary: Current law, until January 1, 2024, authorizes a local agency to use teleconferencing without complying with specified teleconferencing requirements in specified circumstances when a declared state of emergency is in effect, or in other situations related to public health. This bill would authorize a local agency to use teleconferencing without complying with those specified teleconferencing requirements if at least a quorum of the members of the legislative body participates in person from a singular location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction. The bill would impose prescribed requirements for this exception relating to notice, agendas, the means and manner of access, and procedures for disruptions. The bill would require the legislative body to implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with federal law.

Position

AB 2451 (Wood D) State Water Resources Control Board: drought planning.

Status: 3/3/2022-Referred to Com. on W.,P., & W.

Location: 3/3/2022-A. W.,P. & W.

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: Would require the State Water Resources Control Board to establish a Drought Section within the Division of Water Rights, as specified. The bill would require the state board, in consultation with the Department of Fish and Wildlife, to adopt principles and guidelines for diversion and use of water in coastal watersheds during times of water shortage for drought preparedness and climate resiliency and for the development of watershed-level contingency plans to support public trust uses, public health and safety, and the human right to water in times of water shortage. The bill would require the state board to adopt those principles and guidelines no later than March 31, 2023, as specified.

Position

AB 2454 (Jones-Sawyer D) Public contracts: protests: joint labor-management committee.

Status: 3/10/2022-Referred to Com. on A. & A.R.

Location: 3/10/2022-A. A. & A.R.

Calendar: 4/27/2022 9:30 a.m. - State Capitol, Room 437 ASSEMBLY ACCOUNTABILITY AND ADMINISTRATIVE REVIEW, PETRIE-NORRIS, Chair

Summary: Current law generally requires public contracts to be awarded by competitive bidding pursuant to procedures set forth in the Public Contract Code, subject to certain exceptions. Current law, whenever a contract for goods and services is not to be awarded to the lowest bidder, requires that the lowest bidder be

notified 24 hours before the contract or purchase order is awarded to another bidder. Current law, upon written request by any bidder, requires notice of the proposed award to be posted in a public place in the offices of the department at least 24 hours before the contract is awarded. Current law, if a bidder files a specified protest with the department before the award is made, requires that the contract not be awarded until either the protest has been withdrawn or the department has made a final decision relative to the protest. This bill would additionally authorize a joint labor-management committee, as defined, to submit a specified protest to a contract that is not to be awarded to the lowest bidder.

Position

AB 2477 (Rodriguez D) Emergency alert and warning service providers: minimum operating standards.

Last Amend: 3/16/2022

Status: 3/17/2022-Re-referred to Com. on E.M.

Location: 3/10/2022-A. EMERGENCY MANAGEMENT

Summary: The California Emergency Services Act establishes the Office of Emergency Services (OES) in the office of the Governor and makes the OES responsible for the state's emergency and disaster response services, as specified. Current law, on or before July 1, 2022, requires the OES, in consultation with specified entities, to develop voluntary guidelines for alerting and warning the public of an emergency, and requires the OES to provide each city, county, and city and county with a copy of the guidelines. This bill, on or before July 1, 2023, would require the OES, by regulation, to adopt minimum operating standards for private sector companies that provide alert and warning services to local entities and determine the appropriate thresholds for the provider of alert and warning services to report disruptions in service. Upon adoption of those regulations, the bill would require all providers of alert and warning services to notify the OES if a disruption in service or cybersecurity incident occurs. The bill would make the OES responsible for notifying any applicable county office of emergency services, the sheriff of any county, and any public safety answering point affected by the disruption of service.

Position

AB 2479 (Wood D) Forest restoration and protection: wildfire prevention.

Status: 3/10/2022-Referred to Com. on NAT. RES.

Location: 3/10/2022-A. NAT. RES.

Calendar: 4/18/2022 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, RIVAS, LUZ, Chair

Summary: Would require all state agencies, when funding restoration efforts on natural and working lands, to prioritize restoration projects that have a permanent, enforceable mechanism to ensure that the project area will be managed in a manner that maintains the desired conditions and the value of the state's investment. This bill contains other related provisions and other existing laws.

Position

AB 2503 (Garcia, Cristina D) Landlords and tenants: lessors and lessees.

Status: 3/10/2022-Referred to Com. on JUD.

Location: 3/10/2022-A. JUD.

Summary: Current law generally regulates the relationship between parties to a lease of real property. Current law refers to the lessor of real property variously as, among other terms, "landlord" or "lessor" and refers to the lessee of real property variously as, among other terms, "tenant" or "lessee." This bill would, among other

things, amend those provisions to replace the term "landlord" with the term "lessor or lessor's agent" and to replace the term "tenant" with "lessee."

Position

AB 2505 (Gray D) Water theft: irrigation districts.

Last Amend: 3/24/2022

Status: 3/28/2022-Re-referred to Com. on L. GOV.

Location: 3/10/2022-A. L. GOV.

Summary: Current law authorizes the legislative body of a local agency, as defined, that provides water services to adopt an ordinance that prohibits water theft, as defined, subject to an administrative fine or penalty, as specified. Current law requires the local agency to adopt an ordinance that sets forth the administrative procedures governing the imposition, enforcement, collection, and administrative review of the administrative fines or penalties for water theft and to establish a process for granting a hardship waiver to reduce the amount of the fine, as specified. This bill would authorize irrigation districts, as defined, to impose fines or penalties for water theft in accordance with both of the above-described provisions, and would provide that the above-specified provisions do not cap or limit the fines that an irrigation district may impose in accordance with the Irrigation District Law.

Position

AB 2536 (Grayson D) Development fees: connection fees and capacity charges: studies.

Status: 3/10/2022-Referred to Com. on L. GOV.

Location: 3/10/2022-A. L. GOV.

Summary: Current law requires a local agency that conducts an impact fee nexus study to follow certain standards and practices, as specified. Current law also requires a local agency to hold at least one open and public meeting prior to levying a new fee or service charge, as specified. This bill would, on and after January 1, 2023, require a local agency that imposes fees for water connections or sewer connections, or imposes capacity charges, as provided, and that conducts a study to support the estimate of the reasonable cost of providing the service to follow certain standards and practices, as defined and specified.

Position

AB 2605 (Villapudua D) Water quality: state certification.

Status: 4/6/2022-In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 3/10/2022-A. E.S. & T.M.

Calendar: 4/26/2022 1:30 p.m. - State Capitol, Room

444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, QUIRK, Chair

Summary: The State Water Resources Control Board and the California regional water quality control boards prescribe waste discharge requirements in accordance with the Federal Water Pollution Control Act and the Porter-Cologne Water Quality Control Act. Under federal law, any applicant seeking a federal license or permit for an activity that may result in any discharge into the navigable waters of the United States is required to first seek a state water quality certification, as specified. The Porter-Cologne Water Quality Control Act authorizes the state board to certify or provide a statement to a federal agency, as required pursuant to federal law, that there is reasonable assurance that an activity of any person subject to the jurisdiction of the state board will not reduce water quality below applicable standards. The federal act provides that if a state fails or refuses to act on a request for this certification within a reasonable period of time, which shall not exceed one year after

receipt of the request, then the state certification requirements are waived with respect to the federal application. This bill would authorize the state board to delegate its authority regarding the above-described issuance of a certificate or statement to the regional boards.

Position

AB 2610 (Friedman D) Wildlife Conservation Board: ecologically sensitive vegetation management: wildfire risk reduction.

Last Amend: 3/24/2022

Status: 4/5/2022-From committee: Do pass and re-refer to Com. on NAT. RES. (Ayes 12. Noes 0.) (April 5). Re-referred to Com. on NAT. RES.

Location: 4/5/2022-A. NAT. RES.

Calendar: 4/25/2022 2:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, RIVAS, LUZ, Chair

Summary: The Wildlife Conservation Law of 1947 establishes the Wildlife Conservation Board in the Department of Fish and Wildlife. Current law requires the board to determine the areas in the state that are most essential and suitable for wildlife production and preservation and that will provide suitable recreation, and to determine those lands in the state that are suitable for specified wildlife-related purposes. This bill would express the intent of the Legislature to encourage ecologically sensitive vegetation management practices for the purpose of maintaining ecological health and strengthening biodiversity while mitigating wildfire risk through fuel load reduction.

Position

AB 2639 (Quirk D) Water quality control plans and water rights permits.

Last Amend: 3/22/2022

Status: 4/5/2022-From committee: Do pass and re-refer to Com. on E.S. & T.M. (Ayes 9. Noes 4.) (April 5). Re-referred to Com. on E.S. & T.M.

Location: 4/5/2022-A. E.S. & T.M.

Calendar: 4/26/2022 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, QUIRK, Chair

Summary: Current law establishes the State Water Resources Control Board and the 9 California regional water quality control boards as the principal state agencies with authority over matters relating to water quality. Current law requires the state board to formulate and adopt state policy for water quality control. Current law authorizes the state board to adopt water quality control plans for waters that require water quality standards pursuant to the Federal Water Pollution Control Act, and provides that those plans supersede any regional water quality control plans for the same waters to the extent of any conflict. This bill would require the state board, on or before December 31, 2023, to adopt a final update of the 1995 Water Quality Control Plan for the Bay-Delta, as specified, and to implement the amendments to the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary adopted by the state board pursuant to Resolution No. 2018-0059 on December 12, 2018.

Position

AB 2647 (Levine D) Local government: open meetings.

Status: 3/10/2022-Referred to Coms. on L. GOV. and JUD.

Location: 3/10/2022-A. L. GOV.

Summary: The Ralph M. Brown Act requires the meetings of the legislative body of a local agency to be conducted openly and publicly, with specified exceptions. Current

law makes agendas of public meetings and other writings distributed to the members of the governing board disclosable public records, with certain exceptions. Current law requires a local agency to make those writings distributed to the members of the governing board available for public inspection at a public office or location that the agency designates. This bill would instead require a local agency to make those writings distributed to the members of the governing board available for public inspection at a public office or location that the agency designates or post the writings on the local agency's internet website in a position and manner that makes it clear that the writing relates to an agenda item for an upcoming meeting.

Position

AB 2673 (Irwin D) Hospice licensure: moratorium on new licenses.

Last Amend: 3/31/2022

Status: 4/4/2022-Re-referred to Com. on NAT. RES. Re-referred to Com. on HEALTH. pursuant to Assembly Rule 96.

Location: 4/4/2022-A. HEALTH

Calendar: 4/26/2022 1:30 p.m. - 1021 O Street, Room 1100 ASSEMBLY HEALTH, WOOD, Chair

Summary: The California Hospice Licensure Act of 1990 requires a person, political subdivision of the state, or other governmental agency to obtain a license from the State Department of Public Health to provide hospice services to an individual who is experiencing the last phase of life due to a terminal disease, as defined, and their family, except as provided. Current law imposes a moratorium on the department issuing a new license to provide hospice services, except as specified. Current law requires the moratorium to end on the earlier of 365 days from the date that the California State Auditor publishes a report on hospice licensure or on January 1, 2027, when the moratorium provisions are repealed. This bill, instead, would require the moratorium to end on the earlier of January 1, 2027, or 2 years from the date that the California State Auditor publishes a report on hospice licensure.

Position

AB 2728 (Smith R) Unlawful cannabis activity: penalties.

Status: 4/5/2022-From committee: Do pass and re-refer to Com. on JUD. (Ayes 15. Noes 0.) (April 5). Re-referred to Com. on JUD.

Location: 4/5/2022-A. JUD.

Calendar: 4/19/2022 8 a.m. - State Capitol, Room 437 ASSEMBLY JUDICIARY, STONE, Chair

Summary: The Control, Regulate and Tax Adult Use of Marijuana Act (AUMA), an initiative measure approved as Proposition 64 at the November 8, 2016, statewide general election, authorizes a person who obtains a state license under AUMA to engage in commercial adult-use cannabis activity pursuant to that license and applicable local ordinances. The Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), among other things, consolidates the licensure and regulation of commercial medicinal and adult-use cannabis activities, including retail commercial cannabis activity. MAUCRSA gives the Bureau of Cannabis Control in the Department of Consumer Affairs the power, duty, purpose, responsibility, and jurisdiction to regulate commercial cannabis activity. This bill would impose an additional civil penalty on an unlicensed person engaging in commercial activity involving various cannabis products, including cannabis plants in excess of 6 plants, cannabis product, cannabis concentrate, cannabis biomass, and cannabis flower, as specified. This bill contains other related provisions and other existing laws.

Position

AB 2787 (Quirk D) Microplastics in products.

Last Amend: 4/7/2022

Status: 4/7/2022-Read second time and amended.

Location: 4/4/2022-A. E.S. & T.M.

Summary: Current law requires the Ocean Protection Council, on or before December 31, 2021, to submit to the Legislature the Statewide Microplastics Strategy, along with recommended policy changes, including statutory changes, that may be needed to implement the strategy. Current law, the Microbeads Nuisance Prevention Law, prohibits a person from selling or offering for promotional purposes in the state any personal care products containing plastic microbeads that are used to exfoliate or cleanse in a rinse-off product, including, but not limited to, toothpaste. This bill would, on and after specified dates that vary based on the product, ban the sale, distribution in commerce, or offering for promotional purposes in the state of designated products, such as leave-on cosmetic products and waxes and polishes, if the products contain intentionally added microplastics, as defined. The bill would exclude from this ban products consisting, in whole or in part, of specified substances or mixtures containing microplastics. The bill would make a person who violates these provisions liable for a civil penalty not to exceed \$2,500 per day for each violation. The bill would authorize the penalty to be assessed and recovered in a civil action brought in any court of competent jurisdiction by the Attorney General or specified local officials. The bill would require the civil penalties collected in an action brought pursuant to the act to be retained by the office that brought the action.

Position

AB 2805 (Bauer-Kahan D) Department of Fish and Game: advance mitigation and regional conservation investment strategies.

Status: 3/17/2022-Referred to Com. on W.,P., & W.

Location: 3/17/2022-A. W.,P. & W.

Calendar: 4/26/2022 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, Chair

Summary: Current law authorizes the Department of Fish and Wildlife, or any other public agency, to propose a regional conservation investment strategy, to be developed in consultation with applicable local agencies that have land use authority, for the purpose of informing science-based nonbinding and voluntary conservation actions and habitat enhancement actions that would advance the conservation of focal species and provide voluntary nonbinding guidance for various activities. Current law authorizes the department to approve a regional conservation investment strategy only if one or more state agencies request approval of the strategy through a letter sent to the Director of Fish and Wildlife, as prescribed. Current law requires the strategy to contain specified information and authorizes inclusion of a regional conservation assessment proposed by the department or any other public agency, and approved by the department, in the strategy. Current law authorizes the department to approve a regional conservation investment strategy or amended strategy for an initial period of up to 10 years after a public meeting and a public comment period regarding the proposed strategy or amended strategy have been held and after it finds that the strategy meets certain requirements. This bill would authorize the department, any other public agency, or federally recognized tribe to propose a regional conservation investment strategy, as provided.

Position

AB 2811 (Bennett D) California Building Standards Commission: recycled water: nonpotable water systems.

Status: 4/6/2022-In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 3/17/2022-A. E.S. & T.M.

Calendar: 4/26/2022 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, QUIRK, Chair

Summary: Would require, commencing January 1, 2024, all newly constructed nonresidential buildings be constructed with dual plumbing to allow the use of recycled water for all applicable nonpotable water demands, as defined, if that building is located within an existing or planned recycled water service area, as specified.

Position

AB 2864 (Rivas, Robert D) Local Government Renewable Energy Self-Generation Program.

Status: 3/17/2022-Referred to Com. on U. & E.

Location: 3/17/2022-A. U. & E.

Calendar: 4/20/2022 1:30 p.m. - State Capitol, Room 437 ASSEMBLY UTILITIES AND ENERGY, GARCIA, EDUARDO, Chair

Summary: Current law authorizes the Public Utilities Commission to fix the rates and charges for every public utility and requires that those rates and charges be just and reasonable. Current law, the Local Government Renewable Energy Self-Generation Program, authorizes a local government to receive a bill credit, as specified, to be applied to a designated benefiting account for electricity exported to the electrical grid by an eligible renewable generating facility, as defined, and requires the commission to approve a rate tariff for the benefiting account. Under current law, an electrical corporation is obligated to provide a bill credit to a benefiting account designated by a local government only until that electrical corporation reaches its proportionate share of 250 megawatts of the combined statewide cumulative rated generating capacity of all eligible renewable generating facilities within the service territories of the state's 3 largest electrical corporations. This bill would remove the statewide 250-megawatts limit.

Position

AB 2877 (Garcia, Eduardo D) Safe and Affordable Drinking Water Fund: tribes.

Last Amend: 3/24/2022

Status: 4/6/2022-In committee: Set, first hearing. Hearing canceled at the request of author.

Location: 3/17/2022-A. E.S. & T.M.

Calendar: 4/26/2022 1:30 p.m. - State Capitol, Room 444 ASSEMBLY ENVIRONMENTAL SAFETY AND TOXIC MATERIALS, QUIRK, Chair

Summary: Current law continuously appropriates to the State Water Resources Control Board moneys deposited in the Safe and Affordable Drinking Water Fund for the development, implementation, and sustainability of long-term drinking water solutions, among other things. Current law requires the state board to expend moneys in the fund for grants, loans, contracts, or services to assist eligible recipients. Current law includes within the list of "eligible recipients," public agencies, nonprofit organizations, public utilities, mutual water companies, federally recognized California Native American tribes, specified nonfederally recognized Native American tribes, administrators, groundwater sustainability agencies, community water systems, and technical assistance providers. This bill would specify that a limited waiver of tribal sovereignty is not required for a tribe that is an eligible recipient to access funding from the fund. The bill would require 10% of the total moneys in the fund to annually be reserved for eligible recipients that are federally recognized California Native American tribes or specified nonfederally recognized Native American tribes and would require the state board to expend those moneys, upon appropriation

by the Legislature, for grants, loans, contracts, or services to assist those eligible recipients.

Position

AB 2889 (Wicks D) Wildfire mitigation plans: electrical infrastructure: undergrounding.

Status: 3/17/2022-Referred to Com. on U. & E.

Location: 3/17/2022-A. U. & E.

Calendar: 4/20/2022 1:30 p.m. - State Capitol, Room 437 ASSEMBLY UTILITIES AND ENERGY, GARCIA, EDUARDO, Chair

Summary: Would require an electrical corporation with more than 50% of its service territory located in a high fire-threat district to additionally include in its 2023 wildfire mitigation plan, a multiyear undergrounding plan, covering at least 7 years and not more than 10 years, as specified.

Position

ACA 1 (Aguilar-Curry D) Local government financing: affordable housing and public infrastructure: voter approval.

Status: 4/22/2021-Referred to Coms. on L. GOV. and APPR.

Location: 4/22/2021-A. L. GOV.

Summary: The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements.

Position

SB 45 (Portantino D) Short-lived climate pollutants: organic waste reduction goals: local jurisdiction assistance.

Last Amend: 1/3/2022

Status: 1/24/2022-Read third time. Passed. (Ayes 36. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 1/24/2022-A. DESK

Summary: Current law requires the Department of Resources Recycling and Recovery, in consultation with the State Air Resources Board, to adopt regulations to achieve the organic waste reduction goals established by the state board for 2020 and 2025, as provided. Current law requires the department, no later than July 1, 2020, and in consultation with the state board, to analyze the progress that the waste sector, state government, and local governments have made in achieving these organic waste reduction goals. This bill would require the department, in consultation with the state board, to provide assistance to local jurisdictions, including, but not limited to, any funding appropriated by the Legislature in the annual Budget Act, for purposes of assisting local agencies to comply with these provisions, including any regulations adopted by the department.

Position

SB 54 (Allen D) Plastic Pollution Producer Responsibility Act.

Last Amend: 2/25/2021

Status: 1/24/2022-Read third time. Passed. (Ayes 29. Noes 7.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 1/24/2022-A. DESK

Summary: Would establish the Plastic Pollution Producer Responsibility Act, which would prohibit producers of single-use, disposable packaging or single-use, disposable food service ware products from offering for sale, selling, distributing, or importing in or into the state such packaging or products that are manufactured on or after January 1, 2032, unless they are recyclable or compostable.

Position

SB 148 (Committee on Budget and Fiscal Review) Budget Act of 2022.

Last Amend: 2/15/2022

Status: 2/15/2022-From committee with author's amendments. Read second time and amended. Re-referred to Com. on BUDGET. (Amended Text Released on 2/16/2022)

Location: 2/15/2022-A. BUDGET

Summary: Would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2022.

Position

SB 230 (Portantino D) State Water Resources Control Board: Constituents of Emerging Concern in Drinking Water Program.

Last Amend: 1/20/2022

Status: 1/26/2022-Read third time. Passed. (Ayes 37. Noes 0.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 1/26/2022-A. DESK

Summary: Would require the State Water Resources Control Board to establish, maintain, and direct a dedicated program called the Constituents of Emerging Concern in Drinking Water Program for 5 years to assess the state of information and recommend areas for further study on, among other things, the occurrence of constituents of emerging concern (CEC) in drinking water sources and treated drinking water. The bill would require the state board to convene, by an unspecified date, the Science Advisory Panel for 3 years to review and provide recommendations to the state board on CECs for further action, among other duties. The bill would require the state board to provide a final report to the Legislature by June 1, 2026, on the work conducted by the panel.

Position

SB 260 (Wiener D) Climate Corporate Accountability Act.

Last Amend: 1/3/2022

Status: 1/26/2022-Read third time. Passed. (Ayes 23. Noes 7.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Location: 1/26/2022-A. DESK

Summary: Would require the State Air Resources Board, on or before January 1, 2024, to develop and adopt regulations requiring United States-based partnerships, corporations, limited liability companies, and other business entities with total annual revenues in excess of \$1,000,000,000 and that do business in California, defined as "reporting entities," to publicly disclose to the Secretary of State, and verify, starting in 2025 on a date to be determined by the state board, and annually thereafter, their greenhouse gas emissions, categorized as scope 1, 2, and 3 emissions, as defined,

from the prior calendar year, as provided. The bill would require reporting entities to disclose their greenhouse gas emissions in a manner that is easily understandable and accessible to residents of the state.

Position

SB 396 (Dahle R) Forestry: electrical transmission or distribution lines: clearances: notice and opportunity to be heard.

Last Amend: 9/3/2021

Status: 1/11/2022-From inactive file. Ordered to third reading.

Location: 1/11/2022-A. THIRD READING

Summary: Under current law, the Public Utilities Commission, which has regulatory authority over public utilities, including electrical corporations, has established additional vegetation management requirements. This bill would revise and recast those provisions related to electrical lines and abatement activities for a person who owns, controls, operates, or maintains an electrical transmission or distribution line, specifying that abatement activities covered by this law include felling, cutting, or trimming trees. The bill would explicitly require all these line clearance and tree pruning and abatement activities to comply with the commission's vegetation management rules, if applicable.

Position

SB 463 (Dahle R) Water: landowner or water right holder right to modify, repair, or replace jointly used conduits.

Last Amend: 1/10/2022

Status: 3/18/2022-March 22 set for second hearing canceled at the request of author.

Location: 1/10/2022-A. W., P. & W.

Summary: Current law declares that the general welfare requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable, that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of water is to be exercised with a view to the reasonable and beneficial use of water in the interest of the people and for the public welfare. This bill would authorize a landowner, where a conduit is constructed across or buried beneath the lands of 2 or more landowners, and the conduit is not under the control or management of any public agency or authority, to modify, repair, or replace, as defined, the conduit on or beneath their land if the modification, repair, or replacement is made in a manner that does not impede the flow of the water to any other water right holder receiving a benefit of the conduit.

Position

SB 832 (Dodd D) Water rights: measurement of diversion.

Last Amend: 4/6/2022

Status: 4/6/2022-Read second time and amended. Re-referred to Com. on APPR.

Location: 4/5/2022-S. APPR.

Summary: Current law defines various terms applicable to the Water Code. This bill would define "water year," unless otherwise specified, to mean the 12-month period beginning October 1 and ending September 30.

Position

SB 840 (Skinner D) Budget Act of 2022.

Status: 1/11/2022-From printer.

Location: 1/10/2022-S. BUDGET & F.R.

Summary: This bill would make appropriations for the support of state government for the 2022–23 fiscal year. This bill contains other related provisions.

Position

SB 844 (Min D) California Cybersecurity Integration Center: cybersecurity improvement: reports.

Last Amend: 3/16/2022

Status: 4/6/2022-Set for hearing April 26.

Location: 3/23/2022-S. G.O.

Calendar: 4/26/2022 1:30 p.m. - Senate Chamber SENATE GOVERNMENTAL ORGANIZATION, DODD, Chair

Summary: Existing law establishes the California Cybersecurity Integration Center within the Office of Emergency Services, the primary mission of which is to reduce the likelihood and severity of cyber incidents that could damage California's economy, its critical infrastructure, or computer networks in the state. Current law requires the center to serve as the central organizing hub of state government's cybersecurity activities and to coordinate information sharing with local, state, and federal agencies, tribal governments, utilities and other service providers, academic institutions, and nongovernmental organizations. This bill would require the center to create four reports, to be delivered to the Legislature, as specified, for the 2021–22, 2022–23, 2023–24, and 2024–25 fiscal years that describe all expenditures made by the state within a single fiscal year pursuant to the federal State and Local Cybersecurity Improvement Act.

Position

SB 880 (Laird D) Water diversion: monitoring and reporting: University of California Cooperative Extension.

Status: 4/4/2022-April 4 hearing: Placed on APPR suspense file.

Location: 4/4/2022-S. APPR. SUSPENSE FILE

Summary: Current law, until January 1, 2023, requires any diverter, who has completed an instructional course regarding the devices or measurement method administered by the University of California Cooperative Extension, including passage of a proficiency test before the completion of the course, to be considered a qualified individual when installing and maintaining devices or implementing methods of measurement that were taught in the course for the diverter's diversion. Current law also requires the University of California Cooperative Extension and the board to develop the curriculum of the course and the proficiency test. This bill would indefinitely extend the above-described provisions.

Position

SB 890 (Nielsen R) Department of Water Resources: Water Storage and Conveyance Fund: water storage and conveyance.

Last Amend: 2/23/2022

Status: 3/8/2022-March 8 set for first hearing. Failed passage in committee. (Ayes 3. Noes 6.)

Location: 2/9/2022-S. N.R. & W.

Summary: Would establish the Water Storage and Conveyance Fund in the State Treasury to be administered by the Department of Water Resources. The bill would require all moneys deposited in the fund to be expended, upon appropriation by the Legislature, in support of subsidence repair and reservoir storage costs, including environmental planning, permitting, design, and construction and all necessary road

and bridge upgrades required to accommodate capacity improvements. The bill would require the department to expend from the fund, upon appropriation by the Legislature, specified monetary amounts to complete funding for the construction of the Sites Reservoir, and to restore the capacity of 4 specified water conveyance systems, as prescribed, with 2 of those 4 expenditures being in the form of a grant to the Friant Water Authority and to the San Luis and Delta-Mendota Water Authority. This bill would make these provisions inoperative on July 1, 2030, and would repeal it as of January 1, 2031.

Position

SB 892 (Hurtado D) Cybersecurity preparedness: food and agriculture sector and water and wastewater systems sector.

Last Amend: 3/22/2022

Status: 4/7/2022-Set for hearing April 18.

Location: 4/5/2022-S. APPR.

Calendar: 4/18/2022 9 a.m. - 1021 O Street, Room 1200 SENATE APPROPRIATIONS, PORTANTINO, Chair

Summary: Current law requires CalOES to establish the California Cybersecurity Integration Center (Cal-CSIC) with the primary mission of reducing the likelihood and severity of cyber incidents that could damage California's economy, its critical infrastructure, or public and private sector computer networks in the state. Current law requires Cal-CSIC to provide warnings of cyberattacks to government agencies and nongovernmental partners, coordinate information sharing among these entities, assess risks to critical infrastructure information networks, enable cross-sector coordination and sharing of best practices and security measures, and support certain cybersecurity assessments, audits, and accountability programs. Current law also requires Cal-CSIC to develop a statewide cybersecurity strategy to improve how cyber threats are identified, understood, and shared in order to reduce threats to California government, businesses, and consumers, and to strengthen cyber emergency preparedness and response and expand cybersecurity awareness and public education. This bill would require CalOES to develop, propose, and adopt optional reporting guidelines applicable to companies and cooperatives in the food and agriculture industry and entities in the water and wastewater systems industry if they identify a significant and verified cyber threat or active cyberattack

Position

SB 896 (Dodd D) Wildfires: defensible space: grant programs: local governments.

Last Amend: 3/10/2022

Status: 4/5/2022-Read second time. Ordered to third reading.

Location: 4/5/2022-S. THIRD READING

Summary: Current law requires a person who owns, leases, controls, operates, or maintains a building or structure in, upon, or adjoining a mountainous area, forest-covered lands, shrub-covered lands, grass-covered lands, or land that is covered with flammable material to maintain defensible space of 100 feet from each side. Existing law requires the Director of Forestry and Fire Protection to establish a statewide program to allow qualified entities, including counties and other political subdivisions of the state, to support and augment the Department of Forestry and Fire Protection in its defensible space and home hardening assessment and education efforts. Current law requires the director to establish a common reporting platform that allows defensible space and home hardening assessment data, collected by the qualified entities, to be reported to the department. This bill would require any local government entity that is qualified to conduct these defensible space assessments in very high and high fire hazard severity zones and that reports that information to the department, to report that information using the common reporting platform.

Position

SB 901 (Pan D) Flood protection: City of West Sacramento flood risk reduction project.

Last Amend: 3/31/2022

Status: 4/7/2022-From committee: Do pass and re-refer to Com. on APPR. (Ayes 5. Noes 0.) (April 7). Re-referred to Com. on APPR.

Location: 4/7/2022-S. APPR.

Summary: Would adopt and approve the West Sacramento Project for flood risk reduction along the Yolo Bypass, Sacramento Bypass, and Sacramento River, which was adopted and approved by a specific act of the United States Congress in 2016, at an estimated cost to the state of the sum that may be appropriated by the Legislature for state participation, upon the recommendation and advice of the Department of Water Resources or the Central Valley Flood Protection Board.

Position

SB 936 (Glazer D) California Conservation Corps: forestry training center: formerly incarcerated individuals: reporting.

Last Amend: 3/16/2022

Status: 4/5/2022-Set for hearing April 18.

Location: 3/29/2022-S. APPR.

Calendar: 4/18/2022 9 a.m. - 1021 O Street, Room 1200 SENATE APPROPRIATIONS, PORTANTINO, Chair

Summary: Current law authorizes the Director of the California Conservation Corps to establish the Education and Employment Reentry Program within the corps to develop, partner with, and create opportunities for certain forestry corps program objectives, collaborate with the Employment Development Department to provide access to workforce services, collaborate with nongovernmental organizations dedicated to providing access to counseling, mentorship, supportive housing, health care, and educational opportunities, and employ collaborations and partnerships available to the corps, as specified. This bill would require the director, upon appropriation and on or before December 31, 2024, in partnership with the Department of Forestry and Fire Protection and the Department of Corrections and Rehabilitation, to establish a forestry training center in northern California to provide enhanced training, education, work experience, and job readiness for entry-level forestry and vegetation management jobs.

Position

SB 938 (Hertzberg D) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000: protest proceedings: procedural consolidation.

Last Amend: 4/4/2022

Status: 4/4/2022-Read second time and amended. Ordered to third reading.

Location: 4/4/2022-S. THIRD READING

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, except as specified. Under current law, in each county there is a local agency formation commission (commission) that oversees these changes of organization and reorganization. Current law authorizes a commission to dissolve an inactive district if specified conditions are satisfied. This bill would also authorize a commission to initiate a proposal for the dissolution of a district, as described, if the commission approves, adopts, or accepts a specified study that includes a finding, based on a preponderance of the evidence, that, among other things, the district has one or

more documented chronic service provision deficiencies, the district spent public funds in an unlawful or reckless manner, or the district has shown willful neglect by failing to consistently adhere to the California Public Records Act.

Position

SB 945 (Laird D) Falconry: American peregrine falcons.

Last Amend: 3/29/2022

Status: 4/5/2022-Set for hearing April 18.

Location: 3/22/2022-S. APPR.

Calendar: 4/18/2022 9 a.m. - 1021 O Street, Room
1200 SENATE APPROPRIATIONS, PORTANTINO, Chair

Summary: Falconiformes and Strigiformes (birds-of-prey) used in the practice of falconry. Current law authorizes the Fish and Game Commission to authorize the issuance and provide for the revocation of licenses and permits to persons for the practice of falconry. Current law also prohibits the taking or possession at any time of fully protected birds, as specified. Current law designates the American peregrine falcon as a fully protected bird. This bill would exempt the capture, possession, or training of an American peregrine falcon in the practice of falconry from the prohibitions in the fully protected bird statute. The bill would require the department to submit 2 reports to certain committees of the Legislature, on or before specified dates, regarding the use of American peregrine falcons and other raptors in falconry, as specified.

Position

SB 991 (Newman D) Public contracts: progressive design-build: local agencies.

Last Amend: 3/22/2022

Status: 4/5/2022-Set for hearing April 18.

Location: 3/31/2022-S. APPR.

Calendar: 4/18/2022 9 a.m. - 1021 O Street, Room
1200 SENATE APPROPRIATIONS, PORTANTINO, Chair

Summary: Would, until January 1, 2029, authorize local agencies, defined as any city, county, city and county, or special district authorized by law to provide for the production, storage, supply, treatment, or distribution of any water from any source, to use the progressive design-build process for public works projects in excess of \$5,000,000, similar to the progressive design-build process authorized for use by the Director of General Services. The bill would require a local agency that uses the progressive design-build process to submit, no later than January 1, 2028, to the appropriate policy and fiscal committees of the Legislature a report on the use of the progressive design-build process containing specified information, including a description of the projects awarded using the progressive design-build process. The bill would require the design-build entity and its general partners or joint venture members to verify specified information under penalty of perjury.

Position

SB 1004 (Cortese D) Public works: apprenticeship: bid preference.

Status: 4/5/2022-April 5 set for first hearing canceled at the request of author.

Location: 2/23/2022-S. G.O.

Summary: Would require a state agency that enters into a public works contract with an estimated value of not less than \$250,000 to decrease the bid amount of a bidder by 5%, for purposes of comparing the bid with competing bids, if the bidder is party to an apprenticeship agreement with an approved apprenticeship program. The bill would require the lowest responsive and responsible bidder, taking the apprenticeship

preference into consideration, to be awarded the contract unless the solicitation provides for additional award criteria. The bill would require a contractor seeking such a decrease, at the time of submission of a bid for a public works contract, to furnish written proof of approval to train apprentices by an approved apprenticeship program for each apprenticeable trade the contractor intends to employ on the public works project, signed under penalty of perjury. By expanding the crime of perjury, the bill would impose a state-mandated local program. The bill would require a contractor to which the contract is awarded as a result of the decrease to employ registered apprentices in accordance with specified law and standards. The bill would define terms for these purposes.

Position

SB 1100 (Cortese D) Open meetings: orderly conduct.

Last Amend: 4/7/2022

Status: 4/7/2022-From committee with author's amendments. Read second time and amended. Re-referred to Com. on JUD.

Location: 3/17/2022-S. JUD.

Calendar: 4/19/2022 1:30 p.m. - 1021 O Street, Room 1200 SENATE JUDICIARY, UMBERG, Chair

Summary: Current law requires every agenda for regular meetings of a local agency to provide an opportunity for members of the public to directly address the legislative body on any item of interest to the public, before or during the legislative body's consideration of the item, that is within the subject matter jurisdiction of the legislative body. Current law authorizes the legislative body to adopt reasonable regulations to ensure that the intent of the provisions relating to this public comment requirement is carried out, including, but not limited to, regulations limiting the total amount of time allocated for public testimony on particular issues and for each individual speaker. Current law authorizes the members of the legislative body conducting the meeting to order the meeting room cleared and continue in session, as prescribed, if a group or groups have willfully interrupted the orderly conduct of a meeting and order cannot be restored by the removal of individuals who are willfully interrupting the meeting. This bill would authorize the presiding member of the legislative body conducting a meeting to remove an individual for disrupting the meeting. The bill would define "disrupting" for this purpose.

Position

SB 1124 (Archuleta D) Public health goal: primary drinking water standard: manganese.

Last Amend: 3/29/2022

Status: 4/5/2022-Set for hearing April 18.

Location: 3/30/2022-S. APPR.

Calendar: 4/18/2022 9 a.m. - 1021 O Street, Room 1200 SENATE APPROPRIATIONS, PORTANTINO, Chair

Summary: Current law requires the Office of Environmental Health Hazard Assessment (OEHHA) to prepare and publish an assessment of the risks to public health posed by each contaminant for which the state board proposes a primary drinking water standard, as provided. Current law requires the risk assessment to contain an estimate of the level of the contaminant in drinking water that is not anticipated to cause or contribute to adverse health effects, or that does not pose any significant risk to public health, also known as the public health goal for the contaminant. Current law requires the state board to consider specified criteria when it adopts a primary drinking water standard, including the public health goal for the contaminant published by OEHHA. This bill would require, on or before July 1, 2023, OEHHA to prepare a public health goal for manganese, as provided. The bill would

require the state board, after OEHHA publishes a public health goal for manganese, to adopt a primary drinking water standard for manganese and to establish monitoring requirements for manganese, as specified.

Position

SB 1188 (Laird D) Safe Drinking Water State Revolving Fund: financial assistance.

Last Amend: 3/15/2022

Status: 4/5/2022-Set for hearing April 18.

Location: 3/28/2022-S. APPR.

Calendar: 4/18/2022 9 a.m. - 1021 O Street, Room 1200 SENATE APPROPRIATIONS, PORTANTINO, Chair

Summary: The Safe Drinking Water State Revolving Fund Law of 1997 establishes the continuously appropriated Safe Drinking Water State Revolving Fund to provide financial assistance for the design and construction of projects for public water systems that will enable those systems to meet safe drinking water standards. Current law authorizes the State Water Resources Control Board, to the extent permitted by federal law, to provide up to 100% grant funding, and principal forgiveness and 0% financing on loans, from the fund to a project for a water system that serves a severely disadvantaged community. Current law requires the interest rate for repayable financing provided from the fund to be 0% if the financing is for a public water system that serves a disadvantaged community with a financial hardship or if the financing is for a public water system that provides matching funds. This bill would delete those provisions relating to 0% financing and interest and would instead generally authorize the board, to the extent authorized by federal law, to provide reduced or 0% financing to further the purposes of the Safe Drinking Water State Revolving Fund Law of 1997.

Position

SB 1197 (Caballero D) Water Innovation and Drought Resiliency Act of 2022.

Last Amend: 3/16/2022

Status: 3/25/2022-Set for hearing April 19.

Location: 3/2/2022-S. N.R. & W.

Calendar: 4/19/2022 9 a.m. - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, STERN, Chair

Summary: Current law declares that the protection of the public interest in the development of the water resources of the state is of vital concern to the people of the state and that the state shall determine in what way the water of the state, both surface and underground, should be developed for the greatest public benefit. Current law creates the Office of Planning and Research to serve the Governor as staff for long-range planning and research and as a comprehensive state planning agency. This bill, the Water Innovation and Drought Resiliency Act of 2022, would create the Initiative to Advance Water Innovation and Drought Resiliency at the office for the furtherance of new technologies and other innovative approaches in the water sector. The bill would require the office, as part of the initiative, to take specified measures on or before December 31, 2024, to advance innovation in the water sector and ensure a drought-resilient economy.

Position

SB 1205 (Allen D) Water rights: appropriation.

Last Amend: 3/17/2022

Status: 3/25/2022-Set for hearing April 19.

Location: 3/2/2022-S. N.R. & W.

Calendar: 4/19/2022 9 a.m. - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, STERN, Chair

Summary: Would require the State Water Resources Control Board to develop and adopt regulations to provide greater specificity as to the methods and practices for determining water availability in the issuance and administration of water right permits and licenses, including consideration of the effects of climate change, as specified, upon watershed hydrology as part of the preparation of water availability analyses. The bill would require the board to consult with the Department of Water Resources, the Department of Fish and Wildlife, and qualified hydrologists and climate change scientists in preparing the regulations.

Position

SB 1218 (Hurtado D) Delta Stewardship Council: annual water supply reliability estimation.

Status: 3/25/2022-Set for hearing April 19.

Location: 3/2/2022-S. N.R. & W.

Calendar: 4/19/2022 9 a.m. - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, STERN, Chair

Summary: Current law, the Sacramento-San Joaquin Delta Reform Act of 2009, establishes the Delta Stewardship Council, which is required to develop, adopt, and commence implementation of a comprehensive management plan, known as the Delta Plan, for the Sacramento-San Joaquin Delta. This bill would require the council, at least once annually, to publish on its internet website, in consultation with relevant state and federal agencies and the public, a water supply reliability estimation for the water flows into the Delta and out of the Straits of Carquinez and into the San Francisco Bay.

Position

SB 1219 (Hurtado D) 21st century water laws and agencies: committee.

Last Amend: 4/6/2022

Status: 4/6/2022-Read second time and amended. Re-referred to Com. on E.Q.

Location: 4/5/2022-S. E.Q.

Calendar: 4/27/2022 9 a.m. - 1021 O Street, Room 2100 SENATE ENVIRONMENTAL QUALITY, ALLEN, Chair

Summary: Would require the Secretary of the Natural Resources Agency and the Secretary for Environmental Protection to convene a committee to develop and submit, on or before December 31, 2024, to the Governor and to the Legislature a strategic vision, proposed statutes, and recommendations for a modern 21st century set of water laws and regulations and state and local water agencies for the state, as provided. The committee would consist of 5 specified heads of state agencies, 2 members appointed by the Senate Committee on Rules, and 2 members appointed by the Speaker of the Assembly. The bill would require the Governor or the committee to appoint a "blue ribbon" citizen commission or taskforce, a stakeholder advisory committee, and any other group that the Governor or the committee deems necessary or desirable to assist in carrying out these provisions. The bill would require all relevant state agencies, at the request of the committee, to make available staff and resources to assist in the preparation of the strategic vision and proposed statutes.

Position

SB 1220 (Hurtado D) Sustainable Groundwater Management Act: groundwater sustainability plans.

Status: 3/25/2022-Set for hearing April 19.

Location: 3/2/2022-S. N.R. & W.

Calendar: 4/19/2022 9 a.m. - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, STERN, Chair

Summary: Current law, 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. This bill would provide that nothing in those provisions relating to making submissions to the department shall be construed to prohibit groundwater sustainability agencies that have developed multiple groundwater sustainability plans for a basin from amending the coordination agreement following department issuance of an assessment of the plans. This bill contains other existing laws.

Position

SB 1235 (Borgeas R) Air pollution: portable equipment: emergency events.

Status: 3/31/2022-Set for hearing April 25.

Location: 3/2/2022-S. E.Q.

Calendar:

4/25/2022 9 a.m. - 1021 O Street, Room 2100 SENATE ENVIRONMENTAL QUALITY, ALLEN, Chair

4/27/2022 9 a.m. - 1021 O Street, Room 2100 SENATE ENVIRONMENTAL QUALITY, ALLEN, Chair

Summary: Would codify the State Air Resources Board's regulation authorizing portable equipment to be operated during an emergency event, as defined above, and would also authorize portable equipment to be operated during a public safety power shut-off event. The bill would define "public safety power shut-off event," in part, as a planned power outage undertaken by an electrical corporation to reduce the risk of wildfires caused by utility equipment.

Position

SB 1253 (Melendez R) Infrastructure plan: flood control: delta levees.

Last Amend: 3/8/2022

Status: 4/7/2022-Set for hearing April 26.

Location: 3/29/2022-S. N.R. & W.

Calendar: 4/26/2022 9 a.m. - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, STERN, Chair

Summary: The California Infrastructure Planning Act requires the Governor to submit annually to the Legislature, in conjunction with the Governor's Budget, a proposed 5-year infrastructure plan containing prescribed information. Current law requires the plan to identify state infrastructure needs and set out priorities for funding. This bill would additionally require the plan to set out infrastructure priorities relating to specified flood prevention and maintenance projects.

Position

SB 1254 (Hertzberg D) Drinking water: administrator: managerial and other services.

Status: 4/7/2022-Set for hearing April 26.

Location: 3/28/2022-S. JUD.

Calendar: 4/26/2022 1:30 p.m. - 1021 O Street, Room 1200 SENATE JUDICIARY, UMBERG, Chair

Summary: Current law prescribes the processes and procedures pursuant to which the State Water Resources Control Board may identify a designated water system in need of services, order a designated water system to accept services from an administrator, and work with the administrator of a designated water system to develop adequate technical, managerial, and financial capacity to develop an adequate supply of affordable, safe drinking water so that administrator services are no longer necessary. This bill would, among other things, expand the definition of "designated water system" and limit the liability of an administrator and the state board when the state board appoints an administrator to a designated water system, as prescribed.

Position

SB 1264 (Dahle R) Property Assessed Clean Energy program: wildfire safety improvements.

Status: 3/2/2022-Referred to Com. on GOV. & F.

Location: 3/2/2022-S. GOV. & F.

Summary: Current law authorizes a legislative body of any public agency, defined to mean a city, county, or city and county, that has accepted the designation of very high fire hazard severity zone to designate an area for voluntary contractual assessments to finance the installation of wildfire safety improvements, as defined, that are permanently fixed to existing real property. Current law requires a legislative body that wants to establish a voluntary contractual assessment program relating to wildfire safety improvements to make specified determinations by adopting a resolution as generally required by the PACE program. This bill would instead authorize specified public agencies to enter into voluntary contractual assessments with property owners to finance the installation of wildfire safety improvements, as defined, that are permanently fixed to real property, and would repeal the requirement that the improvement be fixed to existing real property.

Position

SB 1426 (Caballero D) Cannabis: water pollution crimes.

Last Amend: 4/7/2022

Status: 4/8/2022-Set for hearing April 26.

Location: 4/5/2022-S. N.R. & W.

Calendar: 4/26/2022 9 a.m. - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, STERN, Chair

Summary: Would make it a misdemeanor or felony to plant, cultivate, harvest, dry, or process more than 50 living cannabis plants, or any part thereof, and where that activity involves theft of groundwater, unauthorized tapping into a water conveyance or storage infrastructure, digging an unpermitted, illegal well, or the pollution of groundwater, as specified. This bill would also clarify that causing substantial environmental harm to public resources includes groundwater.

Position

Memo

G

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 3/30/22)

Date(s)	Event	Time	Location	Attending Board Member(s)	Additional Information (Speakers' Topic, Cohosts, etc.)
<u>MARCH 2022</u>					
17-Mar	Board Meeting Debrief		Call	Watt	
19-Mar	Water for People Walk for Water	8:00 AM	Elfin Forest Recreational Reserve		
21-Mar	Personnel Committee Meeting	11:00 AM	Zoom	Bruce-Lane, Watt	
21-Mar	Meeting with the General Manager RE: CWA Issues		OMWD Offices	Guerin	
22-Mar	Pure Water Oceanside Event	10:30 AM	3950 North River Road, Oceanside		
26-Mar	Efficient Water Use Event		Home Depot	Meyers	
30-Mar	Special OMWD Board Meeting				
31-Mar	Conference Call with the General Manager RE: Board Meeting Debrief			Watt	
31-Mar	Conference Call with the General Manager RE: CWA meeting and CSDA Training				
31-Mar	Conference Call with the General Manager RE: Insurance			Meyers	
<u>APRIL 2022</u>					
1-Apr	DCMWTP 20th Anniversary Video Filming			Watt	
Apr 4-6	CSDA Special; District Leadership Academy		Embassy Suites San Diego Bay 601 Pacific Highway San Diego 92101	Guerin	
12-Apr	Insurance Subcommittee			Guerin, Meyers	
12-Apr	Finance Committee Meeting	10:00 AM	Boardroom	Guerin, Watt	

Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

CORRESPONDENCE

Any correspondence is attached.



Attention: 5500 Central Team
3840 Murphy Canyon Road
San Diego, CA 92123

AB 01 001509 14625 H 4 A



OLIVENHAIN MUNICIPAL WATER DISTRICT
GOVERNING BOARD
1966 OLIVENHAIN RD
ENCINITAS, CA 92024-5676

March 8, 2022

001509 1/3

Re: California Broker Compensation Disclosure Report for OLIVENHAIN MUNICIPAL WATER DISTRICT

Reporting Period: 01/2021 - 12/2021

California law now requires health plans and insurers to annually disclose broker compensation information to the governing boards of public agency employer groups. Enclosed is your first 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).

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)

In addition, the report also provides the following information:

- Total premium received by Kaiser Permanente within your plan contract year
- Member and subscriber counts (as of the last month of the contract period)

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

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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: 75

Contract Year from 01/2021 - 12/2021

Premium Received by Kaiser Foundation Health Plan Inc during your group's contract year:

\$409,799.64

Information Concerning Insurance Contract Fees and Commissions

Total Amount of Commissions Paid: \$4,088.30

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.:

\$4,088.30

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

3) 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

4) 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

5) 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

6) 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

7) 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

Date Report Produced: March 8, 2022

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



Q: When will I receive this report?

A: You can expect to receive the report annually, approximately 60 days after the last day of the contract year. For example, if your contract year is on a January–December schedule, you can expect the Broker Compensation Disclosure Report in early March for the preceding year. If your contract year is July–June, you can expect to receive the report in early September of that year.

Q: Is this the same as an ERISA 5500 Schedule A Disclosure Report?

A: Federal law requires certain employer groups to receive an annual report known as an ERISA 5500 Schedule A Disclosure Report, which contains the same type of information that's required for the Broker Compensation Disclosure Report. However, unlike the 5500 Schedule A Disclosure Report, the Broker Compensation Disclosure Report is informational only, and public agencies aren't required to submit the information to the U.S. Department of Labor or to any other state or federal agency. Although public agencies have been exempt from the federal reporting requirements under ERISA 5500 guidelines, some public agencies have requested to receive the 5500 Schedule A Disclosure Report from Kaiser Permanente. The information contained in that report is identical to what is included on the Broker Compensation Disclosure Report. If you received a 5500 Schedule A Disclosure Report in the past, and you're a California public agency, you'll now receive the Broker Compensation Disclosure Report instead.

Q: We don't have a broker. Why are we getting this report?

A: The law requires all health plans or health insurers to disclose all monetary and non-monetary compensation that's paid to any agent, broker, or individual if it's related to your public agency's contract with us. That includes consultants and other individuals who may not be referred to as a broker, but who have a compensation

arrangement based on placement or retention of business with us.

Q: Will I get a copy if there's no compensation to report?

A: Yes. To ensure compliance, a report will be sent to any California public agency with whom we're contracted, even if the amounts being reported are zero.

Q: Why don't the numbers on the report match my records?

A: The reported compensation and commissions are based on what was actually paid to and received by us during the contract year, regardless of what was due. For example, if your December premium is paid in January, it will show up on the following year's report (if you're on a January–December contract). Membership numbers on the report may also be different from your records. They're based on the number of members enrolled at the end of the last calendar month of the contract.

Q: What should I do with this report?

A: 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.

Q: If we don't keep our copy of the report can we get a copy from you if we need it?

A: We'll electronically store copies of all Broker Compensation Disclosure Reports for a minimum of six years. However, we can't guarantee we'll be able to provide you with a hard copy if you request it after six years, so you should keep a copy in your files.

Q: Who should I contact for more information?

A: You can contact the 5500 Central Team at 5500-Central-Team@kp.org



WATER REUSE CALIFORNIA



March 14, 2022

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

The Honorable Toni Atkins
Pro Tempore, California State Senate
1021 O Street, Suite 8518
Sacramento, CA 95814

The Honorable Anthony Rendon
Speaker, California State Assembly
1021 O Street, Suite 8330
Sacramento, CA 95814

The Honorable Nancy Skinner
Chair, Senate Budget Committee
1020 N Street, Suite 502
Sacramento, CA 95814

The Honorable Phil Ting
Chair, Assembly Budget Committee
1021 O Street, Suite 8230
Sacramento, CA 95814

RE: Request \$750 million for Recycled Water and Revise Budget Language

Dear Governor Newsom, Pro Tem Atkins and Speaker Rendon, Chair Skinner and Chair Ting:

The undersigned agencies respectfully **request the inclusion of \$750 million in grant funds for recycled water** as part of the Drought Resilience and Response package. Recycled water is a

sustainable, local of source of water that is nearly drought proof. With our state still in serious drought conditions, and the impacts of climate change worsening, the time is now to make a major investment in recycled water. CalEPA Secretary Jared Blumenfeld noted on his January 12 “Proposed Water Investments in State Budget” briefing that “every ounce of water we can recycle and come up with a new use, obviously takes enormous pressure off the natural systems.”

Need for Additional State Investment

The 2021 federal Infrastructure Investment and Jobs Act made \$1 billion available to recycling projects in **all Western States** over five years (approximately \$200 million a year). Yet this will not come close to meeting the funding demands for all the Western States, especially California. As Secretary Blumenfeld again noted on January 12, “**the needs for recycled water exceed \$10 billion**, in fact the needs for the LA Basin itself exceed \$12 billion.” The State Water Resources Control Board has noted that there is a \$1.8 billion need between 2021-2024.

Every region of the state has planned large-scale water recycling projects in need of funding that can vastly stretch our traditional water supplies and prepare our state for the worsening impacts of climate change. These include projects for potable reuse, including groundwater recharge, reservoir augmentation and direct potable reuse (DPR). The Water Board is currently developing statewide regulations for DPR which will greatly expand the use of recycled water for drinking water purposes. Other planned projects include expanding agricultural reuse to protect the environment and limited groundwater supplies; industrial reuse; landscape irrigation and more.

Three-Year Drought Package Contains Only Small Statewide Investment in Recycled Water

The total three-year drought package passed last year only contains \$350 million in statewide funding for recycled water split over three years with groundwater cleanup. It is entirely possible that the State Board will allocate more than 50 percent of those funds to groundwater cleanup. In addition to increased funding, recycled water should have a standalone allocation.

Budget Language Needs Revision

Recycled water investments in the current and future budgets should be clearly specified by the California Legislature and decoupled from groundwater cleanup funding.

Create Large Project Funding Category

Further, if the Legislature agrees that recycled water funding should be vastly increased in the Drought Resilience and Response Package, we recommend the creation of a “large project” funding category, similar to the structure of the Infrastructure Investment and Jobs Act. This will allow smaller recycled water projects to receive funding without being in funding competition with the larger multi-billion-dollar projects that are currently planned in the state.

While there are other worthy water supply projects that should be part of the Drought Resilience and Response Package, we hope you will agree with us that funding for **recycled water deserves to be at the forefront of the state’s three-year drought response with a \$750 million state investment**. Thank you in advance for your consideration.

Sincerely,

Jennifer West
Managing Director
WaterReuse California

Elizabeth Dawson
Engineering Manager
El Dorado Irrigation District

Jim Lewis
City Manager
City of Pismo Beach

Matt Bronson
City Manager
City of Grover Beach

Bob McDonald
General Manager
Carpinteria Valley Water District

Dave Pedersen
General Manager
Las Virgenes Municipal Water District

Clifford Chan
General Manager
East Bay Municipal Utility District

Paul Sciuto
General Manager
Monterey One Water

Shivaji Deshmukh
General Manager
Inland Empire Utilities Agency

Allen Carlisle
General Manager
Padre Dam Municipal Water District

Rick Callender
Chief Executive Officer
Valley Water

Anselmo G. Collins
EJ Caldwell
Acting General Manager
West Basin Municipal Water District

Senior Assistant General Manager – Water
Systems
Los Angeles Department of Water & Power

Paul Cook
General Manager
Irvine Ranch Water District

Robert Ferrante
Chief Engineer & General Manager
Los Angeles County Sanitation District

Joe Mouawad
General Manager
Eastern Municipal Water District

Adel Hagekhalil
General Manager
Metropolitan Water District of Southern
California

Ron Duncan
General Manager
Soquel Creek Water District

Alex Rojas
General Manager
Central Basin Metropolitan Water District

Michael Markus
General Manager
Orange County Water District

Daniel R. Feron
General Manager
Santa Margarita Water District

Sunny Wang, P.E.
Water Resources Manager
Public Works Department/Water Resources
City of Santa Monica

Kim Thorner
General Manager
Olivenhain Municipal Water District

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Neal Meyers, Director



General Manager
Kimberly A. Thorner, Esq.
General Counsel
Alfred Smith, Esq.

March 15, 2022

San Diego County Water Authority
Attn: MWD Board Delegates Fong-Sakai, Goldberg, Miller, and Smith
4677 Overland Avenue
San Diego, CA 92123
Via email to MWDProgram@sdewa.org

Metropolitan Water District of Southern California
Board of Directors
700 North Alameda Street
Los Angeles, CA 90012
Via email to dl-boardsupportteam@mwdh2o.com

RE: MWD's Proposed Budget and Water Rate Increases for 2023 and 2024 – REDUCE

Dear SDCWA Board Delegates to MWD and MWD Board of Directors,

On behalf of Olivenhain Municipal Water District, I urge you to consider mitigating and reducing any planned water rate increases in 2023 and 2024. OMWD provides approximately 87,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services.

While we appreciate all that MWD does to provide a reliable water supply and protect Southern California ratepayers, we have serious concerns that affordability has not been considered in MWD's proposed budget and water rate increases for 2023 and 2024. We are asking that MWD take a more aggressive approach to controlling costs in order to reduce these proposed water rate increases. While difficult, we believe it is essential to the near- and long-term fiscal sustainability of our agencies.

A 16-17% rate increase by MWD is out of step with the current economy and with the measures that all water retailers are taking to tighten the belt on behalf of our ratepayers. MWD's disproportionate proposed rate increases do not consider any costs we must incur at the retail level to ensure continued service to customers, nor the extraordinary financial burdens we have borne during the COVID-19 pandemic as delinquencies skyrocketed. As wholesale water costs are our largest expense, MWD's proposed rate increases will necessarily lead to double-digit rate increases at the retail level, since we are subject to and must manage our operations under the same conditions as MWD.



Simply stated, our customer base of working families and small businesses cannot afford a MWD 16-17% rate increase over the next two years. Before COVID-19, leadership in Sacramento had already recognized the affordability of water in California as a crisis, and Southern California ratepayers are now struggling with rapidly escalating costs for such necessities as housing, food, and gas. We implore MWD to think more holistically about the negative impacts of these extraordinary, proposed rate hikes and staffing levels on retail agencies and our already overburdened ratepayers.

MWD has long promised much more moderate rate increases in its 10-year forecast, and retail agencies have relied on these projections. We believe rate increases at this level were appropriate and remain so in order for MWD to fully implement and sustain its core mission.

MWD's proposal for an increased employee headcount of 142 positions (a 17% increase) in its next budget is in stark contrast to OMWD's own efforts to control costs in its next budget by continuing to freeze 2 positions and keep them vacant (a 2% decrease). There is a disconnect between wholesale increases and retail agencies attempting to control costs, which is unsustainable.

We would be happy to discuss our concerns with MWD's new General Manager Hagekhalil, who has promised collaboration and understanding, as well as with the MWD Board of Directors. In the meantime, if you or your staff should need any additional details pertaining to our comments, please do not hesitate to contact me at 760-753-6466 or kthorner@olivenhain.com.

Regards,

A handwritten signature in blue ink, appearing to read "Kimberly A. Thorner".

Kimberly A. Thorner
General Manager

cc: Adel Hagekhalil, MWD General Manager (ahagekhalil@mwdh2o.com)

Board of Directors

Lawrence A. Watt, President
Kristie Bruce-Lane, Vice President
Christy Guerin, Treasurer
Robert F. Topolovac, Secretary
Neal Meyers, Director



General Manager
Kimberly A. Thorner, Esq.
General Counsel
Alfred Smith, Esq.

March 15, 2022

Supervisor Joel Anderson
1600 Pacific Hwy
Room 335
San Diego, CA 92101

VIA EMAIL: joel.anderson@sdcounty.ca.gov

Dear Supervisor Anderson,

Olivenhain Municipal Water District provides 86,649 residents in San Diego County's District 2 and District 3 with water, wastewater services, and recycled water. OMWD also operates the Elfin Forest Recreational Reserve, which received 127,489 visitors from throughout the County in 2021. On OMWD's behalf, I am contacting you to respectfully request assistance from the American Rescue Plan Act's (ARPA) Coronavirus Local Fiscal Recovery Fund to help address the financial losses we experienced as a result of COVID-19.

Unfortunately, special districts like OMWD were not directly included in Coronavirus Relief Fund allocations to state and local governments, and thus OMWD has not been afforded access to this important measure of financial relief. However, ARPA gives counties the authority to transfer Local Fiscal Recovery Fund monies to special districts for the *same eligible uses* as cities and counties (e.g., necessary investments in water and wastewater services; pandemic-related expenditures; revenue losses; premium pay for essential workers).

To date, OMWD has experienced \$2,984,370 in fiscal impacts eligible under the ARPA's Section 9901, Coronavirus State and Local Fiscal Recovery Funds. While the 2021-2022 State Budget provided some important new avenues for COVID-19 relief to California's special districts, OMWD still has \$2,984,370 in *unmet* needs that are eligible for the Local Fiscal Recovery Fund. These needs are comprised of the following:

1. \$84,370 in eligible COVID-19-related expenses to ensure the health of OMWD employees, thus ensuring the safety and reliability of OMWD's water supply.
2. \$2,900,000 in unanticipated infrastructure wastewater expenditures for OMWD's Sewer Pump Station Replacement Project, which was delayed as a result of COVID-19.

Our request takes into consideration all avenues of COVID relief available to OMWD, including pending FEMA reimbursements and \$43,561 received as part of the 2021 Budget Act's COVID-19 fiscal relief for special districts. We have no remaining avenues to request relief, however, and are not receiving other state or federal funding for these purposes. If we are not able to achieve additional relief funding, OMWD may need to consider delaying critical infrastructure projects and/or implementing future rate increases that will be higher than originally anticipated.



ARPA grants definitive authority to counties to transfer Local Fiscal Recovery Fund monies to special districts to address these needs for the communities we serve. As you and fellow County leaders discuss priorities for the second and final tranche of the Local Fiscal Recovery Fund, I ask that you consider utilizing the authority granted to the County in ARPA to transfer a portion of those funds to address OMWD's ongoing COVID-19 impacts and ensure continuation of the essential local services we provide to our shared constituency.

We look forward to working with you and your staff on this issue and appreciate your consideration. Please contact me at kthorner@olivenhain.com and 760-632-4648 to speak further about this request to help OMWD continue providing essential services to your constituents.

Thank you,

A handwritten signature in blue ink, reading "Kimberly A. Thorner". The signature is fluid and cursive, with the first name being the most prominent.

Kimberly A. Thorner, Esq.
General Manager
Olivenhain Municipal Water District

CC: Helen Robbins-Meyer, County of San Diego Chief Administrative Officer
[cao_mail@sdcounty.ca.gov]

Board of Directors

Lawrence A. Watt, President
Kristie Bruce-Lane, Vice President
Christy Guerin, Treasurer
Robert F. Topolovac, Secretary
Neal Meyers, Director



General Manager
Kimberly A. Thorner, Esq.
General Counsel
Alfred Smith, Esq.

March 15, 2022

Supervisor Terra Lawson-Remer
1600 Pacific Hwy
Room 335
San Diego, CA 92101

VIA EMAIL: Terra.Lawson-Remer@sdcounty.ca.gov

Dear Supervisor Lawson-Remer,

Olivenhain Municipal Water District provides 86,649 residents in San Diego County's District 2 and District 3 with water, wastewater services, and recycled water. OMWD also operates the Elfin Forest Recreational Reserve, which received 127,489 visitors from throughout the County in 2021. On OMWD's behalf, I am contacting you to respectfully request assistance from the American Rescue Plan Act's (ARPA) Coronavirus Local Fiscal Recovery Fund to help address the financial losses we experienced as a result of COVID-19.

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We look forward to working with you and your staff on this issue and appreciate your consideration. Please contact me at kthorner@olivenhain.com and 760-632-4648 to speak further about this request to help OMWD continue providing essential services to your constituents.

Thank you,



Kimberly A. Thorner, Esq.

General Manager

Olivenhain Municipal Water District

CC: Helen Robbins-Meyer, County of San Diego Chief Administrative Officer
[cao_mail@sdcounty.ca.gov]

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Robert F. Topolovac, Secretary
Neal Meyers, Director



General Manager
Kimberly A. Thorner, Esq.
General Counsel
Alfred Smith, Esq.

March 18, 2022

Assemblymember Jacqui Irwin, Chair
Assemblymember Janet Nguyen, Vice Chair
Committee on Revenue and Taxation
California State Assembly
1020 N Street, Room 167A
Sacramento, California 95814

RE: AB 2142 (Gabriel) Income Taxes: Exclusion: Turf Replacement Water Conservation Program – Support

Dear Assemblymember Jacque Irwin and Assemblymember Janet Nguyen,

On behalf of Olivenhain Municipal Water District, I am writing to express our support for AB 2142 (Gabriel), which would exempt rebates for turf replacement programs from California gross income between January 1, 2022 through January 1, 2027. OMWD provides 87,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services.

California is experiencing its second drought within a decade, and continued investment in water efficiency is a critical tool to reduce water demand. Consumer rebates are a proven, cost effective tool for increasing water conservation. For example, since 1990, Metropolitan Water District of Southern California has invested more than \$780 million in rebates and other conservation incentives, resulting in an estimated water savings of 2.8 million acre-feet, enough to provide water for nearly 9 million households.

Taxing water efficiency rebates is a disincentive for consumers and agencies to expand these effective programs. This is especially true for lower-income households who cannot afford to face additional tax liability. Consumer rebate programs not only allow public utilities to save money while building drought resilience, they can also stimulate local economies and have a profound collective impact on environmental and energy sustainability.

Further, even when the state is not faced with drought conditions or water use restrictions, California has made a policy commitment to ongoing water efficiency and "Conservation as a California Way of Life." If the state's goal is to build drought resilience and reduce water consumption, exempting these efficiency rebates would go a long way toward that goal. These rebate programs across the state provide a much-needed incentive to conserve regardless of water supply conditions.




There is no doubt that consumer incentives have been an effective tool in advancing efficiency objectives statewide. California law permanently exempts rebates for water efficient toilets and clothes washers, certain plumbing for recycled water, and energy conservation from both personal and corporate taxes. (Cal. Rev. & Tax Code §§ 17138, 17138.1, 24308.1.) When these exclusions were enacted, the Franchise Tax Board found that they would have negligible economic impact because efficiency rebates were already treated as refunds or price adjustments for income tax purposes. Finally, California law used to exempt turf replacement rebates from taxable income, but those provisions sunset in December 2019.

This bill will re-establish California's exemption for turf replacement rebates from gross income and create parity for turf replacement rebates with other similar permanent tax exemptions in California law for water efficiency and energy conservation rebates.

If you or your committee should need any additional information pertaining to our support of this legislation, please do not hesitate to contact me at 760-753-6466.

Sincerely,



Kimberly A. Thorner
General Manager

CC: Senator Brian Jones
 Senator Patricia Bates
 Senator Toni G. Atkins
 Assemblymember Christopher Ward
 Assemblymember Marie Waldron
 Assemblymember Brian Maienschein
 Assemblymember Tasha Boerner Horvath

Board of Directors

Lawrence A. Watt, President
Kristie Bruce-Lane, Vice President
Christy Guerin, Treasurer
Robert F. Topolovac, Secretary
Neal Meyers, Director



General Manager
Kimberly A. Thorner, Esq.
General Counsel
Alfred Smith, Esq.

March 31, 2022

The Honorable Bill Quirk, Chair
Assembly Environmental Safety and Toxic Materials Committee
Legislative Office Building
1020 N. Street, Room 171
Sacramento, California 95814

RE: AB 2247 (Bloom) – Support

Dear Chairman Quirk,

On behalf of Olivenhain Municipal Water District, I am writing to express our support for AB 2247 (Bloom), which would require manufacturers of PFAS or products containing PFAS, to disclose the presence of PFAS in those products in a publicly accessible database. This is important and necessary information that will inform state and local decision making regarding the management of PFAS in our watersheds and the environment. OMWD provides 87,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services.

Per- and Polyfluoroalkyl substance (PFAS) have recently become a topic of public concern, due to their high mobility and resistance to breaking down naturally in the environment, as well as the persistent detection of PFAS compounds in people's bodies. The state is comprehensively investigating levels of PFAS in our environment, with a particular focus on water and wastewater resources. While significant progress is being made towards identifying pathways of PFAS in our water and sewersheds, additional information is needed for agencies to be able to make efficient management decisions: local water and wastewater agencies need to know what exactly they are looking for in order to implement effective source reduction policies to limit PFAS inputs into our systems. AB 2247 would allow us to use the PFAS disclosure data required from manufacturers of PFAS or products containing PFAS to optimize pollution prevention programs at the local level through our local pre-treatment programs. This information would generate consumer awareness about the chemicals used in everyday products and how they impact the environment. We need data to support practical and cost-effective management solutions, and AB 2247 is an important first step towards this end goal.

It's important to note that PFAS chemicals are both ubiquitous and indestructible. Without better information about sources of PFAS to support source control, local water management options are limited and costly, leading to affordability concerns for the delivery of essential public services. In some cases, PFAS can be removed from water and wastewater at the end of the cycle through expensive advanced treatment technology. However, there is no technologically feasible method for



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




the large-scale destruction of PFAS compounds. Instead, once removed, PFAS residuals are merely displaced and transferred to another waste stream and typically cycle back through the waste management process.

For these reasons, OMWD supports AB 2247 and urges your “aye” vote when it is heard in the Assembly Environmental Safety and Toxic Materials Committee.

If you or your committee should need any additional information pertaining to our support of this legislation, please do not hesitate to contact me at 760-753-6466.

Sincerely,



Kimberly A. Thorner
General Manager

cc: Assemblymember Richard Bloom
Jessica Gauger, California Association of Sanitation Agencies (jgauger@casaweb.org)
Assemblymember Christopher Ward
Assemblymember Marie Waldron
Assemblymember Brian Maienschein
Assemblymember Tasha Boerner Horvath
Ashley Walker, Nossaman, LLP (awalker@nossaman.com)

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.

Why Your Water Bill Is Rising

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Two things are true about the cost of water in San Diego: the cost of bringing water here and maintaining the system that does it is rising, but the amount of water San Diegans consume is dropping.

In 1990, the average San Diegan used 235 gallons of drinkable water per day, according to the Water Authority's records. By 2021, San Diegans cut that almost in half to 130 gallons per day. Megadroughts that triggered mandatory water cutbacks triggered better water conservation habits, which stuck.

But while San Diegans are using less, the costs they pay continue to rise. The cost of San Diego's water supply is expected to rise anywhere from 5.5 to 10 percent beginning in 2023, with hefty hikes continuing in the years thereafter.

"Long after I'm dust, these supplies will be valuable to this region," said Gary Arant, who leads the Valley Center Municipal Water District, of the haul of water rights San Diego has locked up. "Right now, we've got a lot of water. It's expensive, but I think the decisions we made were good."

The price San Diegans ultimately pay for water on monthly bill results from a chain reaction of costs that begins with getting the water from the Colorado River or a desalination plant in Carlsbad. San Diego used to get its water from one source: the Los Angeles-based Metropolitan Water Authority or Met.

But when a huge drought in the 1990s led to major mandatory water cuts statewide, San Diego decided relying on one water supplier wasn't such a good idea. That's when San Diego became hellbent on diversifying its water supplies, striking huge (and expensive) deals with others that held rights to Colorado River water beyond Los Angeles, building storage reservoirs and even a plant to turn ocean water into drinking water — a newfangled and costly technology.

All those investments paid off during this latest drought. While San Diego was sitting on plenty of water, much of northern California — with its abundant lakes, rivers, rain and streams — discovered its historic reliance on surface water is less predictable in the face of a changing climate. Still, all of San Diego's investments came at a hefty price for generations to come.

It's notoriously difficult to fairly compare how the cost of that supply affects parts of San Diego differently. The Water Authority said it doesn't track water rates among its 24 water district customers. But when the Water Authority raises rates, the increase falls differently between the 24 smaller water districts that buy from it.

For instance, a 3.6 percent bump in prices that the Water Authority charges for its wholesale water in 2022 triggered a 7 percent bump for customers in the Olivenhain Municipal Water District, which serves an area from Carlsbad to Interstate 15, Fairbanks Ranch and Cardiff. For those in the city of San Diego, the average bill will be about \$90 a month in 2022, versus the \$77 per month those customers paid in 2017, a nearly 17 percent increase in out-of-pocket costs in just five years, according to a survey of water bills by the Otay Water District.

One way to look at what's causing the water price shock is to understand how the Water Authority charges for its different water sources, and other fees for building all the stuff that's kept the region quenched during the most recent drought.

The Colorado River

About 66 percent of the region's drinking water still comes from the Colorado River. About 11 percent of that is shipped south straight from the Los Angeles-based Metropolitan Water Authority, which controls most of San Diego's access to the Colorado River. But Met charges the Water Authority for use of its system of pipes to get Colorado River water from elsewhere, too. Met, as it's called, proposed a 16 percent increase in the price of water through 2024. That means for roughly two thirds of its water, the San Diego region is going to be paying more than it's paying now.

In 2016, Met charged \$594 per acre foot for untreated water and \$942 per acre foot for treated water. An acre foot is enough water to cover an acre of land one foot deep. Those costs went up to \$799 and \$1,143 per acre foot respectively in January of 2022, according to the Water Authority's bond documents.

That's a spike of 34 percent for untreated water and 21 percent for treated water.

Imperial Irrigation District

San Diego fought to control the price on another larger portion of Colorado River water owned by Imperial Valley. That farming region has a legal claim, through the byzantine world of water rights, to huge amounts of Colorado River water. Whatever water it doesn't need, it can sell to other regions that don't have the same claim.

Through a long-fought contract, San Diego got almost 39 percent of its water in 2021 from the Imperial Irrigation District. In practice, San Diego basically pays farmers to conserve, and send some of their water west.

This water cost in 2021 is \$1,223 per acre foot including a charge levied by Met to carry the water in its pipes. In 2016, that price was \$1,069 per acre foot, a 15 percent increase. San Diego gets another chunk of water from a big canal that also sends Colorado River water west, called the All-American Canal. San Diego paid to line that canal, which helped

reduce the amount of water that would otherwise seep through the infrastructure into the ground. San Diego gets to collect that saved water. About 16 percent of San Diego's water supply came from the canal in 2021.

This water in 2021 cost \$550 per acre foot to help maintain and operate the canal, a 21 percent increase from the cost of that water in 2016.

Carlsbad Desalination Plant

The region gets about 8 percent of its supply from a plant that cleans ocean water to drinking water standards. It's the most expensive water San Diego uses, while the Colorado river water we get from Los Angeles is one of the cheapest.

The costs of desalinated water have been on the rise since it was built in 2016. The first batch of water that year cost \$2,123 per acre foot. An average California household uses between a half and one acre-foot of water per year for both indoor and outdoor use, according to the Water Education Foundation.

In 2021, the Water Authority paid \$2,588 for that water. That's a 22 percent increase.

Those three main big buckets of water San Diego pays for are just the cost of the supply itself. The Water Authority still has a massive network of pipelines, pumps, treatment plants, dams and reservoirs to maintain – which costs money – plus it has \$2 billion in debt it's paying off from building it.

The Water Authority predicts that water demand will steadily rise as long as the regional population does as well. But some of the 24 member agencies disagree saying their own water use shows demand is dropping. The Water Authority's Urban Water Management Plan showed that though drinking water demand in 2020 was around 619,000 acre feet, total consumption was actually about 458,000 acre feet, about 35 percent below the predicted demand.

But the costs for paying for the infrastructure, both maintenance and debt, doesn't go away, even if people use less water. Those costs are charged to the 24 different water districts through a series of other fees or charges.

The Water Authority charges fees, based on how much water each agency uses, for transporting the water, for storing water in case of emergency like an earthquake, to cover the costs of the desalination plant and the Imperial Valley contract, and the Water Authority's administrative expenses called the "customer service charge." It also charges a flat rate for every water meter in each district. That's the main "fixed" charge the Water Authority collects and it was imposed in 1998 to ensure the agency had a reliable source of funding. Revenue from the other fees is dependent on how much water the region consumes, which has been on a downward trend in terms of individual customer consumption.

Charge for the Amount of Water We Drink or the Cost to get it Here?

As water sales and revenues drop, the Water Authority is studying whether it needs to make a dramatic shift in how it charges cities for water in the future. Arant, who runs Valley Center Municipal Water District, serves on a finance board at the Water Authority and thinks the agency should stop charging for water based mostly on consumption.

That's in part because some big water users in the region are starting to recycle their wastewater into drinking water, like the City of San Diego which is one of the Water Authority's biggest customers.

Once that happens, and if the way the region pays for water stays the same, that means water districts in smaller cities will have to pick up more of the tab left unpaid by the city of San Diego's reduced consumption.

"We'll never produce enough wastewater that we can reclaim, so we are 100 percent reliable on the Water Authority," Arant said, of his small district's ability to support itself.

The Water Authority spent \$568 million to raise the walls of the San Vicente Dam 117 feet so it could store more water for emergencies. It's part of an approximately \$1.5 billion so-called Emergency Storage Project, which also added storage at Lake Hodges and the Olivenhain Reservoir. These large bowls in the Earth are where we store that Colorado River water.

It's a system that any city in the region would benefit from should a huge natural disaster cut off supplies from the Colorado River or other sources to the region. Cities are paying for that now, to the tune of several hundred thousand dollars per month for some cities.

"You can't just be sitting there, not paying for your share of the Water Authority, and all of a sudden, something happens and you need the Water Authority to be there," Arant said.

The cost of water imported from the Colorado River has tripled since 2000, said Amy Doran, the city of San Diego's assistant director for the Pure Water wastewater recycling project.

"We anticipate producing water locally is overall projected to be less expensive than imported water," Doran said.

Sandy Kerl, general manager of the Water Authority, said the agency is trying to lobby both the state and federal governments for funding to support the growing infrastructure costs in the region, especially for old and aging pipelines some of which were first laid in the ground in the early 1900s.

"It used to be that water infrastructure was paid, basically 70 to 80 percent, by state and federal grants and the rest was paid by ratepayers," Kerl said. "Today that's flipped."

Last year, the state granted the Water Authority just under \$25 million to help pay off the huge debt from unpaid water bills incurred during the COVID-19 pandemic.

But the Water Authority said it still has about \$10 million in unpaid water bills from both residential and commercial customers that need additional support.