

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

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

**DATE:** WEDNESDAY, JUNE 21, 2023

**TIME:** 4:00 P.M.

**PLACE:** DISTRICT OFFICE

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

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. DETERMINATION OF A QUORUM
5. ADOPTION OF AGENDA
6. PERSONAL APPEARANCES AND PUBLIC COMMENTS
7. PRESENTATION OF AWARDS AND HONORABLE MENTIONS
  - \* Watersmart Landscape Contest Winner, Brad Lefkowitz
  - \* Elfin Forest Recreational Reserve Photo Contest Winners
  - \* Gustavo Briceno – Utility I – New Hire
  - \* Bryce Keeler – Utility I – New Hire
  - \* Tom Arellano – Water Treatment Facilities Supervisor – 20 Years – May
  - \* Joey Randall – Assistant General Manager – 20 Years – June
  - \* American Public Works Association’s San Diego and Imperial County Chapter Project of the Year Award - Manchester Avenue Potable Water Pipeline Replacement Project
  - \* American Public Works Association’s San Diego and Imperial County Chapter Honor Award - Lone Jack Pressure Reducing Station Replacement Project
  - \* Industrial Environmental Association’s 2023 Environmental Excellence Award - Recycled Water Pipeline Extension 153A Project
8. CONSIDER APPROVAL OF THE MINUTES OF THE MAY 17, 2023, REGULAR BOARD OF DIRECTORS MEETING AND THE MINUTES OF THE MAY 31, 2023, SPECIAL BOARD OF DIRECTORS MEETING

9. CONSENT CALENDAR

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

C-a	CONSIDER ADOPTION OF A MOTION APPROVING THE PAYMENT OF LISTED WARRANTS FROM THE DISTRICT'S REVOLVING AND REGULAR ACCOUNTS; LISTED TRANSFERS OF FUNDS; REIMBURSEMENT OF EXPENSES TO BOARD MEMBERS AND STAFF; AND MONTHLY INVESTMENT REPORT
C-b	CONSIDER ADOPTION OF A MOTION APPROVING THE DISTRICT'S CONSOLIDATED STATEMENT OF NET POSITION, CONSOLIDATED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION, CONSOLIDATED STATEMENT OF CASH FLOWS, CONSOLIDATED ACTUAL VS BUDGET SUMMARY, AND CONSTRUCTION IN PROGRESS REPORT
C-c	CONSIDER ADOPTION OF A RESOLUTION HONORING SANTA FE IRRIGATION DISTRICT'S 100-YEAR ANNIVERSARY
C-d	CONSIDER ADOPTION OF A RESOLUTION ESTABLISHING THE APPROPRIATION LIMIT AND AUTHORIZING THE APPLICATION OF PROCEEDS OF TAXES FOR FISCAL YEAR 2023-2024
C-e	CONSIDER APPROVAL OF THE LOCAL PROJECT SPONSOR AGREEMENT WITH THE SAN DIEGO COUNTY WATER AUTHORITY FOR THE NORTH SAN DIEGO WATER REUSE COALITION'S REGIONAL RECYCLED WATER PROGRAM
C-f	CONSIDER APPROVAL OF THE LOCAL PROJECT PARTICIPANT AGREEMENT WITH CITY OF CARLSBAD, CITY OF OCEANSIDE, LEUCADIA WASTEWATER DISTRICT, RINCON DEL DIABLO MUNICIPAL WATER DISTRICT, SAN ELIJO JOINT POWERS AUTHORITY, AND VALLECITOS WATER DISTRICT FOR THE NORTH SAN DIEGO WATER REUSE COALITION'S REGIONAL RECYCLED WATER PROGRAM
C-g	CONSIDER ACCEPTANCE OF THE 3144 LEVANTE 1-INCH WATER SERVICE INSTALLATION PROJECT (DENNIS MATHIS) INTO OMWD'S SYSTEM AND ORDER A NOTICE OF COMPLETION BE FILED
C-h	CONSIDER APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 425 FOR MIRA COSTA COLLEGE TO CONSTRUCT A STORM DRAIN AND IRRIGATION LINE THROUGH OMWD EASEMENT 751 LOCATED ON THE MIRA COSTA CAMPUS AND ORDER THE PERMIT BE RECORDED
C-i	CONSIDER VOTE FOR SOUTHERN NETWORK (SEAT C) REPRESENTATIVE TO THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS

10. CONSIDER AND APPROVE MIDTERM CHANGES TO THE GENERAL MANAGER'S RECOMMENDED BIENNIAL OPERATING AND CAPITAL BUDGET FOR FISCAL YEARS 2023 AND 2024
11. CONSIDER AN AMENDMENT TO OLIVENHAIN MUNICIPAL WATER DISTRICT'S CONFLICT OF INTEREST CODE

12. CONSIDER SETTING A TIME AND PLACE FOR A PUBLIC HEARING TO CONSIDER THE OLIVENHAIN MUNICIPAL WATER DISTRICT'S WATER CAPACITY FEES FOR 2023 (July 19 – 5:30 P.M.)
13. CONSIDER ADOPTION OF A RESOLUTION OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT UPDATING THE DISTRICT'S REPRESENTATIVE TO VOTE IN THE ABSENCE OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT'S REPRESENTATIVE TO THE SAN DIEGO COUNTY WATER AUTHORITY
14. INFORMATIONAL REPORTS
  - A. PRESIDENT
  - B. GENERAL MANAGER
  - C. CONSULTING ENGINEER
  - D. GENERAL COUNSEL
  - E. SAN DIEGO COUNTY WATER AUTHORITY REPRESENTATIVE
  - F. LEGISLATIVE
  - G. TWELVE MONTH CALENDAR / OTHER MEETINGS / REPORTS BY BOARD MEMBERS PER AB 1234
  - H. BOARD COMMENTS
15. CORRESPONDENCE
16. AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS
17. FUTURE AGENDA ITEMS
18. CONSIDER PUBLIC COMMENTS
19. 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 GENERAL COUNSEL REVIEW [PURSUANT TO GOVERNMENT CODE SECTION 54957] • Additional Facts: Preliminary input provided on May 17, 2023; full review to be held on June 21, 2023.

OPEN SESSION
20. OPEN SESSION DISCUSSION OF GENERAL COUNSEL COMPENSATION
21. ADJOURNMENT



# Memo

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

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

# Memo

Date: June 21, 2023  
To: Olivenhain Municipal Water District Board of Directors  
From: Rainy Selamat, Finance Manager  
Via: Kimberly A. Thorner, General Manager  
Subject: **CONSIDER ADOPTION OF A MOTION APPROVING THE PAYMENT OF LISTED WARRANTS FROM THE DISTRICT'S REVOLVING AND REGULAR ACCOUNTS; LISTED TRANSFERS OF FUNDS; REIMBURSEMENT OF EXPENSES TO BOARD MEMBERS AND STAFF; AND MONTHLY INVESTMENT REPORTS**

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

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

Olivenhain Municipal Water District  
Proposed Motions for June 21, 2023 Board of Directors Meeting  
May 2023 Activities  
Consent Calendar Item # C-a

Proposed Motions:

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

Regular Account	Warrants - by check	033388	to	033599	\$	1,300,518.28
	Warrants - by EFT	EFT000000000493	to	EFT000000000538		387,622.02
						<u>1,688,140.30</u>
	ACH Payments - Payroll					226,195.48
	Wire - SDCWA - Monthly Purchased Water Payment					1,599,962.63
	ACH Payments - Payroll					214,200.53
	ACH Payments - 2016A Debt Service					482,000.00
	ACH Payments - 2021A Debt Service					152,000.00
	ACH Payments - 2021B Debt Service					300,000.00
	ACH Payments - 2015A Debt Service					1,184,000.00
					\$	<u>5,846,498.94</u>

Major Category of Disbursements

Total warrants from the District's checking account:

\$ 1,688,140.30

Following is a breakdown of this total by major categories:

<u>Category</u>	
Outside services	\$ 789,078.88
Inventory and supplies	530,319.71
Utilities	142,819.12
Repairs and maintenance	53,651.22
Other	5,157.54
Refunds	9,388.65
Insurance	155,987.18
Permit Fees	1,738.00

Total

\$ 1,688,140.30

Sincerely,

  
Rainy K. Selamat/Finance Manager

Olivenhain Municipal Water District  
Proposed Motions for June 21, 2023 Board of Directors Meeting  
May 2023 Activities

California Bank and Trust

Regular Account

Warrants - by check	033388 ✓	to	033599	\$	1,300,518.28
Warrants - by EFT	EFT000000000493	to	EFT000000000538		387,622.02

1,688,140.30 ✓

5/11/2023 ACH Payments - Payroll	226,195.48
5/15/2023 Wire - SDCWA - Monthly Purchased Water Payment	1,599,962.63
5/25/2023 ACH Payments - Payroll	214,200.53
5/25/2023 ACH Payments - 2016A Debt Service	482,000.00
5/25/2023 ACH Payments - 2021A Debt Service	152,000.00
5/25/2023 ACH Payments - 2021B Debt Service	300,000.00
5/26/2023 ACH Paymenrs - 2015A Debt Service	1,184,000.00

Total	\$	<u><u>5,846,498.94</u></u> ✓
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Approved:

For Board Consideration and Approval

**Olivenhain Municipal Water District**  
**May 2023 Warrant List - Check & EFT**

Number	Date	Name	Amount	Inv Reference	Multiple Invoices?
033388	5/3/2023	Ababa Bolt Inc	1,198.12	WTP SUPPLIES- Bolts and Washers	
033389	5/3/2023	American Messaging	60.50	L1-072035	
033390	5/3/2023	Aqua Metric	157,737.90	MXUs, meters, and meter box lids	Yes
033391	5/3/2023	Asbury Environmental Services	2,415.00	ASBESTOS PIPE DISPOSAL	
033392	5/3/2023	Atp General Engineering Contr	1,924.99	REF:1001364_303230- Customer Refund	
033393	5/3/2023	Bee Rescue LLC	820.00	Bee removal	Yes
033394	5/3/2023	Cyrus Raoufpur	1,076.36	REF:1091434_173965- Customer Refund	
033395	5/3/2023	D-Max Engineering, Inc.	1,183.00	FOG Inspections for the 4S and Cielo Collection Systems	Yes
033396	5/3/2023	DCL Enterprise Inc Dba	4.20	KEYS	
033397	5/3/2023	Evan Dewindt	149.69	AWWA CONF PARKING/MILEAGE	
033398	5/3/2023	Edco Waste & Recycling	632.83	Waste Disposal	Yes
033399	5/3/2023	Encinitas Ford	1,122.55	PU82 SUPPLIES	Yes
033400	5/3/2023	GEI Consultants, Inc	3,812.50	WATER QUALITY SERVICES	
033401	5/3/2023	Geoscience Support Svcs, Inc.	9,180.50	San Dieguito GW Services	Yes
033402	5/3/2023	Hasa	7,594.28	WWTP CHEMICALS	
033403	5/3/2023	Hi-Line Electric Company, Inc.	261.95	SUPPLIES- nuts and screws	
033404	5/3/2023	Hossam Kassab	50.70	REF:1088051_128355- Customer Refund	
033405	5/3/2023	Ignacio Tool Supply Inc.	91.86	MISC SHOP TOOLS	Yes
033406	5/3/2023	Interface Automation Inc.	6,817.50	WWTP SCADA SERVICES, CONTOLNET REPLACEMENT, PLC REPLACEMENT DESIGN	Yes
033407	5/3/2023	Irene Dolan	10.42	REF:1020910_237810	
033408	5/3/2023	Nate Naugles	37.38	CWEA CONF PARKING/MILEAGE	
033409	5/3/2023	Naumann Hobbs - San Diego	1,177.95	WTP SERVICES- FORKLIFT REPAIRS	
033410	5/3/2023	Pacific Pipeline Supply	731.05	SUPPLIES	
033411	5/3/2023	Pacific Safety Center	1,395.00	CONFINED SPACE TRAINING	
033412	5/3/2023	PWLC I, INC	6,188.61	TREE PURCHASE & INSTALLS, IRRIG. INSTALL BOB T. COURTYARD	Yes
033413	5/3/2023	Republic Services	1,243.35	WASTE DISPOSAL	
033414	5/3/2023	Ryan Herco	216.02	WTP SUPPLIES-AERATION PVC PARTS	
033415	5/3/2023	San Diego Scale Inc	870.95	CALIBRATION SERVICES	
033416	5/3/2023	Santa Fe Irrigation Dist	1,001.16	008128-009- WATER BILLS	Yes
033417	5/3/2023	Steven L. Sherman DBA	100.00	Conservation landscape services-evaluation	Yes
033418	5/3/2023	Sunbelt Rentals, Inc.	340.43	CONCRETE & MIXER RENTAL	
033419	5/3/2023	Tetra Tech Inc	27,298.26	PLC Replacement PW,WW Design	Yes
033420	5/3/2023	US Bank	2,190.51	PRINTERS LEASE	
033421	5/3/2023	USA Blue Book	1,685.71	WWTP SUPPLIES	
033422	5/3/2023	Wesley Cheney	57.01	REF:1083928_158535- Customer Refund	
033423	5/3/2023	West Coast Sand & Gravel	5,760.96	SWPPP MATERIALS - HQ	Yes
033424	5/10/2023	Ababa Bolt Inc	336.79	SUPPLIES- BOLTS AND WASHERS	Yes
033425	5/10/2023	Aflac	1,445.50	SUPPLEMENTAL INSURANCE	
033426	5/10/2023	American Conservation & Billing Solutions, Inc.	3,251.00	5/23 AQUAHAWK SERVICES	
033427	5/10/2023	AT & T	22.93	9391056562	
033428	5/10/2023	Barrett Engineered Pumps	7,754.94	PUMP PARTS FOR 4SWRF, CONNEMERA	Yes
033429	5/10/2023	Bee Rescue LLC	240.00	OMWD HQ BEE REMOVAL	
033430	5/10/2023	California State Disbursement Unit	123.23	ED100514-5/11/2023- EMPLOYEE GARNISHMENT	
033431	5/10/2023	Carollo Engineers	190,785.06	DCMWTP Condition Assessment Project	Yes
033432	5/10/2023	Corning Ford Inc.	78,267.17	Base Vehicle Potable Water Budget	Yes
033433	5/10/2023	D&H Water Systems	8,176.36	McCrommeter Flow Meter 14 Inch	Yes
033434	5/10/2023	DCL Enterprise Inc Dba	369.10	LANDSCAPE PADLOCKS	Yes
033435	5/10/2023	DXP Enterprises, Inc.	893.00	WWTP SUPPLIES	
033436	5/10/2023	Edco Waste & Recycling	340.00	Waste Disposal	
033437	5/10/2023	Fawn Cotsidas	88.28	REF:1062832_103775- Customer Refund	
033438	5/10/2023	First Choice Technology	153.53	13001474	Yes
033439	5/10/2023	Franchise Tax Board	544.26	EMPLOYEE GARNISHMENT	
033440	5/10/2023	Grangetto's Ag. Supply	350.70	PARKS SUPPLIES	
033441	5/10/2023	Greg Murray	171.13	REF:1087452_219980- Customer Refund	
033442	5/10/2023	Gabriel Hernandez	27.00	CWEA CONFERENCE MILEAGE REIMB	
033443	5/10/2023	Ignacio Tool Supply Inc.	45.26	SHOP TOOLS	
033444	5/10/2023	Infosend	14,077.86	3/23 WATER BILL STATEMENTS	Yes
033445	5/10/2023	Infrastructure Engineering Corporation	8,345.00	HYDRAULIC MODEL/MASTER PLAN, FEMA LOMR ANALYSIS, NBHD SPS DESIGN	Yes
033446	5/10/2023	Interstate Battery Of San Diego Inc	447.06	SHOP SUPPLIES	
033447	5/10/2023	Jennifer Morrison	155.99	REF:1087628_196235- Customer Refund	
033448	5/10/2023	John Benson	519.60	REF:1045294_233640- Customer Refund	
033449	5/10/2023	Kevin Moores	70.99	REF:1085465_169275- Customer Refund	
033450	5/10/2023	Kristina Kiley	105.29	REF:1084149_225525- Customer Refund	
033451	5/10/2023	Lawrence Hunter	51.57	REF:1083619_221695- Customer Refund	
033452	5/10/2023	Leonardo Videna	9.00	REF:1053336_125715- Customer Refund	
033453	5/10/2023	Ninyo & Moore	990.00	4S Ranch Neighborhood 1 Sewer Pump Station Replacement Project	Yes
033454	5/10/2023	One Source Distributors	925.54	SUPPLIES	
033455	5/10/2023	Pacific Pipeline Supply	5,598.16	Warehouse restock of inventory	Yes
033456	5/10/2023	PWLC I, INC	7,125.00	Mulch for HQ Slope for SWPPP Compliance	Yes
033457	5/10/2023	Quality Chevrolet	355.85	PU39 SERVICES	Yes
033458	5/10/2023	Rajiv Dutta	70.44	REF:1090847_224115- Customer Refund	
033459	5/10/2023	Randy Meier	158.49	REF:1022277_211910- Customer Refund	
033460	5/10/2023	RCP Block & Brick Inc	1,493.09	LARGE RIVER ROCK	Yes
033461	5/10/2023	Republic Services	571.35	WASTE DISPOSAL	
033462	5/10/2023	Republic Services #661	4,890.01	WASTE DISPOSAL	Yes
033463	5/10/2023	Richard F. Yeager Jr. Dba	6,130.00	CATHODIC PROTECTION SUPPORT	
033464	5/10/2023	S D G & E	264.85	Utilities	
033465	5/10/2023	San Diego County Recorder	47.00	EP #421 RECORDING FEE	Yes
033466	5/10/2023	San Diego County Recorder	50.00	EP #420 RECORDING FEE	Yes

**Olivenhain Municipal Water District**  
**May 2023 Warrant List - Check & EFT**

Number	Date	Name	Amount	Inv Reference	Multiple Invoices?
033467	5/10/2023	San Diego Gas & Electric	31,888.06	Utilities	Yes
033468	5/10/2023	San Elijo Joint Powers Auth.	16,815.00	4/23 9.50 AC/FT RECYCLED WTR	
033469	5/10/2023	Santa Fe Irrigation Dist	94.09	008128-005, 5/1/23	
033470	5/10/2023	Susan Rockwell	68.92	REF:1087814_187935	
033471	5/10/2023	TASC	456.90	VEBA ADMIN FEES/CLAIM PROCESS	Yes
033472	5/10/2023	Timothy Wesselman	16.89	REF:1053612_146325- Customer Refund	
033473	5/10/2023	Traffic Supply Inc	332.82	SUPPLIES	
033474	5/10/2023	ULINE	432.03	WTP SUPPLIES	
033475	5/10/2023	Underground Solutions, Inc.	1,192.00	PERMIT FEE - PRS REPLACEMENT	Yes
033476	5/10/2023	UniFirst Aid Corp	445.84	FIRST AID SUPPLIES	
033477	5/10/2023	USA Blue Book	310.72	WWTP SUPPLIES	
033478	5/10/2023	Valve Sealant Supply, Inc.	4,866.08	Hypregun-Plus 5-Qt Sealant Gun	
033479	5/10/2023	Verizon Connect Fleet USA, LLC	924.85	100000112726	Yes
033480	5/10/2023	West Coast Sand & Gravel	1,527.97	YARD MATERIALS	
033481	5/10/2023	William Abboud	64.97	REF:1089210_116860- Customer Refund	
033482	5/10/2023	Xylem Water Solutions USA, Inc.	2,449.99	SUPPLIES	
033483	5/17/2023	Adriana Santacruz	35.19	REF:1060363_198830- Customer Refund	Yes
033484	5/17/2023	Advanced Air & Vacuum	2,563.57	WTP SUPPLIES	
033485	5/17/2023	AG Tech Llc	1,367.04	WWTP BIOSOLIDS WASTE DISPOSAL	
033486	5/17/2023	Andrew Hannan	135.28	REF:1091143_222285- Customer Refund	
033487	5/17/2023	Bay City Electric Works	2,584.70	CONNEMARA PS GENERATOR SVC	Yes
033488	5/17/2023	Bee Rescue LLC	480.00	3343 VIVIENDA CIRCLE	
033489	5/17/2023	C E Wilson Corporation	79,788.12	VALVE REPLACEMENT PROJECT FY22/23 -Construction	
033490	5/17/2023	Cass Construction	1,150.19	REF:1005147_299180- Customer Refund	
033491	5/17/2023	Christmas Gonzalas	76.91	REF:1090624_145520- Customer Refund	Yes
033492	5/17/2023	City Treasurer	701.76	4/23 RECYCLED METER CHARGE	
033493	5/17/2023	Conterra Inc.	1,929.36	4SR RESERVOIR LINER REPAIRS	
033494	5/17/2023	Corodata	314.42	OFFSITE RECORDS STORAGE	
033495	5/17/2023	Corodata Shredding, Inc	69.87	PAPER DESTRUCTION SERVICES	Yes
033496	5/17/2023	County Of San Diego	1,738.00	LAKES OLD COURSE RD	
033497	5/17/2023	County of San Diego, RCS	171.00	4/23 RADIO SERVICES	
033498	5/17/2023	CS-amsc	2,227.36	WWTP SUPPLIES	
033499	5/17/2023	CSDA San Diego Chapter	60.00	5/18 CSDA QUARTERLY MEETING	Yes
033500	5/17/2023	Daniel Banks	643.66	REF:1001819_303370- Customer Refund	
033501	5/17/2023	EcosConnect LLC	1,775.50	4/23 BACKFLOW REPORTS	
033502	5/17/2023	Encinitas Ford	942.58	PU103 SUPPLIES	
033503	5/17/2023	Ferguson Enterprises Inc. #1083	3,469.30	Inventory - washers, nuts, etc.	Yes
033504	5/17/2023	Fieldman, Rolapp & Assoc	2,013.00	CONSULTING SERVICES- FITCH SURVEILLANCE	Yes
033505	5/17/2023	Grangetto's Ag. Supply	20.05	PARKS SUPPLIES	Yes
033506	5/17/2023	Hazen and Sawyer	6,364.75	Additional Design Services for DCMWTP Fourth Stage Centrifuge	
033507	5/17/2023	Hercules Industries	1,216.08	MASTER LOCKS (100)	
033508	5/17/2023	Home Depot/Gecf	5,991.05	4/23 SUPPLIES	
033509	5/17/2023	Jennette Company Inc.	56,700.00	4SWRF WIRING AND CHEMICAL FEED EMERGENCY REPLACEMENT	Yes
033510	5/17/2023	Logan Funk	98.29	REF:1086937_201515- Customer Refund	Yes
033511	5/17/2023	Leo Mendez	533.00	CPA LICENSE RENEWAL	
033512	5/17/2023	Morton Salt Inc	6,116.38	WTP CHEMICALS	
033513	5/17/2023	Napa Auto Parts	1,073.25	4/23 SUPPLIES	
033514	5/17/2023	Newco Inc.	16,665.91	WTP CHEMICALS	Yes
033515	5/17/2023	One Source Distributors	2,609.00	SUPPORT SERVICES	
033516	5/17/2023	Pacific Pipeline Supply	4,039.50	METER BOXES, LIDS, AND OTHER INVENTORY ITEMS	
033517	5/17/2023	Patriot Environmental	1,466.25	WWTP ROLLOFF DISPOSAL SVCS	
033518	5/17/2023	Paul Zamora	1,512.54	TUITION REIMBURSEMENT	Yes
033519	5/17/2023	Pauley Equipment Co.	1,456.25	EQUIPMENT RENTAL (PARKS)	Yes
033520	5/17/2023	Peterson Structural Engineers, Inc.	3,642.70	Amendment #1 21AGR069	Yes
033521	5/17/2023	PWLC I, INC	14,848.00	LANDSCAPE MAINTENANCE	Yes
033522	5/17/2023	Raftelis Financial Consultant	3,215.00	PASS THRU CHARGES REVIEW	Yes
033523	5/17/2023	Ralph Dipiero	57.73	REF:1008402_234520- Customer Refund	Yes
033524	5/17/2023	Joey Randall	200.00	20 YEAR SERVICE AWARD	
033525	5/17/2023	Roula Saba	32.16	REF:1087530_158325- Customer Refund	
033526	5/17/2023	San Diego Building Maintenance	5,396.00	4/23 JANITORIAL SERVICES	
033527	5/17/2023	San Diego Gas & Electric	422.99	0050896037137	Yes
033528	5/17/2023	Sandro Pellegrini	87.37	REF:1081730_203045- Customer Refund	
033529	5/17/2023	Sonsray Machinery LLC	99.51	BA09 SUPPLIES	
033530	5/17/2023	State Water Resources	60.00	D2 CERT - EVAN DEWINDT	
033531	5/17/2023	Taylor Morrison of CA	751.81	REF:1054864_303340- Customer Refund	Yes
033532	5/17/2023	Kim Thorne	54.36	ACWA EXPENSE REIMBURSEMENT	
033533	5/17/2023	United Parcel Service	11.56	SHIPPING	
033534	5/17/2023	USA Blue Book	166.29	WWTP SUPPLIES	
033535	5/17/2023	Vallecitos Water District	48,481.86	RECLAIMED WATER SALES	Yes
033536	5/17/2023	West Yost & Associates, Inc	22,260.48	Inspections/as-needed services	
033537	5/17/2023	Whitson CM	300.00	3/23 SITE INSPECTIONS (HQ)	
033538	5/24/2023	Brandon Barnick	400.00	TEAM BUILDING EVENT EXP REIMB	
033539	5/24/2023	Beth Levy	102.64	REF:1058699_201620- Customer Refund	Yes
033540	5/24/2023	William Broadhead	75.00	TUITION REIMBURSEMENT	
033541	5/24/2023	California State Disbursement Unit	123.23	ED100514-5/25/2023	
033542	5/24/2023	Courtney Seago	70.81	REF:1087836_217455- Customer Refund	
033543	5/24/2023	David Werner	8.13	REF:1060455_146530- Customer Refund	Yes
033544	5/24/2023	Franchise Tax Board	25.06	For -6144	
033545	5/24/2023	Gillingham Water Planning and Engineering, Inc.	4,160.00	SAN DIEGUITO VALLEY GW FEASIBILITY ASSESSMENT CONSULTING SERVICES	
033546	5/24/2023	Golden State Labor	2,189.00	Manchester Recycled Water Labor Compliance Program	
033547	5/24/2023	Guardian	980.22	6/23 DENTAL ADMIN FEES	Yes
033548	5/24/2023	Hi-Line Electric Company, Inc.	2,117.87	Connectors, screws, clamps, bolts, nuts, etc.	
033549	5/24/2023	Stephen Lee Mowry DBA	1,380.00	WTP SERVICES	
033550	5/24/2023	Ignacio Tool Supply Inc.	66.21	SHOP SUPPLIES	
033551	5/24/2023	Brian Keeler	125.00	EDUCATION INCENTIVE	Yes
033552	5/24/2023	Lee Andelin	74.51	REF:1080535_235015- Customer Refund	
033553	5/24/2023	Lisa Bourne	49.97	REF:1082923_193425- Customer Refund	

**Olivenhain Municipal Water District**  
**May 2023 Warrant List - Check & EFT**

Number	Date	Name	Amount	Inv Reference	Multiple Invoices?
033554	5/24/2023	Marco San Antonio	298.80	ACWA MTG EXPRENSE REIMB.	
033555	5/24/2023	Melissa Deleon	58.02	REF:1046555_185020- Customer Refund	
033556	5/24/2023	Orion Construction Corporation	74,195.00	4S Ranch Neighborhood 1 Sewer Pump Station Replacement Project	Yes
033557	5/24/2023	Pacific Pipeline Supply	2,449.27	BRASS NIPPLES, BUSHINGS, CLAIMS, GASKETS, ETC.	Yes
033558	5/24/2023	Jaroth Inc., dba	78.00	760-489-9971- EFRR	
033559	5/24/2023	Paul Zamora	125.00	EDUCATION INCENTIVE	
033560	5/24/2023	Samba Holdings Inc	406.83	DRIVER RECORD MONITORING	Yes
033561	5/24/2023	San Diego Gas & Electric	99,632.37	UTILITIES - HQ, WTP, WRF, PUMP STATIONS, ETC.	Yes
033562	5/24/2023	Sheila Baran	3.01	REF:1090152_230225- Customer Refund	
033563	5/24/2023	Sun Song	59.74	REF:1091560_123400- Customer Refund	
033564	5/24/2023	TASC	125.00	Q1 2023 TRUSTEE FEES	
033565	5/24/2023	Taylor Morrison of CA	1,076.05	REF:1054864_303165- Customer Refund	
033566	5/24/2023	Tovar, Jaime	454.99	D5 EXAM PREP CLASS REIMB	Yes
033567	5/24/2023	Veronica Hernandez	146.14	REF:1091012_159250- Customer Refund	
033568	5/24/2023	West Coast Sand & Gravel	1,557.69	YARD MATERIALS	
033569	5/31/2023	American Conservation & Billing Solutions, Inc.	3,251.00	6/23 AQUAHAWK SERVICES	
033570	5/31/2023	AT & T	1,806.09	9391059578	Yes
033571	5/31/2023	Balboa Engineering Inc.	10,132.50	Preliminary & Final Design Services for VP West PRS Replacement Project	Yes
033572	5/31/2023	Bay City Electric Works	5,527.77	WTP PREVENT MAINT	Yes
033573	5/31/2023	Bee Rescue LLC	240.00	3363 WILDFLOWER VALLEY DR	
033574	5/31/2023	Boot World Inc	200.00	Safety Boots	Yes
033575	5/31/2023	DCL Enterprise Inc DbA	5.39	SHOP KEYS	
033576	5/31/2023	Dexter Wilson Engineering Inc	1,937.50	WW SPILL EMERG RESPONSE PLAN	
033577	5/31/2023	Encinitas Ford	1,274.73	PU39 SUPPLIES	Yes
033578	5/31/2023	Escondido Metal Supply	87.26	SUPPLIES	
033579	5/31/2023	Ferguson Enterprises Inc. #1083	4,897.72	REPLACE PRS VALVES AMBIENTE	Yes
033580	5/31/2023	Gallade Chemical	6,290.36	CHEMICALS WTP	
033581	5/31/2023	GEI Consultants, Inc	5,198.25	CONSULTING SERVICES- EAR, CONSUMER CONFIDENCE REPORT	
033582	5/31/2023	Geoscience Support Svcs, Inc.	12,965.50	SAN DIEGUITO VALLEY GW CONSULTING SERVICES	Yes
033583	5/31/2023	Global Power Group Inc	3,433.33	PREVENT. MAINT. SERV. MIDPOINT	Yes
033584	5/31/2023	Gutermann Inc	647.00	AQUASCOPE LISTENING STICK RPR	
033585	5/31/2023	HDR Engineering, Inc.	10,462.50	Long Term Budgeting for Pipeline Replacements & CCTV Reviews	Yes
033586	5/31/2023	Hi-Line Electric Company, Inc.	712.26	SHOP SUPPLIES	Yes
033587	5/31/2023	HPS WEST Inc.	2,147.48	3" RECYCLED METER	Yes
033588	5/31/2023	Infosend	6,176.60	WATER BILL STATEMENTS	
033589	5/31/2023	Interstate Battery Of San Diego Inc	140.78	SHOP SUPPLIES	
033590	5/31/2023	Jones, Roach & Caringella, Inc.	9,500.00	Appraisal Assignment for District Properties (Wiegand/Zona Gale)	Yes
033591	5/31/2023	Koch General Engineering, Inc.	8,888.00	Top "O" The Morning Curb and Gutter Repairs	Yes
033592	5/31/2023	Ninyo & Moore	4,168.00	POCO LAGO PAVEMENT REPAIR	Yes
033593	5/31/2023	Pacific Pipeline Supply	2,925.33	SATTLES, COUPLINGS, BOLTS, GASKETS, RESTRAINT KITS, ETC.	Yes
033594	5/31/2023	SiteOne Landscape Supply, LLC	274.46	IRRIGATION PARTS - HQ	
033595	5/31/2023	Steven L. Sherman DBA	1,200.00	Conservation landscape services-evaluation	Yes
033596	5/31/2023	Tetra Tech Inc	11,675.76	PLC Replacement PW Design	Yes
033597	5/31/2023	US Bank	2,190.51	PRINTERS LEASE	
033598	5/31/2023	WEST Consultants, Inc.	1,498.00	4S RANCH DAM INUNDATION STUDY	
033599	5/31/2023	Zebron	23,700.00	GRADE RING INSTALL, MANHOLE LINING REPAIRS, DOVE CANYON & SIN PUENTE	Yes
EFT000000000493	5/3/2023	Fastpath Solutions Inc	1,531.54	SUPPORT SUBSCRIPTION	
EFT000000000494	5/3/2023	McMaster-Carr Supply Co.	362.91	WTP SUPPLIES	Yes
EFT000000000495	5/3/2023	Volt Management Corp DBA	1,280.68	SDCWA INTERN W/E 4/7/23	Yes
EFT000000000496	5/3/2023	Zoho Corporation	6,615.00	ManageEngine Endpoint Central UEM Edition - Annual subscription for 350 endpoints and single user	Yes
EFT000000000497	5/3/2023	Martin Marietta Materials Inc	1,068.61	YARD MATERIALS	Yes
EFT000000000498	5/3/2023	Harrington Industrial Plastics Inc	174.76	WTP SUPPLIES	Yes
EFT000000000499	5/10/2023	ACWA - JPIA	147,005.43	6/23 GROUP INSURANCE PREM	
EFT000000000500	5/10/2023	Southern Counties Lubricants, LLC.	6,634.12	UNEADED & DIESEL FUEL	
EFT000000000501	5/10/2023	McMaster-Carr Supply Co.	210.82	PARKS SUPPLIES	
EFT000000000502	5/10/2023	Sloan Electric	11,303.32	SUPPLIES	Yes
EFT000000000503	5/10/2023	CyberlinkASP Technology	9,587.72	GP & CIS HOSTING SERVICES + DEDICATED SERVERS	
EFT000000000504	5/10/2023	Volt Management Corp DBA	3,213.78	SDCWA INTERN W/E 4/28/23	Yes
EFT000000000505	5/10/2023	Traffic Safety Solutions	3,590.00	14450 RSF FARMS RD	Yes
EFT000000000506	5/10/2023	Parsons	10,276.70	Preliminary and Final Design Services- UNIT A N., RSF RD POTABLE PIPELINE REPLACEMENT	Yes
EFT000000000507	5/10/2023	Martin Marietta Materials Inc	1,245.00	DUMP BOBTAIL - YARD CLEANUP	Yes
EFT000000000508	5/10/2023	CDW Government Inc	4,760.00	CITRIX SHAREFILE (5/23-4/24)	
EFT000000000509	5/10/2023	Polydyne Inc	8,464.71	WWTP CHEMICALS	
EFT000000000510	5/10/2023	Western Hose & Gasket	330.32	WTP SUPPLIES	
EFT000000000511	5/10/2023	Dell Computers	61,634.18	Dell Data Domain data migration services	Yes
EFT000000000512	5/10/2023	Harrington Industrial Plastics Inc	135.30	WTP SUPPLIES	
EFT000000000513	5/10/2023	Water for People	66.00	WTRPL 5/11/2023	
EFT000000000514	5/17/2023	DLM Engineering Inc	13,587.50	ENGINEER CONSULTING SERVICES	Yes
EFT000000000515	5/17/2023	Evoqua Water Technologies	575.36	WWTP PREVENT MAINT SERVICES	Yes
EFT000000000516	5/17/2023	McMaster-Carr Supply Co.	482.20	SUPPLIES	Yes
EFT000000000517	5/17/2023	Calif. Surveying & Drafting Supply	281.02	SUPPLIES	
EFT000000000518	5/17/2023	Woodard & Curran	1,193.50	NSDCRRWP GRANT ADMIN	
EFT000000000519	5/17/2023	NexusTek Phoenix	4,857.30	CLOUD STORAGE	
EFT000000000520	5/17/2023	AVI Systems, Inc.	3,281.25	AVI Systems Engineering Services	Yes
EFT000000000521	5/17/2023	Martin Marietta Materials Inc	1,456.17	YARD MATERIALS	Yes
EFT000000000522	5/17/2023	RS AMERICAS INC.	3,511.73	SUPPLIES	Yes
EFT000000000523	5/17/2023	Nobel Systems	2,500.00	LCRR MOBILE APP	
EFT000000000524	5/17/2023	Softchoice	2,237.30	SURFACE PRO & ACCESSORIES	Yes
EFT000000000525	5/17/2023	Dell Computers	14,543.07	Dell PowerEdge R350 Servers	Yes
EFT000000000526	5/17/2023	Harrington Industrial Plastics Inc	1,493.10	WWTP SUPPLIES	
EFT000000000527	5/24/2023	Standard Insurance Co.	5,974.13	6/23 LTD, LIFE INSURANCE PREM	
EFT000000000528	5/24/2023	Southern Counties Lubricants, LLC.	7,721.59	UNEADED & DIESEL FUEL	
EFT000000000529	5/24/2023	CFM-San Diego Inc	3,131.17	SUPPLIES	Yes
EFT000000000530	5/24/2023	Nossaman LLP	27,269.96	\$20,519.96 LEGAL SERVICES, LOBBYING SERVICES \$6,750	Yes

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

Number	Date	Name	Amount	Inv Reference	Multiple Invoices?
EFT000000000531	5/24/2023	Water for People	66.00	WTRPL 5/25/2023	
EFT000000000532	5/31/2023	CFM-San Diego Inc	94.41	SUPPLIES	Yes
EFT000000000533	5/31/2023	Evoqua Water Technologies	2,236.87	WWTP SUPPLIES	
EFT000000000534	5/31/2023	McMaster-Carr Supply Co.	673.59	WTP SUPPLIES	Yes
EFT000000000535	5/31/2023	Volt Management Corp DBA	652.42	CONSTRUCT INTER W/E 5/5/23	
EFT000000000536	5/31/2023	WREGIS	0.74	RENEW ENERGY FEE	
EFT000000000537	5/31/2023	Martin Marietta Materials Inc	357.74	YARD MATERIALS	
EFT000000000538	5/31/2023	Valley Construction Management	9,953.00	Construction Management and Inspection Services- N1SPS	Yes
			<u>1,688,140.30</u>		

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

<u>Name</u>	<u>Payment Date</u>	<u>Check#/ Credit Card</u>	<u>Meals &amp; Lodging</u>	<u>Travel &amp; Transport</u>	<u>Other</u>	<u>Total Reimbursed Expenses</u>	<u>Directors Fee</u> *
Director Guerin			0.00	0.00	0.00	0.00	750.00
			0.00	0.00	0.00	0.00	750.00
Director Hahn			0.00	0.00	0.00	0.00	450.00
			0.00	0.00	0.00	0.00	450.00
Director Meyers			0.00	0.00	0.00	0.00	1,050.00
			0.00	0.00	0.00	0.00	1,050.00
Director San Antonio	5/24/2023	33554	71.83	226.97	0.00	298.80	450.00
			0.00	226.97	0.00	298.80	450.00
Director Watt			0.00	0.00	0.00	0.00	1,050.00
			0.00	0.00	0.00	0.00	1,050.00
General Manager Thorner	5/17/2023	33532	23.82	30.54	0.00	54.36	
			23.82	30.54	0.00	54.36	
Human Resources Manager Joslin			0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	
Finance Manager Selamat			0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	
Operations Manager Fulks			0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	
Engineering Manager Stephenson			0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	
Assistant General Manager Randall	5/17/2023	33524**	0.00	0.00	200.00	0.00	
			0.00	0.00	200.00	0.00	
Customer Service Manager Carnegie			0.00	0.00	0.00	0.00	
			0.00	0.00	0.00	0.00	

\*Includes April & May Director fees.

\*\* Years of service award.

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 April 30, 2023**

**Active Deposits**

	<b><u>Book Value</u></b>
Checking Accounts	\$ 6,414,160
Cash Restricted for Specific Use	4,864,466
Petty Cash/Disaster Preparedness	1,491
Total Active Deposits	<u>\$ 11,280,117</u>

**Deposits Not Covered by Investment Policy**

Cash with Fiscal Agents	3,421,155
-------------------------	-----------

<b><u>Investments</u></b>	<b><u>Face Value</u></b>	<b><u>Market Value</u></b>	<b><u>Current Yield</u></b>	
LAIF	\$ 9,407,917	9,281,008	2.87%	\$ 9,407,917
CAMP - US Bank	23,240,813	23,240,813	4.97%	23,240,813
Money Market Funds	278,894	278,894	4.69%	278,894
Medium Term Notes	500,000	492,760	2.33%	497,940
Municipal Bonds	1,000,000	1,014,190	4.93%	1,216,760
U.S. Treasury Securities	13,530,000	13,304,155	4.26%	13,311,787
U.S. Agency Securities	35,426,111	33,032,041	1.17%	35,381,024
Total Investments	<u>\$ 83,383,736</u>	<u>\$ 80,643,861</u>	<u>3.04%</u>	<u>\$ 83,335,136</u>

**Total - All Deposits/Investments**

**\$ 98,036,408**

**Maturity Analysis of Investments**

	<b><u>Percent</u></b>	<b><u>Balance</u></b>
Demand Deposits	39.5%	\$ 32,927,625
Maturity within the next two months	5.9%	4,886,362
Maturity within three months and one year	16.6%	13,811,226
Maturity beyond one year	38.1%	31,709,922
Total Investments	<u>100.0%</u>	<u>\$ 83,335,136</u>

**Weighted Average Days to Maturity**

**383**

**Other Required Disclosures:**

Accrued interest receivable as of 04/30/2023 \$ 250,773

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

The District has sufficient funds on hand to meet the next 60 days' obligations.

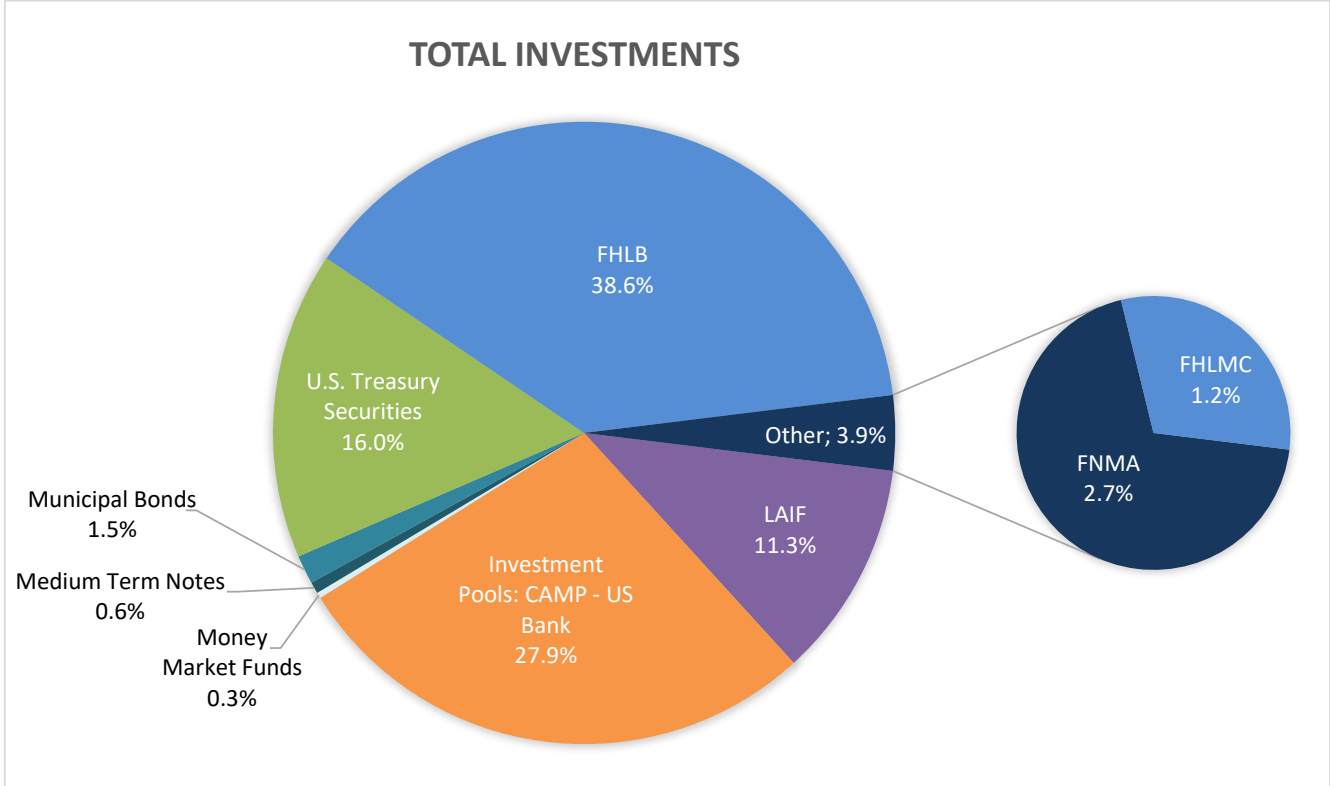
**Olivenhain Municipal Water District**  
**PORTFOLIO LIMITATIONS ANALYSIS PER INVESTMENT POLICY**  
**April 30, 2023**

	<u>Book Value</u>	<u>Percent</u>	<u>Permitted Percent</u>	<u>In Compliance?</u>
LAIF	\$ 9,407,917	11.3%	50.0% <sup>(1)</sup>	Yes
Investment Pools: CAMP - US Bank	23,240,813	27.9%	30.0%	Yes
Money Market Funds	278,894	0.3%	20.0% <sup>(2)</sup>	Yes
Medium Term Notes	497,940	0.6%	30.0% <sup>(3)</sup>	Yes
Municipal Bonds	1,216,760	1.5%	30.0%	Yes
U.S. Treasury Securities	13,311,787	16.0%	100.0% <sup>(4)</sup>	Yes
U.S. Agency Securities	35,381,024	42.5%	50.0%	Yes
<i>FHLB Federal Home Loan Bank</i>	<i>32,131,024</i>	<i>38.6%</i>		
<i>FNMA Fannie Mae</i>	<i>2,250,000</i>	<i>2.7%</i>		
<i>FHLMC Freddie Mac</i>	<i>1,000,000</i>	<i>1.2%</i>		

**Total Investments** **\$ 83,335,136** **100%**

Note:

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



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

**Olivenhain Municipal Water District**  
**MONTHLY INVESTMENTS DETAIL**  
**April 30, 2023**

**ACTIVE DEPOSIT**

	Book Value
Checking A/C: California Bank and Trust for General Purpose	6,414,160
California Bank and Trust for Specific Purpose	453,927
CAMP 2021A Bond	4,410,539
Petty Cash/Disaster Preparedness	1,491
<b>Total - Active Deposits</b>	<b>11,280,117</b>

**DEPOSITS NOT COVERED BY INVESTMENT POLICY**

**Cash with Fiscal Agents:**

Union Bank - RAD 96-1 Refunding Bond	825,031
Union Bank - 2015A Refunding Bond	945,364
SRF Loan	964,431
Union Bank - 2016A Refunding Bond	288,947
Union Bank - 2021A WW Revenue Bond	107,320
Union Bank - 2021B Refunding Bond	290,064

**Total Deposits Not Covered by Investment Policy**

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

**INVESTMENTS**

Invest. Pools:	US Bank Calif. Asset Mgmt Prgm (CAMP)	Demand	1	4.97%	\$ 23,240,813	\$ 23,240,813	\$ 23,240,813
	State Local Agency Investment Fund (LAIF)	Demand	1	2.87%	9,281,008	9,407,917	9,407,917
	First American Government 31846V567	Demand	1	4.69%	278,894	278,894	278,894

**U.S. Treasury Notes/Bills**

912796ZG7	U.S. Treasury Bills	Aaa	-	12/01/22	06/01/23		33		4.68%	4.70%	1,992,640	2,000,000	1,954,392
912796X53	U.S. Treasury Bills	Aaa	-	12/15/22	06/15/23		47		4.66%	4.69%	994,100	1,000,000	977,290
912796ZQ5	U.S. Treasury Bills	Aaa	-	12/22/22	06/22/23		54		4.65%	4.68%	1,986,060	2,000,000	1,954,680
912796ZS1	U.S. Treasury Bills	Aaa	-	04/10/23	07/06/23		68		4.76%	4.81%	990,970	1,000,000	988,774
912796XQ7	U.S. Treasury Bills	Aaa	-	01/13/23	07/13/23		75		4.74%	4.78%	1,979,980	2,000,000	1,954,100
912796XQ7	U.S. Treasury Bills	Aaa	-	04/14/23	07/13/23		75		4.92%	4.97%	1,187,988	1,200,000	1,185,624
912796Y29	U.S. Treasury Bills	Aaa	-	01/30/23	07/27/23		89		4.77%	4.83%	1,314,107	1,330,000	1,299,765
912796Z36	U.S. Treasury Bills	Aaa	-	02/16/23	08/17/23		110		4.93%	5.01%	985,190	1,000,000	976,000
91282CBQ3	U.S. Treasury Notes	Aaa	-	03/09/21	09/30/24		520		0.50%	0.55%	912,890	1,000,000	984,478
912828YH7	U.S. Treasury Notes	Aaa	-	03/09/21	02/28/26		1,036		1.50%	1.56%	960,230	1,000,000	1,036,684
							66		4.19%	4.26%	\$ 13,304,155	\$ 13,530,000	\$ 13,311,787

**U.S. Agency Securities**

3130AJZJ1	FHLB Callable	Aaa	AA+	09/02/20	08/25/23	Anytime	118	1	0.32%	0.33%	1,133,246	1,151,111	1,151,111
3130AS3J6	FHLB Callable	Aaa	AA+	05/24/22	11/24/23	05/24/23	209	25	2.50%	2.54%	541,943	550,000	550,000
313384QR3	FHLB Discount Note	Aaa	AA+	01/19/23	12/18/23		233		4.77%	4.91%	970,250	1,000,000	957,913
3135GAEU1	FNMA Callable	Aaa	AA+	02/13/23	02/09/24	08/09/23	286	102	5.13%	5.14%	996,480	1,000,000	1,000,000
3130ARYU9	FHLB Callable	Aaa	AA+	05/23/22	02/23/24	05/23/23	300	24	3.00%	3.05%	982,420	1,000,000	1,000,000
3136G4P56	FNMA Callable	Aaa	AA+	08/26/20	02/26/24	05/26/23	303	27	0.40%	0.42%	1,201,938	1,250,000	1,250,000
3130AL6Q2	FHLB Callable	Aaa	AA+	02/26/21	02/26/24	Anytime	303	1	0.22%	0.23%	960,110	1,000,000	1,000,000
3130AMMV1	FHLB Callable	Aaa	AA+	06/03/21	06/03/24	06/03/23	401	35	0.40%	0.42%	475,295	500,000	500,000
3130ALHM9	FHLB Callable	Aaa	AA+	03/10/21	06/10/24	06/10/23	408	42	0.30%	0.32%	948,830	1,000,000	999,000
3130ANTP5	FHLB Callable	Aaa	AA+	09/16/21	09/16/24	06/16/23	506	48	0.50%	0.53%	942,660	1,000,000	1,000,000
3130ANSP6	FHLB Callable	Aaa	AA+	09/17/21	10/17/24	09/17/23	537	141	0.50%	0.53%	940,090	1,000,000	1,000,000
3130AKEW2	FHLB Callable	Aaa	AA+	11/04/20	11/04/24	Anytime	555	1	0.43%	0.46%	1,875,500	2,000,000	2,000,000
3130ANGN4	FHLB Step-up Callable	Aaa	AA+	08/18/21	02/18/25	05/18/23	661	19	0.50%	0.53%	937,490	1,000,000	1,000,000
3130AMKE1	FHLB Callable	Aaa	AA+	05/27/21	02/27/25	05/27/23	670	28	0.66%	0.71%	931,480	1,000,000	1,000,000
3134GWAQ9	FHLMC Callable	Aaa	AA+	07/28/20	07/28/25	07/28/23	821	90	0.65%	0.70%	923,310	1,000,000	1,000,000
3130AKGX8	FHLB Step-up Callable	Aaa	AA+	12/15/20	12/15/25	06/15/23	961	47	0.40%	0.43%	1,851,760	2,000,000	2,000,000
3130AKMD5	FHLB Callable	Aaa	AA+	01/26/21	01/26/26	07/26/23	1,003	88	0.50%	0.55%	905,270	1,000,000	999,500
3130AKU53	FHLB Callable	Aaa	AA+	01/28/21	01/28/26	07/28/23	1,005	90	0.52%	0.57%	905,650	1,000,000	1,000,000
3130AKN69	FHLB Callable	Aaa	AA+	01/28/21	01/28/26	01/28/24	1,005	274	0.50%	0.55%	905,150	1,000,000	1,000,000
3130AKVN3	FHLB Callable	Aaa	AA+	01/29/21	01/29/26	11/29/23	1,006	214	0.52%	0.57%	905,580	1,000,000	1,000,000
3130AKWK8	FHLB Callable	Aaa	AA+	02/12/21	02/12/26	05/12/23	1,020	13	0.51%	0.56%	903,580	1,000,000	1,000,000
3130AKX43	FHLB Step-up Callable	Aaa	AA+	02/24/21	02/24/26	05/24/23	1,032	25	0.70%	0.77%	1,815,780	2,000,000	2,000,000
3130AL7M0	FHLB Callable	Aaa	AA+	02/24/21	02/24/26	05/24/23	1,032	25	0.63%	0.69%	905,840	1,000,000	1,000,000
3130AKYR1	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	02/25/24	1,033	302	0.55%	0.61%	903,830	1,000,000	1,000,000
3130AL6K5	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	02/25/24	1,033	302	0.58%	0.64%	904,620	1,000,000	1,000,000
3130ALD76	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	05/25/23	1,033	26	0.70%	0.77%	907,730	1,000,000	1,000,000
3130ALCW2	FHLB Callable	Aaa	AA+	02/25/21	02/25/26	02/25/24	1,033	302	0.63%	0.69%	905,800	1,000,000	998,500
3130ALGJ7	FHLB Callable	Aaa	AA+	03/23/21	03/23/26	05/23/23	1,059	24	1.00%	1.09%	890,741	975,000	975,000
3130ALPQ1	FHLB Step-up Callable	Aaa	AA+	03/30/21	03/30/26	06/30/23	1,066	62	1.00%	1.08%	925,660	1,000,000	1,000,000
3130ALVC5	FHLB Step-up Callable	Aaa	AA+	04/14/21	04/14/26	07/14/23	1,081	76	1.00%	1.09%	920,490	1,000,000	1,000,000
3130APAY1	FHLB Callable	Aaa	AA+	10/21/21	10/21/26	07/21/23	1,271	83	1.10%	1.22%	902,620	1,000,000	1,000,000
3130APL78	FHLB Callable	Aaa	AA+	10/28/21	10/28/26	07/28/23	1,278	90	1.38%	1.51%	910,740	1,000,000	1,000,000
3130AVCS9	FHLB Callable	Aaa	AA+	03/29/23	03/29/28	12/29/23	1,796	244	6.00%	6.00%	1,000,160	1,000,000	1,000,000
							802	85	1.10%	1.17%	\$ 33,032,041	\$ 35,426,111	\$ 35,381,024

**Medium Term Notes**

740816AJ2	Pres & Fellows of Harvard	Aaa	AAA	05/06/22	10/01/23		155		2.30%	2.33%	492,760	500,000	497,940
							2	-	2.30%	2.33%	\$ 492,760	\$ 500,000	\$ 497,940

**Municipal Bonds**

882724RA7	TEXAS ST PUB FIN AUTH	Aaa	AAA	10/30/20	10/01/25		886		5.00%	4.93%	1,014,190	1,000,000	1,216,760
							30		5.00%	4.93%	\$ 1,014,190	\$ 1,000,000	\$ 1,216,760

**Total Investments**

<b>TOTAL - ALL DEPOSITS AND INVESTMENTS</b>	\$	<b>98,036,408</b>
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**Olivenhain Municipal Water District**  
**INVESTMENTS TRANSACTION**  
**April 30, 2023**

**PURCHASED**

DATE				Investment Description	<i>Stated</i>	<i>Current</i>	Face Value	Book Value
Purchase	Maturity	Call	Step-Up		Coupon	Yield		
04/10/23	07/06/23			U.S. Treasury Bills	4.763%	4.806%	1,000,000	988,774
04/14/23	07/13/23			U.S. Treasury Bills	4.917%	4.967%	1,200,000	1,185,624

**MATURED / REDEEMED / CALLED**

DATE				Investment Description	<i>Stated</i>	<i>Current</i>	Face Value	Book Value
Redemption	Maturity	Call	Step-Up		Coupon	Yield		
04/06/23	04/06/23			U.S. Treasury Bills	3.939%	3.940%	1,200,000	1,176,886
04/13/23	04/13/23			U.S. Treasury Bills	4.076%	4.081%	1,000,000	980,081

**Olivenhain Municipal Water District**  
**UNAUDITED CASH POSITION BY FUNDING SOURCES**  
**As of April 30, 2023**

<b><u>Water Funds (Potable &amp; Recycled)</u></b>		<b><u>Balance</u></b>
10050-100	Cash - Petty Cash Fund	1,491
10010-100	Cash - Operating Fund	17,125,230
10030-100	Cash - Capital and Equipment Fund	36,760,229
10040-100	Cash - Rate Stabilization Fund	11,842,125
10080-100	Cash - Pension Stabilization Fund	439,158
10060-100	Cash - Deposit Work for Other	98,718
14000-500	Restricted Cash - Capacity Fee Fund	6,564,262
<b>Total Water Funds (Potable &amp; Recycled)</b>		<b><u>72,831,213</u></b>
 <b><u>Wastewater Funds</u></b>		
10010-110	Wastewater - Operating Fund	4,961,418
10030-110	Wastewater - Capital Replacement Fund	9,263,298
10040-110	Wastewater - Rate Stabilization Fund	2,654,475
10080-110	Cash - Pension Stabilization Fund	40,382
<b>Total Wastewater Funds</b>		<b><u>16,919,573</u></b>
 <b><u>Non Fiscal Agent Debt Service Cash</u></b>		
14020-570	Cash non-agent - RAD 96-1	442,726
10070-561	Cash non-agent - Bond 2015A	621
10070-581	Cash non-agent - Bond 2016A	10,580
14020-521	Cash non-agent - Bond 2021A	4,410,539
14020-522	Cash non-agent - Bond 2021B	-
<b>Total Non Fiscal Agent Debt Service Cash</b>		<b><u>4,864,466</u></b>
 <b><u>Debt Service Funds</u></b>		
14030-510	SRF Loan - Fiscal Agent	964,431
14105-570	Redemption fund - RAD 96-1	755,782
14110-570	Reserve fund - RAD 96-1	69,249
14100-561	Redemption fund - Bond 2015A	945,364
14100-581	Redemption fund - Bond 2016A	288,947
14100-521	Redemption fund - Bond 2021A	107,320
14100-522	Redemption fund - Bond 2021B	290,064
<b>Total Debt Service Funds</b>		<b><u>3,421,155</u></b>
<b>TOTAL FUND BALANCES</b>		<b><u><u>98,036,408</u></u></b>

# Memo

Date: June 21, 2023  
To: Olivenhain Municipal Water District Board of Directors  
From: Rainy Selamat, Finance Manager  
Via: Kimberly A. Thorner, General Manager  
Subject: **CONSIDER ADOPTION OF A MOTION APPROVING THE 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**

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

- March 2023 Monthly Statement of Net Position Report.
- March 2023 Statement of Revenues, Expenses, and Changes in Net Position Report.
- March 2023 Consolidated Statement of Cash Flows
- March 2023 Monthly Consolidated Actual VS Budget Summary and explanation of significant variance report.
- March 2023 Construction In Progress Report.

OLIVENHAIN MUNICIPAL WATER DISTRICT  
Statement of Net Position (Unaudited)  
All Funds  
3/31/2023

**Assets**

Current assets:

Unrestricted assets:

Cash and cash equivalents	\$78,989,822
Accounts receivable - water and sewer, net	4,058,947
Interest Receivable	293,061
Taxes receivable	184,365
Other receivables	215,272
Lease receivable	394,170
Inventories	1,733,181
Prepaid expenses and deposits	876,500
Total unrestricted assets	<u>86,745,318</u>

Restricted assets:

Cash and cash equivalents	14,363,933
Assesments receivable	48,778
Grants receivable	89,492
Total restricted assets	<u>14,502,203</u>
Total current assets	<u>101,247,521</u>

Noncurrent assets:

Capital assets, nondepreciable	48,813,261
Capital assets, depreciable/amortizable, net	<u>328,600,790</u>
Capital assets, net	377,414,051
Prepaid bond insurance	18,095
Lease receivable	9,955,712
Total noncurrent assets	<u>387,387,858</u>
Total assets	<u>488,635,378</u>

Deferred Outflows of Resources

Deferred amount on refunding	(897,472)
Deferred amount from pension	<u>(2,731,692)</u>
Total deferred outflows of resources	<u>(3,629,164)</u>

**Liabilities**

Current Liabilities

Liabilities payable from unrestricted assets:

Accounts payable	4,235,205
Accrued payroll	188,880
Customer deposits	377,057
Payable related to work in progress	119,649
Compensated absences, current portion	996,839
Current portion of long-term debt:	
Wastewater Revenue Bonds 2021A	207,240
Wastewater Refunding Revenue Bonds 2021B	569,840
Water Revenue Refunding Bonds 2016A	560,000
Water Revenue Refunding Bonds 2015A	1,845,000
Special Assessment Debt with Government Commi...	883,019
Notes Payable	827,001
Total liabilities payable from unrestricted assets	<u>10,809,730</u>

Liabilities payable from restricted assets:

Accounts payable	5,293
Interest payable	446,693
Total liabilities payable from restricted assets	<u>451,986</u>
Total current liabilities	<u>11,261,716</u>

Noncurrent liabilities

Compensated absences	1,044,407
Net pension liability	7,819,768
Long-term debt, excluding current portion:	
Wastewater Revenue Bonds 2021A	4,589,160
Wastewater Refunding Revenue Bonds 2021B	2,944,060
Water Revenue Refunding Bonds 2016A	13,061,008
Water Revenue Refunding Bonds 2015A	11,520,621
Special Assessment Debt with Government Commi...	3,711,672
Notes Payable	9,929,472
Total noncurrent liabilities	<u>54,620,168</u>
Total liabilities	<u>65,881,884</u>

OLIVENHAIN MUNICIPAL WATER DISTRICT  
Statement of Net Position (Unaudited)  
All Funds  
3/31/2023

Deferred Inflows of Resources	
Deferred amounts on pension	6,995,887
Deferred amounts on leases	9,796,852
Total deferred inflows of resources	<u>16,792,739</u>
Net Position	
Investment in Capital Assets, net of related debt	332,056,010
Restricted Net Position	9,657,637
Unrestricted Net Position	<u>67,876,272</u>
Total Net Position	<u><u>409,589,919</u></u>

OLIVENHAIN MUNICIPAL WATER DISTRICT  
Statement of Revenues, Expenses and Changes in Net Position (Unaudited)  
All Funds  
For the Nine Months Ending 3/31/2023

	<u>2023</u>
Operating Revenues:	
Water Sales	\$39,707,916
Sewer Charges	3,601,122
Other Water Operating revenues	565,062
Total Operating Revenues	<u>43,874,100</u>
Operating Expenses	
Cost of Purchased Water Sold	21,888,203
Pumping and Water Treatment	3,307,986
Transmission and Distribution	3,560,005
Sewer Collection and Treatment	1,599,862
Elfin Forest Recreation Operations	306,845
Facilities Maintenance	927,563
Customer Service	1,446,080
General and Administrative	5,816,364
Depreciation and Amortization	8,266,050
Total Operating Expenses	<u>47,118,959</u>
Operating Income (Loss)	(3,244,859)
Nonoperating Revenues (Expenses)	
Investment income	1,388,647
Property taxes	2,893,859
Capacity charges	1,196,965
Benefit assessments	677,838
Other nonoperating revenues	621,955
Interest expense, net	(921,910)
Other nonoperating expenses	(461,148)
Total nonoperating revenues (expenses)	<u>5,396,206</u>
Income before capital contributions	<u>2,151,347</u>
Capital contributions	113,186
Change in net position	<u>2,264,534</u>
Net Position, Beginning of year	<u>407,325,385</u>
Net Position, End of year	<u><u>409,589,919</u></u>

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

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Receipts from water and sewer customers	\$ 49,335,877
Payments for water	(24,445,717)
Payments for services and supplies	(6,438,705)
Payments for employee wages, benefits and related costs	(11,601,800)
<b>Net cash provided by operating activities</b>	<u>6,849,655</u>

**CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES:**

Property taxes and benefit assessments received	<u>3,562,211</u>
<b>Net cash provided by noncapital and related financing activities</b>	<u>3,562,211</u>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:**

Acquisition and construction of capital assets	(10,543,473)
Proceeds from Grants	253,028
Principal paid on long-term debt	(1,579,583)
Interest paid on long-term debt	(607,426)
Capacity charges received	1,196,965
Other capital financing receipts (expenses)	282,184
<b>Net cash used by capital and related financing activities</b>	<u>(10,998,305)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Investment income received	<u>1,239,713</u>
<b>Net cash provided (used) by investing activities</b>	<u>1,239,713</u>

**Net increase (decrease) in cash and cash equivalents** 653,274

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

**Cash and cash equivalents, end of period** \$ 56,600,299

**FINANCIAL STATEMENT PRESENTATION:**

Cash and cash equivalents - current assets	44,568,085
Cash and cash equivalents - restricted assets	12,032,214
<b>Total cash and cash equivalents</b>	<u><u>\$ 56,600,299</u></u>

**CASH AND CASH EQUIVALENTS RECONCILIATION**

		<b>Balance Includes Mkt Securities</b>	<b>Without Mkt Securities</b>
Unrestricted cash	3/31/2023	78,989,822	44,568,085
Restricted cash	3/31/2023	14,363,933	12,032,214
<b>Total cash and cash equivalents</b>			<u><u>56,600,299</u></u>

OLIVENHAIN MUNICIPAL WATER DISTRICT  
Consolidated Actual vs Budget Summary  
For the Nine Months Ending 3/31/2023

	Approved Budget	Actual YTD	Budget YTD	Variance Amt	Variance %	Notes
<b>Operating Revenues</b>						
Commodity Water Sales	\$43,373,000.00	\$27,689,965.98	\$31,149,600.00	(\$3,459,634.02)	(11.1%)	1
Water Fees and Services	17,376,000.00	12,583,011.85	12,955,550.00	(372,538.15)	(2.9%)	2
Sewer Revenue	5,598,000.00	3,601,122.19	3,580,800.00	20,322.19	0.6%	
<b>Total Operating Revenues</b>	<b>66,347,000.00</b>	<b>43,874,100.02</b>	<b>47,685,950.00</b>	<b>(3,811,849.98)</b>	<b>(8.0%)</b>	
<b>Operating Expenses</b>						
Purchased Water - Variable	23,798,000.00	15,527,000.43	17,125,220.00	1,598,219.57	9.3%	1
Purchased Water - Fixed	8,443,000.00	6,361,202.43	6,333,600.00	(27,602.43)	(0.4%)	
General Manager Dept	2,044,000.00	1,463,967.48	1,532,250.00	68,282.52	4.5%	3
Engineering Dept	2,428,000.00	1,518,632.58	1,822,800.00	304,167.42	16.7%	3
Finance Dept	1,633,000.00	1,170,296.37	1,224,990.00	54,693.63	4.5%	3
Customer Service Dept	3,003,000.00	2,002,759.97	2,253,474.00	250,714.03	11.1%	3
Human Resources Dept	783,000.00	600,046.30	587,592.00	(12,454.30)	(2.1%)	3
Water Operations and Maintenance Dept	11,774,500.00	8,207,312.38	8,829,621.00	622,308.62	7.0%	3
Parks Dept	478,000.00	336,528.52	359,694.00	23,165.48	6.4%	3
Other Operating Expenses	50,000.00		37,800.00	37,800.00	100.0%	
Sewer Operations and Maintenance Dept	2,974,000.00	2,256,549.21	2,231,298.00	(25,251.21)	(1.1%)	3
Recycled Water Operations Dept	1,287,000.00	874,809.92	967,230.00	92,420.08	9.6%	3
Paygo Transfers						
Water Operations	6,400,000.00	4,797,000.00	4,797,000.00		0.0%	
Sanitation Operations	1,590,000.00	1,197,000.00	1,197,000.00		0.0%	
Recycled Operations	2,200,000.00	1,647,000.00	1,647,000.00		0.0%	
Capitalized Operations Expenditures	(1,843,000.00)	(841,146.63)	(1,386,630.00)	(545,483.37)	39.3%	4
<b>Total Operating Expenses</b>	<b>67,042,500.00</b>	<b>47,118,958.96</b>	<b>49,559,939.00</b>	<b>2,440,980.04</b>	<b>4.9%</b>	
<b>Net Operating Income (Loss)</b>	<b>(695,500.00)</b>	<b>(3,244,858.94)</b>	<b>(1,873,989.00)</b>	<b>(1,370,869.94)</b>		
<b>Nonoperating Revenues</b>						
Water Funds	6,033,000.00	4,316,803.30	3,304,130.00	1,012,673.30	30.6%	5
Debt Service Funds	1,044,000.00	827,712.26	686,920.00	140,792.26	20.5%	6
Sewer Funds	32,000.00	84,741.80	24,300.00	60,441.80	248.7%	6
Recycled Water Funds	52,000.00	106,981.34	39,420.00	67,561.34	171.4%	6
<b>Total Nonoperating Revenue</b>	<b>7,161,000.00</b>	<b>5,336,238.70</b>	<b>4,054,770.00</b>	<b>1,281,468.70</b>	<b>31.6%</b>	
<b>Nonoperating Expense</b>						
Capacity Fee Funds	30,000.00	33,836.96	22,320.00	(11,516.96)	(51.6%)	
Debt Service Funds	1,569,000.00	990,484.11	1,176,750.00	186,265.89	15.8%	7
Potable Water Funds	610,000.00	358,736.96	457,200.00	98,463.04	21.5%	8
<b>Total Nonoperating Expense</b>	<b>2,209,000.00</b>	<b>1,383,058.03</b>	<b>1,656,270.00</b>	<b>273,211.97</b>	<b>16.5%</b>	
<b>Inc before Cap Fees and Capital Contributions</b>	<b>4,256,500.00</b>	<b>708,321.73</b>	<b>524,511.00</b>	<b>183,810.73</b>		
Capacity Fee Funds	356,000.00	1,443,025.75				
Capital contributions	1,897,000.00	113,186.49				
<b>Change in Net Position</b>		<b>2,264,533.97</b>				

OLIVENHAIN MUNICIPAL WATER DISTRICT  
Actual vs Budget Variance  
For the Nine Months Ending 3/31/2023

1. Water Sales revenue was lower than Budget YTD by approximately \$3.5 million resulting in an unfavorable variance of 11.1%. The negative variance is primarily due to lower water consumption than budgeted due to excessive amounts of rainfall throughout the winter months. Consequently, purchased water variable expenses were also lower than the Budget YTD for a favorable variance of \$1.6 million or 9.3%.
2. Water Fees and Services revenue were lower than Budget YTD primarily due to delays in selling excess treatment services to Vallecitos Water District (VWD) from the David C. McCollom Water Treatment Plant. The delays were due to the actual VWD's planned system shutdown being longer than assumed in the Budget YTD amount.
3. 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.
4. Actual Capitalized Operating Expenses were lower than the Budget YTD amount due to the timing of capitalized labor spent on District projects. Several District projects have been delayed due to supply chain issues on critical parts and construction delays which affected the timing of capitalized labor. Actual Capitalized Operating Expenses are expected to be lower than Budget YTD for the current fiscal year. Capitalized labor costs for any delayed projects have been accounted for in the Fiscal Year 2024 budget.
5. Actual Non-operating Revenues – Water Funds were greater than Budget YTD for a positive variance due to a higher amount of interest income earned on investments from increased yields on short-term investments, the timing of property tax revenues received from the County, and miscellaneous (non-recurring) income from non-operating activities, including the SDCWA refunds of \$499,000.
6. Actual Non-operating Revenues – Debt Service Funds, Sewer Funds, and Recycled Water Funds were greater than Budget YTD for a positive variance due to a higher amount of interest income earned on investments from increased yields on short-term investments.
7. Actual Non-operating Expenses - Debt Service Funds were lower than the Budget YTD amount for a positive variance because amortization of the issuance premium is not included in the 2015A Bonds interest expense.
8. Actual Non-operating Expenses – Potable Water Funds were lower than the Budget YTD amount for a positive variance due to a lower amount of Rate Reimbursement Credits issued to customers than anticipated in the budget due to decreased consumption as stated in note 1 above.

# Construction Work In Progress Report as of 3/31/2023

Project Name	Budget	Appropriation to Date	Expenditures & Encumbrance	(Over) / Under
Replace Neighborhood 1 SPS	\$7,732,000	\$7,732,000	\$7,383,389	\$348,611
Manchester Recyc PL Exten.	\$5,225,000	\$5,225,000	\$4,744,932	\$480,068
San Dieguito Desalination	\$42,837,000	\$4,562,000	\$4,529,100	\$32,900
HOA Pipeline Ext - CB, VP, SH	\$2,645,000	\$2,145,000	\$245,201	\$1,899,799
RSFe Rd Unit A North PL	\$2,294,000	\$1,450,000	\$351,504	\$1,098,496
Replace Pipelines	\$8,983,000	\$1,305,000	\$195,212	\$1,109,788
Replace Valves	\$8,856,000	\$1,085,000	\$690,289	\$394,711
DCMWTP 4th Stage Centrifuge	\$1,040,000	\$1,040,000	\$302,098	\$737,902
Fixed Base AMI	\$2,416,000	\$853,000	\$554,311	\$298,689
Replace DCMWTP Membranes	\$8,970,000	\$800,000	\$788,313	\$11,687
Hydropower Turbine Refurb	\$800,000	\$800,000	\$773,751	\$26,249
DCMWTP PH Control System	\$737,000	\$737,000	\$691,133	\$45,867
DCMWTP Condition Assessment	\$660,000	\$660,000	\$622,565	\$37,435
Replace Headworks Manual Sys	\$3,160,000	\$619,000	\$367,278	\$251,722
Parking & Access Improvements	\$575,000	\$532,000	\$96,383	\$435,617
Pot & Recycled Master Plan	\$583,000	\$438,000	\$424,499	\$13,501
Residuals Handling Bldg Canopy	\$400,500	\$400,500	\$51,453	\$349,047
Lone Jack PRS	\$385,000	\$385,000	\$398,144	(\$13,144)
Replace Potable Meters	\$4,921,000	\$315,000	\$287,677	\$27,323
DCMWTP Analyzer Replace.	\$305,000	\$305,000	\$292,367	\$12,633
Steel Mains Protection	\$3,375,000	\$281,000	\$232,329	\$48,671
District-Wide Scada Upgrades	\$256,000	\$256,000	\$2,936	\$253,064
Backup Generator SFV RW Pump	\$250,000	\$250,000	-	\$250,000
DCMWTP 2nd Stage Memb. Train	\$807,500	\$232,500	\$11,231	\$221,269
Ext. 153 Flow Meter	\$385,000	\$230,000	\$74,085	\$155,915
4SWRF Emergency Wiring Replmnt	\$224,000	\$224,000	\$75,389	\$148,611
Network User Enhancements	\$200,000	\$200,000	\$199,360	\$640
Village Park PRS	\$960,000	\$200,000	\$115,861	\$84,139
Gardendale PRS	\$960,000	\$200,000	\$112,600	\$87,400
Cielo SPS Flow Meters	\$443,000	\$193,000	\$16,214	\$176,786
District-Wide PLC replacements	\$1,066,000	\$180,000	\$174,051	\$5,949
District-Wide PLC Repl (WW)	\$901,000	\$180,000	\$179,513	\$487
Rancho Cielo Pipeline Replmnt	\$831,000	\$173,000	-	\$173,000
Collection System SPS Rehab	\$912,000	\$169,000	\$1,133	\$167,867
Replace WW Pumps/ Motors/Equip	\$2,024,000	\$169,000	\$74,776	\$94,224
Network Security	\$1,175,000	\$165,000	\$27,011	\$137,989
Rancho La Cima/Aliso Canyon PL	\$300,000	\$165,000	\$63,152	\$101,848
Golem 14" Pipeln Cond. Assess.	\$150,000	\$150,000	-	\$150,000
Replace Meter Anodes	\$1,754,000	\$146,000	\$97,571	\$48,429
Encinitas Blvd Insp. & Repair	\$682,000	\$145,000	-	\$145,000
4S Ranch Pipe Replacement	\$660,000	\$136,000	-	\$136,000
Chlorine Gen Rm Lining Rehab	\$125,000	\$125,000	\$2,158	\$122,842
District-Wide Facility Securit	\$240,000	\$120,000	\$31,096	\$88,904
SWPPP Facility Improvements	\$100,000	\$100,000	\$43,174	\$56,826
Gaty II Safety Improvements	\$590,000	\$99,000	\$6,607	\$92,393
Replace Pot. Pumps and Motors	\$1,022,000	\$94,000	\$92,239	\$1,761
Palms I and II Reservoirs	\$1,307,000	\$73,000	\$72,785	\$215
EFRR Parking Lot Repair	\$72,500	\$73,000	\$57,291	\$15,709
4S WRF Scada Upgrades	\$64,000	\$64,000	\$677	\$63,323
Recycled Conversions	\$719,000	\$60,000	\$60,790	(\$790)
Replace PRS Valves	\$602,600	\$56,600	\$16,278	\$40,322
Landscape HQ Courtyards	\$54,000	\$54,000	\$50,352	\$3,648
Rancho Cielo Manhole Lining	\$586,000	\$48,000	-	\$48,000
Pot. Office Furniture/Equip.	\$47,000	\$47,000	\$12,357	\$34,643
Rehab Concrete Tanks	\$904,000	\$45,000	\$70,466	(\$25,466)
Wanket RW Reservoir Rehab	\$150,000	\$43,000	\$1,943	\$41,057
4S Physical Security Upgrades	\$210,000	\$40,000	\$525	\$39,475
Catalytic Converter Theft Prev	\$38,000	\$38,000	-	\$38,000
DCMWTP Backpulse Pipeln Repair	\$34,000	\$34,000	\$33,925	\$75
Physical Security Upgrades	\$250,000	\$25,000	\$2,372	\$22,628
Replace Overflow Pond Strainer	\$231,000	\$25,000	\$2,181	\$22,819
Meter Replacement, Recycled	\$241,000	\$21,000	\$11,648	\$9,352
Vault Upgrades	\$98,400	\$20,400	\$20,395	\$5
4S System Manhole Lining	\$206,000	\$17,000	-	\$17,000
WW Master Plan	\$110,000	\$10,000	\$2,800	\$7,200
<b>Total:</b>	<b>\$129,841,500</b>	<b>\$36,765,000</b>	<b>\$25,838,869</b>	<b>\$10,926,131</b>

## Notes:

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

(2) Overage is due to more staff labor on the project than anticipated due to increased permitting and regulatory requirements from DDW. Overage is within the manager approval limit.

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

# Memo

Date: June 21, 2023  
To: Olivenhain Municipal Water District Board of Directors  
From: Kimberly A. Thorner, General Manager  
Subject: **CONSIDER ADOPTION OF A RESOLUTION HONORING SANTA FE IRRIGATION DISTRICT'S 100-YEAR ANNIVERSARY**

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## **Purpose**

The purpose of this agenda item is to consider adoption of a resolution honoring Santa Fe Irrigation District's (SFID) 100-year anniversary, and the long history of partnership and collaboration between SFID and OMWD.

## **Recommendation**

Staff recommends the board show its support and honor Santa Fe Irrigation District's 100-year anniversary by adopting this resolution.

## **Alternative(s)**

The board may choose against passing a resolution honoring Santa Fe Irrigation District's 100-year anniversary.

## **Background**

Santa Fe Irrigation District has been serving the city of Solana Beach and areas of Rancho Santa Fe and Fairbanks Ranch since February 26, 1923. This year marks the centennial anniversary for SFID, as it celebrates 100 years of service.

OMWD and SFID have a long history of collaboration that benefits both agencies and the region. The following examples highlight several projects where the exchange of innovative ideas and expertise among the districts has resulted in high-quality, reliable, and cost-effective efficiencies to the shared service areas.

Between 1993 and 1994, OMWD and SFID conducted an Operational/Facilities Study that looked at opportunities for increased cooperation and even potential consolidation of both agencies into a single entity. Talks for a merger ended in June 1994, however OMWD and SFID have remained close collaborators and partners on several mutually beneficial projects to support the communities and residents that share close borders.

In 2010, OMWD and SFID began to explore partnership and merger opportunities that led to many new joint projects, including employee events, safety training and shared Advanced Metering Infrastructure (AMI) sites, providing optimal locations for radio meter reading service.

In 2011, OMWD entered into an agreement with SFID to provide an emergency interconnection to their Badger Water Treatment Plant, which is physically located in OMWD's service area. OMWD and SFID share many water supply interconnects that are beneficial for both emergencies and water quality.

In 2012, OMWD formed the North San Diego Water Reuse Coalition (NSDWRC), an effort that has yielded multiple successes, savings, and millions of dollars in grant funding for all the partners, of which SFID is also a founding partner.

OMWD and SFID jointly apply for grant program funds on mutually beneficial projects which reduce costs to ratepayers.

More recently, OMWD and SFID have engaged in discussions about partnering on OMWD's proposed Brackish Groundwater Desalination Project.

Both districts work together to provide water conservation classes, workshops and events in the shared service areas. OMWD and SFID embrace education and outreach to

positively impact our communities. This partnership has resulted in the sharing of knowledge with the public to make informed decisions about water use efficiency.

It is through these examples of cooperation and shared goals that OMWD and SFID endeavor to provide improved service to our customers, while achieving cost efficiencies.

### **Fiscal Impact**

There are no costs associated with this item.

### **Discussion**

The board's adoption of this resolution would demonstrate its support for Santa Fe Irrigation District and honors SFID's 100-year anniversary.

*Attachments: Resolution 2023-xx*

RESOLUTION NO. 2023-XX

RESOLUTION OF THE BOARD OF DIRECTORS OF OLIVENHAIN  
MUNICIPAL WATER DISTRICT HONORING SANTA FE IRRIGATION  
DISTRICT'S 100-YEAR ANNIVERSARY

WHEREAS, on June 21, 2023, Santa Fe Irrigation District will celebrate 100 years of meeting the water supply needs of all its customers, safely, sustainably, reliably, and cost-effectively; and

WHEREAS, on February 26, 1923, the County of San Diego Board of Supervisors certified that Santa Fe Irrigation District was duly organized and certified the election of five Board of Directors; and

WHEREAS, because of a reliable water supply after the creation of Santa Fe Irrigation District, its service area was able to grow and thrive into a robust agriculture and urban area; and

WHEREAS, in 1948 Santa Fe Irrigation District joined the San Diego County Water Authority to acquire the right to purchase and distribute imported water to its customers; and

WHEREAS, in 1967, Santa Fe Irrigation District and the San Dieguito Water District entered a joint venture to build the R.E. Badger Filtration Plant to treat water from Lake Hodges and imported water purchased from the San Diego County Water Authority; and

WHEREAS, Santa Fe Irrigation District has continued to serve a safe and reliable water supply to its customers to present day; and

WHEREAS, the dedicated efforts of the Board of Directors of Santa Fe Irrigation District and staff have played a major role in maintaining the quality of life and contributing to the economic growth of the communities it serves; and

WHEREAS, Santa Fe Irrigation District and Olivenhain Municipal Water District have a long history of collaboration and teamwork, including joint applications for grant program funds on mutually beneficial projects which reduce costs to ratepayers; and

WHEREAS, both districts work together to provide water conservation classes, workshops, joint AMI site sharing, emergency interconnects, and past joint Board Meeting. This partnership has resulted in the sharing of knowledge with the public to make informed decisions about water use efficiency; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Olivenhain Municipal Water District recognizes and congratulates Santa Fe Irrigation District on its 100 years of service and stewardship.

PASSED, ADOPTED, AND APPROVED, at a regular meeting of the Board of Directors of Olivenhain Municipal Water District held on Wednesday, June 21, 2023.

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Christy Guerin, President  
Board of Directors  
Olivenhain Municipal Water District

ATTEST:

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

# Memo

Date: June 21, 2023  
To: Olivenhain Municipal Water District Board of Directors  
From: Rainy Selamat, Finance Manager  
Via: Kimberly A. Thorner, General Manager  
Subject: **CONSIDER ADOPTION OF A RESOLUTION ESTABLISHING THE  
APPROPRIATION LIMIT AND AUTHORIZING THE APPLICATION OF PROCEEDS  
OF TAXES FOR FISCAL YEAR 2023-2024**

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## Purpose

This is a request for the Board's consideration and adoption of a resolution establishing the appropriation limit for fiscal year 2023-2024 and authorization for Staff to apply all proceeds of taxes for approved debt service payments and the District's Capital Improvement Program in accordance with Article XIII B of the California constitution.

Adoption of this resolution allows the District to secure the maximum amount of taxes it is allowed under the law, so long as they are spent on qualified capital projects.

Government Code section 7910 states that, fifteen days prior to the board meeting, documentation used in the determination of the appropriations limit and other necessary determinations shall be available for public to review. Such notice has been posted outside of the District's front office for public review and on the District's website, along with the supporting documentation used in the determination of the appropriation limit for the year, including a special population calculation completed by the Department of Finance for the District.

### **Recommendation**

Staff requests the Board to adopt this resolution to comply with Government Code Sections 7900-7914.

### **Alternative(s)**

None. We need to complete this process to receive our property tax revenues to build projects that benefit our customers.

### **Background**

Effective July 1, 1990, Article XIII B of the California Constitution took effect, limiting the appropriations of certain State and Local agencies. The legislature has adopted Government Code sections 7900 through 7914, which sets forth procedures to be followed by local agencies including a recorded vote of the governing body of the special district in determining its appropriation limit.

The State Department of Finance has supplied the District with the required data to calculate its appropriation limit each fiscal year. The District's finance staff calculates the appropriation limit, and the District's auditor performs an agreed upon procedure to verify and confirm staff's calculation as part of their financial audit process.

### **Fiscal Impact**

The District's appropriation limit for fiscal year 2023-2024 is \$2,946,911. This amount is calculated by District staff based on percentage changes in the California per capita personal income and population increases calculated and supplied by the State Department of Finance.

The remaining proceeds of taxes for fiscal year 2023-2024 will be used to finance the District's fixed assets with estimated useful lives of ten years or more and a value equal to greater than \$100,000 (including land and construction).

### **Discussion**

This is the Board's declaration of intention to appropriate fiscal year 2023-2024 property tax revenues to help offset the District's outstanding annual debt service payments and to finance the District's capital improvement projects that will benefit the local community.

Attachment: Resolution

RESOLUTION NO. 2023-xx

RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE OLIVENHAIN MUNICIPAL WATER DISTRICT  
ESTABLISHING AN APPROPRIATION LIMIT AND  
AUTHORIZING THE APPLICATION OF PROCEEDS OF  
TAXES FOR THE 2023-2024 FISCAL YEAR

WHEREAS, effective July, 1980 Article XIIIB of the California Constitution took effect limiting the appropriations of certain state and local agencies; and

WHEREAS, effective July 1, 1990, Article XIIIB of the California Constitution was amended; and

WHEREAS, the Legislature has adopted Government Code Sections 7900 through 7914 setting forth procedures to be followed by affected local agencies in fixing and determining their appropriation limit; and

WHEREAS, the District had a tax rate in excess of 12.5 cents per \$100 of assessed valuation during the 1977-78 fiscal year, and therefore, is subject to the provisions of Article XIII B and implementing legislation; and

WHEREAS, pursuant to said Government code sections, the Board is required to select the method of determining a "change in population" which is defined as either a change in population within the District's jurisdiction estimated by the State Department of Finance, or a change in population within the county in which the District is located as provided by the State Department of Finance in determining its appropriation limit; and

WHEREAS, Section 8 (e)(2) of Article XIIIB of the Constitution of California requires the Board to select the method of determining "change in the cost of living" which can be either the percentage change in California per capita personal income from the preceding year as provided by the State Department of Finance, or the percentage change in the local assessment roll from the preceding year for the jurisdiction due to the addition of local nonresidential construction supplied by the County of San Diego in determining its appropriation limit; and

WHEREAS, Government Code section 7910 requires that each year the governing body of the District, by resolution, establish its appropriation limit for the following fiscal year; and

WHEREAS, the Government Code further states that any revenue from "proceeds of taxes" in excess of that amount which is appropriated by the District in compliance with the Article during a fiscal year shall be returned to taxpayers within the next two fiscal years; or such revenues may instead be appropriated to reduce bonded and unbonded debt of the District existing on or before January 1, 1979, or voter approved bonded debt incurred after January 1, 1979; and

WHEREAS, Government Code § 7914 defines a “qualified capital outlay project” as an appropriation for a fixed asset (including land and construction) with a useful life of ten or more years, and a value which equals or exceeds one hundred thousand dollars (\$100,000). Section 9 of Article XIII B provides that “appropriations subject to limitation” do not include appropriations for all qualified capital outlay projects, as defined by the Legislature. Therefore, appropriations by the Board of Directors of the Olivenhain Municipal Water District for fixed assets (including land and construction) with a useful life of ten years or more and a value which equals or exceeds \$100,000 is not an appropriation subject to the limitation contained in Article XIII B and;

WHEREAS, appropriations for fixed assets (including land and construction) expended by the Olivenhain Municipal Water District on or after November 1979 with a useful life of at least 10 years, and a value equal to or exceeding \$100,000, shall not be included in the appropriation limit of the Olivenhain Municipal Water District; and

WHEREAS, Section 3 of Article XIII B permits adjustments to the appropriation limits for transfers of financial responsibility from one entity of government to another that did not exist when Article XIII B was passed by the voters in November 1979; and

WHEREAS, after November 1979 the District annexed and assumed financial responsibility for providing sewer services for the 4S Ranch and Rancho Cielo service areas; and

WHEREAS, at least 15 days prior to the meeting at which this resolution was adopted, the documentation used in the determination of the appropriation limit was made available to the public at the offices of the District; and

WHEREAS, the Board has fully considered said laws, the revenues and expenditures of the District during the relevant years, the data received from the State Department of Finance, the reports and recommendations of Staff, and the opinions of its General Counsel.

NOW, THEREFORE, IT IS HEREBY RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Olivenhain Municipal Water District as follows:

1. That the foregoing facts are true and correct.
2. That all additional revenues from proceeds of taxes for the fiscal year ended June 30, 2024 be appropriated and applied to reduce bonded and unbonded debt of the District existing on or before January 1, 1979, or voter approved bonded debt incurred after January 1, 1979.
3. That in determining the appropriation limit for fiscal year 2023-2024, that all appropriations by the District Board of Directors for fixed assets (including land and construction) with a useful life of ten or more years, and a value which equals or exceeds \$100,000 expended on and after

RESOLUTION NO. 2023-xx *continued*

November 1979, shall not be included in the appropriation limit of the Olivenhain Municipal Water District as provided in Government Code Section 7914.

4. That the appropriation limit of the District be adjusted in years in which it assumes financial responsibility for providing services transferred from another entity of government as provided in Section 3 of Article XIII B.
5. That in determining the appropriation limit for fiscal year 2023-2024, the District shall use the percentage change in the California per capita personal income and population increases, as provided by the State of California, Department of Finance.
6. That pursuant to Article XIII B and Section 7910 of the Government Code, the appropriation limit for Olivenhain Municipal Water District for the 2023-2024 fiscal year is established as \$2,946,911.

PASSED, ADOPTED AND APPROVED at a regular meeting of the Board of Directors of the Olivenhain Municipal Water District held on June 21, 2023.

ATTEST:

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Christy Guerin, President  
Board of Directors  
Olivenhain Municipal Water District

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

# Memo

Date: June 21, 2023  
To: Olivenhain Municipal Water District Board of Directors  
From: Teresa L. Chase, Administrative Analyst  
Via: Kimberly A. Thorner, General Manager  
Subject: **CONSIDER APPROVAL OF THE LOCAL PROJECT SPONSOR AGREEMENT WITH THE SAN DIEGO COUNTY WATER AUTHORITY FOR THE NORTH SAN DIEGO WATER REUSE COALITION'S REGIONAL RECYCLED WATER PROGRAM**

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## Purpose

The purpose of this agenda item is to consider approval of this local project sponsor (LPS) agreement. Approval will allow OMWD, acting on behalf of the North San Diego Water Reuse Coalition (NSDWRC), to accept \$3,731,783 in Proposition 1 Round 2 Integrated Regional Water Management grant funds from California's Department of Water Resources via the San Diego County Water Authority (SDCWA).

## Recommendation

Staff recommends approval of the LPS agreement.

## Alternative(s)

- The board could choose to reject this LPS agreement; however, this could jeopardize \$3,731,783 in state funding for the NSDWRC's Regional Recycled Water Program.

- The board could direct staff as otherwise deemed appropriate.

### **Background**

The development of Integrated Regional Water Management Plans (IRWMP) was originally derived from Proposition 50, which was passed by California voters in 2002. Proposition 50 authorized \$3.4 billion in general obligation bonds to fund a variety of water and wetlands projects, setting aside \$380 million for IRWM-related grants. Proposition 50 stated that IRWMPs should include a description of each region and its participants, regional objectives and priorities, water management strategies, implementation, impacts and benefits, data management, financing, stakeholder involvement, relationship to local planning, and state and federal coordination.

The State of California has since encouraged integrated water resource planning on a regional basis through IRWMPs, and by making conditional certain grant funding programs upon activities contained in IRWMPs.

Several such programs were authorized in 2006 by Proposition 84 (The Safe Drinking Water, Water Quality and Supply, Flood Control, River, and Coastal Protection Bond Act). Proposition 84 authorized \$5.388 billion in general obligation bonds to fund safe drinking water, water quality and supply, flood control, waterway and natural resource protection, water pollution and contamination control, state and local park improvements, public access to natural resources, and water conservation efforts.

In 2007, the San Diego Regional Water Management Group (comprised of the San Diego County Water Authority, City of San Diego, and County of San Diego) collaborated with the Regional Advisory Committee (comprised of water and environmental management stakeholders throughout the San Diego region) to draft the San Diego Integrated Regional Water Management Plan. Completed in late 2007 and subsequently adopted by members of the Regional Water Management Group, the plan seeks to optimize water supply reliability, protect and enhance water quality, provide stewardship of natural resources, and coordinate and integrate water resource management within the region. Additionally, the plan forms the foundation of long-term IRWM planning in the region, fostering coordination, collaboration, and communication among governmental and non-governmental water management stakeholders.

Since that time, staff has submitted several projects to the Regional Water Management Group for inclusion in regional funding requests. The following projects in which OMWD has participated were awarded IRWM funding:

- Proposition 84 Round 1 (2010): The North San Diego County Cooperative Demineralization Project (which incorporated OMWD's San Elijo Valley Groundwater Project). San Elijo Joint Powers Authority served as the LPS. OMWD's portion of the grant award was \$145,000.
- Proposition 84 Round 1 (2010): Phase I of the North San Diego County Regional Recycled Water Project, in partnership with ten North County cities, water, and wastewater agencies. The total award value was \$1.455 million, which fully funded the Programmatic Environmental Impact Report, public outreach plan, and feasibility study, while also allocating approximately \$90,000 to each partner agency for the purposes of planning or construction of individual subprojects. OMWD served as the LPS.
- Proposition 84 Round 2 (2012): Phase II of the North San Diego County Regional Recycled Water Project, which contained one subproject to be managed by each partner agency. OMWD's subproject was the Village Park Recycled Water Project and SEJPA's subproject was construction of the pipeline that connects its distribution system to Wiegand Reservoir to supply Village Park. Total award value was \$3,452,000. OMWD was the LPS, receiving \$338,300 for Village Park Recycled Water Project. Through an agreement amendment in 2019, OMWD received an additional \$202,300 for Recycled Water Extension 153A (Surf Cup).
- Proposition 84 Round 4 (2015): Integrated Water Resource Solutions for Carlsbad Watershed. The project expanded recycled water service, implemented urban runoff pollution control, conducted water quality monitoring in San Elijo Lagoon, and provided educational outreach activities. Project partners were City of Encinitas, City of Solana Beach, San Dieguito Water District, Santa Fe Irrigation District, and San Elijo Lagoon Conservancy. Total award value was \$2.5 million; OMWD's portion was \$600,000, which was applied to costs associated with the Manchester Avenue Recycled Water Pipeline project. SEJPA served as LPS.
- Proposition 1 Round 1 (2019): North County Recycled Water Project. Project partners were SEJPA and City of Oceanside. Total award value was \$2.8 million; OMWD's portion was \$750,000, which was applied to costs associated with the South El Camino Real Recycled Water Pipeline Project. SEJPA was the LPS.

### **Fiscal Impact**

Approval of the LPS agreement will garner the NSDWRC's Regional Recycled Water Program \$3,731,783 in Proposition 1 Round 2 IRWM grant funds. Each partner agency, including OMWD, will receive a portion of the grant award that is proportional to its share of overall project costs; the value of this award to OMWD is approximately \$471,148, less administrative expenses, which will be applied to construction of Calle Barcelona, Village Park, and Summerhill HOA recycled water extensions and the

Extension 153 flow meter installation. There are no new direct costs associated with approval of this LPS agreement.

### **Discussion**

In May 2022, OMWD submitted the NSDWRC's Regional Recycled Water Program for inclusion in the San Diego region's Proposition 1 Round 2 IRWM grant application to the California Department of Water Resources. Partner agencies are City of Carlsbad, City of Oceanside, Leucadia Wastewater District, Rincon del Diablo Municipal Water District, SEJPA, and Vallecitos Water District.

The project was selected by the San Diego Regional Water Management Group to be included in the regional application, and DWR announced in November 2022 that the grant application was successful, providing OMWD and its partners \$3,731,783 for recycled water projects.

DWR and SDCWA executed the Proposition 1 Round 2 IRWM grant agreement on April 20, 2023, officially granting \$16,084,697 to the San Diego IRWMP, which includes \$3,731,783 for NSDWRC's Regional Recycled Water Program. Though SDCWA is the grantee, it does not directly administer individual projects contained within the IRWMP. Thus, before grant funding may be distributed for each individual project, SDCWA will enter into a LPS agreement with each project's lead agency.

In the capacity of LPS, OMWD is required to act on SDCWA's behalf for the purposes of project management, oversight, compliance, operations, and maintenance. OMWD is also required to act on SDCWA's behalf in the fulfillment of SDCWA's responsibilities as specifically identified in the grant agreement with DWR.

Agenda item C-f features an agreement to be signed between OMWD and each partner agency (or "local project participant") to ensure the performance of each agency in allowing OMWD to fulfill the terms of the LPS agreement.

*Attachment:*

- *Local Project Sponsor Agreement with San Diego County Water Authority*

**LOCAL PROJECT SPONSOR AGREEMENT BETWEEN THE  
SAN DIEGO COUNTY WATER AUTHORITY AND OLIVENHAIN MUNICIPAL WATER DISTRICT FOR THE  
PROPOSITION 1 ROUND 2 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM)  
IMPLEMENTATION GRANT**

**PROJECT ID NO. 1-2-4-80089**

THIS AGREEMENT is entered into by and between the San Diego County Water Authority, a Public Agency in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee" or "Water Authority", and Olivenhain Municipal Water District (collectively "Parties") for distribution of a grant award from the State of California Department of Water Resources "State".

**RECITALS:**

- 1) WHEREAS, in November 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, providing \$510 million in Integrated Regional Water Management to support projects included in the State-approved and adopted Integrated Regional Water Management (IRWM) Plans; and
- 2) WHEREAS, to qualify for IRWM funding from Proposition 1, an IRWM planning region must have an IRWM Plan that is consistent with Water Code section 15030 et. seq., and been approved by the State, and the 2019 San Diego IRWM Plan has met those requirements; and
- 3) WHEREAS, since June of 2005, the City of San Diego, County of San Diego, and Water Authority have jointly operated as a Regional Water Management Group (RWMG) under successive Memoranda of Understanding (MOU) for purposes that include division of responsibilities regarding the IRWM Plan and for administration of IRWM grant monies awarded to the San Diego IRWM Region by the State; and
- 4) WHEREAS, on December 15, 2020, the RWMG executed a new MOU for the San Diego IRWM Plan and Grant Program for calendar years 2021 through 2025, replacing prior MOUs and any amendments, reaffirming the respective roles of each party, including the Water Authority as the responsible party for administration of IRWM grant monies.

The Recitals are incorporated herein, and the Parties agree as follows:

- 1) **DEFINITIONS.** The following words and terms, unless otherwise defined, shall mean:
  - A. LPS means Local Project Sponsor. A LPS is a proponent of an individual project that will be funded as part of the IRWM Program from the State. The LPS could be performed by entities such as the Water Authority, County of San Diego, City of San Diego, a Water Authority member agency, a municipality, a joint powers authority, a local public agency, a non-profit 501(c)(3) or Native American tribe. The LPS for this Agreement is Olivenhain Municipal Water District, as identified in Exhibit E (Local Project Sponsor Designation and Project Location).
  - B. Grantee and Water Authority mean the San Diego County Water Authority.
  - C. Grant Agreement means Grant Agreement No. 4600014983 between the San Diego County Water Authority and the State of California, Department of Water Resources, dated April 20, 2023, for the disbursement of \$16,084,697 in grant funds from Proposition 1, and is available upon request.
  - D. Agreement means this Local Project Sponsor Agreement between the Water Authority and the LPS for the performance of the Project and receipt of the grant funds allocated for that Project.
  - E. Project 1-2-4-80089: North San Diego Water Reuse Coalition – Regional Recycled Water Program, as identified in Exhibit E (Local Project Sponsor Designation and Project Location).

F. Grant/Grant Funds/Grant funding/Grant amount means the funding awarded to the Project from the State under the Grant Agreement.

- 2) TERM OF AGREEMENT. The term of this Agreement begins on November 23, 2022, through final payment plus three (3) years unless otherwise terminated or amended as provided in this Agreement. However, all work in Exhibit A (Work Plan) shall be completed by the date reflected in Exhibit C (Schedule) or by September 30, 2027, whichever is sooner.
- 3) GRANT AMOUNT. The maximum grant funds payable by this Agreement shall not exceed \$3,731,783.
- 4) COST SHARE.

Cost Share is the amount needed to fund the project above the Grant amount. The LPS is required to provide a minimum of 50% of total project costs, unless eligible to be waived, reflected as "Required Cost Share: Non-state Fund Source", as set forth in Exhibit B (Budget). Required Cost Share may include Eligible Project Costs directly related to Exhibit A incurred after January 1, 2015. A change in the Project's total costs may change the required Cost Share. LPS is required to comply with the additional guidance and requirements regarding cost share as provided in Exhibit H (State and Water Authority Audit Document Requirements and Cost Share Guidelines).

Other Cost Share is the amount necessary to fund the Project in addition to the Grant amount and Required Cost Share. Other Cost Share may be reviewed by the Water Authority or the State for invoicing purposes; however, the LPS is required to maintain all financial records associated with the Project in accordance with Exhibit H.

- 5) LPS RESPONSIBILITIES. LPS and its representatives shall:
  - A. Faithfully and expeditiously perform or cause to be performed all work as described in Exhibit A and in accordance with Exhibits B and C. LPS shall be responsible for oversight, compliance, and operations and maintenance of Project(s) identified in this Agreement.
  - B. LPS or its representatives shall perform regular inspections of any construction work in progress.
  - C. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by LPS in the application, documents, amendments, and communications filed in support of its request for funding.
  - D. Comply with all applicable California, federal, and local laws and regulations to execute this Agreement and implement the Project.
  - E. Fulfill its obligations under the Agreement and be responsible for the performance of the Project.
  - F. Obtain any and all permits, licenses, and approvals required for performing any work under this Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. LPS shall provide copies of permits and approvals to the Water Authority.
  - G. Be solely responsible for design, construction, operation, and maintenance of projects within Exhibit A (Work Plan). Review or approval of plans, specifications, bid documents or other construction documents by the State is solely for the purpose of proper administration of funds by the State, or the Water Authority, and shall not be deemed to relieve or restrict responsibilities of LPS under this Agreement.
  - H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The LPS shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors.

The Water Authority will not mediate disputes between the LPS and any other entity concerning responsibility for performance of work.

- I. LPS shall fulfill its obligations in a manner that is consistent with this Agreement, the Grant Agreement (No. 4600014983), and the IRWM Program.
- J. LPS shall reimburse the Water Authority for grant administration services costs as provided in Exhibit K through the term of this Agreement, three years after final payment, as prescribed in Paragraph 2, "Term of Agreement". Circumstances that may result in reimbursement of GAP costs are enumerated in the *Policy and Procedures for Grant Administration Funding* adopted on May 4, 2017, by the Regional Advisory Committee, and any amendments thereto. This policy is available at [https://sdirwmp.org/pdf/SDIRWM\\_PolicyforGAP\\_Adopted4May17.pdf](https://sdirwmp.org/pdf/SDIRWM_PolicyforGAP_Adopted4May17.pdf).
- K. The LPS has reviewed and shall demonstrate compliance with all eligibility criteria as set forth in Section II of the 2022 IRWM Program Guidelines (Guidelines) (<https://water.ca.gov/-/media/DWR-Website/Web-Pages/Work-With-Us/Grants-And-Loans/IRWM-Grants/Files/Prop-1-Implementation/Round-2/2022-Integrated-Regional-Water-Management-Grant-Program-Guidelines.pdf>).

6) GENERAL CONDITIONS.

- A. The Water Authority shall have no obligation to disburse money for the Project(s) under this Agreement until the LPS has satisfied the following conditions (if applicable):
  - i. The LPS shall demonstrate compliance with all eligibility criteria including those set forth on pages 9-11, inclusive, of the 2022 IRWM Grant Program Guidelines (2022 Guidelines).
  - ii. For the term of this Agreement, the LPS shall submit quarterly Progress Reports which may accompany an invoice and invoice backup documentation. The quarterly Progress Report shall be submitted within 15 days following the end of the calendar quarter (i.e., reports due June 15, September 15, December 15, and March 15) with deliverables, as required by Paragraph 15, "Submission of Reports" and Exhibit A (Work Plan).
  - iii. Prior to the commencement of construction or implementation activities, if applicable, the LPS shall submit the following to the State, via the Water Authority.
    - 1. Final plans and specifications certified, signed and stamped by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for each approved project as listed in Exhibit A of this Grant Agreement.
    - 2. Work that is subject to the California Environmental Quality Act (CEQA) (including final land purchases) shall not proceed under this Grant Agreement until the following actions are performed:
      - a) The LPS submits to the State, via the Water Authority, all applicable permits, as indicated on the Environmental Information Form to the State,
      - b) All documents that satisfy the CEQA process are received by the State, via the Water Authority,
      - c) The State has completed its CEQA process as a Responsible Agency, and
      - d) The LPS receives written notification from the State via the Water Authority of concurrence with the Lead Agency's CEQA documents (s) and State's notice of verification of permit submittal.

The State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider

the environmental documents and decide whether to continue to fund the project, or to require changes, alterations, or other mitigation. Proceeding with work subject to CEQA prior to the State's concurrence shall constitute a material breach of this Agreement. The LPS shall also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including Environmental Impact Statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation.

3. A monitoring plan as required by Paragraph 17, "Monitoring Plan Requirements," if applicable.
- 7) DISBURSEMENT OF GRANT FUNDS. Pursuant to Paragraph 9, "Method of Payment" and subject to the availability of funds disbursed to the Water Authority by the State, the Water Authority will release to the LPS through normal Water Authority processes the grant reimbursement amount approved by and received from the State. Notwithstanding any other provision of this Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to the LPS under this Agreement and any interest earned by the LPS therefrom shall be used solely to pay Eligible Project Costs.
- 8) ELIGIBLE PROJECT COST. The LPS shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and this Agreement including but not limited to Exhibit B (Budget). Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Costs incurred after November 22, 2022, may be eligible for reimbursement.  
  
Costs that are not eligible for reimbursement include, but are not limited to, the following items:
  - A. Costs, other than those noted above, incurred prior to the award date of this Grant.
  - B. Costs for preparing and filing a grant application.
  - C. Operation and maintenance costs, including post construction performance and monitoring costs.
  - D. Purchase of equipment that is not an integral part of a project.
  - E. Establishing a reserve fund.
  - F. Purchase of water supply.
  - G. Replacement of existing funding sources (e.g., bridge loans).
  - H. Meals, food items, or refreshments.
  - I. Payment of any punitive regulatory agency requirement, federal or state taxes.
  - J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or acquisition of land by eminent domain.
  - K. Indirect Costs. "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the LPS; non-project-specific accounting and personnel services performed within the LPS' organization; depreciation or use allowances on

buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; forums, trainings, and seminars; and generic overhead or markup. This prohibition applies to the LPS, and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement. See Exhibit I for Invoice Guidance for Administrative and Overhead charges.

- L. Mitigation for environmental impacts not resulting from implementation of the Project funded by this program.
  - M. Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.
- 9) **METHOD OF PAYMENT.** After the disbursement requirements in Paragraph 6, "General Conditions" are met, the Water Authority will release the whole or portions of grant funding received from the State to the LPS, following receipt from the LPS of an electronic invoice transmitted via the Water Authority's grants management system (or by other means as directed) for costs incurred, including local Cost Share, and timely quarterly Progress Reports as required by Paragraph 15, "Submission of Reports." Payment will be made no more frequently than quarterly, in arrears, upon receipt of an invoice bearing the LPS Agreement number. A quarterly Progress Report must accompany an invoice and shall be submitted within 15 days following the end of the quarter (i.e., due June 15, September 15, December 15, and March 15). The Water Authority will notify the LPS, in a timely manner, whenever, upon review of an invoice, the Water Authority or State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The LPS may, within fifteen (15) calendar days of the date of receipt of such notice, submit additional documentation to the Water Authority to cure such deficiency(ies). If the LPS fails to submit adequate documentation curing the deficiency(ies), the Water Authority or State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by the LPS shall include the following information:

- A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.
- B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.
- C. Invoices shall be submitted on forms provided by the Water Authority and shall meet the following format requirements:
  - i. Invoices shall contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.
  - ii. Invoices shall be itemized based on the categories specified in Exhibit B (Budget). The amount claimed for salaries/wages/consultant fees shall include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed). A Personnel Hours Billing Rates letter shall accompany an invoice if any amount is claimed for LPS salaries or wages.
  - iii. One set of sufficient evidence (i.e., receipts, copies of checks, personnel hours' summary table, time sheets) shall be provided for all costs included in the invoice.
  - iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the Grant amount, as depicted in Paragraph 3, "Grant Amount" and, if applicable, those costs claimed as local Cost Share, as depicted in Paragraph 4, "Cost Share".

- v. Invoices shall be certified and submitted via the Water Authority's grants management system (or by other means as directed) by the authorized representative identified in Paragraph 25, "Project Managers" of this Agreement, or their authorized designee. A letter authorizing a designee must be provided to the Water Authority.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The LPS shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., cost share). Any eligible costs for which the LPS is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State or Water Authority may request an audit pursuant to Standard Condition D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

- 10) ADVANCED PAYMENT. Water Code section 10551 authorizes advanced payment by the State for projects included and implemented in an applicable Integrated Regional Water Management Plan, and when the project proponent is a nonprofit organization; a disadvantaged community (DAC); or the project benefits a DAC. If a project is awarded less than \$1,000,000 in grant funds, the project proponent may receive an advanced payment of fifty (50) percent of the grant award; the remaining fifty (50) percent of the grant award will be reimbursed in arrears after the advanced funds of a budget category have been fully expended. Within thirty (30) calendar days of execution of this Agreement, the LPS may provide the Water Authority an Advanced Payment Request. Advanced Payment Requests received thirty-one (31) calendar days after the execution of this Agreement will not be eligible to receive an advanced payment.
- A. The Advanced Payment Request shall contain the following:
    - i. Descriptive information of the Project with an update on Project status;
    - ii. Identification as to whether the LPS or any of its local project proponents are nonprofit organizations or a DAC, or whether the project benefits a DAC;
    - iii. A detailed Funding Plan that includes how the advanced payment will be expended (in terms of work plan, budget, and schedule) within the timeframe agreed upon by the Water Authority and the LPS. The Funding Plan must clearly identify the total budget for the Project (at the budget category level) that clearly shows the portion of advanced payment and reimbursement funds; and
    - iv. Any other information that the Water Authority may deem necessary.
  - B. Upon review and approval of the Advanced Payment Request submitted to the State by the Water Authority on behalf of the LPS, the State will authorize release of grant funds in the fully requested amount for the qualified Project to the Water Authority, and the Water Authority will release the funds received from the State to the LPS. Based on the Project's Funding Plan and other considerations, the State may determine it is not prudent to advance the full request in a single disbursement. In such a case, the State and the Water Authority will develop a "Disbursement Schedule" to disburse funds in installments. This Disbursement Schedule may change based on the Project's ongoing compliance with the Advanced Payment requirements and the Project's cash flow needs.
  - C. Once the Advanced Payment Request is authorized by the State, the LPS shall submit to the Water Authority' an Advanced Payment Invoice(s) for the approved amount, or the amount based on the "Disbursement Schedule", to the Water Authority's grants management system (or other means as directed) with signature and date of the LPS Project Manager indicated in Paragraph 25, "Project

Managers.” The Water Authority shall be responsible for the timely distribution to the LPS of the advanced funds received from the State.

The Advanced Payment Invoice(s) shall be submitted on forms provided by the Water Authority and shall meet the following format requirements:

- i. Invoices shall contain the date of the invoice, the time period covered by the invoice, and the total amount due.
- ii. Invoice shall be itemized based on the budget categories specified in Exhibit B (Budget).
- iii. The Water Authority will notify the LPS in a timely manner when, upon review of an Advance Payment Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs. The LPS may, within fifteen (15) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies).
- iv. On a quarterly basis, the LPS will submit an Accountability Report to the Water Authority that demonstrates how actual expenditures compare with the scheduled budget. The Accountability Report shall include the following information:
  1. An itemization of how advanced funds have been spent to-date (Expenditure Report), including documentation that supports the disbursements (e.g., contractor invoices, receipts, personnel hours, etc.). Accountability Reports shall be itemized based on the budget categories specified in Exhibit B (Budget).
  2. An updated Accountability Report including an updated Funding Plan that depicts how the remaining advanced funds will be expended and the activities and deliverables associated with the advanced funds within the timeframe agreed upon by the Water Authority and the LPS when the advanced payment request was approved.
  3. Documentation that the funds were placed in a non-interest bearing account, including the dates of deposits and withdrawals from that account.
  4. Proof of distribution of advanced funds to LPS, if applicable.
- v. The Water Authority will notify the LPS, in a timely manner, when, upon review of the Accountability Report, the State determines that any portion of the expenditures claimed are not eligible costs. The LPS may, within fifteen (15) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). If costs are not consistent with the tasks in Exhibit A (Work Plan), the claim will be rejected and the costs removed from the Accountability Report.

D. Once the LPS has spent all advanced funds in a budget category, then the method of payment will revert to the reimbursement process for that budget category specified in Paragraph 9, “Method of Payment for Reimbursement.”

11) REPAYMENT OF ADVANCES. The Water Authority may demand repayment from the LPS of all or any portion of the advanced funding along with interest at the California general obligation bond interest rate at the time the Water Authority notifies the LPS, as directed by the State, and take any other action that it deems necessary to protect its interests for the following conditions:

- A. The Project is not being implemented in accordance with the provisions of this Agreement.
- B. The LPS has failed in any other respect to comply with the provisions of this Agreement, and if the LPS does not remedy any such failure to the Water Authority’s satisfaction.

- C. Failure by the LPS to submit complete and accurate quarterly Accountability Reports by the required due dates, unless otherwise approved by the Water Authority.
- D. Failure to deposit the funds in a non-interest-bearing account.
- E. Use of Advance Payment funds for ineligible expenses and/or activities not consistent with this Agreement.
- F. Inappropriate use of funds, as deemed by the Water Authority and/or the State.
- G. Repayment amounts may also include:
  - i. Actual costs incurred which are not consistent with the activities presented in Exhibit A (Work Plan), not supported, or are ineligible.
  - ii. Advanced funds which are not fully expended by Project completion, notwithstanding Water Code section 10551(c)(4). Unused grant funds shall be returned to the Water Authority within thirty (30) calendar days.

Any repayment of advanced funds may consist of reducing the amount from future reimbursement invoices. The Water Authority may consider the LPS' refusal to repay the requested advanced amount a material breach of this Agreement subject to the default provisions in Paragraph 13, "Default Provisions." If the Water Authority notifies the LPS of its decision to demand repayment or withhold the entire funding amount from the LPS pursuant to this Paragraph, this Agreement shall terminate upon receipt of such notice by the LPS and the Water Authority shall no longer be required to provide funds under this Agreement.

#### 12) WITHHOLDING OF DISBURSEMENTS BY THE WATER AUTHORITY.

- A. If the Water Authority determines that the Project is not being implemented in accordance with the provisions of this Agreement, or that the LPS has failed in any other respect to comply with the provisions of this Agreement, and if the LPS does not remedy any such failure to the Water Authority's satisfaction, the Water Authority may withhold from the LPS all or any portion of the grant funding and take any other action that it deems necessary to protect its interests. Where a portion of the grant funding has been disbursed to the LPS and the Water Authority notifies the LPS of its decision not to release funds that have been withheld pursuant to Paragraph 13, "Default Provisions," the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the Water Authority notifies the LPS, as directed by the Water Authority. The Water Authority may consider the LPS' refusal to repay the requested disbursed amount a material breach subject to the default provisions in Paragraph 13, "Default Provisions." If the Water Authority notifies the LPS of its decision to withhold the entire funding amount from the LPS pursuant to this Paragraph, this Agreement shall terminate upon receipt of such notice by the LPS and the Water Authority shall no longer be required to provide funds under this Agreement and the Agreement shall no longer be binding on either party.
- B. The Water Authority shall withhold future LPS disbursements for non-payment of grant administration services costs.

#### 13) DEFAULT PROVISIONS. The LPS shall be in default under this Agreement if any of the following occur:

- A. Substantial breaches of this Agreement, or any supplement or amendment to it, or any other Agreement between the LPS and the Water Authority evidencing or securing the LPS' obligations.
- B. Making any false warranty, representation, or statement with respect to this Agreement or the application filed to obtain the Grant for this Agreement.
- C. Failure to operate or maintain the Project in accordance with this Agreement.

- D. Failure to make any remittance required by this Agreement, including any remittance recommended as the result of an audit conducted pursuant to Standard Condition D.5, "Audits".
- E. Failure to submit timely quarterly progress reports pursuant to Paragraph 6, "General Conditions".
- F. Failure to routinely invoice pursuant to Paragraph 9, "Method of Payment for Reimbursement".
- G. Failure to meet any of the requirements set forth in Paragraph 14, "Continuing Eligibility".
- H. Failure to pay grant administration services costs, pursuant to Exhibit K.

In the event the Water Authority finds it necessary to enforce this provision of this Agreement in the manner provided by law, the LPS agrees to pay all costs incurred by the Water Authority including, but not limited to, costs incurred by and reimbursed to the State by the Water Authority, reasonable attorneys' fees, legal expenses, and other costs.

Should an event of default occur, the Water Authority shall provide a notice of default to the LPS and shall give the LPS at least ten (10) calendar days to cure the default with notice established pursuant to Paragraph 22, "Notices". If the LPS fails to cure the default within the time prescribed by the Water Authority, the Water Authority may do any of the following:

- A. Declare the funding be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.
- B. Terminate any obligation to make future payments to the LPS.
- C. Terminate this Agreement.
- D. Take any other action that it deems necessary to protect its interests.

14) CONTINUING ELIGIBILITY. The LPS shall meet the following ongoing requirement(s) and all eligibility criteria outlined in the 2022 Guidelines to remain eligible to receive Grant funds:

- A. An urban water supplier that receives Grant funds pursuant to this Agreement shall maintain compliance with the Urban Water Management Planning Act (UWMP; Wat. Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction (Wat. Code, § 10608 et seq.) as set forth on page 11 of the 2022 IRWM Grant Program Guidelines (<https://water.ca.gov/-/media/DWR-Website/Web-Pages/Work-With-Us/Grants-And-Loans/IRWM-Grants/Files/Prop-1-Implementation/Round-2/2022-Integrated-Regional-Water-Management-Grant-Program-Guidelines.pdf>) and as stated on pages 24-25 of the 2022 IRWM Implementation Grant Proposal Solicitation Package for Proposition 1, Round 2 (<https://water.ca.gov/-/media/DWR-Website/Web-Pages/Work-With-Us/Grants-And-Loans/IRWM-Grants/Files/Prop-1-Implementation/Round-2/Accessible-Implementation-Grant-Proposal-Solicitation-Package-v2.pdf>).
- B. An agricultural water supplier receiving Grant funds shall comply with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq. and have their Agricultural Water Management Plan (AWMP) deemed consistent by the State. To maintain eligibility and continue funding disbursements, an agricultural water supply shall have their 2015 AWMP identified on the State's website. For more information, visit the website listed in Appendix A in the 2022 Guidelines.
- C. A surface water diverter receiving Grant funds shall maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et. seq.
- D. If applicable, the LPS shall demonstrate compliance with the Sustainable Groundwater Management Act (SGMA) set forth on page 10 of the 2022 Guidelines.
- E. If the LPS has been designated as a monitoring entity under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program, the LPS shall maintain reporting compliance, as required by Water Code section 10932 and the CASGEM Program.

- F. The LPS shall adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406, et seq.) for data sharing, transparency, documentation, and quality control.
- G. On March 4, 2022, the Governor of California issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs the State to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State or Water Authority determine that the LPS is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The Water Authority shall provide the LPS advance written notice of such termination, allowing the LPS at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State or Water Authority.
- 15) SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the Water Authority. All reports shall be submitted via the Water Authority's grants management system (or other means as directed). If requested, the LPS shall promptly provide any additional information deemed necessary by the Water Authority for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F (Report Formats and Requirements.) The timely submittal of reports is a requirement for initial and continued disbursement of Grant funds. Submittal and subsequent approval by the State of a Project Completion Report is a requirement for the release of any Grant funds retained for such project.
- A. Quarterly Progress Reports: The LPS shall submit quarterly Progress Reports to meet the Water Authority's requirement for disbursement of Grant funds. Progress Reports shall be uploaded via the Water Authority's grants management system (or by other means as directed). Progress Reports shall, in part, provide a brief description of the work performed, the LPS' activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Agreement during the reporting period. Progress Reports must accompany an invoice and shall be submitted within fifteen (15) days following the end of the quarter (i.e., due June 15, September 15, December 15, and March 15).
- B. Accountability Report: The LPS shall prepare and submit to the Water Authority an Accountability Report with the Progress Report if the LPS received an advanced payment, consistent with the provisions in Paragraph 10, "Advanced Payment."
- C. Project Completion Report: The LPS shall prepare and submit to the Water Authority a Project Completion Report (or a Component Completion Report, if a Project has multiple Components) as outlined in Exhibit F (Report Formats and Requirements) within sixty (60) calendar days of Project/Component completion.
- D. Post-Performance Reports: The LPS shall prepare and submit to the Water Authority Post-Performance Reports for the Project. Post-Performance Reports shall be submitted to the Water Authority within sixty (60) calendar days after the first operational year the Project has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the implemented Project begins operation.
- 16) OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the Grant funding made available by the State, the LPS agrees to ensure or cause to be performed the commencement and continued operation of the project, and shall ensure or cause the project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or

cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The Water Authority shall not be liable for any cost of such maintenance, management, or operation. The LPS or their successors may, with the written approval of the Water Authority, transfer this responsibility to use, manage, and maintain the property. For purposes of this Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal by the LPS to ensure operation and maintenance of the projects in accordance with this provision may, at the option of the Water Authority, be considered a breach of this Agreement and may be treated as default under Paragraph 13, "Default Provisions."

17) MONITORING PLAN REQUIREMENTS. A Monitoring Plan shall be submitted to the Water Authority prior to disbursement of Grant funds by the State for construction or monitoring activities. The Monitoring Plan should incorporate Post-Performance Monitoring Report requirements as defined and listed in Exhibit F (Report Formats and Requirements) and follow the guidance provided in Exhibit J (Project Monitoring Plan Guidance).

18) STATEWIDE MONITORING REQUIREMENTS. The LPS shall ensure that all groundwater Project(s) and Project(s) that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Water Code § 10780 et seq.) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board. See Exhibit G (Requirements for Data Submittal) for web links and information regarding other State monitoring and data reporting requirements.

19) INDEMNIFICATION.

A. To the fullest extent permitted by law, the LPS shall:

- i. immediately defend, and
- ii. indemnify the Water Authority, the State, and their directors, officers, and employees from and against all liabilities including, regardless of nature or type arising out of or resulting from LPS' performance of services under this agreement including but not limited to any claims or damages arising from or related to the planning, design, construction, operation, or maintenance of the Project, or any portion thereof, and any negligent or wrongful act or omission of the LPS or LPS's officers, employees, agents, or subcontractors, and any breach of this Agreement. Liabilities subject to the duties to defend and indemnify include, without limitation all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. LPS's obligation to indemnify applies unless it is adjudicated that its liability was caused by the sole negligence or willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an indemnified party, the LPS indemnification obligation shall be reduced in proportion to the established comparative liability of the indemnified party.

B. The duty to defend is a separate and distinct obligation from the LPS' duty to indemnify. The LPS shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the Water Authority and State, the Water Authority and State, their directors, officers, and employees, immediately upon tender to the LPS of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. An allegation or determination of comparative active negligence or willful misconduct by an indemnified party does

not relieve the LPS from its separate and distinct obligation to defend Water Authority and State. The obligation to defend extends through final judgment, including exhaustion of any appeals.

- C. The review, acceptance, or approval of the LPS' work or work product by any indemnified party shall not affect, relieve, or reduce the LPS' indemnification or defense obligations. This Paragraph survives completion of the services or the termination of this Agreement. The provisions of this Paragraph are not limited by and do not affect the provisions of this Agreement relating to insurance.

## 20) INSURANCE.

- A. The LPS shall procure and maintain Insurance and Bonds as required in the Grant Agreement with the State until Project completion.
- B. The LPS shall procure and maintain during the period of performance of this Agreement insurance from insurance companies admitted doing business in the State of California, as set forth in this Paragraph or as additionally required by supplemental condition. An approved combination of pooled and self-insurance coverage is an acceptable alternative for General Liability coverage. This policy shall be primary insurance as to the Water Authority so that any other coverage held by the Water Authority shall not contribute to any loss under the LPS' insurance. Coverage may be provided by a combination of primary and excess insurance policies, provided all insurers meet the requirements of this Paragraph.
- C. All insurance shall cover occurrences during the coverage period.
- D. The coverage amount of each policy of insurance shall be as required by the Water Authority.

- i. The following insurance and limits are required for the agreement:

Commercial General Liability: Coverage at least as broad as ISO form GC 00 01 10 01. Limit per occurrence and aggregate: \$2,000,000.

- E. The insurance policies shall be endorsed as follows:

- i. For commercial general liability as well as excess or umbrella insurance covering risks within the scope of that type of insurance, the San Diego County Water Authority its directors, officers, employees and agents and the State of California its directors, officers, employees and agents are included as additional insureds with regards to liability and defense of suits or claims arising from the operations, products and activities performed by or on behalf of the Named Insured. The LPS' insurance applies separately to each insured, including insureds added pursuant to this Paragraph, against whom claim is made or suit is brought except with respect to the policy limits of liability. The inclusion of any person or entity as an insured shall not affect any right which the person or entity would have as a claimant if not so included. Any failure of the named insureds to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the insureds added pursuant to this Paragraph. The additional insured endorsement shall provide coverage at least as broad as ISO form CG 20 10 11 85.
- ii. The LPS' insurance shall be primary. Any other insurance or self-insurance available to the Water Authority or persons stated in Paragraph 20 E.i. shall be in excess of and shall not contribute to the Contractor's insurance.
- iii. The insurance shall not be canceled or materially reduced in coverage except after 30 days prior written notice receipted delivery has been given to the Water Authority, except 10 days' notice shall be allowed for non-payment of premium.

- F. Unless otherwise specified, the insurance shall be provided by an acceptable insurance provider, as determined by the Water Authority, which satisfies the following minimum requirements: An insurance carrier admitted doing business in California and maintaining an agent for process within the state. Such insurance carrier shall maintain a current A.M. Best rating classification of "A- (A minus)" or better and a financial size of \$10 million to \$24 million (Class V) or better, or a Lloyds of London program provided by syndicates of Lloyds of London and other London insurance carriers, providing all participants are qualified to do business in California and the policy provides for an agent for process in the state and the program assures a financial capability at least equal to the required classification and size for admitted insurers.
- G. Certificates of insurance and endorsements shall be provided by the LPS and approved by the Water Authority before execution of the Agreement. Endorsements may be provided on forms provided by the Water Authority, or substantially equivalent forms provided by the insurer.
- H. Additional Insured: All Consultants/Contractors performing the scope of work on behalf of the LPS shall name the Water Authority and State (including their directors, officers, employees, and agents) as an additional insured on their Commercial General Liability policy and the policy shall be endorsed with use of an ISO form CG 20 10 10 93 or equivalent.

21) NOTIFICATION OF WATER AUTHORITY. The LPS shall promptly notify the Water Authority, in writing, of the following items:

- A. Events or proposed changes that could affect the scope, budget, or work performed under this Agreement. The LPS agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to the Water Authority and the Water Authority has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
- B. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by the State's and Water Authority's representatives. The LPS shall make such notification at least thirty (30) calendar days prior to the event.
- C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the LPS agrees that all work in the area of the find shall cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the Water Authority in consultation with the State has determined what actions should be taken to protect and preserve the resource. The LPS agrees to implement appropriate actions as directed by the Water Authority.
- D. The initiation of any litigation or the threat of litigation against the LPS regarding the Project or which may affect the Project in any way.
- E. Applicable to construction projects only: Final inspection of the completed work on a project by a Registered Professional (Civil Engineer, Engineering Geologist, or other State approved certified/licensed Professional), in accordance with Exhibit D. The LPS shall notify the Water Authority's Project Manager of the inspection date at least twenty-one (21) calendar days prior to the inspection in order to provide the Water Authority and the State the opportunity to participate in the inspection.

22) NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Agreement shall be in writing. Notices may be transmitted by any of the following means:

- A. By delivery in person.
- B. By certified U.S. mail, return receipt requested, postage prepaid.

- C. By “overnight” delivery service; provided that next-business-day delivery is requested by the sender.
- D. By electronic means.
- E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U.S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses listed below. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.
- 23) PERFORMANCE EVALUATION. Upon completion of this Agreement, the LPS’ performance may be evaluated by the Water Authority and a copy of the evaluation placed in the Water Authority’s file and a copy sent to the LPS.
- 24) GRANT FUNDING REALLOCATION. Grant funding awarded to the Project may be reallocated to one or more projects if one of the conditions stated in the *IRWM Administrative Policy and Procedures for Reallocation of Grant Funding* has been met. The LPS confirms it has reviewed the policy and will abide by its terms; such policy available at <http://www.sdirwmp.org/agreements-policies>.
- 25) PROJECT MANAGERS. Either Party may change its Project Manager upon written notice to the other Party. The Water Authority’s Project Manager shall be its representative for the administration of this Agreement and shall have full authority to execute all payment requests. The LPS Project Manager shall be its representative for the administration of this Agreement and shall have full authority to act on behalf of the LPS, including the authority to execute all payment requests. The Project Managers during the term of this Agreement are as follows:
- |                                     |   |
|-------------------------------------|---|
| Olivenhain Municipal Water District | San Diego County Water Authority            |
| Kimberly A. Thorner                 | Loisa O. Burton                             |
| General Manager                     | San Diego IRWM Program Grants Administrator |
| 1966 Olivenhain Road                | 4677 Overland Avenue                        |
| Encinitas, CA 92024                 | San Diego, California 92123                 |
| Phone: (760) 753-6466               | Phone: (858) 522-6739                       |
| Email: KThorner@olivenhain.com      | Email: lburton@sdcwa.org                    |
- 26) STANDARD PROVISIONS. This Agreement is complete and is the final Agreement between the Parties. The following Exhibits are attached and made a part of this Grant Agreement by this reference:
- Exhibit A - Work Plan
  - Exhibit B - Budget
  - Exhibit C - Schedule
  - Exhibit D - Standard Conditions
  - Exhibit E - Local Project Sponsor Designation and Project Location
  - Exhibit F - Report Formats and Requirements
  - Exhibit G - Requirements for Data Submittal
  - Exhibit H - State and Water Authority Audit Document Requirements and Cost Share Guidelines
  - Exhibit I - Invoice Guidance for Administrative and Overhead Charges
  - Exhibit J - Project Monitoring Plan Guidance
  - Exhibit K - Reimbursement to the Water Authority for Grant Administration Services Costs

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

SAN DIEGO COUNTY WATER AUTHORITY

Approved as to form and legality:

Kelley Gage  
Director of Water Resources

Michael McDonnell  
Assistant General Counsel

Date \_\_\_\_\_

Date \_\_\_\_\_

OLIVENHAIN MUNICIPAL WATER DISTRICT

Approved as to form and legality:

\_\_\_\_\_  
Kimberly A. Thorner  
General Manager

\_\_\_\_\_  
Alfred Smith  
General Counsel

Date \_\_\_\_\_

Date \_\_\_\_\_

## EXHIBIT A

### WORK PLAN

#### **PROJECT 4: North San Diego Water Reuse Coalition – Regional Recycled Water Program**

**IMPLEMENTING AGENCY:** Olivenhain Municipal Water District (OMWD)

#### **PROJECT DESCRIPTION:**

The project will integrate recycled water systems across seven collaborating agencies to move recycled water supply to locations of demand, increasing water reliability and optimizing system costs. The project consists of eight components, described below.

- a) *Oceanside Downtown Phase 2*. This component includes approximately 5,580 linear feet (LF) of new 8-inch recycled water main extensions and services from the Fallbrook line in the downtown area. This component will deliver a total of 126 acre-feet per year (AFY) of new recycled water.
- b) *OMWD Calle Barcelona, Village Park, and Summerhill Extensions*. OMWD will construct approximately 5,390 LF of new recycled water pipeline extensions and convert up to 27 meters from potable water to recycled water. In total, 39 AFY of recycled water will be delivered via this component.
- c) *OMWD Extension 153*. This component will install a flowmeter and control valves along a recycled water transmission main to ensure reliability and control to the Southwest Quadrant in OMWD. The component will contribute 345 AFY to overall supply reliability.
- d) *San Elijo Joint Powers Authority (SEJPA) Connection to Wanket Tank and Cardiff extension*. SEJPA will design, permit, and construct the connecting pipeline to the 3-million-gallon Wanket reservoir (which is being converted from an abandoned potable water tank to a regional recycled water reservoir) to expand recycled water service capacity and reliability. Work will include the design and construction of approximately 1,000 LF of 12-inch or 16-inch diameter pipe and up to six 2-inch laterals and service meters and installation boxes, asphalt demolition and repair, and miscellaneous pipe fittings. The total new recycled water yield from this component is up to 15 AFY.
- e) *Carlsbad Municipal Water District (MWD) Tank Site D*. Carlsbad MWD will construct a 1.5 Million Gallon steel tank and yard piping at Tank Site D for recycled water. Carlsbad MWD facilities included in this component will provide additional storage for new customer connections served by recently completed recycled water pipeline projects.
- f) *Rincon del Diablo Municipal Water District (MWD) Pump Station Upgrades*. Rincon del Diablo MWD will improve the ability to expand the customer base of the Beethoven Pump Station (PS) and the North Iris PS by replacing the critical components within each pump station. Construction includes replacement of the pump station enclosure, three pumps and three variable frequency drives at each pump station, electrical, SCADA, and telemetry upgrades. These combined recycled water pump station upgrades will provide the ability to deliver up to 1050 AFY of recycled water.
- g) *Leucadia Wastewater District (LWWD) Gafner B1 Pipeline*. LWWD will replace approximately 850 LF of the Secondary Effluent Force Main that transports secondary effluent from the Encina Water Pollution Control Facility (EWPCF) back to Gafner Water Recycling Facility (WRF). Once complete, facilities will contribute 271 AFY to overall supply reliability.
- h) *Vallecitos Water District (WD) Meadowlark Chlorine Contact Tank (CCT) Expansion*. The CCTs at Meadowlark Reclamation Facility (MRF) can process up to 5 million gallons per day (mgd) of recycled water, and all other treatment components can process up to 6.5 mgd. Vallecitos WD will expand the

chlorine contact chamber from 5 to 6.5 mgd capacity to increase overall treatment capacity. This component will result in 1,680 AFY of additional treatment capacity at Meadowlark MRF.

### **Budget Category (a): Project Administration**

#### **Task 1: Project Management**

Manage Grant Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents. Prepare invoices including relevant supporting documentation for submittal to DWR via the Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

#### **Deliverables:**

- Invoices and associated backup documentation

#### **Task 2: Reporting**

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR via the Grantee.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

#### **Deliverables:**

- Quarterly Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

### **Budget Category (b): Land Purchase/Easement**

#### **Task 3: Land Purchase**

No land purchase or easement acquisition is required for this project.

#### **Deliverables: N/A**

### **Budget Category (c): Planning/Design/Engineering/Environmental Documentation**

#### **Task 4: Feasibility Studies**

Feasibility studies were completed as part of the project development process, including the 2017 Regional Recycled Water Program Feasibility Study.

#### **Deliverables:**

- Relevant Feasibility Studies

#### **Task 5: CEQA Documentation**

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

#### **Deliverables:**

- All completed CEQA documents as required
- Legal Challenges Letter (one per component)

#### Task 6: Permitting

Obtain necessary permits for the project.

The following permits have been acquired: City of Carlsbad Coastal Development Permit for D4 Tank; City of Carlsbad Conditional Development Permit for D4 Tank.

The following permits are anticipated to be acquired for this project: City of Escondido Traffic Control Permit for Rincon del Diablo MWD's Pump Station Upgrades; City of Encinitas Right-of-Way Permit for Wanket Tank and Fill Station

#### **Deliverables:**

- Permits as required

#### Task 7: Design

The final design plans and specifications and cost estimates for construction will be developed for each of the components.

#### **Deliverables:**

- Basis of Design Report
- 100% Design Plans and Specifications

#### Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 17 for DWR's review and approval.

#### **Deliverables:**

- Project Monitoring Plan

#### **Budget Category (d): Construction/Implementation**

#### Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

#### **Deliverables:**

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

#### Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project

Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will

be provided to DWR.

**Deliverables:**

- DWR Certificate of Project Completion
- Record Drawings, as applicable

**Task 11: Construction**

Construction activities are outlined below.

Subtask 11(a): Oceanside Downtown Phase 2 – Mobilization, demobilization, and site preparation for this component; construction of approximately 5,580 linear feet (LF) of 8-inch recycled water main extensions and services; and site restoration to pre-construction conditions.

Subtask 11(b): OMWD Calle Barcelona, Village Park, and Summerhill Extensions – Mobilization, demobilization, and site preparation for this component; construct approximately 4,630 LF of 6-inch pipe and 760 LF of 4-inch pipe; convert up to 27 meters; and site restoration to pre-construction conditions.

Subtask 11(c): OMWD Extension 153 – Mobilization, demobilization, and site preparation for this component; install a flowmeter and control valves; and site restoration to pre-construction conditions.

Subtask 11(d): SEJPA Connection to Wanket Tank and Cardiff extension – Mobilization, demobilization, and site preparation for this component; construct approximately 1,000 LF of 12-inch or 16-inch pipe and up to 6 service, 2-inch laterals and service meters and installation boxes, asphalt demolition and repair, and miscellaneous pipe fittings; and site restoration to pre-construction conditions.

Subtask 11(e): Carlsbad MWD Tank Site D – Mobilization, demobilization, and site preparation for this component; construct a 1.5 MG steel tank and yard piping.

Subtask 11(f): Rincon del Diablo MWD Pump Station Upgrades – Mobilization, demobilization, and site preparation for this component; replace two enclosures, six pumps and six variable frequency drives, electrical, SCADA, and telemetry upgrades.

Subtask 11(g): LWWD Gafner B1 Pipeline – Mobilization, demobilization, and site preparation for this component; replace approximately 850 LF of 16-inch ductile iron pipe with 16-inch PVC pipe.

Subtask 11(h): Vallecitos WD Meadowlark CCT Expansion – Mobilization, demobilization, and site preparation for this component; expand the chlorine contact chamber from 5 to 6.5 mgd capacity. The major element of this component includes lengthening the existing concrete tank by 6 feet and raising the height by 4 feet.

**Deliverables:**

- Photographic Documentation of Progress

**EXHIBIT B**  
**BUDGET**

**PROJECT 4: North San Diego Water Reuse Coalition – Regional Recycled Water Program**

	<b>BUDGET CATEGORY</b>	<b>Grant Amount</b>	<b>Required Cost Share: Non-State Fund Source*</b>	<b>Other Cost Share**</b>	<b>Total Cost</b>
(a)	Project Administration	\$0	\$0	\$102,000	\$102,000
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$0	\$1,343,256	\$53,000	\$1,396,256
(d)	Construction / Implementation	\$3,731,783	\$7,679,507	\$5,135,980	\$16,547,270
	<b>TOTAL COSTS</b>	\$3,731,783	\$9,022,763	\$5,290,980	\$18,045,526

\* Required funding match will be provided from each project partners' General Funds or CIP funds, and federal funding under the US. Bureau of Reclamation's WaterSMART Title XVI grant.

\*\* Other project costs will be provided from each project partners' General Funds or CIP funds, as well as a portion of the Title XVI grant awarded to the project not needed for funding match.

**EXHIBIT C**  
**SCHEDULE**

**PROJECT 4: North San Diego Water Reuse Coalition – Regional Recycled Water Program**

	<b>BUDGET CATEGORY</b>	<b>Start Date</b>	<b>End Date</b>
a	Project Administration	01/01/2023	12/01/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	01/01/2023	02/01/2024 <sup>1</sup>
d	Construction / Implementation	09/01/2022 <sup>1</sup>	09/01/2025

<sup>1</sup>Project 4 consists of eight individual components in different stages of planning, design, environmental documentation, and construction. Construction on some project components (e.g., OMWD Extension 153) is scheduled to begin prior to completion of planning/design/environmental work for other project components (e.g., OMWD Calle Barcelona, Village Park, and Summerhill Extensions). Construction will not begin for any individual project component until the necessary planning/design/environmental work specific to that individual project component has been completed.

## EXHIBIT D

### STANDARD CONDITIONS

D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

- A. Separate Accounting of Funding Disbursements: Grantee shall account for the money disbursed pursuant to this Local Project Sponsor Agreement separately from all other LPS funds. LPS shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. LPS shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. LPS shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by the Water Authority and State at any and all reasonable times.
- B. Fiscal Management Systems and Accounting Standards: The LPS agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracking of grant funds to a level of expenditures adequate to establish that such funds have not been used in violation of state law, this Agreement, or the Proposition 1 Integrated Regional Water Management (IRWM) Implementation Grant Agreement 4600014983.
- C. Disposition of Money Disbursed: All funding disbursed pursuant to this Agreement shall be deposited in a non-interest bearing account, administered, and accounted for pursuant to the provisions of applicable law.
- D. Remittance of Unexpended Funds: LPS shall remit to the Water Authority any unexpended funds that were disbursed to the LPS under this Agreement and were not used to pay Eligible Project Costs within a period of thirty (30) calendar days from the final disbursement from the Water Authority to LPS of funds or, within fifteen (15) calendar days of the expiration of the Agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: LPS shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the LPS' headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and through an agreement with the State Department of Water Resources." The LPS shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.3. AMENDMENT: This Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the LPS for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 120 days prior to the work completion date set forth in Paragraph 2, "Term of Agreement". Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. The Water Authority shall have no obligation to agree to an amendment.

D.4. AMERICANS WITH DISABILITIES ACT: By signing this Agreement, LPS assures Water Authority that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

D.5. AUDITS: The State or the Water Authority reserve the right to conduct an audit at any time between the execution of this Agreement and the completion of the Project, with the costs of such audit borne by the Water Authority or the State. After completion of the Project, the State or the Water Authority may require the Grantee to conduct a final audit to the State's specifications, at the LPS' expense,

such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by LPS to comply with this provision shall be considered a breach of this Agreement, and the Water Authority or State may elect to pursue any remedies provided in Paragraph 13, "Default Provisions", or take any other action it deems necessary to protect its interests. The LPS agrees it shall return any audit disallowances to the Water Authority for transmittal to the State.

Pursuant to Government Code section 8546.7, the LPS shall be subject to the examination and audit by the State and the Water Authority for a period of three (3) years after final payment under Grant Agreement 4600014983 with respect of all matters connected with this Agreement, including but not limited to, the cost of administering this Agreement. All records of the LPS or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after Grant Agreement 4600014983 is completed by the State and the Water Authority. If an audit reveals any impropriety, the Bureau of State Audits or the State Controller's Office may conduct a full audit of any or all of the LPS' activities. Code, § 79708, subd. (b) Please see Exhibit H (State and Water Authority Audit Document Requirements and Cost Share Guidelines) for the full list of documents that may be required during an audit.

- D.6. BUDGET CONTINGENCY: If the State Budget Act of the current year covered under this Agreement does not appropriate sufficient funds for this program, this Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State and Water Authority to make any payments under this Agreement. In this event, the Water Authority shall have no liability to pay any funds whatsoever to the LPS or to furnish any other considerations under this Agreement and LPS shall not be obligated to perform any provisions of this Agreement. Nothing in this Agreement shall be construed to provide LPS with a right of priority for payment over any other LPS. If funding for any fiscal year after the current year covered by this Agreement is reduced or deleted by the State Budget Act, by Executive Order, or by order of the Department of Finance, the Water Authority shall have the option to either cancel this Agreement with no liability occurring to the Water Authority, or offer an amendment to the Agreement to reflect the reduced amount.
- D.7. CALIFORNIA CONSERVATION CORPS: The LPS may use the services of the California Conservation Corps or other community conservation corps as defined in Public Resources Code section 14507.5.
- D.8. CEQA: Activities funded under this Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the Water Authority's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the LPS is not complete at the time the Water Authority signs this Agreement, once the State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 13, "Default Provisions."
- D.9. CHILD SUPPORT COMPLIANCE ACT: The LPS acknowledges in accordance with Public Contract Code section 7110, that:
- A. The LPS recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and

- B. The LPS, to the best of its knowledge, is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.10. CLAIMS DISPUTE: Any claim that the LPS may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the San Diego IRWM Program Manager within fifteen (15) days of the LPS' knowledge of the claim. The Water Authority and the LPS shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.
- D.11. COMPETITIVE BIDDING AND PROCUREMENTS: The LPS' contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State, via the Water Authority, under this Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the LPS does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.
- D.12. COMPUTER SOFTWARE: The LPS certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.13. CONFLICT OF INTEREST: All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.
- A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
  - B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
  - C. Employees of the LPS: Employees of the LPS shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
  - D. Employees and Consultants to the LPS: Individuals working on behalf of the LPS may be required to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.
- D.14. DELIVERY OF INFORMATION, REPORTS, AND DATA: The LPS agrees to expeditiously provide throughout the term of this Agreement, such reports, data, information, and certifications as may be reasonably required by State.

- D.15. DISPOSITION OF EQUIPMENT: The LPS shall provide to the Water Authority, for submittal to the State, not less than forty-five (45) calendar days prior to submission of the LPS' final invoice, an itemized inventory of equipment purchased with funds provided by the State via the Water Authority. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within ninety (90) calendar days of receipt of such inventory, the Water Authority shall provide the LPS with a list of the items on the inventory to which the State takes title. Cost of transportation, if any, shall be borne by State.
- D.16. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Agreement, the LPS, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:
- A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
  - B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
    - i. The dangers of drug abuse in the workplace,
    - ii. LPS' policy of maintaining a drug-free workplace,
    - iii. Any available counseling, rehabilitation, and employee assistance programs, and
    - iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
  - C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
    - i. Will receive a copy of LPS' drug-free policy statement, and
    - ii. Will agree to abide by terms of LPS' condition of employment, contract or subcontract.
- D.17. EASEMENTS: Where the LPS acquires property in fee title or funds improvements to real property using State funds provided through this Agreement, an appropriate easement or other title restriction providing for floodplain preservation and agricultural and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State and Water Authority, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State and Water Authority. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State and Water Authority.
- Where the LPS acquires an easement under this Agreement, the LPS agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State and Water Authority permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner. Failure to provide an easement or other title restriction acceptable to the State and Water Authority may result in termination of this Agreement.
- D.18. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL: Upon completion of the Project, LPS shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist), that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Agreement.
- D.19. GOVERNING LAW: This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

- D.20. **INCOME RESTRICTIONS:** The LPS agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the LPS under this Agreement shall be paid by the LPS to the Water Authority for remitting to the State, to the extent that they are properly allocable to costs for which the LPS has been reimbursed under this Agreement. The LPS shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.
- D.21. **INDEPENDENT CAPACITY:** LPS, and the agents and employees of the LPS, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State or the Water Authority.
- D.22. **INSPECTION OF BOOKS, RECORDS, AND REPORTS:** During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Agreement. Failure or refusal by LPS to comply with this provision shall be considered a breach of this Agreement, and the State and Water Authority may withhold disbursements to the LPS or take any other action deemed necessary to protect its interests.
- D.23. **INSPECTIONS OF PROJECT BY STATE:** The State and Water Authority shall have the right to inspect the work being performed at any and all reasonable times during the term of the Agreement. This right shall extend to any subcontracts, and the LPS shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Agreement with the Water Authority.
- D.24. **LABOR CODE COMPLIANCE:** The LPS agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: <http://www.dir.ca.gov/lcp.asp>. For more information, please refer to DIR's *Public Works Manual* at: <https://www.dir.ca.gov/dlse/PWManualCombined.pdf>.

The LPS affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the LPS affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

- D.25. **MODIFICATION OF OVERALL WORK PLAN:** At the request of the LPS, or when found to be necessary by the Water Authority and the LPS agrees, the Water Authority will forward any requests for non-material changes to the portions of Exhibits A, B and C which concern the budget and schedule to the State. The State may, at its sole discretion, approve those non-material changes, and upon such approval, such changes will be made herein without formal amendment to this Agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the Grant. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Agreement. Requests for non-material changes to the budget and schedule must be submitted by the LPS to the Water Authority in writing and are not effective unless and until specifically approved by the State in writing.
- D.26. **NONDISCRIMINATION:** During the performance of this Agreement, the LPS and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, gender identity, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, and denial of medical and family care

leave or pregnancy disability leave. The LPS and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The LPS and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing are incorporated into this Agreement by reference. The LPS and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The LPS shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

- D.27. OPINIONS AND DETERMINATIONS: Where the terms of this Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- D.28. PERFORMANCE BOND: Where contractors are used, the LPS shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the LPS in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)
- D.29. PRIORITY HIRING CONSIDERATIONS: If this Agreement includes services in excess of \$200,000, the LPS shall give priority consideration in filling vacancies in positions funded by the Grant to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.
- D.30. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The LPS shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with LPS' service of water, without prior written notification to the Water Authority and written permission of the State. The LPS shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of LPS to meet its obligations under this Agreement, without prior written notification to the Water Authority and written permission of the State. The Water Authority may require that the proceeds from the disposition of any real or personal property be remitted to the Water Authority for prompt disbursement to the State.
- D.31. PROJECT ACCESS: The LPS shall ensure that the Water Authority, State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.
- D.32. REMAINING BALANCE: In the event the LPS does not submit invoices requesting all of the funds encumbered under this Agreement, any remaining funds revert to the State. The Water Authority will notify the LPS stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Agreement.
- D.33. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

- D.34. RETENTION: The State shall withhold ten percent (10%) of the Grant funds until the Project is complete, and a Project Completion Report is approved and accepted by DWR. If a project has multiple components (within a project), at the State's discretion and upon a written request by the LPS, via the Water Authority, any retained amount attributable to a single component may be released when that component is complete and the Component Completion Report is approved by DWR. Upon approval of the Project Completion Report and/or Component Completion Report, any retained amounts due to the LPS will be promptly disbursed by the State to the Water Authority for prompt disbursement to the LPS, without interest.
- D.35. RIGHTS IN DATA: LPS agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Agreement shall be made available to the State and Water Authority and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) The LPS may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Agreement, subject to appropriate acknowledgement of credit to the State for financial support. The LPS shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State and Water Authority shall have the right to use any data described in this paragraph for any public purpose.
- D.36. SEVERABILITY: Should any portion of this Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Agreement shall continue as modified.
- D.37. SUSPENSION OF PAYMENTS: This Agreement may be subject to suspension of payments or termination, or both if the State or Water Authority determine that:
- A. The LPS, its contractors, or subcontractors have made a false certification, or
  - B. The LPS, its contractors, or subcontractors violate the certification by failing to carry out the requirements noted in this Agreement.
- D.38. SUCCESSORS AND ASSIGNS: This Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Agreement or any part thereof, rights hereunder, or interest herein by the LPS shall be valid unless and until it is approved by the Water Authority and made subject to such reasonable terms and conditions as the Water Authority may impose.
- D.39. TERMINATION BY LPS: Subject to State and Water Authority approval, which may be reasonably withheld, the LPS may terminate this Agreement and be relieved of contractual obligations. In doing so, the LPS must provide a reason(s) for termination. The LPS must submit all progress reports summarizing accomplishments up until termination date.
- D.40. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 13, "Default Provisions," the Water Authority may terminate this Agreement and be relieved of any payments should the LPS fail to perform the requirements of this Agreement at the time and in the manner herein provided including but not limited to reasons of default under Paragraph 13, "Default Provisions."
- D.41. TERMINATION WITHOUT CAUSE: The Water Authority may terminate this Agreement without cause on 30 days' advance written notice. The LPS shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.42. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.

- D.43. TIMELINESS: Time is of the essence in this Agreement.
- D.44. TRAVEL – DAC, EDA, TRIBES PROJECT: Travel is only an eligible reimbursable expense for projects providing at least 75% of benefits to DACs, EDAs, and/or Tribes (based on population or geographic area). Only ground transportation and lodging are eligible for grant reimbursement. Per diem costs will not be eligible for grant reimbursement. Any reimbursement for necessary travel shall be at rates not to exceed those set by the California Department of Human Resources. These rates may be found at: <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel amounts that are current as of the date costs are incurred. No travel outside of the LPS service area shall be reimbursed unless prior written authorization is obtained from the State, via the Water Authority.
- D.45. UNION ORGANIZING: The LPS, by signing this Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Agreement. Furthermore, the LPS, by signing this Agreement, hereby certifies that:
- A. No State funds disbursed by this Agreement will be used to assist, promote, or deter union organizing.
  - B. The LPS shall account for State funds disbursed for a specific expenditure by this Agreement to show those funds were allocated to that expenditure.
  - C. The LPS shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
  - D. If the LPS makes expenditures to assist, promote, or deter union organizing, the LPS will maintain records sufficient to show that no State funds were used for those expenditures and that the LPS shall provide those records to the Water Authority upon request.
- D.46. VENUE: The Water Authority and the LPS hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The LPS hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.47. WAIVER OF RIGHTS: None of the provisions of this Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

## EXHIBIT E

### LOCAL PROJECT SPONSOR AGENCY DESIGNATION AND PROJECT LOCATION

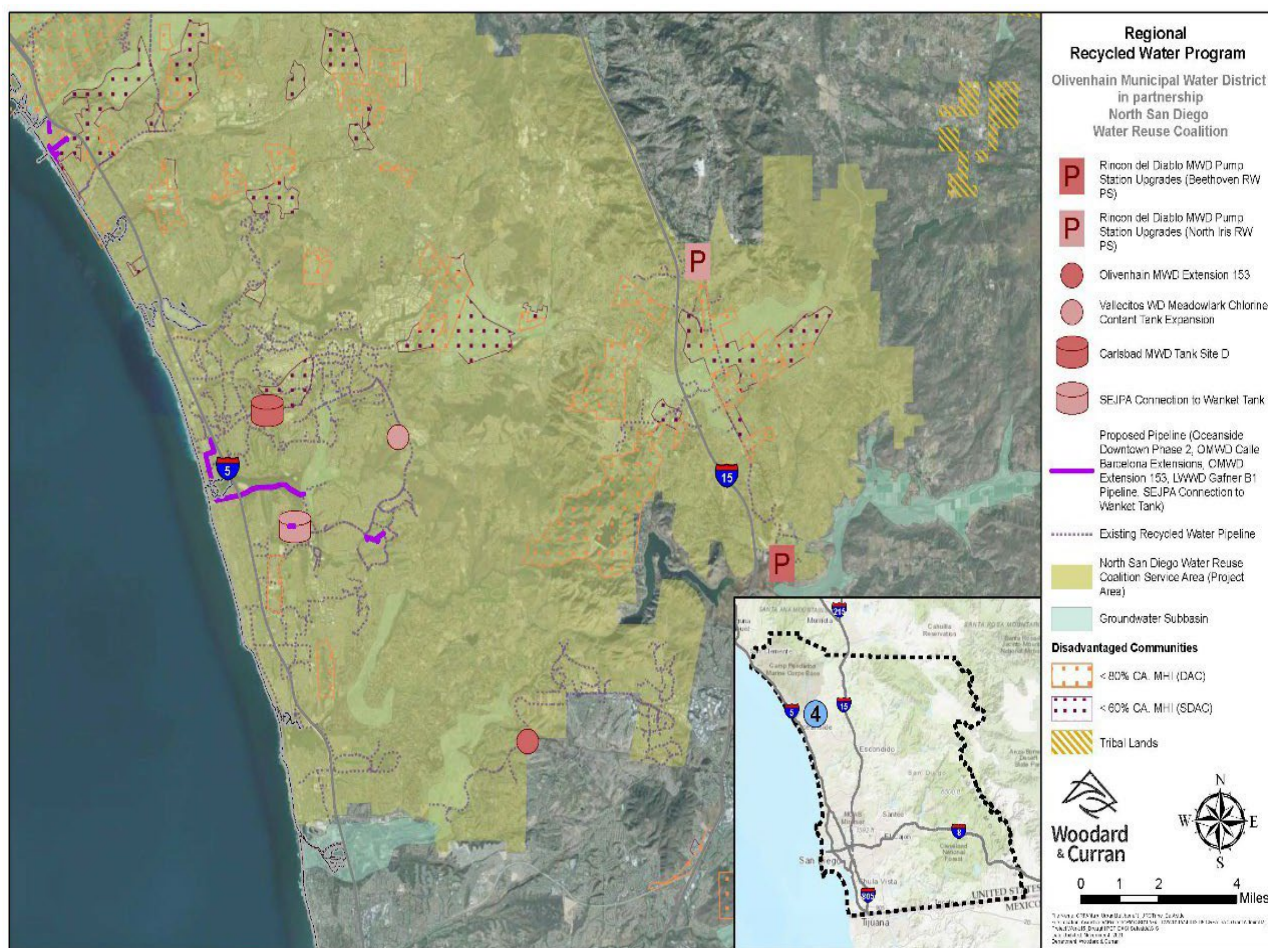
The LPS designated with Project management, oversight, compliance, and operations and maintenance of the Project is shown below with Project location.

**Project 4:** North San Diego Water Reuse Coalition – Regional Recycled Water Program

**Local Project Sponsor:** Olivenhain Municipal Water District

**Local Project Sponsor Address:** 1966 Olivenhain Rd, Encinitas, CA 92024

**Project Location:** Multiple locations in North San Diego County, California (33.23030, -117.2910)



## **EXHIBIT F**

### **REPORT FORMATS AND REQUIREMENTS**

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

#### **PROGRESS REPORTS**

Progress reports shall generally use the following format. This format may be modified as necessary by the Water Authority to effectively communicate information.

For each project, discuss the following at the task level, as organized in Exhibit A:

- Percent complete.
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.

For each project, discuss the following at the project level, as organized in Exhibit A:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Budget projections for grant share for the next two quarters.
- Any schedule or budget modifications approved by DWR during the reporting period.

#### **PROJECT COMPLETION REPORT**

The Project Completion Report (or Component Completion Report, if a Project has multiple Components) shall generally use the following format, provided below:

##### **Executive Summary**

The Executive Summary provides a brief summary of project information, including:

- A brief description of work proposed to be done in the original Grant application.
- List any official amendments to the Agreement, with a short description of the amendment.

##### **Reports and/or Products**

The following items should be provided, unless already submitted as a deliverable:

- A copy of a final technical report or study, produced for/utilized in the Project described in Exhibit A.
- Electronic copies of any data collected, not previously submitted.
- Discussion of problems that occurred during the work and how those problems were resolved.
- Final project schedule showing actual progress versus planned progress shown in Exhibit C.

Additional information that may be applicable for implementation projects includes the following:

- Record Drawings
- Final geodetic survey information
- Project photos

##### **Cost & Disposition of Funds**

- A summary of final Project costs, including the following:
  - An accounting of Project expenditures, including all internal and external costs not previously disclosed (i.e., additional cost share);
  - A discussion of factors that positively or negatively affected the Project cost; and
  - Any deviation in final costs from the original Project cost estimate.

### **Additional Information**

#### **Project Benefits**

- List the benefits derived from the Project, with quantification of such benefits.
- If a DAC or EDA Cost Share Waiver was approved for this Agreement, discuss the benefits derived for DAC and/or EDA.
- Briefly describe how the level, type, or magnitude of the benefits compare to the original Project proposal.

#### **IRWM Plan Goals and Objectives**

- Briefly discuss how the Project achieved San Diego IRWM Plan goals and objectives, which can be accessed online at: [https://sdirwmp.org/pdf/SDIRWM\\_02\\_Vision\\_Objectives\\_FINAL\\_2019.pdf](https://sdirwmp.org/pdf/SDIRWM_02_Vision_Objectives_FINAL_2019.pdf)

#### **Remaining work**

- Discuss any remaining work to be completed for the Project and mechanism for its implementation.

#### **Project Certification**

- If applicable, include a Certification from a California Registered Professional (e.g., Civil Engineer or Geologist, as appropriate), consistent with Exhibit D, that the project was conducted in accordance with the approved Work Plan in Exhibit A and any approved amendments thereto.

#### **Post-Performance Report**

- Include a submittal schedule for the annual Post-Performance Report.

### **POST-PERFORMANCE REPORT**

The Post-Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance; whether the project is being operated and maintained and providing intended benefits as proposed. A PPR template may be provided by the Water Authority upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

#### **Reports and/or products**

- Header including the following:
  - Grantee Name
  - Implementing Agency (if different from Grantee)
  - Grant Agreement Number
  - Project Name
  - Funding grant source (i.e., 2022 Proposition 1 IRWM Implementation Grant)
  - Report number
- Post-Performance Report schedule
- Time period of the annual report (e.g., January 2024 through December 2024)

- Project Description Summary
- Discussion of the project benefits
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced that year, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
- Any additional information relevant to or generated by the continued operation of the project.

## EXHIBIT G

### REQUIREMENTS FOR DATA SUBMITTAL

#### **Surface and Groundwater Quality Data:**

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: <http://www.ceden.org>.

If the Project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at: [https://www.waterboards.ca.gov/water\\_issues/programs/gama/](https://www.waterboards.ca.gov/water_issues/programs/gama/). If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: [https://www.waterboards.ca.gov/water\\_issues/programs/gama/contact.shtml](https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml).

#### **Groundwater Level Data**

If the Project (or components, if a Project has multiple components) collects groundwater level data, the LPS will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in Project reports, as described in Exhibit F (Report Formats and Requirements). Information regarding the WDL and in what format to submit data, can be found at: <http://www.water.ca.gov/waterdatalibrary/>.

**EXHIBIT H**  
**STATE AND WATER AUTHORITY AUDIT DOCUMENT REQUIREMENTS**  
**AND COST SHARE GUIDELINES**

The following provides a list of documents typically required by State Auditors or the Water Authority and general guidelines for the Local Project Sponsor (Agency). The list of documents pertains to both State funding and the Agency's local Cost Share and details the documents/records that State Auditors and the Water Authority would need to review in the event this Agreement is audited. The Agency should ensure that such records are maintained for each funded project.

**State and Water Authority Audit Document Requirements**

Internal Controls

1. Organization chart (e.g., Agency's overall organization chart and organization chart for the State funded Project).
2. Written internal procedures and flowcharts for the following:
  - a) Receipts and deposits
  - b) Disbursements
  - c) State reimbursement requests
  - d) Expenditure tracking of State funds
  - e) Guidelines, policy, and procedures on State funded Program/Project
3. Audit reports of the Agency internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State funded Program/Project.

State Funding:

1. This Agreement and any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State.
3. A listing of all other funding sources for the Project.

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency, member agencies, and local project partners as related to the State funded Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State via the Water Authority for payments under this Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related budget line items under this Agreement.
3. Reimbursement and, if applicable, Advance Funding requests submitted to the State, via the Water Authority, under this Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State, via the Water Authority.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State, via the Water Authority.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

1. Ledgers showing entries for funding receipts and cash disbursements.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.

3. Bridging documents that tie the general ledger to requests for LPS reimbursement.

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Agency staff that worked on the State funded Project.
2. Payroll records, including timesheets for contractor staff and the Agency and local project partner(s)' personnel who provided services charged to the Project.

Project Files:

1. All supporting documentation that is maintained in the Project files.
2. All LPS Agreement related correspondence.

**Cost Share Guidelines**

Cost Share consists of non-State funds, including in-kind services. In-kind services are defined as work performed (i.e., dollar value of non-cash contributions) by the Agency (and potentially other parties) directly related to the execution of the funded project. Examples include volunteer services, equipment use, and use of facilities. The cost if in-kind service can be counted as cost share in lieu of actual funds (or revenue) provided by the Agency. Other cost share and in-kind service eligibility conditions may apply. Provided below is guidance for documenting cost share with and without in-kind services.

1. Although tracked separately, in-kind services shall be documented and, to the extent feasible, supported by the same methods used by the Agency for its own employees. Such documentation should include the following:
  - a. Detailed description of the contributed item(s) or service(s)
  - b. Purpose for which the contribution was made (tied to project work plan)
  - c. Name of contributing organization and date of contribution
  - d. Real or approximate value of contribution. Who valued the contribution and how was the value determined? (e.g., actual, appraisal, fair market, etc.). Justification of rate. (See item #2, below)
  - e. Person's name and the function of the contributing person
  - f. Number of hours contributed
  - g. If multiple sources exist, these should be summarized on a table with summed charges
  - h. Source of contribution if it was provided by, obtained with, or supported by government funds
2. Rates for volunteer or in-kind services shall be consistent with those paid for similar work in the Agency's organization. For example, volunteer service of clearing vegetation performed by an attorney shall be valued at fair market value for this service, not the rate for professional legal services. In those instances, in which the required skills are not found in the recipient organization, rates shall be consistent with those paid for similar work in the labor market. Paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation.
3. Cost share contribution (including in-kind services) shall be for costs and services directly attributed to activities included in the Agreement. These services, furnished by professional and technical personnel, consultants, and other skilled labor may be counted as in-kind if the activities are an integral and necessary part of the project funded by the Agreement.
4. Cash contributions made to a project shall be documented as revenue and in-kind services as expenditures. These costs should be tracked separately in the Agency's accounting system.

## **EXHIBIT I**

### **INVOICE GUIDANCE FOR ADMINISTRATIVE AND OVERHEAD CHARGES**

The funds provided pursuant to this Agreement may only be used for costs that are directly related to the funded Project. The following provides a list of typical requirements for invoicing, specifically providing guidance on the appropriate methods for invoicing administrative and direct overhead charges.

#### **Administration Charges**

Indirect and General Overhead (i.e., indirect overhead) charges are not an allowable expense for reimbursement. However, administrative expenses that are apportioned directly to the project are eligible for reimbursement. Cost such as rent, office supplies, fringe benefits, etc. can be "Direct Costs" and are eligible expenses as long as:

- There is a consistent, articulated method for how the costs are allocated that is submitted and approved by the DWR Grant Manager. The allocation method must be fully documented for auditors.
- A "fully burdened labor rate" can be used to capture allowable administrative costs.
- The administrative/overhead costs can never include:
  - Non-project specific personnel and accounting services performed within the Grantee or an LPS' organization
  - Markup
  - Tuition
  - Conference fees
  - Building and equipment depreciation or use allowances
- Using a general overhead percentage is never allowed.

#### **Labor Rates**

The LPS must provide DWR, via the Water Authority, with supporting documentation for personnel hours (see personnel billing rates letter in example invoice packet). The personnel rate letter should be submitted via the Water Authority to the DWR Grant Manager prior to submittal of the first invoice. The supporting documentation must include, at a minimum, employee classifications that will be reimbursed by the grant funds disbursed under this Agreement and the corresponding hourly rate range. These rates should be "burdened"; the burdened rate must be consistent with the LPS' standardized allocation methodology. The supporting documentation should also provide an explanation of what costs make up the burdened rate and how those costs were determined. This information will be used to compare against personnel hours summary table invoice supporting documentation. Periodic updates may be needed during the life of the Grant which would be handled through a revised billing rate letter.

## **EXHIBIT J**

### **PROJECT MONITORING PLAN GUIDANCE**

#### **Introduction**

The Project Monitoring Plan is to include: a brief description of the Project (maximum ~150 words) and individual components (if the Project has multiple components); implementation elements; the need for the Project (i.e. what problem(s) are addressed); and that responds to the requirements listed below.

#### **Project Monitoring Plan Requirements**

The Project Monitoring Plan shall contain responses to the following questions:

- What are the anticipated project physical benefits?
- What are the corresponding numeric targets for each project benefit?
- How will proposed numeric targets be measured?
- What are baseline conditions?
- When will the targets be met (e.g., upon project completion, five years after completion)?
- How often will monitoring be undertaken (e.g., monthly, yearly).
- Where are monitoring point locations (e.g., meter located at..., at stream mile...)? Include relevant maps.
- How will the project be maintained (e.g., irrigation, pest management, weed abatement)?
- What will be the frequency and duration of maintenance proposed activities?
- Are there any special environmental considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)?
- Who is responsible for collecting the samples (i.e., who is conducting monitoring and/or maintenance)?
- How, and to whom, will monitoring results be reported (e.g., paper reports, online databases, public meetings)?
- What adaptive management strategies will be employed if problems are encountered during routine monitoring or maintenance?
- What is the anticipated life of the project?

## EXHIBIT K

### REIMBURSEMENT TO THE WATER AUTHORITY FOR GRANTS ADMINISTRATION COSTS

As the responsible party for IRWM grant contract administration, the Water Authority manages Grant Agreement 4600014983 with the State of California Department of Water Resources for the Proposition 1 Round 2 Implementation Grant and individual Agreements with Local Project Sponsors to ensure each project funded by the Grant is implemented accordingly. As such, the Water Authority's Grant Administration Program (GAP) performs necessary grants administration services described in Section 1, Scope of Work, shown below.

The Scope of Work, Billing Rate, and Billing and Payment Method for reimbursement by the LPS to the Water Authority for incurred GAP costs are in force after September 30, 2027, or when otherwise deemed necessary and agreed upon by both Parties, through the termination of this Agreement (i.e., three years after final payment, as stated in Paragraph 2, "Term of Agreement").

Circumstances that may result in reimbursement of GAP costs are enumerated in the *Policy and Procedures for Grant Administration Funding* adopted on May 4, 2017, by the Regional Advisory Committee, and any amendments thereto. This policy is available at:

[https://sdirwmp.org/pdf/SDIRWM\\_PolicyforGAP\\_Adopted4May17.pdf](https://sdirwmp.org/pdf/SDIRWM_PolicyforGAP_Adopted4May17.pdf)

#### 1. Scope of Work

- A. **Agreement Administration:** This task includes grants administration work involved in administering the Grant Agreement, LPS Agreements, and any subsequent agreement amendments. This task also includes work related to disseminating Grant Program compliance information to the Project Manager responsible for implementing the project; tracking and monitoring of all agreement requirements; and obtaining and retaining evidence of compliance, such as CEQA/NEPA documents, equipment inventory, reports, deliverables, etc.
- B. **Invoice and Report Processing:** This task includes GAP serving as the lead in the quarterly review of and submitting to the State as one package: invoices and supporting documentation that ensure cost eligibility, agreement compliance, and budget adherence; progress reports that ensure work is performed according to agreement; and a Grant Administration progress report that summarizes grant administration efforts and activities of the previous quarter. Work includes responding to questions and requests for information and managing issues; reviewing and submitting LPS project completion reports; preparing and submitting a Grant Completion Report; and receiving, reviewing and submitting to the State annual post-performance reports received from the LPS.
- C. **Budget Updating and Monitoring:** This task includes updating and monitoring the Grant program budget through the life of the Grant Program, project budgets, and monitoring and tracking reported project expenditures and cost reimbursements received from the State and disbursed to LPS.
- D. **Grants Management System Monitoring and Maintenance:** This task includes GAP monitoring and maintenance of the Water Authority's online grants management system to provide LPS an internet-based method of submitting project invoices, progress reports, deliverables and other requested information, as needed, for GAP processing and uploading to the State's GRanTS website, the official records repository for the State's grant-funded projects.
- E. **Coordination:** This task involves progress reporting on Grant program financial status and project progress, agreements and amendments to the State, the RWMG, and the Regional Advisory Group, as necessary. Work under this task also includes facilitating LPS meetings, training, and providing any other coordination as needed.
- F. **Post-performance reporting support:** This task involves monitoring, review, and submittal to the State of the required annual project post-performance reports prepared and provided to the Water Authority by the LPS. Review may include discussion, clarifying questions, and/or necessary edits

pertaining to report contents. Monitoring ensures reports are filed according to schedule and include required information.

- G. **Audit support:** This task includes assisting the LPS in responding to the State in case of an audit. This work includes coordination between the State and the LPS and submittal of documentation supporting reimbursement requests, deliverables and other required reports as previously submitted by the LPS.

## 2. Billing Rate

Costs for Grant Administration Program services are based on the following estimated loaded (labor and benefits) hourly rate-ranges. These rates are estimates and subject to change.

<b>Classification</b>	<b>Hourly rate range</b>
Supervising Management Analyst	\$113 - \$123 per hour
Management Analyst	\$ 91 - \$99 per hour
Management Analyst	\$ 91 - \$99 per hour

## 3. Billing and Payment Method

- A. The Water Authority shall provide an invoice(s) to the LPS, which includes the number of labor hours charged by classification, a brief description of work performed, and the total costs incurred.
- B. All invoices will be sent to the attention of the Project Manager.
- C. Invoices must be paid to the Water Authority within 30 calendar days of invoice date. Invoice payment shall be sent to the address indicated on the invoice and must include the project number.
- D. If the LPS fails to make timely payment, a delinquent charge of two percent (2%) of the delinquent invoice amount for each month, or portion thereof that the payment remains delinquent, shall apply. If the delinquency does not exceed five (5) business days, the charge shall be equal to one percent (1%) of the delinquent invoice amount.
- E. If the LPS fails to make a payment, the LPS shall be in default of the Agreement in accordance with Paragraph 13, "Default Provisions".

# Memo

Date: June 21, 2023

To: Olivenhain Municipal Water District Board of Directors

From: Teresa L. Chase, Administrative Analyst

Via: Kimberly A. Thorner, General Manager

Subject: **CONSIDER APPROVAL OF THE LOCAL PROJECT PARTICIPANT AGREEMENT WITH CITY OF CARLSBAD, CITY OF OCEANSIDE, LEUCADIA WASTEWATER DISTRICT, RINCON DEL DIABLO MUNICIPAL WATER DISTRICT, SAN ELIJO JOINT POWERS AUTHORITY, AND VALLECITOS WATER DISTRICT FOR THE NORTH SAN DIEGO WATER REUSE COALITION'S REGIONAL RECYCLED WATER PROGRAM**

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## Purpose

The purpose of this agenda item is to consider approval of an agreement that establishes terms and responsibilities for North San Diego Water Reuse Coalition's Regional Recycled Water Program local project participants (LPP). This agreement will ensure OMWD's ability to perform in accordance with the terms of the local project sponsor (LPS) agreement with San Diego County Water Authority (SDCWA) considered by the board in the preceding agenda item. LPPs are City of Carlsbad, City of Oceanside, Leucadia Wastewater District, Rincon del Diablo Municipal Water District, SEJPA, and Vallecitos Water District.

## Recommendation

Staff recommends approval of the LPP agreement.

### **Alternative(s)**

- The board could choose to reject this LPP agreement; however, failure to reach an agreement with LPPs could subject OMWD to difficulties that may ultimately include breach of the LPS agreement with SDCWA, or challenges to the distribution of Proposition 1 Round 2 Integrated Regional Water Management grant funding from California's Department of Water Resources.
- The board could direct staff as otherwise deemed appropriate.

### **Background**

The board considered in agenda item C-e the LPS agreement with SDCWA for the Regional Recycled Water Program (RRWP). If approved, OMWD will serve as the RRWP's LPS. In this role, OMWD is required to act on SDCWA's behalf for the purposes of project management, oversight, compliance, operations, and maintenance. OMWD is also required to act on SDCWA's behalf in the fulfillment of SDCWA's responsibilities as specifically identified in the grant agreement with the DWR. These responsibilities include the timely submission of invoices and receipts, verification of the proper permits and environmental documentation, and timely submission of progress reports.

### **Fiscal Impact**

There are no direct costs associated with approval of the LPP agreement. However, failure to approve the LPP agreement may threaten OMWD's ability to perform according to the terms of the LPS agreement, thereby jeopardizing the \$471,148 in funds due to OMWD as described in agenda item C-e.

### **Discussion**

To ensure its ability to perform according to the terms of the LPS agreement, OMWD must require each of the LPPs to act on its behalf in the fulfillment of its responsibilities as specifically identified in the LPS agreement with SDCWA.

Additionally, the LPP agreement outlines the method through which the grant award will be divided among agencies. Funds will be distributed among seven NSDWRC partner agencies for eight individual project components as follows:

<b>Partner</b>	<b>Project Component</b>	<b>Funding Award</b>	<b>LPP Portion of Project Component Costs</b>
<b>Carlsbad MWD</b>	Recycled Water Tank	\$838,593	\$3,216,264
<b>City of Oceanside</b>	Downtown Recycled Water Main Extensions and Services	\$717,348	\$3,210,554
<b>Rincon del Diablo MWD</b>	Pump Station Upgrades	\$208,588	\$904,806
<b>Olivenhain MWD</b>	Recycled Water Pipeline Extensions	\$471,148	\$1,807,000
	Extension 153 flow meter		
<b>Leucadia WWD</b>	Recycled Water Pipeline Replacement	\$148,574	\$569,826
<b>San Elijo JPA</b>	Wanket Tank and Recycled Water Extension	\$264,660	\$948,000
<b>Vallecitos WD</b>	Meadowlark Chlorine Contact Tank Expansion	\$1,082,872	\$4,270,683

*Attachments:*

- *Local Project Participant Agreement*

**AGREEMENT FOR THE PROPOSITION 1 ROUND 2 INTEGRATED REGIONAL WATER MANAGEMENT  
PROGRAM IMPLEMENTATION GRANT BETWEEN OLIVENHAIN MUNICIPAL WATER DISTRICT AND  
LOCAL PROJECT PARTICIPANTS**

**PROJECT ID NO. 1-2-4-80089**

THIS AGREEMENT is entered into by and between Olivenhain Municipal Water Agency, a Public Agency in the State of California, duly organized, existing, and acting pursuant to the laws thereof and Local Project Sponsor, herein referred to as the "LPS" or "OMWD," and Carlsbad Municipal Water District (Carlsbad), Leucadia Wastewater District (Leucadia), the City of Oceanside (Oceanside), Rincon del Diablo Municipal Water District (Rincon), San Elijo Joint Powers Authority (SEJPA), and Vallecitos Water District (Vallecitos), collectively referred to as "Local Project Participants" or "LPP," for distribution of an Integrated Regional Water Management (IRWM) Grant Award from the State of California Department of Water Resources (State) via local grant administrator, San Diego County Water Authority (SDCWA). Local Project Sponsor and Local Project Participants are collectively referred to as "Parties."

**RECITALS:**

- 1) WHEREAS, since 2005, the City of San Diego, County of San Diego, and SDCWA have jointly operated as a Regional Water Management Group (RWMG) under successive Memoranda of Understanding (MOU) for purposes that include division of responsibilities regarding the IRWM Plan and for administration of IRWM grant monies awarded to the San Diego IRWM Region by the State; and
- 2) WHEREAS, in 2010, OMWD and LPPs came together in order to encourage the beneficial reuse of wastewater across jurisdictional boundaries, working as the North San Diego County Water Reuse Coalition (NSDWRC). Project components of NSDWRC's Regional Recycled Water Program (RRWP) were included in the San Diego IRWM Plan. Participants in this phase of the RRWP, herein referred to as "Project," include OMWD and six LPPs; and
- 3) WHEREAS, in November 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, providing \$510 million in IRWM to support projects included in the State-approved and adopted IRWM plans; and
- 4) WHEREAS, to qualify for IRWM funding from Proposition 1, an IRWM planning region must have an IRWM Plan that is consistent with Water Code section 15030 et. seq., and been approved by the State, and the 2019 San Diego IRWM Plan has met those requirements; and
- 5) WHEREAS, in December 2020, the RWMG executed a new MOU for the San Diego IRWM Plan and grant program for calendar years 2021 through 2025, replacing prior MOUs and any amendments, reaffirming the respective roles of each party, including SDCWA as the responsible party for administration of IRWM grant monies; and
- 6) WHEREAS, in May 2022, the State solicited for projects for a second round of grants to be funded by Proposition 1. Components of the RRWP were included in the Round 2 San Diego IRWM Region's application to the State. In November 2022, the State issued its final funding recommendations for the IRWM Proposition 1 Round 2 grant program.
- 7) WHEREAS, effective April 2023, SDCWA, acting on behalf of the San Diego RWMG, entered into a \$16,084,697 grant agreement with the State for Proposition 1 Round 2. The San Diego RWMG committed a total of \$3,731,783 of this award to components of the RRWP.
- 8) WHEREAS, in June 2023, OMWD entered into a LPS Agreement with SDCWA for the Proposition 1 Round 2 IRWM implementation grant (attached hereto as Exhibit A). In the capacity of LPS, OMWD is required to act on SDCWA's behalf for matters pertaining to the RRWP for the purposes of project management, oversight, compliance, operations, and maintenance. OMWD is also required to act on SDCWA's behalf in the fulfillment of SDCWA's responsibilities as specifically identified in SDCWA's Grant Agreement with the State.

The Recitals are incorporated herein, and the Parties agree as follows:

- 1) DEFINITIONS. The following words and terms, unless otherwise defined, shall mean:
  - A. LPS means Local Project Sponsor. A LPS is a proponent of individual projects that will be funded as part of the IRWM Program from the State. The LPS for this Agreement is OMWD.
  - B. LPP means Local Project Participant: A LPP is a proponent of a project component funded as part of the IRWM grant from DWR that is not serving as Local Project Sponsor. For purposes of this Agreement, LPPs are Carlsbad, Leucadia, Oceanside, Rincon, SEJPA, and Vallecitos.
  - C. Grant Agreement means Grant Agreement No. 4600014983 between the San Diego County Water Authority and the State of California Department of Water Resources, dated April 20, 2023, for the disbursement of \$16,084,697 in Grant Funds from Proposition 1, and is available upon request.
  - D. LPS Agreement: The agreement between SDCWA and LPS for the performance of the Project and receipt of the Grant Funds allocated for the Project.
  - E. LPP Agreement means this Local Project Participant Agreement between LPS and the LPPs for the performance of its project component and receipt of the Grant Funds allocated for the project component.
  - F. Project 1-2-4-80089: One or more projects of the North San Diego Water Reuse Coalition–Regional Recycled Water Program.
  - G. Grant/Grant Funds/Grant Funding/Grant Amount means the funding awarded to the Project from the State under the Grant Agreement.
- 2) TERM OF AGREEMENT. The term of this LPP Agreement begins on November 23, 2022, through final payment plus three (3) years unless otherwise terminated or amended as provided in this LPP Agreement. However, all work in Exhibit B (Work Plan) shall be completed by the date reflected in Exhibit D (Schedule) or by September 30, 2027, whichever is sooner.
- 3) GRANT AMOUNT. The maximum Grant Funds payable by this LPP Agreement shall not exceed \$3,731,783.
- 4) COST SHARE. Cost Share is the amount needed to fund the Project above the Grant amount. The LPP is required to provide a minimum of fifty (50) percent of project component costs, unless eligible to be waived, reflected as "Required Cost Share: Non-state Fund Source", as set forth in Exhibit C (Budget). Required Cost Share may include Eligible Project Costs directly related to Exhibit B incurred after January 1, 2015. A change in the project component's total costs may change the required Cost Share. Exhibit C also defines each LPP's funding share. LPP is required to comply with the additional guidance and requirements regarding Cost Share as provided in Exhibit H (State and Local Project Sponsor Audit Document Requirements and Cost Share Guidelines).

Other Cost Share is the amount necessary to fund the LPP's project component in addition to the Grant Amount and Required Cost Share. Other Cost Share may be reviewed by LPS, SDCWA, or the State for invoicing purposes; however, the LPP is required to maintain all financial records associated with its project component in accordance with Exhibit H.
- 5) LPP RESPONSIBILITIES. LPP and its representatives shall:
  - A. Faithfully and expeditiously perform or cause to be performed all work as described in Exhibit B and in accordance with Exhibits C and D. LPP shall be responsible for oversight, compliance, and operations and maintenance of LPP's project component identified in this LPP Agreement.
  - B. LPP or its representatives shall perform regular inspections of any construction work in progress.

- C. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this LPP Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by LPP in the application, documents, amendments, and communications filed in support of its request for funding.
- D. Comply with all applicable federal, state, and local laws and regulations to execute this LPP Agreement and implement the LPP's project component.
- E. Fulfill its obligations under the LPP Agreement and be responsible for the performance of its project component.
- F. Obtain any and all permits, licenses, and approvals required for performing any work under this LPP Agreement, including those necessary to perform design, construction, or operation and maintenance of the LPP's project component. LPP shall provide copies of permits and approvals to the LPS.
- G. Be solely responsible for design, construction, operation, and maintenance of LPP's project component within Exhibit B (Work Plan). Review or approval of plans, specifications, bid documents, or other construction documents by the State is solely for the purpose of proper administration of funds by the State, SDCWA, or LPS, and shall not be deemed to relieve or restrict responsibilities of LPP under this LPP Agreement.
- H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this LPP Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The LPP shall be responsible for any and all disputes arising out of its contracts for work on the LPP's project component, including but not limited to payment disputes with contractors and subcontractors. The State, SDCWA, and LPS will not mediate disputes between the LPP and any other entity concerning responsibility for performance of work.
- I. LPP shall fulfill its obligations in a manner that is consistent with this LPP Agreement, the LPS Agreement, the Grant Agreement (No. 4600014983), and the IRWM Program.
- J. Cost sharing for all grant administration support services shall be based on the percentage of the LPP's project component funding share, and are listed below.

<b>LPP/LPS</b>	<b>Project Component</b>	<b>Portion of Project Administrative Costs</b>
<b>Carlsbad</b>	Recycled Water Tank	22.47%
<b>Oceanside</b>	Downtown Recycled Water Main Extensions and Services	19.22%
<b>Rincon</b>	Pump Station Upgrades	5.59%
<b>OMWD</b>	Recycled Water Pipeline Extensions	12.63%
	Extension 153 flow meter	
<b>Leucadia</b>	Recycled Water Pipeline Replacement	3.98%
<b>SEJPA</b>	Wanket Tank and Recycled Water Extension	7.09%
<b>Vallecitos</b>	Meadowlark Chlorine Contact Tank Expansion	29.02%

OMWD shall act as the administrator for consultant agreements for grant administration support services at no charge to the Parties. OMWD will administer grant administration support as a convenience only and assumes no other responsibility under said contract(s) on behalf of the other Parties. Any reports provided to OMWD by a consultant shall be shared with all Parties.

OMWD shall provide copies of any consultant invoices with proof of payment when invoicing LPPs for grant administration support services throughout the year. All Parties shall have the right to comment on these records and request corrections thereto if necessary.

In the event that any party to this LPP Agreement notifies all other Parties in writing of its intent to terminate participation in this joint LPP Agreement, no refunds of any monies already paid will be reimbursed and the party will have no further interest or right in this LPP Agreement or state funding being pursued. The remaining Parties agree to adjust their future cost sharing percentages proportionately to any adjustment in project component funding shares among the remaining Parties.

- K. The LPP has reviewed and shall demonstrate compliance with all eligibility criteria as set forth in Section II of the 2022 IRWM Program Guidelines (2022 Guidelines). Guidelines can be viewed at <https://water.ca.gov/-/media/DWR-Website/Web-Pages/Work-With-Us/Grants-And-Loans/IRWM-Grants/Files/Prop-1-Implementation/Round-2/2022-Integrated-Regional-Water-Management-Grant-Program-Guidelines.pdf>.

## 6) GENERAL CONDITIONS.

- A. The LPS shall have no obligation to disburse money for the LPP's project component under this LPP Agreement until the LPP has satisfied the following conditions (if applicable):
- i. The LPP shall demonstrate compliance with all eligibility criteria including those set forth on pages 9-11, inclusive, of the 2022 Guidelines.
  - ii. For the term of this LPP Agreement, the LPP shall submit quarterly Progress Reports which may accompany an invoice and invoice backup documentation. The quarterly Progress Report shall be submitted within eight (8) days following the end of the calendar quarter (i.e., reports due June 8, September 8, December 8, and March 8) with deliverables, as required by Paragraph 15, "Submission of Reports" and Exhibit B (Work Plan).
  - iii. Prior to the commencement of construction or implementation activities, if applicable, the LPP shall submit the following to the State, via SDCWA and the LPS.
    1. Final plans and specifications certified, signed, and stamped by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for its approved project component as listed in Exhibit B of this LPP Agreement.
    2. Work that is subject to the California Environmental Quality Act (CEQA) (including final land purchases) shall not proceed under this LPP Agreement until the following actions are performed:
      - a) The LPP submits to the State, via SDCWA and the LPS, all applicable permits, as indicated on the Environmental Information Form to the State,
      - b) All documents that satisfy the CEQA process are received by the State, via SDCWA and the LPS,
      - c) The State has completed its CEQA process as a Responsible Agency, and
      - d) The LPP receives written notification from the State via SDCWA and the LPS of concurrence with the LPS' CEQA documents (s) and the State's notice of verification of permit submittal.

The State's concurrence of CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider the environmental documents and decide whether to continue to fund the project component, or to require changes, alterations, or other mitigation. Proceeding with work subject to CEQA prior to the State's concurrence shall constitute a material breach of this LPP Agreement. The LPP shall also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including Environmental Impact Statements, Finding of No Significant Impact, mitigation

monitoring programs, and environmental permits as may be required prior to beginning construction/ implementation.

3. A monitoring plan as required by Paragraph 17, "Monitoring Plan Requirements," if applicable.

- 7) DISBURSEMENT OF GRANT FUNDS. Pursuant to Paragraph 9, "Method of Payment" and subject to the availability of funds disbursed to the LPS by SDCWA, the LPS will release to the LPPs through normal LPS processes the grant reimbursement amount approved by and received from the State. Notwithstanding any other provision of this LPP Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to the LPP under this LPP Agreement and any interest earned by the LPP therefrom shall be used solely to pay Eligible Project Costs.
- 8) ELIGIBLE PROJECT COST. The LPP shall apply the State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and this LPP Agreement including but not limited to Exhibit C (Budget). Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project component construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the project components included in this LPP Agreement. Costs incurred after November 22, 2022, may be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to, the following items:

- A. Costs, other than those noted above, incurred prior to the award date of this Grant.
- B. Costs for preparing and filing a grant application.
- C. Operation and maintenance costs, including post construction performance and monitoring costs.
- D. Purchase of equipment that is not an integral part of a project component.
- E. Establishing a reserve fund.
- F. Purchase of water supply.
- G. Replacement of existing funding sources (e.g., bridge loans).
- H. Meals, food items, or refreshments.
- I. Payment of any punitive regulatory agency requirement, including federal or state taxes.
- J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project component, as set forth and detailed by engineering and feasibility studies, or acquisition of land by eminent domain.
- K. Indirect Costs. "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project component (i.e., costs that are not directly related to the funded project component). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the LPP; non-project-component-specific accounting and personnel services performed within the LPP's organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-component-specific facilities; tuition and conference fees; forums, trainings, and seminars; and generic overhead or markup. This prohibition applies to the LPP, and any subcontract or sub-agreement for work on the project component that will be reimbursed pursuant to this LPP Agreement. See Exhibit J (Invoice Guidance for Administrative and Overhead charges).

- L. Mitigation for environmental impacts not resulting from implementation of the project component funded by this program.
  - M. Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.
- 9) METHOD OF PAYMENT. After the disbursement requirements in Paragraph 6, "General Conditions" are met, the LPS will release the whole or portions of Grant Funding received from the State, via SDCWA, to the LPP, following receipt from the LPP of an electronic invoice transmitted via email (or by other means as directed) for costs incurred, including local Cost Share, and timely quarterly Progress Reports as required by Paragraph 15, "Submission of Reports." Payment will be made no more frequently than quarterly, in arrears, upon receipt of an invoice bearing the LPP Agreement number. A quarterly Progress Report must accompany an invoice and shall be submitted within eight (8) days following the end of the quarter (i.e., due June 8, September 8, December 8, and March 8). The LPS will notify the LPP, in a timely manner, whenever, upon review of an invoice, the LPS, SDCWA, or the State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The LPP may, within ten (10) calendar days of the date of receipt of such notice, submit additional documentation to the LPS to cure such deficiency(ies). If the LPP fails to submit adequate documentation curing the deficiency(ies), the LPS, SDCWA, or the State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by the LPP shall include the following information:

- A. Costs incurred for work performed in implementing the project component during the period identified in the particular invoice.
- B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project component during the period identified in the particular invoice for the implementation of a project component.
- C. Invoices shall be submitted on forms provided by the LPS and shall meet the following format requirements:
  - i. Invoices shall contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.
  - ii. Invoices shall be itemized based on the categories specified in Exhibit C (Budget). The amount claimed for salaries/wages/consultant fees shall include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed). A Personnel Hours Billing Rates letter shall accompany an invoice if any amount is claimed for LPP salaries or wages.
  - iii. One set of sufficient evidence (i.e., receipts, copies of checks, personnel hours' summary table, time sheets) shall be provided for all costs included in the invoice.
  - iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the Grant Amount, as depicted in Paragraph 3, "Grant Amount" and, if applicable, those costs claimed as local Cost Share, as depicted in Paragraph 4, "Cost Share".
  - v. Invoices shall be certified and submitted via email (or by other means as directed) by the authorized representative identified in Paragraph 25, "Project Managers" of this LPP Agreement, or their authorized designee. A letter authorizing a designee must be provided to the LPS.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this LPP Agreement shall only be for the tasks set forth herein. The LPP shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources

unless required and specifically noted as such (i.e., Cost Share). Any eligible costs for which the LPP is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of Grant Funds and/or termination of this LPP Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State, SDCWA, or the LPS may request an audit pursuant to Standard Condition E.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

10) ADVANCED PAYMENT. Water Code section 10551 authorizes advanced payment by the State for projects included and implemented in an applicable Integrated Regional Water Management Plan, and when the project proponent is a nonprofit organization; a disadvantaged community (DAC); or the project benefits a DAC. If a project is awarded less than \$1,000,000 in Grant Funds, the project proponent may receive an advanced payment of fifty (50) percent of the grant award; the remaining fifty (50) percent of the grant award will be reimbursed in arrears after the advanced funds of a budget category have been fully expended. Within thirty (30) calendar days of execution of this LPP Agreement, the LPP may provide the LPS an Advanced Payment Request. Advanced Payment Requests received thirty-one (31) calendar days after the execution of this LPP Agreement will not be eligible to receive an advanced payment.

A. The Advanced Payment Request shall contain the following:

- i. Descriptive information of the LPP's project component with an update on project status;
- ii. Identification as to whether the LPP or any of its local project proponents are nonprofit organizations or a DAC, or whether the LPP's project component benefits a DAC;
- iii. A detailed funding plan that includes how the advanced payment will be expended (in terms of work plan, budget, and schedule) within the timeframe agreed upon by the LPS and the LPP. The funding plan must clearly identify the total budget for the project component (at the budget category level) that clearly shows the portion of advanced payment and reimbursement funds; and
- iv. Any other information that the LPS, SDCWA, or the State may deem necessary.

B. Upon review and approval of the Advanced Payment Request submitted to the State, via SDCWA and the LPS, on behalf of the LPP, the State will authorize release of Grant Funds in the fully requested amount for the qualified project component to the LPS, and the LPS will release the funds received from the State to the LPP. Based on the funding plan and other considerations, the State may determine it is not prudent to advance the full request in a single disbursement. In such a case, the State, SDCWA, and the LPS will develop a "Disbursement Schedule" to disburse funds in installments. This Disbursement Schedule may change based on the individual LPP components of the Project's ongoing compliance with the Advanced Payment requirements and the Project's cash flow needs.

C. Once the Advanced Payment Request is authorized by the State, the LPP shall submit to the LPS an Advanced Payment Invoice(s) for the approved amount, or the amount based on the "Disbursement Schedule", via email (or other means as directed) with signature and date of the LPP Project Manager indicated in Paragraph 25, "Project Managers." The LPS shall be responsible for the timely distribution to the LPP of the advanced funds received from the State via SDCWA.

The Advanced Payment Invoice(s) shall be submitted on forms provided by the LPS and shall meet the following format requirements:

- i. Invoices shall contain the date of the invoice, the time period covered by the invoice, and the total amount due.
- ii. Invoice shall be itemized based on the budget categories specified in Exhibit C (Budget).

- iii. The LPS will notify the LPP in a timely manner when, upon review of an Advance Payment Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs. The LPP may, within ten (10) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies).
- iv. On a quarterly basis, the LPP will submit an Accountability Report to the LPS that demonstrates how actual expenditures compare with the scheduled budget. The Accountability Report shall include the following information:
  - 1. An itemization of how advanced funds have been spent to-date (Expenditure Report), including documentation that supports the disbursements (e.g., contractor invoices, receipts, personnel hours, etc.). Accountability Reports shall be itemized based on the budget categories specified in Exhibit C (Budget).
  - 2. An updated Accountability Report including an updated funding plan that depicts how the remaining advanced funds will be expended and the activities and deliverables associated with the advanced funds within the timeframe agreed upon by the LPS and the LPP when the advanced payment request was approved.
  - 3. Documentation that the funds were placed in a non-interest-bearing account, including the dates of deposits and withdrawals from that account.
  - 4. Proof of distribution of advanced funds to LPP, if applicable.
- v. The LPS will notify the LPP, in a timely manner, when, upon review of the Accountability Report, the State determines that any portion of the expenditures claimed are not eligible costs. The LPP may, within ten (10) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). If costs are not consistent with the tasks in Exhibit B (Work Plan), the claim will be rejected, and the costs removed from the Accountability Report.

D. Once the LPP has spent all advanced funds in a budget category, then the method of payment will revert to the reimbursement process for that budget category specified in Paragraph 9, "Method of Payment for Reimbursement."

11) REPAYMENT OF ADVANCES. The LPS may demand repayment from the LPP of all or any portion of the advanced funding along with interest at the California general obligation bond interest rate at the time the LPS notifies the LPP, as directed by the State, and take any other action that it deems necessary to protect its interests for the following conditions:

- A. The LPP's project component is not being implemented in accordance with the provisions of this LPP Agreement.
- B. The LPP has failed in any other respect to comply with the provisions of this LPP Agreement, and if the LPP does not remedy any such failure to the LPS' satisfaction.
- C. Failure by the LPP to submit complete and accurate quarterly Accountability Reports by the required due dates, unless otherwise approved by the LPS.
- D. Failure to deposit the funds in a non-interest-bearing account.
- E. Use of Advance Payment funds for ineligible expenses and/or activities not consistent with this LPP Agreement.
- F. Inappropriate use of funds, as deemed by the LPS, SDCWA, and/or the State.
- G. Repayment amounts may also include:

- i. Actual costs incurred, which are not consistent with the activities presented in Exhibit B (Work Plan), not supported, or are ineligible.
- ii. Advanced funds which are not fully expended by the LPP's project component completion, notwithstanding Water Code section 10551(c)(4). Unused Grant Funds shall be returned to the LPS within thirty (30) calendar days.

Any repayment of advanced funds may consist of reducing the amount from future reimbursement invoices. The LPS may consider the LPP's refusal to repay the requested advanced amount a material breach of this LPP Agreement subject to the default provisions in Paragraph 13, "Default Provisions." If the LPS notifies the LPP of its decision to demand repayment or withhold the entire funding amount from the LPP pursuant to this Paragraph, this LPP Agreement shall terminate upon receipt of such notice by the LPP and the LPS shall no longer be required to provide funds under this LPP Agreement.

#### 12) WITHHOLDING OF DISBURSEMENTS BY THE LPS.

- A. If the LPS determines that the LPP's project component is not being implemented in accordance with the provisions of this LPP Agreement, or that the LPP has failed in any other respect to comply with the provisions of this LPP Agreement, and if the LPP does not remedy any such failure to the LPS' satisfaction, the LPS may withhold from the LPP all or any portion of the Grant Funding and take any other action that it deems necessary to protect its interests. Where a portion of the Grant Funding has been disbursed to the LPP and the LPS notifies the LPP of its decision not to release funds that have been withheld pursuant to Paragraph 13, "Default Provisions," the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the LPS notifies the LPP, as directed by the LPS. The LPS may consider the LPP's refusal to repay the requested disbursed amount a material breach subject to the default provisions in Paragraph 13, "Default Provisions." If the LPS notifies the LPP of its decision to withhold the entire funding amount from the LPP pursuant to this Paragraph, upon receipt of such notice by the LPP, the LPS shall no longer be required to provide funds to the LPP under this LPP Agreement and the LPP Agreement shall no longer be binding on the LPP.
- B. The LPS shall withhold future LPP disbursements for non-payment of grant administration services costs.

#### 13) DEFAULT PROVISIONS. The LPP shall be in default under this LPP Agreement if any of the following occur:

- A. Substantial breaches of this LPP Agreement, or any supplement or amendment to it, or any other agreement between the LPP and the LPS evidencing or securing the LPP's obligations.
- B. Making any false warranty, representation, or statement with respect to this LPP Agreement or the application filed to obtain the Grant for this LPP Agreement.
- C. Failure to operate or maintain the project component in accordance with this LPP Agreement.
- D. Failure to make any remittance required by this LPP Agreement, including any remittance recommended as the result of an audit conducted pursuant to Standard Condition E.5, "Audits".
- E. Failure to submit timely quarterly Progress Reports pursuant to Paragraph 6, "General Conditions".
- F. Failure to routinely invoice pursuant to Paragraph 9, "Method of Payment for Reimbursement".
- G. Failure to meet any of the requirements set forth in Paragraph 14, "Continuing Eligibility".

In the event the LPS finds it necessary to enforce this provision of this LPP Agreement in the manner provided by law, the LPP agrees to pay all costs incurred by the LPS including, but not limited to, costs incurred by and reimbursed to the State by the LPS via SDCWA, reasonable attorneys' fees, legal expenses, and other costs.

Should an event of default occur, the LPS shall provide a notice of default to the LPP and shall give the LPP at least seven (7) calendar days to cure the default with notice established pursuant to Paragraph 22, "Notices". If the LPP fails to cure the default within the time prescribed by the LPS, the LPS may do any of the following:

- A. Declare the funding be immediately repaid, with interest, which shall be equal to the State of California general obligation bond interest rate in effect at the time of the default.
- B. Terminate any obligation to make future payments to the LPP.
- C. Take any other action that it deems necessary to protect its interests.

14) CONTINUING ELIGIBILITY. The LPP shall meet the following ongoing requirement(s) and all eligibility criteria outlined in the 2022 Guidelines to remain eligible to receive Grant Funds:

- A. An urban water supplier that receives Grant Funds pursuant to this LPP Agreement shall maintain compliance with the Urban Water Management Planning Act (UWMP; Wat. Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction (Wat. Code, § 10608 et seq.) as set forth on page 11 of the 2022 Guidelines (<https://water.ca.gov/-/media/DWR-Website/Web-Pages/Work-With-Us/Grants-And-Loans/IRWM-Grants/Files/Prop-1-Implementation/Round-2/2022-Integrated-Regional-Water-Management-Grant-Program-Guidelines.pdf>) and as stated on pages 24-25 of the 2022 IRWM Implementation Grant Proposal Solicitation Package for Proposition 1, Round 2 (<https://water.ca.gov/-/media/DWR-Website/Web-Pages/Work-With-Us/Grants-And-Loans/IRWM-Grants/Files/Prop-1-Implementation/Round-2/Accessible-Implementation-Grant-Proposal-Solicitation-Package-v2.pdf>).
- B. An agricultural water supplier receiving Grant Funds shall comply with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq. and have their Agricultural Water Management Plan (AWMP) deemed consistent by the State. To maintain eligibility and continue funding disbursements, an agricultural water supply shall have their 2015 AWMP identified on the State's website. For more information, visit the website listed in Appendix A in the 2022 Guidelines.
- C. A surface water diverter receiving Grant Funds shall maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et. seq.
- D. If applicable, the LPP shall demonstrate compliance with the Sustainable Groundwater Management Act (SGMA) set forth on page 10 of the 2022 Guidelines.
- E. If the LPP has been designated as a monitoring entity under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program, the LPP shall maintain reporting compliance, as required by Water Code section 10932 and the CASGEM Program.
- F. The LPP shall adhere to the protocols developed pursuant to the Open and Transparent Water Data Act (Wat. Code, § 12406, et seq.) for data sharing, transparency, documentation, and quality control.
- G. On March 4, 2022, the Governor of California issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>. "Economic Sanctions" refers to sanctions imposed by the US government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs the state to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State or the LPS determine that the LPP is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this LPP Agreement. The LPS shall provide the LPP advance written notice of such termination, allowing the LPP at least thirty (30) calendar days to provide a written response. Termination shall be at the sole discretion of the State or the LPS.

- 15) SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this LPP Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the LPS. All reports shall be submitted via email (or other means as directed). If requested, the LPP shall promptly provide any additional information deemed necessary by the LPS for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F (Report Formats and Requirements.) The timely submittal of reports is a requirement for initial and continued disbursement of Grant Funds. Submittal and subsequent approval by the State of a Project Completion Report is a requirement for the release of any Grant Funds retained for such Project, including project components.
- A. Quarterly Progress Reports: The LPP shall submit quarterly Progress Reports to meet the LPS' requirement for disbursement of Grant Funds. Progress Reports shall be emailed to the LPS (or by other means as directed). Progress Reports shall, in part, provide a brief description of the work performed, the LPP's activities, milestones achieved, any accomplishments, and any problems encountered in the performance of the work under this LPP Agreement during the reporting period. Progress Reports must accompany an invoice and shall be submitted within eight (8) days following the end of the quarter (i.e., due June 8, September 8, December 8, and March 8).
  - B. Accountability Report: The LPP shall prepare and submit to the LPS an Accountability Report with the Progress Report if the LPP received an advanced payment, consistent with the provisions in Paragraph 10, "Advanced Payment."
  - C. Project Completion Report: The LPP shall prepare and submit to LPS a Project Completion Report (as outlined in Exhibit F (Report Formats and Requirements) within fifty (50) calendar days of project component completion.
  - D. Post-Performance Reports: The LPP shall prepare and submit to the LPS Post-Performance Reports for the individual LPP project component. Post-Performance Reports shall be submitted to the LPS within fifty (50) calendar days after the first operational year of the individual LPP project component has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the implemented individual LPP project component begin operation.
- 16) OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the Grant Funding made available by the State, the LPP agrees to ensure or cause to be performed the commencement and continued operation of its project component, and shall ensure or cause its project component to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The LPS shall not be liable for any cost of such maintenance, management, or operation. The LPP or their successors may, with the written approval of the LPS, transfer this responsibility to use, manage, and maintain the property. For purposes of this LPP Agreement, "useful life" means the period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal by the LPP to ensure operation and maintenance of its project component in accordance with this provision may, at the option of the LPS, be considered a breach of this LPP Agreement and may be treated as default under Paragraph 13, "Default Provisions."
- 17) MONITORING PLAN REQUIREMENTS. A Monitoring Plan shall be submitted to the LPS prior to disbursement of Grant Funds by the State for construction or monitoring activities. The Monitoring Plan should incorporate Post-Performance Monitoring Report requirements as defined and listed in Exhibit F (Report Formats and Requirements) and follow the guidance provided in Exhibit I (Project Monitoring Plan Guidance).

18) STATEWIDE MONITORING REQUIREMENTS. The LPP shall ensure that all groundwater project components and project components that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Water Code § 10780 et seq.) and, where applicable, that project components that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board. See Exhibit G (Requirements for Data Submittal) for web links and information regarding other state monitoring and data reporting requirements.

19) INDEMNIFICATION.

A. To the fullest extent permitted by law, the LPP shall:

- i. Immediately defend; and
- ii. Indemnify the LPS, SDCWA, and the State, and their directors, officers, and employees from and against all liabilities including, regardless of nature or type arising out of or resulting from LPP's performance of services under this LPP Agreement including but not limited to any claims or damages arising from or related to the planning, design, construction, operation, or maintenance of the individual LPP project component, or any portion thereof, and any negligent or wrongful act or omission of the LPP or LPP's officers, employees, agents, or subcontractors, and any breach of this LPP Agreement. Liabilities subject to the duties to defend and indemnify include, without limitation all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. LPP's obligation to indemnify applies unless it is adjudicated that its liability was caused by the sole negligence or willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an indemnified party, the LPP indemnification obligation shall be reduced in proportion to the established comparative liability of the indemnified party.

B. The duty to defend is a separate and distinct obligation from the LPP's duty to indemnify. The LPP shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the LPS, SDCWA, and the State, the LPS, SDCWA, and the State, their directors, officers, and employees, immediately upon tender to the LPP of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. An allegation or determination of comparative active negligence or willful misconduct by an indemnified party does not relieve the LPP from its separate and distinct obligation to defend the LPS, SDCWA, and the State. The obligation to defend extends through final judgment, including exhaustion of any appeals.

C. The review, acceptance, or approval of the LPP's work or work product by any indemnified party shall not affect, relieve, or reduce the LPP's indemnification or defense obligations. This Paragraph survives completion of the services or the termination of this LPP Agreement. The provisions of this Paragraph are not limited by and do not affect the provisions of this LPP Agreement relating to insurance.

20) INSURANCE.

A. The LPP shall procure and maintain insurance and bonds until Project completion.

B. The LPP shall procure and maintain during the period of performance of this LPP Agreement insurance from insurance companies admitted doing business in the State of California, as set forth in this Paragraph or as additionally required by supplemental condition. An approved combination of pooled and self-insurance coverage is an acceptable alternative for general liability coverage. This policy shall be primary insurance as to the LPS so that any other coverage held by the LPS shall not contribute to any loss under the LPP's insurance. Coverage may be provided by a combination

of primary and excess insurance policies, provided all insurers meet the requirements of this Paragraph.

C. All insurance shall cover occurrences during the coverage period.

D. The coverage amount of each policy of insurance shall be as required by the LPS.

i. The following insurance and limits are required for this LPP Agreement:

Commercial General Liability: Coverage at least as broad as ISO form GC 00 01 10 01. Limit per occurrence and aggregate: \$2,000,000.

E. The insurance policies shall be endorsed as follows:

i. For commercial general liability as well as excess or umbrella insurance covering risks within the scope of that type of insurance, Olivenhain Municipal Water District, its directors, officers, employees and agents; the San Diego County Water Authority, its directors, officers, employees and agents; and the State of California, its directors, officers, employees and agents are included as additional insureds with regards to liability and defense of suits or claims arising from the operations, products, and activities performed by or on behalf of the Named Insured. The LPP's insurance applies separately to each insured, including insureds added pursuant to this Paragraph, against whom claim is made or suit is brought except with respect to the policy limits of liability. The inclusion of any person or entity as an insured shall not affect any right which the person or entity would have as a claimant if not so included. Any failure of the named insureds to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the insureds added pursuant to this Paragraph. The additional insured endorsement shall provide coverage at least as broad as ISO form CG 20 10 11 85.

ii. The LPP's insurance shall be primary. Any other insurance or self-insurance available to the LPS or persons stated in Paragraph 20 E.i. shall be in excess of and shall not contribute to the contractor's insurance.

iii. The insurance shall not be canceled or materially reduced in coverage except after thirty (30) days prior written notice receipted delivery has been given to the LPS, except ten (10) days' notice shall be allowed for non-payment of premium.

F. Unless otherwise specified, the insurance shall be provided by an acceptable insurance provider, as determined by the LPS, which satisfies the following minimum requirements: An insurance carrier admitted doing business in California and maintaining an agent for process within the state. Such insurance carrier shall maintain a current AM Best rating classification of "A- (A minus)" or better and a financial size of \$10 million to \$24 million (Class V) or better, or a Lloyds of London program provided by syndicates of Lloyds of London and other London insurance carriers, providing all participants are qualified to do business in California and the policy provides for an agent for process in the state and the program assures a financial capability at least equal to the required classification and size for admitted insurers.

G. Certificates of insurance and endorsements shall be provided by the LPP and approved by the LPS before execution of the LPP Agreement. Endorsements may be provided on forms provided by the LPS, or substantially equivalent forms provided by the insurer.

H. Additional Insured: All consultants/contractors performing the scope of work on behalf of the LPP shall name the LPS, SDCWA, and the State (including their directors, officers, employees, and agents) as an additional insured on their commercial general liability policy and the policy shall be endorsed with use of an ISO form CG 20 10 10 93 or equivalent.

21) NOTIFICATION OF LPS. The LPP shall promptly notify the LPS, in writing, of the following items:

- A. Events or proposed changes that could affect the scope, budget, or work performed under this LPP Agreement. The LPP agrees that no substantial change in the scope of a project component will be undertaken until written notice of the proposed change has been provided to the LPS and the LPS has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
  - B. Any public or media event publicizing the accomplishments and/or results of this LPP Agreement and provide the opportunity for attendance and participation by LPS, SDCWA, and/or State representatives. The LPP shall make such notification at least thirty (30) calendar days prior to the event.
  - C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the LPP agrees that all work in the area of the find shall cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the LPS in consultation with SDCWA and the State has determined what actions should be taken to protect and preserve the resource. The LPP agrees to implement appropriate actions as directed by the LPS.
  - D. The initiation of any litigation or the threat of litigation against the LPP regarding its project component, or circumstances that may affect its project component in any way.
  - E. Applicable to construction projects only: Final inspection of the completed work on a project component by a Registered Professional (Civil Engineer, Engineering Geologist, or other state-approved certified/licensed Professional), in accordance with Exhibit E. The LPP shall notify the LPS' Project Manager of the inspection date at least twenty-one (21) calendar days prior to the inspection in order to provide the LPS, SDCWA, and the State the opportunity to participate in the inspection.
- 22) NOTICES. Any notice, demand, request, consent, or approval that any party desires or is required to give to the other party under this LPP Agreement shall be in writing. Notices may be transmitted by any of the following means:
- A. By delivery in person.
  - B. By certified US mail, return receipt requested, postage prepaid.
  - C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
  - D. By electronic means.
  - E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the US Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses listed below. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.
- 23) PERFORMANCE EVALUATION. Upon completion of this LPP Agreement, the LPP's performance may be evaluated by the LPS and a copy of the evaluation placed in the file of the LPS and a copy sent to the LPP.
- 24) GRANT FUNDING REALLOCATION. Grant Funding awarded to the Project or individual LPP project components may be reallocated to one or more project components if one of the conditions stated in the *IRWM Administrative Policy and Procedures for Reallocation of Grant Funding* has been met. The LPP confirms it has reviewed the policy and will abide by its terms; said policy is available at <http://www.sdirwmp.org/agreements-policies>.

25) PROJECT MANAGERS. Either party may change its Project Manager upon written notice to the other party. The LPS' Project Manager shall be its representative for the administration of this LPP Agreement and shall have full authority to execute all payment requests. The LPP's Project Manager shall be its representative for the administration of this LPP Agreement and shall have full authority to act on behalf of the LPP, including the authority to execute all payment requests. The Project Managers during the term of this LPP Agreement are as follows:

Olivenhain Municipal Water District  
Kimberly A. Thorner  
General Manager  
1966 Olivenhain Road  
Encinitas, CA 92024  
Phone: 760-753-6466  
Email: kthorner@olivenhain.com

Carlsbad Municipal Water District  
Vicki Quiram  
General Manager  
5950 El Camino Real  
Carlsbad, CA 92008  
Phone: 442-339-2722  
Email: vicki.quiram@carlsbadca.gov

City of Oceanside  
Lindsay Leahy  
Water Utilities Director  
300 North Coast Highway  
Oceanside, CA 92054  
Phone: 760-435-5913  
Email: lleahy@oceansideca.org

Leucadia Wastewater District  
Paul Bushee  
General Manager  
1960 La Costa Avenue  
Carlsbad, CA 92009  
Phone: 760-753-3094  
Email: pbushee@lwdd.org

Rincon del Diablo Municipal Water District  
Clint R. Baze  
General Manager  
1920 North Iris Lane  
Escondido, CA 92026  
Phone: 760-745-5522  
Email: cbaze@rinconwater.org

San Elijo Joint Powers Authority  
Michael Thornton  
2695 Manchester Avenue  
Cardiff, CA 92007  
Phone: 760-753-6203  
Email: thornton@sejpa.org

Vallecitos Water District  
Glenn Pruim  
201 Vallecitos de Oro  
San Marcos, CA 92069  
Phone: 760-744-0460  
Email: gpruim@vwd.org

26) STANDARD PROVISIONS. This LPP Agreement is complete and is the final LPP Agreement between the Parties. The following Exhibits are attached and made a part of this LPP Agreement by this reference:

- Exhibit A - Local Project Sponsor Agreement
- Exhibit B - Work Plan
- Exhibit C - Budget
- Exhibit D - Schedule
- Exhibit E - Standard Conditions
- Exhibit F - Report Formats and Requirements
- Exhibit G - Requirements for Data Submittal
- Exhibit H - State and Local Project Sponsor Audit Document Requirements and Cost Share Guidelines
- Exhibit I - Project Monitoring Plan Guidance
- Exhibit J - Invoice Guidance for Administrative and Overhead charges

IN WITNESS WHEREOF, the Parties hereto have executed this LPP Agreement.

DATED: \_\_\_\_\_

OLIVENHAIN MUNICIPAL WATER DISTRICT

By: \_\_\_\_\_  
Kimberly A. Thorner, General Manager

DATED: \_\_\_\_\_

CARLSBAD MUNICIPAL WATER DISTRICT

By: \_\_\_\_\_  
Vicki Quiram, General Manager

DATED: \_\_\_\_\_

LEUCADIA WASTEWATER DISTRICT

By: \_\_\_\_\_  
Paul Bushee, General Manager

DATED: \_\_\_\_\_

CITY OF OCEANSIDE

By: \_\_\_\_\_  
Lindsay Leahy, Water Utilities Director

DATED: \_\_\_\_\_

RINCON DEL DIABLO MUNICIPAL WATER DISTRICT

By: \_\_\_\_\_  
Clint R. Baze, General Manager

DATED: \_\_\_\_\_

SAN ELIJO JOINT POWERS AUTHORITY

By: \_\_\_\_\_  
Michael Thornton, General Manager

DATED: \_\_\_\_\_

VALLECITOS WATER DISTRICT

By: \_\_\_\_\_  
Glenn Pruim, General Manager

**EXHIBIT A**  
**LOCAL PROJECT SPONSOR AGREEMENT**

**LOCAL PROJECT SPONSOR AGREEMENT BETWEEN THE  
SAN DIEGO COUNTY WATER AUTHORITY AND OLIVENHAIN MUNICIPAL WATER DISTRICT FOR THE  
PROPOSITION 1 ROUND 2 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM)  
IMPLEMENTATION GRANT**

**PROJECT ID NO. 1-2-4-80089**

THIS AGREEMENT is entered into by and between the San Diego County Water Authority, a Public Agency in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee" or "Water Authority", and Olivenhain Municipal Water District (collectively "Parties") for distribution of a grant award from the State of California Department of Water Resources "State".

**RECITALS:**

- 1) WHEREAS, in November 2014, California voters approved Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, providing \$510 million in Integrated Regional Water Management to support projects included in the State-approved and adopted Integrated Regional Water Management (IRWM) Plans; and
- 2) WHEREAS, to qualify for IRWM funding from Proposition 1, an IRWM planning region must have an IRWM Plan that is consistent with Water Code section 15030 et. seq., and been approved by the State, and the 2019 San Diego IRWM Plan has met those requirements; and
- 3) WHEREAS, since June of 2005, the City of San Diego, County of San Diego, and Water Authority have jointly operated as a Regional Water Management Group (RWMG) under successive Memoranda of Understanding (MOU) for purposes that include division of responsibilities regarding the IRWM Plan and for administration of IRWM grant monies awarded to the San Diego IRWM Region by the State; and
- 4) WHEREAS, on December 15, 2020, the RWMG executed a new MOU for the San Diego IRWM Plan and Grant Program for calendar years 2021 through 2025, replacing prior MOUs and any amendments, reaffirming the respective roles of each party, including the Water Authority as the responsible party for administration of IRWM grant monies.

The Recitals are incorporated herein, and the Parties agree as follows:

- 1) **DEFINITIONS.** The following words and terms, unless otherwise defined, shall mean:
  - A. LPS means Local Project Sponsor. A LPS is a proponent of an individual project that will be funded as part of the IRWM Program from the State. The LPS could be performed by entities such as the Water Authority, County of San Diego, City of San Diego, a Water Authority member agency, a municipality, a joint powers authority, a local public agency, a non-profit 501(c)(3) or Native American tribe. The LPS for this Agreement is Olivenhain Municipal Water District, as identified in Exhibit E (Local Project Sponsor Designation and Project Location).
  - B. Grantee and Water Authority mean the San Diego County Water Authority.
  - C. Grant Agreement means Grant Agreement No. 4600014983 between the San Diego County Water Authority and the State of California, Department of Water Resources, dated April 20, 2023, for the disbursement of \$16,084,697 in grant funds from Proposition 1, and is available upon request.

- D. Agreement means this Local Project Sponsor Agreement between the Water Authority and the LPS for the performance of the Project and receipt of the grant funds allocated for that Project.
  - E. Project 1-2-4-80089: North San Diego Water Reuse Coalition – Regional Recycled Water Program, as identified in Exhibit E (Local Project Sponsor Designation and Project Location).
  - F. Grant/Grant Funds/Grant funding/Grant amount means the funding awarded to the Project from the State under the Grant Agreement.
- 2) TERM OF AGREEMENT. The term of this Agreement begins on November 23, 2022, through final payment plus three (3) years unless otherwise terminated or amended as provided in this Agreement. However, all work in Exhibit A (Work Plan) shall be completed by the date reflected in Exhibit C (Schedule) or by September 30, 2027, whichever is sooner.
- 3) GRANT AMOUNT. The maximum grant funds payable by this Agreement shall not exceed \$3,731,783.
- 4) COST SHARE.

Cost Share is the amount needed to fund the project above the Grant amount. The LPS is required to provide a minimum of 50% of total project costs, unless eligible to be waived, reflected as “Required Cost Share: Non-state Fund Source”, as set forth in Exhibit B (Budget). Required Cost Share may include Eligible Project Costs directly related to Exhibit A incurred after January 1, 2015. A change in the Project’s total costs may change the required Cost Share. LPS is required to comply with the additional guidance and requirements regarding cost share as provided in Exhibit H (State and Water Authority Audit Document Requirements and Cost Share Guidelines).

Other Cost Share is the amount necessary to fund the Project in addition to the Grant amount and Required Cost Share. Other Cost Share may be reviewed by the Water Authority or the State for invoicing purposes; however, the LPS is required to maintain all financial records associated with the Project in accordance with Exhibit H.

- 5) LPS RESPONSIBILITIES. LPS and its representatives shall:
- A. Faithfully and expeditiously perform or cause to be performed all work as described in Exhibit A and in accordance with Exhibits B and C. LPS shall be responsible for oversight, compliance, and operations and maintenance of Project(s) identified in this Agreement.
  - B. LPS or its representatives shall perform regular inspections of any construction work in progress.
  - C. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by LPS in the application, documents, amendments, and communications filed in support of its request for funding.
  - D. Comply with all applicable California, federal, and local laws and regulations to execute this Agreement and implement the Project.
  - E. Fulfill its obligations under the Agreement and be responsible for the performance of the Project.
  - F. Obtain any and all permits, licenses, and approvals required for performing any work under this Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. LPS shall provide copies of permits and approvals to the Water Authority.
  - G. Be solely responsible for design, construction, operation, and maintenance of projects within Exhibit A (Work Plan). Review or approval of plans, specifications, bid documents or other construction documents by the State is solely for the purpose of proper administration of funds by the State, or

the Water Authority, and shall not be deemed to relieve or restrict responsibilities of LPS under this Agreement.

- H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The LPS shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The Water Authority will not mediate disputes between the LPS and any other entity concerning responsibility for performance of work.
- I. LPS shall fulfill its obligations in a manner that is consistent with this Agreement, the Grant Agreement (No. 4600014983), and the IRWM Program.
- J. LPS shall reimburse the Water Authority for grant administration services costs as provided in Exhibit K through the term of this Agreement, three years after final payment, as prescribed in Paragraph 2, "Term of Agreement". Circumstances that may result in reimbursement of GAP costs are enumerated in the *Policy and Procedures for Grant Administration Funding* adopted on May 4, 2017, by the Regional Advisory Committee, and any amendments thereto. This policy is available at [https://sdirwmp.org/pdf/SDIRWM\\_PolicyforGAP\\_Adopted4May17.pdf](https://sdirwmp.org/pdf/SDIRWM_PolicyforGAP_Adopted4May17.pdf).
- K. The LPS has reviewed and shall demonstrate compliance with all eligibility criteria as set forth in Section II of the 2022 IRWM Program Guidelines (Guidelines) (<https://water.ca.gov/-/media/DWR-Website/Web-Pages/Work-With-Us/Grants-And-Loans/IRWM-Grants/Files/Prop-1-Implementation/Round-2/2022-Integrated-Regional-Water-Management-Grant-Program-Guidelines.pdf>).

#### 6) GENERAL CONDITIONS.

- A. The Water Authority shall have no obligation to disburse money for the Project(s) under this Agreement until the LPS has satisfied the following conditions (if applicable):
  - i. The LPS shall demonstrate compliance with all eligibility criteria including those set forth on pages 9-11, inclusive, of the 2022 IRWM Grant Program Guidelines (2022 Guidelines).
  - ii. For the term of this Agreement, the LPS shall submit quarterly Progress Reports which may accompany an invoice and invoice backup documentation. The quarterly Progress Report shall be submitted within 15 days following the end of the calendar quarter (i.e., reports due June 15, September 15, December 15, and March 15) with deliverables, as required by Paragraph 15, "Submission of Reports" and Exhibit A (Work Plan).
  - iii. Prior to the commencement of construction or implementation activities, if applicable, the LPS shall submit the following to the State, via the Water Authority.
    - 1. Final plans and specifications certified, signed and stamped by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for each approved project as listed in Exhibit A of this Grant Agreement.
    - 2. Work that is subject to the California Environmental Quality Act (CEQA) (including final land purchases) shall not proceed under this Grant Agreement until the following actions are performed:
      - a) The LPS submits to the State, via the Water Authority, all applicable permits, as indicated on the Environmental Information Form to the State,
      - b) All documents that satisfy the CEQA process are received by the State, via the Water Authority,
      - c) The State has completed its CEQA process as a Responsible Agency, and

- d) The LPS receives written notification from the State via the Water Authority of concurrence with the Lead Agency's CEQA documents (s) and State's notice of verification of permit submittal.

The State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider the environmental documents and decide whether to continue to fund the project, or to require changes, alterations, or other mitigation. Proceeding with work subject to CEQA prior to the State's concurrence shall constitute a material breach of this Agreement. The LPS shall also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including Environmental Impact Statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation.

3. A monitoring plan as required by Paragraph 17, "Monitoring Plan Requirements," if applicable.
- 7) DISBURSEMENT OF GRANT FUNDS. Pursuant to Paragraph 9, "Method of Payment" and subject to the availability of funds disbursed to the Water Authority by the State, the Water Authority will release to the LPS through normal Water Authority processes the grant reimbursement amount approved by and received from the State. Notwithstanding any other provision of this Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to the LPS under this Agreement and any interest earned by the LPS therefrom shall be used solely to pay Eligible Project Costs.
- 8) ELIGIBLE PROJECT COST. The LPS shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and this Agreement including but not limited to Exhibit B (Budget). Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Costs incurred after November 22, 2022, may be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to, the following items:

- A. Costs, other than those noted above, incurred prior to the award date of this Grant.
- B. Costs for preparing and filing a grant application.
- C. Operation and maintenance costs, including post construction performance and monitoring costs.
- D. Purchase of equipment that is not an integral part of a project.
- E. Establishing a reserve fund.
- F. Purchase of water supply.
- G. Replacement of existing funding sources (e.g., bridge loans).
- H. Meals, food items, or refreshments.
- I. Payment of any punitive regulatory agency requirement, federal or state taxes.

- J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or acquisition of land by eminent domain.
  - K. Indirect Costs. "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the LPS; non-project-specific accounting and personnel services performed within the LPS' organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; forums, trainings, and seminars; and generic overhead or markup. This prohibition applies to the LPS, and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement. See Exhibit I for Invoice Guidance for Administrative and Overhead charges.
  - L. Mitigation for environmental impacts not resulting from implementation of the Project funded by this program.
  - M. Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.
- 9) METHOD OF PAYMENT. After the disbursement requirements in Paragraph 6, "General Conditions" are met, the Water Authority will release the whole or portions of grant funding received from the State to the LPS, following receipt from the LPS of an electronic invoice transmitted via the Water Authority's grants management system (or by other means as directed) for costs incurred, including local Cost Share, and timely quarterly Progress Reports as required by Paragraph 15, "Submission of Reports." Payment will be made no more frequently than quarterly, in arrears, upon receipt of an invoice bearing the LPS Agreement number. A quarterly Progress Report must accompany an invoice and shall be submitted within 15 days following the end of the quarter (i.e., due June 15, September 15, December 15, and March 15). The Water Authority will notify the LPS, in a timely manner, whenever, upon review of an invoice, the Water Authority or State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The LPS may, within fifteen (15) calendar days of the date of receipt of such notice, submit additional documentation to the Water Authority to cure such deficiency(ies). If the LPS fails to submit adequate documentation curing the deficiency(ies), the Water Authority or State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by the LPS shall include the following information:

- A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.
- B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.
- C. Invoices shall be submitted on forms provided by the Water Authority and shall meet the following format requirements:
  - i. Invoices shall contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.
  - ii. Invoices shall be itemized based on the categories specified in Exhibit B (Budget). The amount claimed for salaries/wages/consultant fees shall include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed). A Personnel Hours

Billing Rates letter shall accompany an invoice if any amount is claimed for LPS salaries or wages.

- iii. One set of sufficient evidence (i.e., receipts, copies of checks, personnel hours' summary table, time sheets) shall be provided for all costs included in the invoice.
- iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the Grant amount, as depicted in Paragraph 3, "Grant Amount" and, if applicable, those costs claimed as local Cost Share, as depicted in Paragraph 4, "Cost Share".
- v. Invoices shall be certified and submitted via the Water Authority's grants management system (or by other means as directed) by the authorized representative identified in Paragraph 25, "Project Managers" of this Agreement, or their authorized designee. A letter authorizing a designee must be provided to the Water Authority.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The LPS shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., cost share). Any eligible costs for which the LPS is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State or Water Authority may request an audit pursuant to Standard Condition D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

10) ADVANCED PAYMENT. Water Code section 10551 authorizes advanced payment by the State for projects included and implemented in an applicable Integrated Regional Water Management Plan, and when the project proponent is a nonprofit organization; a disadvantaged community (DAC); or the project benefits a DAC. If a project is awarded less than \$1,000,000 in grant funds, the project proponent may receive an advanced payment of fifty (50) percent of the grant award; the remaining fifty (50) percent of the grant award will be reimbursed in arrears after the advanced funds of a budget category have been fully expended. Within thirty (30) calendar days of execution of this Agreement, the LPS may provide the Water Authority an Advanced Payment Request. Advanced Payment Requests received thirty-one (31) calendar days after the execution of this Agreement will not be eligible to receive an advanced payment.

A. The Advanced Payment Request shall contain the following:

- i. Descriptive information of the Project with an update on Project status;
- ii. Identification as to whether the LPS or any of its local project proponents are nonprofit organizations or a DAC, or whether the project benefits a DAC;
- iii. A detailed Funding Plan that includes how the advanced payment will be expended (in terms of work plan, budget, and schedule) within the timeframe agreed upon by the Water Authority and the LPS. The Funding Plan must clearly identify the total budget for the Project (at the budget category level) that clearly shows the portion of advanced payment and reimbursement funds; and
- iv. Any other information that the Water Authority may deem necessary.

B. Upon review and approval of the Advanced Payment Request submitted to the State by the Water Authority on behalf of the LPS, the State will authorize release of grant funds in the fully requested amount for the qualified Project to the Water Authority, and the Water Authority will release the funds received from the State to the LPS. Based on the Project's Funding Plan and other considerations, the

State may determine it is not prudent to advance the full request in a single disbursement. In such a case, the State and the Water Authority will develop a "Disbursement Schedule" to disburse funds in installments. This Disbursement Schedule may change based on the Project's ongoing compliance with the Advanced Payment requirements and the Project's cash flow needs.

- C. Once the Advanced Payment Request is authorized by the State, the LPS shall submit to the Water Authority' an Advanced Payment Invoice(s) for the approved amount, or the amount based on the "Disbursement Schedule", to the Water Authority's grants management system (or other means as directed) with signature and date of the LPS Project Manager indicated in Paragraph 25, "Project Managers." The Water Authority shall be responsible for the timely distribution to the LPS of the advanced funds received from the State.

The Advanced Payment Invoice(s) shall be submitted on forms provided by the Water Authority and shall meet the following format requirements:

- i. Invoices shall contain the date of the invoice, the time period covered by the invoice, and the total amount due.
  - ii. Invoice shall be itemized based on the budget categories specified in Exhibit B (Budget).
  - iii. The Water Authority will notify the LPS in a timely manner when, upon review of an Advance Payment Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs. The LPS may, within fifteen (15) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies).
  - iv. On a quarterly basis, the LPS will submit an Accountability Report to the Water Authority that demonstrates how actual expenditures compare with the scheduled budget. The Accountability Report shall include the following information:
    1. An itemization of how advanced funds have been spent to-date (Expenditure Report), including documentation that supports the disbursements (e.g., contractor invoices, receipts, personnel hours, etc.). Accountability Reports shall be itemized based on the budget categories specified in Exhibit B (Budget).
    2. An updated Accountability Report including an updated Funding Plan that depicts how the remaining advanced funds will be expended and the activities and deliverables associated with the advanced funds within the timeframe agreed upon by the Water Authority and the LPS when the advanced payment request was approved.
    3. Documentation that the funds were placed in a non-interest bearing account, including the dates of deposits and withdrawals from that account.
    4. Proof of distribution of advanced funds to LPS, if applicable.
  - v. The Water Authority will notify the LPS, in a timely manner, when, upon review of the Accountability Report, the State determines that any portion of the expenditures claimed are not eligible costs. The LPS may, within fifteen (15) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). If costs are not consistent with the tasks in Exhibit A (Work Plan), the claim will be rejected and the costs removed from the Accountability Report.
- D. Once the LPS has spent all advanced funds in a budget category, then the method of payment will revert to the reimbursement process for that budget category specified in Paragraph 9, "Method of Payment for Reimbursement."

- 11) REPAYMENT OF ADVANCES. The Water Authority may demand repayment from the LPS of all or any portion of the advanced funding along with interest at the California general obligation bond interest rate at

the time the Water Authority notifies the LPS, as directed by the State, and take any other action that it deems necessary to protect its interests for the following conditions:

- A. The Project is not being implemented in accordance with the provisions of this Agreement.
- B. The LPS has failed in any other respect to comply with the provisions of this Agreement, and if the LPS does not remedy any such failure to the Water Authority's satisfaction.
- C. Failure by the LPS to submit complete and accurate quarterly Accountability Reports by the required due dates, unless otherwise approved by the Water Authority.
- D. Failure to deposit the funds in a non-interest-bearing account.
- E. Use of Advance Payment funds for ineligible expenses and/or activities not consistent with this Agreement.
- F. Inappropriate use of funds, as deemed by the Water Authority and/or the State.
- G. Repayment amounts may also include:
  - i. Actual costs incurred which are not consistent with the activities presented in Exhibit A (Work Plan), not supported, or are ineligible.
  - ii. Advanced funds which are not fully expended by Project completion, notwithstanding Water Code section 10551(c)(4). Unused grant funds shall be returned to the Water Authority within thirty (30) calendar days.

Any repayment of advanced funds may consist of reducing the amount from future reimbursement invoices. The Water Authority may consider the LPS' refusal to repay the requested advanced amount a material breach of this Agreement subject to the default provisions in Paragraph 13, "Default Provisions." If the Water Authority notifies the LPS of its decision to demand repayment or withhold the entire funding amount from the LPS pursuant to this Paragraph, this Agreement shall terminate upon receipt of such notice by the LPS and the Water Authority shall no longer be required to provide funds under this Agreement.

## 12) WITHHOLDING OF DISBURSEMENTS BY THE WATER AUTHORITY.

- A. If the Water Authority determines that the Project is not being implemented in accordance with the provisions of this Agreement, or that the LPS has failed in any other respect to comply with the provisions of this Agreement, and if the LPS does not remedy any such failure to the Water Authority's satisfaction, the Water Authority may withhold from the LPS all or any portion of the grant funding and take any other action that it deems necessary to protect its interests. Where a portion of the grant funding has been disbursed to the LPS and the Water Authority notifies the LPS of its decision not to release funds that have been withheld pursuant to Paragraph 13, "Default Provisions," the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the Water Authority notifies the LPS, as directed by the Water Authority. The Water Authority may consider the LPS' refusal to repay the requested disbursed amount a material breach subject to the default provisions in Paragraph 13, "Default Provisions." If the Water Authority notifies the LPS of its decision to withhold the entire funding amount from the LPS pursuant to this Paragraph, this Agreement shall terminate upon receipt of such notice by the LPS and the Water Authority shall no longer be required to provide funds under this Agreement and the Agreement shall no longer be binding on either party.
- B. The Water Authority shall withhold future LPS disbursements for non-payment of grant administration services costs.

## 13) DEFAULT PROVISIONS. The LPS shall be in default under this Agreement if any of the following occur:

- A. Substantial breaches of this Agreement, or any supplement or amendment to it, or any other Agreement between the LPS and the Water Authority evidencing or securing the LPS' obligations.
- B. Making any false warranty, representation, or statement with respect to this Agreement or the application filed to obtain the Grant for this Agreement.
- C. Failure to operate or maintain the Project in accordance with this Agreement.
- D. Failure to make any remittance required by this Agreement, including any remittance recommended as the result of an audit conducted pursuant to Standard Condition D.5, "Audits".
- E. Failure to submit timely quarterly progress reports pursuant to Paragraph 6, "General Conditions".
- F. Failure to routinely invoice pursuant to Paragraph 9, "Method of Payment for Reimbursement".
- G. Failure to meet any of the requirements set forth in Paragraph 14, "Continuing Eligibility".
- H. Failure to pay grant administration services costs, pursuant to Exhibit K.

In the event the Water Authority finds it necessary to enforce this provision of this Agreement in the manner provided by law, the LPS agrees to pay all costs incurred by the Water Authority including, but not limited to, costs incurred by and reimbursed to the State by the Water Authority, reasonable attorneys' fees, legal expenses, and other costs.

Should an event of default occur, the Water Authority shall provide a notice of default to the LPS and shall give the LPS at least ten (10) calendar days to cure the default with notice established pursuant to Paragraph 22, "Notices". If the LPS fails to cure the default within the time prescribed by the Water Authority, the Water Authority may do any of the following:

- A. Declare the funding be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.
- B. Terminate any obligation to make future payments to the LPS.
- C. Terminate this Agreement.
- D. Take any other action that it deems necessary to protect its interests.

14) CONTINUING ELIGIBILITY. The LPS shall meet the following ongoing requirement(s) and all eligibility criteria outlined in the 2022 Guidelines to remain eligible to receive Grant funds:

- A. An urban water supplier that receives Grant funds pursuant to this Agreement shall maintain compliance with the Urban Water Management Planning Act (UWMP; Wat. Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction (Wat. Code, § 10608 et seq.) as set forth on page 11 of the 2022 IRWM Grant Program Guidelines (<https://water.ca.gov/-/media/DWR-Website/Web-Pages/Work-With-Us/Grants-And-Loans/IRWM-Grants/Files/Prop-1-Implementation/Round-2/2022-Integrated-Regional-Water-Management-Grant-Program-Guidelines.pdf>) and as stated on pages 24-25 of the 2022 IRWM Implementation Grant Proposal Solicitation Package for Proposition 1, Round 2 (<https://water.ca.gov/-/media/DWR-Website/Web-Pages/Work-With-Us/Grants-And-Loans/IRWM-Grants/Files/Prop-1-Implementation/Round-2/Accessible-Implementation-Grant-Proposal-Solicitation-Package-v2.pdf>).
- B. An agricultural water supplier receiving Grant funds shall comply with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq. and have their Agricultural Water Management Plan (AWMP) deemed consistent by the State. To maintain eligibility and continue funding disbursements, an agricultural water supply shall have their 2015 AWMP identified on the State's website. For more information, visit the website listed in Appendix A in the 2022 Guidelines.
- C. A surface water diverter receiving Grant funds shall maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et. seq.

- D. If applicable, the LPS shall demonstrate compliance with the Sustainable Groundwater Management Act (SGMA) set forth on page 10 of the 2022 Guidelines.
  - E. If the LPS has been designated as a monitoring entity under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program, the LPS shall maintain reporting compliance, as required by Water Code section 10932 and the CASGEM Program.
  - F. The LPS shall adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406, et seq.) for data sharing, transparency, documentation, and quality control.
  - G. On March 4, 2022, the Governor of California issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: <https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf>. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs the State to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State or Water Authority determine that the LPS is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The Water Authority shall provide the LPS advance written notice of such termination, allowing the LPS at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State or Water Authority.
- 15) SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the Water Authority. All reports shall be submitted via the Water Authority's grants management system (or other means as directed). If requested, the LPS shall promptly provide any additional information deemed necessary by the Water Authority for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F (Report Formats and Requirements.) The timely submittal of reports is a requirement for initial and continued disbursement of Grant funds. Submittal and subsequent approval by the State of a Project Completion Report is a requirement for the release of any Grant funds retained for such project.
- A. Quarterly Progress Reports: The LPS shall submit quarterly Progress Reports to meet the Water Authority's requirement for disbursement of Grant funds. Progress Reports shall be uploaded via the Water Authority's grants management system (or by other means as directed). Progress Reports shall, in part, provide a brief description of the work performed, the LPS' activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Agreement during the reporting period. Progress Reports must accompany an invoice and shall be submitted within fifteen (15) days following the end of the quarter (i.e., due June 15, September 15, December 15, and March 15).
  - B. Accountability Report: The LPS shall prepare and submit to the Water Authority an Accountability Report with the Progress Report if the LPS received an advanced payment, consistent with the provisions in Paragraph 10, "Advanced Payment."
  - C. Project Completion Report: The LPS shall prepare and submit to the Water Authority a Project Completion Report (or a Component Completion Report, if a Project has multiple Components) as outlined in Exhibit F (Report Formats and Requirements) within sixty (60) calendar days of Project/Component completion.
  - D. Post-Performance Reports: The LPS shall prepare and submit to the Water Authority Post-Performance Reports for the Project. Post-Performance Reports shall be submitted to the Water Authority within sixty (60) calendar days after the first operational year the Project has elapsed. This

record keeping and reporting process shall be repeated annually for a total of three (3) years after the implemented Project begins operation.

- 16) OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the Grant funding made available by the State, the LPS agrees to ensure or cause to be performed the commencement and continued operation of the project, and shall ensure or cause the project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The Water Authority shall not be liable for any cost of such maintenance, management, or operation. The LPS or their successors may, with the written approval of the Water Authority, transfer this responsibility to use, manage, and maintain the property. For purposes of this Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal by the LPS to ensure operation and maintenance of the projects in accordance with this provision may, at the option of the Water Authority, be considered a breach of this Agreement and may be treated as default under Paragraph 13, "Default Provisions."
- 17) MONITORING PLAN REQUIREMENTS. A Monitoring Plan shall be submitted to the Water Authority prior to disbursement of Grant funds by the State for construction or monitoring activities. The Monitoring Plan should incorporate Post-Performance Monitoring Report requirements as defined and listed in Exhibit F (Report Formats and Requirements) and follow the guidance provided in Exhibit J (Project Monitoring Plan Guidance).
- 18) STATEWIDE MONITORING REQUIREMENTS. The LPS shall ensure that all groundwater Project(s) and Project(s) that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Water Code § 10780 et seq.) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board. See Exhibit G (Requirements for Data Submittal) for web links and information regarding other State monitoring and data reporting requirements.
- 19) INDEMNIFICATION.
- A. To the fullest extent permitted by law, the LPS shall:
- i. immediately defend, and
  - ii. indemnify the Water Authority, the State, and their directors, officers, and employees from and against all liabilities including, regardless of nature or type arising out of or resulting from LPS' performance of services under this agreement including but not limited to any claims or damages arising from or related to the planning, design, construction, operation, or maintenance of the Project, or any portion thereof, and any negligent or wrongful act or omission of the LPS or LPS's officers, employees, agents, or subcontractors, and any breach of this Agreement. Liabilities subject to the duties to defend and indemnify include, without limitation all claims, losses, damages, penalties, fines, and judgments; associated investigation and administrative expenses; defense costs, including but not limited to reasonable attorneys' fees; court costs; and costs of alternative dispute resolution. LPS's obligation to indemnify applies unless it is adjudicated that its liability was caused by the sole negligence or willful misconduct of an indemnified party. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of an indemnified party, the LPS indemnification obligation shall be reduced in proportion to the established comparative liability of the indemnified party.

- B. The duty to defend is a separate and distinct obligation from the LPS' duty to indemnify. The LPS shall be obligated to defend, in all legal, equitable, administrative, or special proceedings, with counsel approved by the Water Authority and State, the Water Authority and State, their directors, officers, and employees, immediately upon tender to the LPS of the claim in any form or at any stage of an action or proceeding, whether or not liability is established. An allegation or determination of comparative active negligence or willful misconduct by an indemnified party does not relieve the LPS from its separate and distinct obligation to defend Water Authority and State. The obligation to defend extends through final judgment, including exhaustion of any appeals.
- C. The review, acceptance, or approval of the LPS' work or work product by any indemnified party shall not affect, relieve, or reduce the LPS' indemnification or defense obligations. This Paragraph survives completion of the services or the termination of this Agreement. The provisions of this Paragraph are not limited by and do not affect the provisions of this Agreement relating to insurance.

## 20) INSURANCE.

- A. The LPS shall procure and maintain Insurance and Bonds as required in the Grant Agreement with the State until Project completion.
- B. The LPS shall procure and maintain during the period of performance of this Agreement insurance from insurance companies admitted doing business in the State of California, as set forth in this Paragraph or as additionally required by supplemental condition. An approved combination of pooled and self-insurance coverage is an acceptable alternative for General Liability coverage. This policy shall be primary insurance as to the Water Authority so that any other coverage held by the Water Authority shall not contribute to any loss under the LPS' insurance. Coverage may be provided by a combination of primary and excess insurance policies, provided all insurers meet the requirements of this Paragraph.
- C. All insurance shall cover occurrences during the coverage period.
- D. The coverage amount of each policy of insurance shall be as required by the Water Authority.
  - i. The following insurance and limits are required for the agreement:  
 Commercial General Liability: Coverage at least as broad as ISO form GC 00 01 10 01. Limit per occurrence and aggregate: \$2,000,000.
- E. The insurance policies shall be endorsed as follows:
  - i. For commercial general liability as well as excess or umbrella insurance covering risks within the scope of that type of insurance, the San Diego County Water Authority its directors, officers, employees and agents and the State of California its directors, officers, employees and agents are included as additional insureds with regards to liability and defense of suits or claims arising from the operations, products and activities performed by or on behalf of the Named Insured. The LPS' insurance applies separately to each insured, including insureds added pursuant to this Paragraph, against whom claim is made or suit is brought except with respect to the policy limits of liability. The inclusion of any person or entity as an insured shall not affect any right which the person or entity would have as a claimant if not so included. Any failure of the named insureds to comply with reporting provisions of the policy or breaches or violations of warranties shall not affect coverage provided to the insureds added pursuant to this Paragraph. The additional insured endorsement shall provide coverage at least as broad as ISO form CG 20 10 11 85.
  - ii. The LPS' insurance shall be primary. Any other insurance or self-insurance available to the Water Authority or persons stated in Paragraph 20 E.i. shall be in excess of and shall not contribute to the Contractor's insurance.

- iii. The insurance shall not be canceled or materially reduced in coverage except after 30 days prior written notice receipted delivery has been given to the Water Authority, except 10 days' notice shall be allowed for non-payment of premium.

- F. Unless otherwise specified, the insurance shall be provided by an acceptable insurance provider, as determined by the Water Authority, which satisfies the following minimum requirements: An insurance carrier admitted doing business in California and maintaining an agent for process within the state. Such insurance carrier shall maintain a current A.M. Best rating classification of "A- (A minus)" or better and a financial size of \$10 million to \$24 million (Class V) or better, or a Lloyds of London program provided by syndicates of Lloyds of London and other London insurance carriers, providing all participants are qualified to do business in California and the policy provides for an agent for process in the state and the program assures a financial capability at least equal to the required classification and size for admitted insurers.
- G. Certificates of insurance and endorsements shall be provided by the LPS and approved by the Water Authority before execution of the Agreement. Endorsements may be provided on forms provided by the Water Authority, or substantially equivalent forms provided by the insurer.
- H. Additional Insured: All Consultants/Contractors performing the scope of work on behalf of the LPS shall name the Water Authority and State (including their directors, officers, employees, and agents) as an additional insured on their Commercial General Liability policy and the policy shall be endorsed with use of an ISO form CG 20 10 10 93 or equivalent.

21) NOTIFICATION OF WATER AUTHORITY. The LPS shall promptly notify the Water Authority, in writing, of the following items:

- A. Events or proposed changes that could affect the scope, budget, or work performed under this Agreement. The LPS agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to the Water Authority and the Water Authority has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.
- B. Any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by the State's and Water Authority's representatives. The LPS shall make such notification at least thirty (30) calendar days prior to the event.
- C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the LPS agrees that all work in the area of the find shall cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the Water Authority in consultation with the State has determined what actions should be taken to protect and preserve the resource. The LPS agrees to implement appropriate actions as directed by the Water Authority.
- D. The initiation of any litigation or the threat of litigation against the LPS regarding the Project or which may affect the Project in any way.
- E. Applicable to construction projects only: Final inspection of the completed work on a project by a Registered Professional (Civil Engineer, Engineering Geologist, or other State approved certified/licensed Professional), in accordance with Exhibit D. The LPS shall notify the Water Authority's Project Manager of the inspection date at least twenty-one (21) calendar days prior to the inspection in order to provide the Water Authority and the State the opportunity to participate in the inspection.

22) NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Agreement shall be in writing. Notices may be transmitted by any of the following means:

- A. By delivery in person.
- B. By certified U.S. mail, return receipt requested, postage prepaid.
- C. By “overnight” delivery service; provided that next-business-day delivery is requested by the sender.
- D. By electronic means.
- E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U.S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses listed below. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.
- 23) PERFORMANCE EVALUATION. Upon completion of this Agreement, the LPS’ performance may be evaluated by the Water Authority and a copy of the evaluation placed in the Water Authority’s file and a copy sent to the LPS.
- 24) GRANT FUNDING REALLOCATION. Grant funding awarded to the Project may be reallocated to one or more projects if one of the conditions stated in the *IRWM Administrative Policy and Procedures for Reallocation of Grant Funding* has been met. The LPS confirms it has reviewed the policy and will abide by its terms; such policy available at <http://www.sdirwmp.org/agreements-policies>.
- 25) PROJECT MANAGERS. Either Party may change its Project Manager upon written notice to the other Party. The Water Authority’s Project Manager shall be its representative for the administration of this Agreement and shall have full authority to execute all payment requests. The LPS Project Manager shall be its representative for the administration of this Agreement and shall have full authority to act on behalf of the LPS, including the authority to execute all payment requests. The Project Managers during the term of this Agreement are as follows:
- |                                     |   |
|-------------------------------------|---|
| Olivenhain Municipal Water District | San Diego County Water Authority            |
| Kimberly A. Thorner                 | Loisa O. Burton                             |
| General Manager                     | San Diego IRWM Program Grants Administrator |
| 1966 Olivenhain Road                | 4677 Overland Avenue                        |
| Encinitas, CA 92024                 | San Diego, California 92123                 |
| Phone: (760) 753-6466               | Phone: (858) 522-6739                       |
| Email: KThorner@olivenhain.com      | Email: lburton@sdewa.org                    |
- 26) STANDARD PROVISIONS. This Agreement is complete and is the final Agreement between the Parties. The following Exhibits are attached and made a part of this Grant Agreement by this reference:
- Exhibit A - Work Plan
  - Exhibit B - Budget
  - Exhibit C - Schedule
  - Exhibit D - Standard Conditions
  - Exhibit E - Local Project Sponsor Designation and Project Location
  - Exhibit F - Report Formats and Requirements
  - Exhibit G - Requirements for Data Submittal
  - Exhibit H - State and Water Authority Audit Document Requirements and Cost Share Guidelines
  - Exhibit I - Invoice Guidance for Administrative and Overhead Charges
  - Exhibit J - Project Monitoring Plan Guidance
  - Exhibit K - Reimbursement to the Water Authority for Grant Administration Services Costs

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

SAN DIEGO COUNTY WATER AUTHORITY

Approved as to form and legality:

Kelley Gage  
Director of Water Resources

Michael McDonnell  
Assistant General Counsel

Date\_\_\_\_\_

Date\_\_\_\_\_

OLIVENHAIN MUNICIPAL WATER DISTRICT

Approved as to form and legality:

\_\_\_\_\_  
Kimberly A. Thorner  
General Manager

\_\_\_\_\_  
Alfred Smith  
General Counsel

Date\_\_\_\_\_

Date\_\_\_\_\_

## EXHIBIT A

### WORK PLAN

#### **PROJECT 4: North San Diego Water Reuse Coalition – Regional Recycled Water Program**

**IMPLEMENTING AGENCY:** Olivenhain Municipal Water District (OMWD)

#### **PROJECT DESCRIPTION:**

The project will integrate recycled water systems across seven collaborating agencies to move recycled water supply to locations of demand, increasing water reliability and optimizing system costs. The project consists of eight components, described below.

- a) *Oceanside Downtown Phase 2*. This component includes approximately 5,580 linear feet (LF) of new 8-inch recycled water main extensions and services from the Fallbrook line in the downtown area. This component will deliver a total of 126 acre-feet per year (AFY) of new recycled water.
- b) *OMWD Calle Barcelona, Village Park, and Summerhill Extensions*. OMWD will construct approximately 5,390 LF of new recycled water pipeline extensions and convert up to 27 meters from potable water to recycled water. In total, 39 AFY of recycled water will be delivered via this component.
- c) *OMWD Extension 153*. This component will install a flowmeter and control valves along a recycled water transmission main to ensure reliability and control to the Southwest Quadrant in OMWD. The component will contribute 345 AFY to overall supply reliability.
- d) *San Elijo Joint Powers Authority (SEJPA) Connection to Wanket Tank and Cardiff extension*. SEJPA will design, permit, and construct the connecting pipeline to the 3-million-gallon Wanket reservoir (which is being converted from an abandoned potable water tank to a regional recycled water reservoir) to expand recycled water service capacity and reliability. Work will include the design and construction of approximately 1,000 LF of 12-inch or 16-inch diameter pipe and up to six 2-inch laterals and service meters and installation boxes, asphalt demolition and repair, and miscellaneous pipe fittings. The total new recycled water yield from this component is up to 15 AFY.
- e) *Carlsbad Municipal Water District (MWD) Tank Site D*. Carlsbad MWD will construct a 1.5 Million Gallon steel tank and yard piping at Tank Site D for recycled water. Carlsbad MWD facilities included in this component will provide additional storage for new customer connections served by recently completed recycled water pipeline projects.
- f) *Rincon del Diablo Municipal Water District (MWD) Pump Station Upgrades*. Rincon del Diablo MWD will improve the ability to expand the customer base of the Beethoven Pump Station (PS) and the North Iris PS by replacing the critical components within each pump station. Construction includes replacement of the pump station enclosure, three pumps and three variable frequency drives at each pump station, electrical, SCADA, and telemetry upgrades. These combined recycled water pump station upgrades will provide the ability to deliver up to 1050 AFY of recycled water.
- g) *Leucadia Wastewater District (LWWD) Gafner B1 Pipeline*. LWWD will replace approximately 850 LF of the Secondary Effluent Force Main that transports secondary effluent from the Encina Water Pollution Control Facility (EWPCF) back to Gafner Water Recycling Facility (WRF). Once complete, facilities will contribute 271 AFY to overall supply reliability.
- h) *Vallecitos Water District (WD) Meadowlark Chlorine Contact Tank (CCT) Expansion*. The CCTs at Meadowlark Reclamation Facility (MRF) can process up to 5 million gallons per day (mgd) of recycled water, and all other treatment components can process up to 6.5 mgd. Vallecitos WD will expand the

chlorine contact chamber from 5 to 6.5 mgd capacity to increase overall treatment capacity. This component will result in 1,680 AFY of additional treatment capacity at Meadowlark MRF.

### **Budget Category (a): Project Administration**

#### Task 1: Project Management

Manage Grant Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents. Prepare invoices including relevant supporting documentation for submittal to DWR via the Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

#### **Deliverables:**

- Invoices and associated backup documentation

#### Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR via the Grantee.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

#### **Deliverables:**

- Quarterly Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

### **Budget Category (b): Land Purchase/Easement**

#### Task 3: Land Purchase

No land purchase or easement acquisition is required for this project.

#### **Deliverables: N/A**

### **Budget Category (c): Planning/Design/Engineering/Environmental Documentation**

#### Task 4: Feasibility Studies

Feasibility studies were completed as part of the project development process, including the 2017 Regional Recycled Water Program Feasibility Study.

#### **Deliverables:**

- Relevant Feasibility Studies

#### Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

#### **Deliverables:**

- All completed CEQA documents as required
- Legal Challenges Letter (one per component)

**Task 6: Permitting**

Obtain necessary permits for the project.

The following permits have been acquired: City of Carlsbad Coastal Development Permit for D4 Tank; City of Carlsbad Conditional Development Permit for D4 Tank.

The following permits are anticipated to be acquired for this project: City of Escondido Traffic Control Permit for Rincon del Diablo MWD's Pump Station Upgrades; City of Encinitas Right-of-Way Permit for Wanket Tank and Fill Station

**Deliverables:**

- Permits as required

**Task 7: Design**

The final design plans and specifications and cost estimates for construction will be developed for each of the components.

**Deliverables:**

- Basis of Design Report
- 100% Design Plans and Specifications

**Task 8: Project Monitoring Plan**

Develop and submit a Project Monitoring Plan per Paragraph 17 for DWR's review and approval.

**Deliverables:**

- Project Monitoring Plan

**Budget Category (d): Construction/Implementation****Task 9: Contract Services**

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

**Deliverables:**

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

**Task 10: Construction Administration**

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project

Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will

be provided to DWR.

**Deliverables:**

- DWR Certificate of Project Completion
- Record Drawings, as applicable

**Task 11: Construction**

Construction activities are outlined below.

Subtask 11(a): Oceanside Downtown Phase 2 – Mobilization, demobilization, and site preparation for this component; construction of approximately 5,580 linear feet (LF) of 8-inch recycled water main extensions and services; and site restoration to pre-construction conditions.

Subtask 11(b): OMWD Calle Barcelona, Village Park, and Summerhill Extensions – Mobilization, demobilization, and site preparation for this component; construct approximately 4,630 LF of 6-inch pipe and 760 LF of 4-inch pipe; convert up to 27 meters; and site restoration to pre-construction conditions.

Subtask 11(c): OMWD Extension 153 – Mobilization, demobilization, and site preparation for this component; install a flowmeter and control valves; and site restoration to pre-construction conditions.

Subtask 11(d): SEJPA Connection to Wanket Tank and Cardiff extension – Mobilization, demobilization, and site preparation for this component; construct approximately 1,000 LF of 12-inch or 16-inch pipe and up to 6 service, 2-inch laterals and service meters and installation boxes, asphalt demolition and repair, and miscellaneous pipe fittings; and site restoration to pre-construction conditions.

Subtask 11(e): Carlsbad MWD Tank Site D – Mobilization, demobilization, and site preparation for this component; construct a 1.5 MG steel tank and yard piping.

Subtask 11(f): Rincon del Diablo MWD Pump Station Upgrades – Mobilization, demobilization, and site preparation for this component; replace two enclosures, six pumps and six variable frequency drives, electrical, SCADA, and telemetry upgrades.

Subtask 11(g): LWWD Gafner B1 Pipeline – Mobilization, demobilization, and site preparation for this component; replace approximately 850 LF of 16-inch ductile iron pipe with 16-inch PVC pipe.

Subtask 11(h): Vallecitos WD Meadowlark CCT Expansion – Mobilization, demobilization, and site preparation for this component; expand the chlorine contact chamber from 5 to 6.5 mgd capacity. The major element of this component includes lengthening the existing concrete tank by 6 feet and raising the height by 4 feet.

**Deliverables:**

- Photographic Documentation of Progress

**EXHIBIT B**  
**BUDGET**

**PROJECT 4: North San Diego Water Reuse Coalition – Regional Recycled Water Program**

	<b>BUDGET CATEGORY</b>	<b>Grant Amount</b>	<b>Required Cost Share: Non-State Fund Source*</b>	<b>Other Cost Share**</b>	<b>Total Cost</b>
(a)	Project Administration	\$0	\$0	\$102,000	\$102,000
(b)	Land Purchase / Easement	\$0	\$0	\$0	\$0
(c)	Planning / Design / Engineering / Environmental Documentation	\$0	\$1,343,256	\$53,000	\$1,396,256
(d)	Construction / Implementation	\$3,731,783	\$7,679,507	\$5,135,980	\$16,547,270
	<b>TOTAL COSTS</b>	\$3,731,783	\$9,022,763	\$5,290,980	\$18,045,526

\* Required funding match will be provided from each project partners' General Funds or CIP funds, and federal funding under the US. Bureau of Reclamation's WaterSMART Title XVI grant.

\*\* Other project costs will be provided from each project partners' General Funds or CIP funds, as well as a portion of the Title XVI grant awarded to the project not needed for funding match.

**EXHIBIT C**  
**SCHEDULE**

**PROJECT 4: North San Diego Water Reuse Coalition – Regional Recycled Water Program**

	<b>BUDGET CATEGORY</b>	<b>Start Date</b>	<b>End Date</b>
a	Project Administration	01/01/2023	12/01/2025
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	01/01/2023	02/01/2024 <sup>1</sup>
d	Construction / Implementation	09/01/2022 <sup>1</sup>	09/01/2025

<sup>1</sup>Project 4 consists of eight individual components in different stages of planning, design, environmental documentation, and construction. Construction on some project components (e.g., OMWD Extension 153) is scheduled to begin prior to completion of planning/design/environmental work for other project components (e.g., OMWD Calle Barcelona, Village Park, and Summerhill Extensions). Construction will not begin for any individual project component until the necessary planning/design/environmental work specific to that individual project component has been completed.

**EXHIBIT D****STANDARD CONDITIONS****D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:**

- A. **Separate Accounting of Funding Disbursements:** Grantee shall account for the money disbursed pursuant to this Local Project Sponsor Agreement separately from all other LPS funds. LPS shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. LPS shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. LPS shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by the Water Authority and State at any and all reasonable times.
- B. **Fiscal Management Systems and Accounting Standards:** The LPS agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracking of grant funds to a level of expenditures adequate to establish that such funds have not been used in violation of state law, this Agreement, or the Proposition 1 Integrated Regional Water Management (IRWM) Implementation Grant Agreement 4600014983.
- C. **Disposition of Money Disbursed:** All funding disbursed pursuant to this Agreement shall be deposited in a non-interest bearing account, administered, and accounted for pursuant to the provisions of applicable law.
- D. **Remittance of Unexpended Funds:** LPS shall remit to the Water Authority any unexpended funds that were disbursed to the LPS under this Agreement and were not used to pay Eligible Project Costs within a period of thirty (30) calendar days from the final disbursement from the Water Authority to LPS of funds or, within fifteen (15) calendar days of the expiration of the Agreement, whichever comes first.

**D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE:** LPS shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the LPS' headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and through an agreement with the State Department of Water Resources." The LPS shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

**D.3. AMENDMENT:** This Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the LPS for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 120 days prior to the work completion date set forth in Paragraph 2, "Term of Agreement". Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. The Water Authority shall have no obligation to agree to an amendment.

**D.4. AMERICANS WITH DISABILITIES ACT:** By signing this Agreement, LPS assures Water Authority that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

**D.5. AUDITS:** The State or the Water Authority reserve the right to conduct an audit at any time between the execution of this Agreement and the completion of the Project, with the costs of such audit borne by the Water Authority or the State. After completion of the Project, the State or the Water Authority may require the Grantee to conduct a final audit to the State's specifications, at the LPS' expense,

such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by LPS to comply with this provision shall be considered a breach of this Agreement, and the Water Authority or State may elect to pursue any remedies provided in Paragraph 13, "Default Provisions", or take any other action it deems necessary to protect its interests. The LPS agrees it shall return any audit disallowances to the Water Authority for transmittal to the State.

Pursuant to Government Code section 8546.7, the LPS shall be subject to the examination and audit by the State and the Water Authority for a period of three (3) years after final payment under Grant Agreement 4600014983 with respect of all matters connected with this Agreement, including but not limited to, the cost of administering this Agreement. All records of the LPS or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after Grant Agreement 4600014983 is completed by the State and the Water Authority. If an audit reveals any impropriety, the Bureau of State Audits or the State Controller's Office may conduct a full audit of any or all of the LPS' activities. Code, § 79708, subd. (b) Please see Exhibit H (State and Water Authority Audit Document Requirements and Cost Share Guidelines) for the full list of documents that may be required during an audit.

- D.6. BUDGET CONTINGENCY: If the State Budget Act of the current year covered under this Agreement does not appropriate sufficient funds for this program, this Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State and Water Authority to make any payments under this Agreement. In this event, the Water Authority shall have no liability to pay any funds whatsoever to the LPS or to furnish any other considerations under this Agreement and LPS shall not be obligated to perform any provisions of this Agreement. Nothing in this Agreement shall be construed to provide LPS with a right of priority for payment over any other LPS. If funding for any fiscal year after the current year covered by this Agreement is reduced or deleted by the State Budget Act, by Executive Order, or by order of the Department of Finance, the Water Authority shall have the option to either cancel this Agreement with no liability occurring to the Water Authority, or offer an amendment to the Agreement to reflect the reduced amount.
- D.7. CALIFORNIA CONSERVATION CORPS: The LPS may use the services of the California Conservation Corps or other community conservation corps as defined in Public Resources Code section 14507.5.
- D.8. CEQA: Activities funded under this Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the Water Authority's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the LPS is not complete at the time the Water Authority signs this Agreement, once the State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 13, "Default Provisions."
- D.9. CHILD SUPPORT COMPLIANCE ACT: The LPS acknowledges in accordance with Public Contract Code section 7110, that:
- A. The LPS recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and

- B. The LPS, to the best of its knowledge, is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.10. CLAIMS DISPUTE: Any claim that the LPS may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the San Diego IRWM Program Manager within fifteen (15) days of the LPS' knowledge of the claim. The Water Authority and the LPS shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.
- D.11. COMPETITIVE BIDDING AND PROCUREMENTS: The LPS' contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State, via the Water Authority, under this Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the LPS does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.
- D.12. COMPUTER SOFTWARE: The LPS certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.13. CONFLICT OF INTEREST: All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.
- A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
  - B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
  - C. Employees of the LPS: Employees of the LPS shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
  - D. Employees and Consultants to the LPS: Individuals working on behalf of the LPS may be required to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.
- D.14. DELIVERY OF INFORMATION, REPORTS, AND DATA: The LPS agrees to expeditiously provide throughout the term of this Agreement, such reports, data, information, and certifications as may be reasonably required by State.

- D.15. DISPOSITION OF EQUIPMENT: The LPS shall provide to the Water Authority, for submittal to the State, not less than forty-five (45) calendar days prior to submission of the LPS' final invoice, an itemized inventory of equipment purchased with funds provided by the State via the Water Authority. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within ninety (90) calendar days of receipt of such inventory, the Water Authority shall provide the LPS with a list of the items on the inventory to which the State takes title. Cost of transportation, if any, shall be borne by State.
- D.16. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Agreement, the LPS, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:
- A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
  - B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
    - i. The dangers of drug abuse in the workplace,
    - ii. LPS' policy of maintaining a drug-free workplace,
    - iii. Any available counseling, rehabilitation, and employee assistance programs, and
    - iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
  - C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
    - i. Will receive a copy of LPS' drug-free policy statement, and
    - ii. Will agree to abide by terms of LPS' condition of employment, contract or subcontract.
- D.17. EASEMENTS: Where the LPS acquires property in fee title or funds improvements to real property using State funds provided through this Agreement, an appropriate easement or other title restriction providing for floodplain preservation and agricultural and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State and Water Authority, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State and Water Authority. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State and Water Authority.
- Where the LPS acquires an easement under this Agreement, the LPS agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State and Water Authority permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner. Failure to provide an easement or other title restriction acceptable to the State and Water Authority may result in termination of this Agreement.
- D.18. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL: Upon completion of the Project, LPS shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist), that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Agreement.
- D.19. GOVERNING LAW: This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

- D.20. **INCOME RESTRICTIONS:** The LPS agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the LPS under this Agreement shall be paid by the LPS to the Water Authority for remitting to the State, to the extent that they are properly allocable to costs for which the LPS has been reimbursed under this Agreement. The LPS shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.
- D.21. **INDEPENDENT CAPACITY:** LPS, and the agents and employees of the LPS, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State or the Water Authority.
- D.22. **INSPECTION OF BOOKS, RECORDS, AND REPORTS:** During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Agreement. Failure or refusal by LPS to comply with this provision shall be considered a breach of this Agreement, and the State and Water Authority may withhold disbursements to the LPS or take any other action deemed necessary to protect its interests.
- D.23. **INSPECTIONS OF PROJECT BY STATE:** The State and Water Authority shall have the right to inspect the work being performed at any and all reasonable times during the term of the Agreement. This right shall extend to any subcontracts, and the LPS shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Agreement with the Water Authority.
- D.24. **LABOR CODE COMPLIANCE:** The LPS agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: <http://www.dir.ca.gov/lcp.asp>. For more information, please refer to DIR's *Public Works Manual* at: <https://www.dir.ca.gov/dlse/PWManualCombined.pdf>.
- The LPS affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the LPS affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.
- D.25. **MODIFICATION OF OVERALL WORK PLAN:** At the request of the LPS, or when found to be necessary by the Water Authority and the LPS agrees, the Water Authority will forward any requests for non-material changes to the portions of Exhibits A, B and C which concern the budget and schedule to the State. The State may, at its sole discretion, approve those non-material changes, and upon such approval, such changes will be made herein without formal amendment to this Agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the Grant. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Agreement. Requests for non-material changes to the budget and schedule must be submitted by the LPS to the Water Authority in writing and are not effective unless and until specifically approved by the State in writing.
- D.26. **NONDISCRIMINATION:** During the performance of this Agreement, the LPS and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, gender identity, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, and denial of medical and family care

leave or pregnancy disability leave. The LPS and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The LPS and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing are incorporated into this Agreement by reference. The LPS and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The LPS shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

- D.27. OPINIONS AND DETERMINATIONS: Where the terms of this Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- D.28. PERFORMANCE BOND: Where contractors are used, the LPS shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the LPS in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)
- D.29. PRIORITY HIRING CONSIDERATIONS: If this Agreement includes services in excess of \$200,000, the LPS shall give priority consideration in filling vacancies in positions funded by the Grant to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.
- D.30. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The LPS shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with LPS' service of water, without prior written notification to the Water Authority and written permission of the State. The LPS shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of LPS to meet its obligations under this Agreement, without prior written notification to the Water Authority and written permission of the State. The Water Authority may require that the proceeds from the disposition of any real or personal property be remitted to the Water Authority for prompt disbursement to the State.
- D.31. PROJECT ACCESS: The LPS shall ensure that the Water Authority, State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.
- D.32. REMAINING BALANCE: In the event the LPS does not submit invoices requesting all of the funds encumbered under this Agreement, any remaining funds revert to the State. The Water Authority will notify the LPS stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Agreement.
- D.33. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

- D.34. RETENTION: The State shall withhold ten percent (10%) of the Grant funds until the Project is complete, and a Project Completion Report is approved and accepted by DWR. If a project has multiple components (within a project), at the State's discretion and upon a written request by the LPS, via the Water Authority, any retained amount attributable to a single component may be released when that component is complete and the Component Completion Report is approved by DWR. Upon approval of the Project Completion Report and/or Component Completion Report, any retained amounts due to the LPS will be promptly disbursed by the State to the Water Authority for prompt disbursement to the LPS, without interest.
- D.35. RIGHTS IN DATA: LPS agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Agreement shall be made available to the State and Water Authority and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) The LPS may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Agreement, subject to appropriate acknowledgement of credit to the State for financial support. The LPS shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State and Water Authority shall have the right to use any data described in this paragraph for any public purpose.
- D.36. SEVERABILITY: Should any portion of this Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Agreement shall continue as modified.
- D.37. SUSPENSION OF PAYMENTS: This Agreement may be subject to suspension of payments or termination, or both if the State or Water Authority determine that:
- A. The LPS, its contractors, or subcontractors have made a false certification, or
  - B. The LPS, its contractors, or subcontractors violate the certification by failing to carry out the requirements noted in this Agreement.
- D.38. SUCCESSORS AND ASSIGNS: This Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Agreement or any part thereof, rights hereunder, or interest herein by the LPS shall be valid unless and until it is approved by the Water Authority and made subject to such reasonable terms and conditions as the Water Authority may impose.
- D.39. TERMINATION BY LPS: Subject to State and Water Authority approval, which may be reasonably withheld, the LPS may terminate this Agreement and be relieved of contractual obligations. In doing so, the LPS must provide a reason(s) for termination. The LPS must submit all progress reports summarizing accomplishments up until termination date.
- D.40. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 13, "Default Provisions," the Water Authority may terminate this Agreement and be relieved of any payments should the LPS fail to perform the requirements of this Agreement at the time and in the manner herein provided including but not limited to reasons of default under Paragraph 13, "Default Provisions."
- D.41. TERMINATION WITHOUT CAUSE: The Water Authority may terminate this Agreement without cause on 30 days' advance written notice. The LPS shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.42. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.

- D.43. TIMELINESS: Time is of the essence in this Agreement.
- D.44. TRAVEL – DAC, EDA, TRIBES PROJECT: Travel is only an eligible reimbursable expense for projects providing at least 75% of benefits to DACs, EDAs, and/or Tribes (based on population or geographic area). Only ground transportation and lodging are eligible for grant reimbursement. Per diem costs will not be eligible for grant reimbursement. Any reimbursement for necessary travel shall be at rates not to exceed those set by the California Department of Human Resources. These rates may be found at: <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel amounts that are current as of the date costs are incurred. No travel outside of the LPS service area shall be reimbursed unless prior written authorization is obtained from the State, via the Water Authority.
- D.45. UNION ORGANIZING: The LPS, by signing this Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Agreement. Furthermore, the LPS, by signing this Agreement, hereby certifies that:
- A. No State funds disbursed by this Agreement will be used to assist, promote, or deter union organizing.
  - B. The LPS shall account for State funds disbursed for a specific expenditure by this Agreement to show those funds were allocated to that expenditure.
  - C. The LPS shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
  - D. If the LPS makes expenditures to assist, promote, or deter union organizing, the LPS will maintain records sufficient to show that no State funds were used for those expenditures and that the LPS shall provide those records to the Water Authority upon request.
- D.46. VENUE: The Water Authority and the LPS hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The LPS hereby waives any existing sovereign immunity for the purposes of this Agreement.
- D.47. WAIVER OF RIGHTS: None of the provisions of this Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

## EXHIBIT E

## LOCAL PROJECT SPONSOR AGENCY DESIGNATION AND PROJECT LOCATION

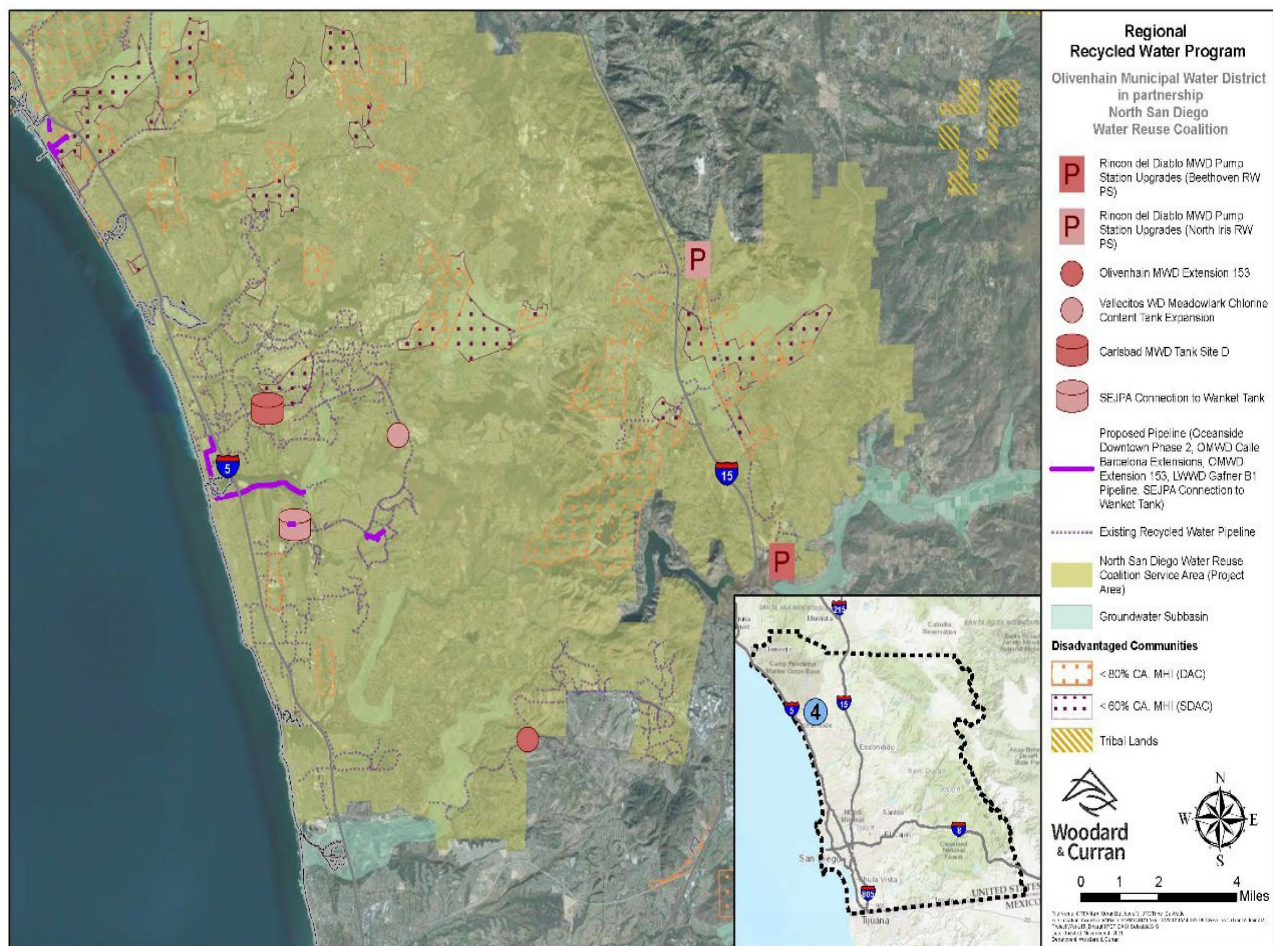
The LPS designated with Project management, oversight, compliance, and operations and maintenance of the Project is shown below with Project location.

**Project 4:** North San Diego Water Reuse Coalition – Regional Recycled Water Program

**Local Project Sponsor:** Olivenhain Municipal Water District

**Local Project Sponsor Address:** 1966 Olivenhain Rd, Encinitas, CA 92024

**Project Location:** Multiple locations in North San Diego County, California (33.23030, -117.2910)



## EXHIBIT F

### REPORT FORMATS AND REQUIREMENTS

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

#### **PROGRESS REPORTS**

Progress reports shall generally use the following format. This format may be modified as necessary by the Water Authority to effectively communicate information.

For each project, discuss the following at the task level, as organized in Exhibit A:

- Percent complete.
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.

For each project, discuss the following at the project level, as organized in Exhibit A:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Budget projections for grant share for the next two quarters.
- Any schedule or budget modifications approved by DWR during the reporting period.

#### **PROJECT COMPLETION REPORT**

The Project Completion Report (or Component Completion Report, if a Project has multiple Components) shall generally use the following format, provided below:

##### **Executive Summary**

The Executive Summary provides a brief summary of project information, including:

- A brief description of work proposed to be done in the original Grant application.
- List any official amendments to the Agreement, with a short description of the amendment.

##### **Reports and/or Products**

The following items should be provided, unless already submitted as a deliverable:

- A copy of a final technical report or study, produced for/utilized in the Project described in Exhibit A.
- Electronic copies of any data collected, not previously submitted.
- Discussion of problems that occurred during the work and how those problems were resolved.
- Final project schedule showing actual progress versus planned progress shown in Exhibit C.

Additional information that may be applicable for implementation projects includes the following:

- Record Drawings
- Final geodetic survey information
- Project photos

##### **Cost & Disposition of Funds**

- A summary of final Project costs, including the following:
  - An accounting of Project expenditures, including all internal and external costs not previously disclosed (i.e., additional cost share);
  - A discussion of factors that positively or negatively affected the Project cost; and
  - Any deviation in final costs from the original Project cost estimate.

### **Additional Information**

#### **Project Benefits**

- List the benefits derived from the Project, with quantification of such benefits.
- If a DAC or EDA Cost Share Waiver was approved for this Agreement, discuss the benefits derived for DAC and/or EDA.
- Briefly describe how the level, type, or magnitude of the benefits compare to the original Project proposal.

#### **IRWM Plan Goals and Objectives**

- Briefly discuss how the Project achieved San Diego IRWM Plan goals and objectives, which can be accessed online at: [https://sdirwmp.org/pdf/SDIRWM\\_02\\_Vision\\_Objectives\\_FINAL\\_2019.pdf](https://sdirwmp.org/pdf/SDIRWM_02_Vision_Objectives_FINAL_2019.pdf)

#### **Remaining work**

- Discuss any remaining work to be completed for the Project and mechanism for its implementation.

#### **Project Certification**

- If applicable, include a Certification from a California Registered Professional (e.g., Civil Engineer or Geologist, as appropriate), consistent with Exhibit D, that the project was conducted in accordance with the approved Work Plan in Exhibit A and any approved amendments thereto.

#### **Post-Performance Report**

- Include a submittal schedule for the annual Post-Performance Report.

## **POST-PERFORMANCE REPORT**

The Post-Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance; whether the project is being operated and maintained and providing intended benefits as proposed. A PPR template may be provided by the Water Authority upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

### **Reports and/or products**

- Header including the following:
  - Grantee Name
  - Implementing Agency (if different from Grantee)
  - Grant Agreement Number
  - Project Name
  - Funding grant source (i.e., 2022 Proposition 1 IRWM Implementation Grant)
  - Report number
- Post-Performance Report schedule
- Time period of the annual report (e.g., January 2024 through December 2024)

- Project Description Summary
- Discussion of the project benefits
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced that year, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
- Any additional information relevant to or generated by the continued operation of the project.

## EXHIBIT G

### REQUIREMENTS FOR DATA SUBMITTAL

#### **Surface and Groundwater Quality Data:**

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: <http://www.ceden.org>.

If the Project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at: [https://www.waterboards.ca.gov/water\\_issues/programs/gama/](https://www.waterboards.ca.gov/water_issues/programs/gama/). If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: [https://www.waterboards.ca.gov/water\\_issues/programs/gama/contact.shtml](https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml).

#### **Groundwater Level Data**

If the Project (or components, if a Project has multiple components) collects groundwater level data, the LPS will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in Project reports, as described in Exhibit F (Report Formats and Requirements). Information regarding the WDL and in what format to submit data, can be found at: <http://www.water.ca.gov/waterdatalibrary/>.

## EXHIBIT H

### STATE AND WATER AUTHORITY AUDIT DOCUMENT REQUIREMENTS AND COST SHARE GUIDELINES

The following provides a list of documents typically required by State Auditors or the Water Authority and general guidelines for the Local Project Sponsor (Agency). The list of documents pertains to both State funding and the Agency's local Cost Share and details the documents/records that State Auditors and the Water Authority would need to review in the event this Agreement is audited. The Agency should ensure that such records are maintained for each funded project.

#### **State and Water Authority Audit Document Requirements**

##### Internal Controls

1. Organization chart (e.g., Agency's overall organization chart and organization chart for the State funded Project).
2. Written internal procedures and flowcharts for the following:
  - a) Receipts and deposits
  - b) Disbursements
  - c) State reimbursement requests
  - d) Expenditure tracking of State funds
  - e) Guidelines, policy, and procedures on State funded Program/Project
3. Audit reports of the Agency internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State funded Program/Project.

##### State Funding:

1. This Agreement and any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State.
3. A listing of all other funding sources for the Project.

##### Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency, member agencies, and local project partners as related to the State funded Project.

##### Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State via the Water Authority for payments under this Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related budget line items under this Agreement.
3. Reimbursement and, if applicable, Advance Funding requests submitted to the State, via the Water Authority, under this Agreement.

##### Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State, via the Water Authority.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State, via the Water Authority.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans.
4. Bank statements showing the deposit of the receipts.

##### Accounting Records:

1. Ledgers showing entries for funding receipts and cash disbursements.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.

3. Bridging documents that tie the general ledger to requests for LPS reimbursement.

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Agency staff that worked on the State funded Project.
2. Payroll records, including timesheets for contractor staff and the Agency and local project partner(s)' personnel who provided services charged to the Project.

Project Files:

1. All supporting documentation that is maintained in the Project files.
2. All LPS Agreement related correspondence.

**Cost Share Guidelines**

Cost Share consists of non-State funds, including in-kind services. In-kind services are defined as work performed (i.e., dollar value of non-cash contributions) by the Agency (and potentially other parties) directly related to the execution of the funded project. Examples include volunteer services, equipment use, and use of facilities. The cost if in-kind service can be counted as cost share in lieu of actual funds (or revenue) provided by the Agency. Other cost share and in-kind service eligibility conditions may apply. Provided below is guidance for documenting cost share with and without in-kind services.

1. Although tracked separately, in-kind services shall be documented and, to the extent feasible, supported by the same methods used by the Agency for its own employees. Such documentation should include the following:
  - a. Detailed description of the contributed item(s) or service(s)
  - b. Purpose for which the contribution was made (tied to project work plan)
  - c. Name of contributing organization and date of contribution
  - d. Real or approximate value of contribution. Who valued the contribution and how was the value determined? (e.g., actual, appraisal, fair market, etc.). Justification of rate. (See item #2, below)
  - e. Person's name and the function of the contributing person
  - f. Number of hours contributed
  - g. If multiple sources exist, these should be summarized on a table with summed charges
  - h. Source of contribution if it was provided by, obtained with, or supported by government funds
2. Rates for volunteer or in-kind services shall be consistent with those paid for similar work in the Agency's organization. For example, volunteer service of clearing vegetation performed by an attorney shall be valued at fair market value for this service, not the rate for professional legal services. In those instances, in which the required skills are not found in the recipient organization, rates shall be consistent with those paid for similar work in the labor market. Paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation.
3. Cost share contribution (including in-kind services) shall be for costs and services directly attributed to activities included in the Agreement. These services, furnished by professional and technical personnel, consultants, and other skilled labor may be counted as in-kind if the activities are an integral and necessary part of the project funded by the Agreement.
4. Cash contributions made to a project shall be documented as revenue and in-kind services as expenditures. These costs should be tracked separately in the Agency's accounting system.

## EXHIBIT I

### INVOICE GUIDANCE FOR ADMINISTRATIVE AND OVERHEAD CHARGES

The funds provided pursuant to this Agreement may only be used for costs that are directly related to the funded Project. The following provides a list of typical requirements for invoicing, specifically providing guidance on the appropriate methods for invoicing administrative and direct overhead charges.

#### Administration Charges

Indirect and General Overhead (i.e., indirect overhead) charges are not an allowable expense for reimbursement. However, administrative expenses that are apportioned directly to the project are eligible for reimbursement. Cost such as rent, office supplies, fringe benefits, etc. can be "Direct Costs" and are eligible expenses as long as:

- There is a consistent, articulated method for how the costs are allocated that is submitted and approved by the DWR Grant Manager. The allocation method must be fully documented for auditors.
- A "fully burdened labor rate" can be used to capture allowable administrative costs.
- The administrative/overhead costs can never include:
  - Non-project specific personnel and accounting services performed within the Grantee or an LPS' organization
  - Markup
  - Tuition
  - Conference fees
  - Building and equipment depreciation or use allowances
- Using a general overhead percentage is never allowed.

#### Labor Rates

The LPS must provide DWR, via the Water Authority, with supporting documentation for personnel hours (see personnel billing rates letter in example invoice packet). The personnel rate letter should be submitted via the Water Authority to the DWR Grant Manager prior to submittal of the first invoice. The supporting documentation must include, at a minimum, employee classifications that will be reimbursed by the grant funds disbursed under this Agreement and the corresponding hourly rate range. These rates should be "burdened"; the burdened rate must be consistent with the LPS' standardized allocation methodology. The supporting documentation should also provide an explanation of what costs make up the burdened rate and how those costs were determined. This information will be used to compare against personnel hours summary table invoice supporting documentation. Periodic updates may be needed during the life of the Grant which would be handled through a revised billing rate letter.

## EXHIBIT J

### PROJECT MONITORING PLAN GUIDANCE

#### Introduction

The Project Monitoring Plan is to include: a brief description of the Project (maximum ~150 words) and individual components (if the Project has multiple components); implementation elements; the need for the Project (i.e. what problem(s) are addressed); and that responds to the requirements listed below.

#### Project Monitoring Plan Requirements

The Project Monitoring Plan shall contain responses to the following questions:

- What are the anticipated project physical benefits?
- What are the corresponding numeric targets for each project benefit?
- How will proposed numeric targets be measured?
- What are baseline conditions?
- When will the targets be met (e.g., upon project completion, five years after completion)?
- How often will monitoring be undertaken (e.g., monthly, yearly).
- Where are monitoring point locations (e.g., meter located at..., at stream mile...)? Include relevant maps.
- How will the project be maintained (e.g., irrigation, pest management, weed abatement)?
- What will be the frequency and duration of maintenance proposed activities?
- Are there any special environmental considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)?
- Who is responsible for collecting the samples (i.e., who is conducting monitoring and/or maintenance)?
- How, and to whom, will monitoring results be reported (e.g., paper reports, online databases, public meetings)?
- What adaptive management strategies will be employed if problems are encountered during routine monitoring or maintenance?
- What is the anticipated life of the project?

## EXHIBIT K

### REIMBURSEMENT TO THE WATER AUTHORITY FOR GRANTS ADMINISTRATION COSTS

As the responsible party for IRWM grant contract administration, the Water Authority manages Grant Agreement 4600014983 with the State of California Department of Water Resources for the Proposition 1 Round 2 Implementation Grant and individual Agreements with Local Project Sponsors to ensure each project funded by the Grant is implemented accordingly. As such, the Water Authority's Grant Administration Program (GAP) performs necessary grants administration services described in Section 1, Scope of Work, shown below.

The Scope of Work, Billing Rate, and Billing and Payment Method for reimbursement by the LPS to the Water Authority for incurred GAP costs are in force after September 30, 2027, or when otherwise deemed necessary and agreed upon by both Parties, through the termination of this Agreement (i.e., three years after final payment, as stated in Paragraph 2, "Term of Agreement").

Circumstances that may result in reimbursement of GAP costs are enumerated in the *Policy and Procedures for Grant Administration Funding* adopted on May 4, 2017, by the Regional Advisory Committee, and any amendments thereto. This policy is available at:

[https://sdirwmp.org/pdf/SDIRWM\\_PolicyforGAP\\_Adopted4May17.pdf](https://sdirwmp.org/pdf/SDIRWM_PolicyforGAP_Adopted4May17.pdf)

#### 1. Scope of Work

- A. **Agreement Administration:** This task includes grants administration work involved in administering the Grant Agreement, LPS Agreements, and any subsequent agreement amendments. This task also includes work related to disseminating Grant Program compliance information to the Project Manager responsible for implementing the project; tracking and monitoring of all agreement requirements; and obtaining and retaining evidence of compliance, such as CEQA/NEPA documents, equipment inventory, reports, deliverables, etc.
- B. **Invoice and Report Processing:** This task includes GAP serving as the lead in the quarterly review of and submitting to the State as one package: invoices and supporting documentation that ensure cost eligibility, agreement compliance, and budget adherence; progress reports that ensure work is performed according to agreement; and a Grant Administration progress report that summarizes grant administration efforts and activities of the previous quarter. Work includes responding to questions and requests for information and managing issues; reviewing and submitting LPS project completion reports; preparing and submitting a Grant Completion Report; and receiving, reviewing and submitting to the State annual post-performance reports received from the LPS.
- C. **Budget Updating and Monitoring:** This task includes updating and monitoring the Grant program budget through the life of the Grant Program, project budgets, and monitoring and tracking reported project expenditures and cost reimbursements received from the State and disbursed to LPS.
- D. **Grants Management System Monitoring and Maintenance:** This task includes GAP monitoring and maintenance of the Water Authority's online grants management system to provide LPS an internet-based method of submitting project invoices, progress reports, deliverables and other requested information, as needed, for GAP processing and uploading to the State's GRanTS website, the official records repository for the State's grant-funded projects.
- E. **Coordination:** This task involves progress reporting on Grant program financial status and project progress, agreements and amendments to the State, the RWMG, and the Regional Advisory Group, as necessary. Work under this task also includes facilitating LPS meetings, training, and providing any other coordination as needed.
- F. **Post-performance reporting support:** This task involves monitoring, review, and submittal to the State of the required annual project post-performance reports prepared and provided to the Water Authority by the LPS. Review may include discussion, clarifying questions, and/or necessary edits

pertaining to report contents. Monitoring ensures reports are filed according to schedule and include required information.

- G. **Audit support:** This task includes assisting the LPS in responding to the State in case of an audit. This work includes coordination between the State and the LPS and submittal of documentation supporting reimbursement requests, deliverables and other required reports as previously submitted by the LPS.

## 2. Billing Rate

Costs for Grant Administration Program services are based on the following estimated loaded (labor and benefits) hourly rate-ranges. These rates are estimates and subject to change.

<b>Classification</b>	<b>Hourly rate range</b>
Supervising Management Analyst	\$113 - \$123 per hour
Management Analyst	\$ 91 - \$99 per hour
Management Analyst	\$ 91 - \$99 per hour

## 3. Billing and Payment Method

- A. The Water Authority shall provide an invoice(s) to the LPS, which includes the number of labor hours charged by classification, a brief description of work performed, and the total costs incurred.
- B. All invoices will be sent to the attention of the Project Manager.
- C. Invoices must be paid to the Water Authority within 30 calendar days of invoice date. Invoice payment shall be sent to the address indicated on the invoice and must include the project number.
- D. If the LPS fails to make timely payment, a delinquent charge of two percent (2%) of the delinquent invoice amount for each month, or portion thereof that the payment remains delinquent, shall apply. If the delinquency does not exceed five (5) business days, the charge shall be equal to one percent (1%) of the delinquent invoice amount.
- E. If the LPS fails to make a payment, the LPS shall be in default of the Agreement in accordance with Paragraph 13, "Default Provisions".

## **EXHIBIT B**

### **WORK PLAN**

#### **PROJECT 4: North San Diego Water Reuse Coalition – Regional Recycled Water Program**

**IMPLEMENTING AGENCY:** Olivenhain Municipal Water District (OMWD)

#### **PROJECT DESCRIPTION:**

The Project will integrate recycled water systems across seven collaborating agencies to move recycled water supply to locations of demand, increasing water reliability and optimizing system costs. The Project consists of eight components, described below.

- a) *City of Oceanside (Oceanside) - Downtown Phase 2.* This component includes approximately 5,580 linear feet (LF) of new 8-inch recycled water main extensions and services from the Fallbrook line in the downtown area. This component will deliver a total of 126 acre-feet per year (AFY) of new recycled water.
- b) *OMWD - Calle Barcelona, Village Park, and Summerhill Extensions.* OMWD will construct approximately 5,390 LF of new recycled water pipeline extensions and convert up to 27 meters from potable water to recycled water. In total, 39 AFY of recycled water will be delivered via this component.
- c) *OMWD - Extension 153.* This component will install a flowmeter and control valves along a recycled water transmission main to ensure reliability and control to the Southwest Quadrant in OMWD. The component will contribute 345 AFY to overall supply reliability.
- d) *San Elijo Joint Powers Authority (SEJPA) - Connection to Wanket Tank and Cardiff extension.* SEJPA will design, permit, and construct the connecting pipeline to the 3-million-gallon Wanket reservoir (which is being converted from an abandoned potable water tank to a regional recycled water reservoir) to expand recycled water service capacity and reliability. Work will include the design and construction of approximately 1,000 LF of 12-inch or 16-inch diameter pipe and up to six 2-inch laterals and service meters and installation boxes, asphalt demolition and repair, and miscellaneous pipe fittings. The total new recycled water yield from this component is up to 15 AFY.
- e) *Carlsbad Municipal Water District (Carlsbad) Tank Site D.* Carlsbad will construct a 1.5-million-gallon steel tank and yard piping at Tank Site D for recycled water. Carlsbad facilities included in this component will provide additional storage for new customer connections served by recently completed recycled water pipeline projects.
- f) *Rincon del Diablo Municipal Water District (Rincon) Pump Station Upgrades.* Rincon will improve the ability to expand the customer base of the Beethoven Pump Station (PS) and the North Iris PS by replacing the critical components within each pump station. Construction includes replacement of the pump station enclosure, three pumps and three variable frequency drives at each pump station, electrical, SCADA, and telemetry upgrades. These combined recycled water pump station upgrades will provide the ability to deliver up to 1,050 AFY of recycled water.
- g) *Leucadia Wastewater District (Leucadia) Gafner B1 Pipeline.* Leucadia will replace approximately 850 LF of the Secondary Effluent Force Main that transports secondary effluent from the Encina Water Pollution Control Facility back to Gafner Water Recycling Facility. Once complete, facilities will contribute 271 AFY to overall supply reliability.
- h) *Vallecitos Water District (Vallecitos) Meadowlark Chlorine Contact Tank (CCT) Expansion.* The CCTs at Meadowlark Reclamation Facility (MRF) can process up to 5 million gallons per day (mgd) of recycled

water, and all other treatment components can process up to 6.5 mgd. Vallecitos will expand the chlorine contact chamber from 5 to 6.5 mgd capacity to increase overall treatment capacity. This component will result in 1,680 AFY of additional treatment capacity at MRF.

### **Budget Category (a): Project Administration**

#### Task 1: Project Management

Manage LPP Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents and coordination with the LPS. Prepare invoices including relevant supporting documentation for submittal to the State via SDCWA and LPS. This task also includes administrative responsibilities associated with the Project such as coordinating with partnering agencies and managing consultants/contractors.

#### **Deliverables:**

- Invoices and associated backup documentation

#### Task 2: Reporting

Prepare Progress Reports detailing work completed during the reporting period as outlined in Exhibit F of this LPP Agreement. Submit reports to LPS for review and inclusion in a Progress Report to be submitted to SDCWA and the State.

**Provide LPS information to assist with Project Completion Report to be submitted to SDCWA and the State. Deliverables:**

- Quarterly Project Progress Reports
- Information to assist with Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition E.2

### **Budget Category (b): Land Purchase/Easement**

#### Task 3: Land Purchase

No land purchase or easement acquisition is required for this Project.

#### **Deliverables: N/A**

### **Budget Category (c): Planning/Design/Engineering/Environmental Documentation**

#### Task 4: Feasibility Studies

Feasibility studies were completed as part of the Project development process, including the 2017 Regional Recycled Water Program Feasibility Study.

#### Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

#### **Deliverables:**

- All completed CEQA documents as required
- Legal Challenges Letter (one per component)

#### Task 6: Permitting

Obtain necessary permits for the Project.

The following permits have been acquired: City of Carlsbad Coastal Development Permit for D4 Tank; City of Carlsbad Conditional Development Permit for D4 Tank.

The following permits are anticipated to be acquired for components of this Project: City of Escondido Traffic Control Permit for Rincon's Pump Station Upgrades; City of Encinitas Right-of-Way Permit for SEJPA's Wanket Tank and Cardiff extension.

**Deliverables:**

- Permits as required

**Task 7: Design**

The final design plans and specifications and cost estimates for construction will be developed for each of the components of the Project.

**Deliverables:**

- Basis of Design Report
- 100% Design Plans and Specifications

**Task 8: Project Monitoring Plan**

Develop and submit a Project Monitoring Plan per Paragraph 17 for the State's review and approval.

**Deliverables:**

- Project Monitoring Plan

**Budget Category (d): Construction/Implementation**

**Task 9: Contract Services**

This task must comply with the Standard Condition E.11—Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

**Deliverables:**

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

**Task 10: Construction Administration**

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the LPP's project components.

Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable.

**Deliverables:**

- Notice of Completion Record Drawings, as applicable

## Task 11: Construction

Construction activities are outlined below.

Subtask 11(a): Oceanside - Downtown Phase 2—Mobilization, demobilization, and site preparation for this component; construction of approximately 5,580 linear feet (LF) of 8-inch recycled water main extensions and services; and site restoration to pre-construction conditions.

Subtask 11(b): OMWD - Calle Barcelona, Village Park, and Summerhill Extensions—Mobilization, demobilization, and site preparation for this component; construct approximately 4,630 LF of 6-inch pipe and 760 LF of 4-inch pipe; convert up to 27 meters; and site restoration to pre-construction conditions.

Subtask 11(c): OMWD - Extension 153—Mobilization, demobilization, and site preparation for this component; install a flowmeter and control valves; and site restoration to pre-construction conditions.

Subtask 11(d): SEJPA - Connection to Wanket Tank and Cardiff extension—Mobilization, demobilization, and site preparation for this component; construct approximately 1,000 LF of 12-inch or 16-inch pipe and up to six 2-inch laterals, service meters, and installation boxes, asphalt demolition and repair, and miscellaneous pipe fittings; and site restoration to pre-construction conditions.

Subtask 11(e): Carlsbad - MWD Tank Site D—Mobilization, demobilization, and site preparation for this component; construct a 1.5-million-gallon steel tank and yard piping.

Subtask 11(f): Rincon - Pump Station Upgrades—Mobilization, demobilization, and site preparation for this component; replace six pumps and six variable frequency drives with electrical, SCADA, and telemetry upgrades.

Subtask 11(g): Leucadia - Gafner B1 Pipeline—Mobilization, demobilization, and site preparation for this component; replace approximately 850 LF of 16-inch ductile iron pipe with 16-inch PVC pipe.

Subtask 11(h): Vallecitos - Meadowlark CCT Expansion—Mobilization, demobilization, and site preparation for this component; expand the chlorine contact chamber from 5 to 6.5 mgd capacity. The major element of this component includes lengthening the existing concrete tank by 6 feet and raising the height by 4 feet.

### **Deliverables:**

- Photographic Documentation of Progress
- Engineer's certification

## EXHIBIT C

### BUDGET

#### PROJECT 4: North San Diego Water Reuse Coalition – Regional Recycled Water Program

<i>Activity</i>	<b>Grant Amount</b>	<b>Required Cost Share: Non-State Fund Source *</b>	<b>Other Cost Share **</b>	<b>Total Cost</b>
<b>(a) Project Administration</b>	<b>\$0</b>	<b>\$0</b>	<b>\$102,000</b>	<b>\$102,000</b>
Task 1: Project Management	\$0	\$0	\$51,000	\$51,000
Task 2: Reporting	\$0	\$0	\$51,000	\$51,000
<b>(b) Land Purchase/Easement</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Task 3: Land Purchase	N/A	N/A	N/A	N/A
<b>(c) Planning / Design / Engineering / Environmental Documentation</b>	<b>\$0</b>	<b>\$1,343,256</b>	<b>\$53,000</b>	<b>\$1,396,256</b>
Task 4: Feasibility Studies	N/A	N/A	N/A	N/A
Task 5: CEQA Documentation	\$0	\$0	\$1,000	\$1,000
Task 6: Permitting	\$0	\$0	\$20,000	\$20,000
Task 7: Design	\$0	\$1,343,256	\$0	\$1,343,256
Task 8: Project Monitoring Plan	\$0	\$0	\$32,000	\$32,000
<b>(d) Construction/Implementation</b>	<b>\$3,731,783</b>	<b>\$7,656,744</b>	<b>\$5,003,898</b>	<b>\$16,392,425</b>
Task 9: Contract Services	\$0	\$0	\$200,000	\$200,000
Task 10: Construction Administration	\$0	\$0	\$1,600,000	\$1,600,000
Task 11: Construction/Implementation Activities	\$3,731,783	\$7,656,744	\$3,203,898	\$14,592,425
<i>Subtask 11(a): Oceanside Downtown Phase 2</i>	<i>\$717,348</i>	<i>\$1,615,252</i>	<i>\$745,790</i>	<i>\$3,078,390</i>
<i>Subtask 11(b): OMWD Calle Barcelona, Village Park, and Summerhill Extensions</i>	<i>\$443,667</i>	<i>\$862,843</i>	<i>\$337,919</i>	<i>\$1,644,429</i>
<i>Subtask 11(c): OMWD Extension 153</i>	<i>\$27,481</i>	<i>\$41,571</i>	<i>\$10,174</i>	<i>\$79,227</i>
<i>Subtask 11(d): SEJPA Connection to Wanket Tank and Cardiff Extension</i>	<i>\$264,660</i>	<i>\$494,379</i>	<i>\$183,162</i>	<i>\$942,201</i>
<i>Subtask 11 (e): Carlsbad Tank Site D</i>	<i>\$838,593</i>	<i>\$1,729,300</i>	<i>\$727,853</i>	<i>\$3,295,747</i>
<i>Subtask 11(f): Rincon Pump Station Upgrades</i>	<i>\$208,588</i>	<i>\$460,375</i>	<i>\$208,431</i>	<i>\$877,394</i>
<i>Subtask 11(g): Leucadia Gafner B1 Pipeline</i>	<i>\$148,574</i>	<i>\$254,434</i>	<i>\$81,900</i>	<i>\$484,908</i>
<i>Subtask 11(h): Vallecitos Meadowlark CCT Expansion</i>	<i>\$1,082,872</i>	<i>\$2,198,590</i>	<i>\$908,669</i>	<i>\$4,190,131</i>
<b>TOTAL COSTS</b>	<b>\$3,731,783</b>	<b>\$9,000,000</b>	<b>\$5,158,898</b>	<b>\$17,890,681</b>
<p><b>*List fund source(s):</b> Required funding match will be provided from each project partners' General Funds or CIP funds, and federal funding under the US. Bureau of Reclamation's WaterSMART Title XVI grant.</p> <p><b>**List sources of Other Cost Share, including other State Fund Sources:</b> Other project costs will be provided from each project partners' General Funds or CIP funds, as well as a portion of the Title XVI grant awarded to the project not needed for funding match.</p>				

## EXHIBIT D

### SCHEDULE

#### PROJECT 4: North San Diego Water Reuse Coalition–Regional Recycled Water Program

Categories		Start Date	End Date
<b>(a)</b>	<b>Project Administration</b>	<b>01/01/2023</b>	<b>12/01/2025</b>
	Task 1: Project Management	01/01/2023	12/01/2025
	Task 2: Reporting	01/01/2023	12/01/2025
<b>(b)</b>	<b>Land Purchase / Easement</b>	<b>N/A</b>	<b>N/A</b>
	Task 3: Land Purchase	N/A	N/A
<b>(c)</b>	<b>Planning / Design / Engineering / Environmental Documentation</b>	<b>01/01/2023</b>	<b>02/01/2024</b>
	Task 4: Feasibility Studies	N/A	N/A
	Task 5: CEQA Documentation	01/01/2023	03/01/2023
	Task 6: Permitting	01/01/2023	02/01/2024
	Task 7: Design	01/01/2023	02/01/2024
	Task 8: Project Monitoring Plan	01/01/2023	02/01/2024
<b>(d)</b>	<b>Construction / Implementation</b>	<b>09/01/2022</b>	<b>09/01/2025</b>
	Task 9: Contract Services	01/01/2023	09/01/2025
	Task 10: Construction Administration	01/01/2023	09/01/2025
	Task 11: Construction/Implementation Activities	01/01/2023	09/01/2025
	<i>Subtask 11(a): Oceanside Downtown Phase 2</i>	10/01/2022	06/01/2024
	<i>Subtask 11(b): OMWD Calle Barcelona, Village Park, and Summerhill Extensions</i>	12/01/2022	09/01/2023
	<i>Subtask 11(c): OMWD Extension 153</i>	09/01/2022	12/01/2022
	<i>Subtask 11(d): SEJPA Connection to Wanket Tank and Cardiff Extension</i>	09/01/2022	06/01/2025
	<i>Subtask 11 (e): Carlsbad Tank Site D</i>	04/01/2023	06/01/2024
	<i>Subtask 11(f): Rincon Pump Station Upgrades</i>	12/15/2022	09/01/2023
	<i>Subtask 11(g): Leucadia Gafner B1 Pipeline</i>	11/01/2023	04/30/2024
	<i>Subtask 11(h): Vallecitos Meadowlark CCT Expansion</i>	03/01/2024	06/01/2025

Project 4 consists of eight individual components in different stages of planning, design, environmental documentation, and construction. Construction on some project components (e.g., OMWD Extension 153) is scheduled to begin prior to completion of planning/design/environmental work for other project components (e.g., OMWD Calle Barcelona, Village Park, and Summerhill Extensions). Construction will not begin for any individual project component until the necessary planning/design/environmental work specific to that individual project component has been completed.

**EXHIBIT E**  
**STANDARD CONDITIONS**

**E.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:**

- A. **Separate Accounting of Funding Disbursements:** LPS shall account for the money disbursed pursuant to this LPP Agreement separately from all other LPP funds. LPP shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. LPP shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. LPP shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by LPS, SDCWA and the State at any and all reasonable times.
- B. **Fiscal Management Systems and Accounting Standards:** The LPP agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracking of Grant Funds to a level of expenditures adequate to establish that such funds have not been used in violation of state law, this LPP Agreement, or the Proposition 1 Integrated Regional Water Management (IRWM) Implementation Grant Agreement 4600014983.
- C. **Disposition of Money Disbursed:** All funding disbursed pursuant to this LPP Agreement shall be deposited in a non-interest-bearing account, administered, and accounted for pursuant to the provisions of applicable law.
- D. **Remittance of Unexpended Funds:** LPP shall remit to the LPS any unexpended funds that were disbursed to the LPP under this LPP Agreement and were not used to pay Eligible Project Costs within a period of twenty (20) calendar days from the final disbursement from the LPS to LPP of funds or, within ten (10) calendar days of the expiration of the LPP Agreement, whichever comes first.

**E.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE:** LPP shall include appropriate acknowledgement of credit to the State for its support when promoting the LPP's project component or using any data and/or information developed under this LPP Agreement. Signage shall be posted in a prominent location at project component site(s) (if applicable) or at the LPP's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and through an agreement with the State Department of Water Resources." The LPP shall also include in each of its contracts for work under this LPP Agreement a provision that incorporates the requirements stated within this Paragraph.

**E.3. AMENDMENT:** This LPP Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the LPP for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 100 days prior to the work completion date set forth in Paragraph 2, "Term of Agreement". Any other request for an amendment must be submitted at least 160 days prior to the work completion date set forth in Paragraph 2. The LPS, SDCWA, or the State shall have no obligation to agree to an amendment.

**E.4. AMERICANS WITH DISABILITIES ACT:** By signing this LPP Agreement, LPP assures the LPS, SDCWA, and the State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

**E.5. AUDITS:** The State or SDCWA reserve the right to conduct an audit at any time between the execution of this LPP Agreement and the completion of its project component, with the costs of such audit borne by the State or SDCWA. After completion of the project component, the State, SDCWA, or the LPS may require the LPP to conduct a final audit to the State's specifications, at the LPP's expense, such

audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by the LPP to comply with this provision shall be considered a breach of this LPP Agreement, and the State, SDCWA, or LPS may elect to pursue any remedies provided in Paragraph 13, "Default Provisions", or take any other action it deems necessary to protect its interests. The LPP agrees that it shall return any audit disallowances to the LPS for transmittal to the State via SDCWA.

Pursuant to Government Code section 8546.7, the LPP shall be subject to the examination and audit by the State and SDCWA for a period of three (3) years after final payment under Grant Agreement 4600014983 with respect of all matters connected with this LPP Agreement, including but not limited to, the cost of administering this LPP Agreement. All records of the LPP or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after Grant Agreement 4600014983 is completed by the State, SDCWA, and LPS. If an audit reveals any impropriety, the Bureau of State Audits or the State Controller's Office may conduct a full audit of any or all of the LPP's activities. Code, § 79708, subd. (b) Please see Exhibit H (State and Local Project Sponsor Audit Document Requirements and Cost Share Guidelines) for the full list of documents that may be required during an audit.

- E.6. BUDGET CONTINGENCY: If the State Budget Act of the current year covered under this LPP Agreement does not appropriate sufficient funds for this program, this LPP Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of the State, SDCWA, and LPS to make any payments under this LPP Agreement. In this event, the LPS shall have no liability to pay any funds whatsoever to the LPP or to furnish any other considerations under this LPP Agreement and LPP shall not be obligated to perform any provisions of this LPP Agreement. Nothing in this LPP Agreement shall be construed to provide LPP with a right of priority for payment over any other LPP. If funding for any fiscal year after the current year covered by this LPP Agreement is reduced or deleted by the State Budget Act, by Executive Order, or by order of the Department of Finance, the LPS shall have the option to either cancel this LPP Agreement with no liability occurring to the LPS, or offer an amendment to the LPP Agreement to reflect the reduced amount.
- E.7. CALIFORNIA CONSERVATION CORPS: The LPP may use the services of the California Conservation Corps or other community conservation corps as defined in Public Resources Code section 14507.5.
- E.8. CEQA: Activities funded under this LPP Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this LPP Agreement shall not proceed until documents that satisfy the CEQA process are received by the LPS' Project Manager and the state has completed its CEQA compliance. Work funded under this LPP Agreement that is subject to a CEQA document shall not proceed until and unless approved by the State. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the LPP is not complete at the time the LPS signs this LPP Agreement, once the State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the project component; or to not fund the project component.
- E.9. CHILD SUPPORT COMPLIANCE ACT: The LPP acknowledges in accordance with Public Contract Code section 7110, that:
- A. The LPP recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and
  - B. The LPP, to the best of its knowledge, is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

- E.10. CLAIMS DISPUTE: Any claim that the LPP may have regarding performance of this LPP Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the San Diego IRWM Program Manager within fifteen (15) days of the LPP's knowledge of the claim. The LPS and the LPP shall then attempt to negotiate a resolution of such claim and process an amendment to this LPP Agreement to implement the terms of any such resolution.
- E.11. COMPETITIVE BIDDING AND PROCUREMENTS: The LPP's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by the State, via SDCWA and the LPS, under this LPP Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the LPP does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.
- E.12. COMPUTER SOFTWARE: The LPP certifies that it has appropriate systems and controls in place to ensure that the State funds will not be used in the performance of this LPP Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- E.13. CONFLICT OF INTEREST: All participants are subject to state and federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for state conflict of interest requirements.
- A. Current State Employees: No state officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any state agency, unless the employment, activity, or enterprise is required as a condition of regular state employment. No state officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.
  - B. Former State Employees: For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency. For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving state service.
  - C. Employees of the LPP: Employees of the LPP shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
  - D. Employees and Consultants to the LPP: Individuals working on behalf of the LPP may be required to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.
- E.14. DELIVERY OF INFORMATION, REPORTS, AND DATA: The LPP agrees to expeditiously provide throughout the term of this LPP Agreement, such reports, data, information, and certifications as may be reasonably required by the State.
- E.15. DISPOSITION OF EQUIPMENT: The LPP shall provide to the LPS, for submittal to the State via SDCWA, not less than thirty (30) calendar days prior to submission of the LPP's final invoice, an itemized inventory of equipment purchased with funds provided by the State, via SDCWA and the

LPS. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within one hundred (100) calendar days of receipt of such inventory, the LPS shall provide the LPP with a list of the items on the inventory to which the State takes title. Cost of transportation, if any, shall be borne by the State.

- E.16. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this LPP Agreement, the LPP, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of the State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:
- A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
  - B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
    - i. The dangers of drug abuse in the workplace,
    - ii. The LPP's policy of maintaining a drug-free workplace,
    - iii. Any available counseling, rehabilitation, and employee assistance programs, and
    - iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
  - C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this LPP Agreement:
    - i. Will receive a copy of the LPP's drug-free policy statement, and
    - ii. Will agree to abide by terms of the LPP's condition of employment, contract, or subcontract.
- E.17. EASEMENTS: Where the LPP acquires property in fee title or funds improvements to real property using State funds provided through this LPP Agreement, an appropriate easement or other title restriction providing for floodplain preservation and agricultural and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State and SDCWA, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State and SDCWA. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State, SDCWA, and LPS.
- Where the LPP acquires an easement under this LPP Agreement, the LPP agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with the State, SDCWA, and LPS permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner. Failure to provide an easement or other title restriction acceptable to the State, SDCWA, and LPS may result in termination of this LPP Agreement.
- E.18. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL: Upon completion of the individual LPP's project component, LPP shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist), that the project component has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this LPP Agreement.
- E.19. GOVERNING LAW: This LPP Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- E.20. INCOME RESTRICTIONS: The LPP agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the LPP under this LPP Agreement shall be paid by the LPP to the LPS for remitting to SDCWA and the State, to the extent that they are properly allocable to costs for which the LPP has been reimbursed under this LPP Agreement. The LPP shall

also include in each of its contracts for work under this LPP Agreement a provision that incorporates the requirements stated within this Paragraph.

- E.21. INDEPENDENT CAPACITY: LPP, and the agents and employees of the LPP, in the performance of this LPP Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State, SDCWA, or LPS.
- E.22. INSPECTION OF BOOKS, RECORDS, AND REPORTS: During regular office hours, each of the Parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this LPP Agreement or matters related hereto. Each of the Parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this LPP Agreement. Failure or refusal by LPP to comply with this provision shall be considered a breach of this LPP Agreement, and the LPS, SDCWA, or the State may withhold disbursements to the LPP or take any other action deemed necessary to protect its interests.
- E.23. INSPECTIONS OF PROJECT BY STATE: The State, SDCWA, and the LPS shall have the right to inspect the work being performed at any and all reasonable times during the term of the LPP Agreement. This right shall extend to any subcontracts, and the LPP shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its LPP Agreement with the LPS.
- E.24. LABOR CODE COMPLIANCE: The LPP agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this LPP Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: <http://www.dir.ca.gov/lcp.asp>. For more information, please refer to DIR's *Public Works Manual* at: <https://www.dir.ca.gov/dlse/PWManualCombined.pdf>.
- The LPP affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the LPP affirms that it will comply with such provisions before commencing the performance of the work under this LPP Agreement and will make its contractors and subcontractors aware of this provision.
- E.25. MODIFICATION OF OVERALL WORK PLAN: At the request of the LPP, or when found to be necessary by the LPS and the LPP agrees, the LPS will forward any requests for non-material changes to the portions of Exhibits B, C, and D, which concern the budget and schedule to the State. The State may, at its sole discretion, approve those non-material changes, and upon such approval, such changes will be made herein without formal amendment to this LPP Agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the Grant. Non-material changes with respect to the project component schedule are changes that will not extend the term of this LPP Agreement. Requests for non-material changes to the budget and schedule must be submitted by the LPP to the LPS in writing and are not effective unless and until specifically approved by the State in writing.
- E.26. NONDISCRIMINATION: During the performance of this LPP Agreement, the LPP and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, gender identity, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, and denial of medical and family care leave or pregnancy disability leave. The LPP and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such

discrimination and harassment. The LPP and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing are incorporated into this LPP Agreement by reference. The LPP and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The LPP shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the LPP Agreement.

- E.27. OPINIONS AND DETERMINATIONS: Where the terms of this LPP Agreement provide for action to be based upon judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- E.28. PERFORMANCE BOND: Where contractors are used, the LPP shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the LPP in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)
- E.29. PRIORITY HIRING CONSIDERATIONS: If this LPP Agreement includes services in excess of \$200,000, the LPP shall give priority consideration in filling vacancies in positions funded by the Grant to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.
- E.30. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The LPP shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with its project component, or with LPP's service of water, without prior written notification to the LPS and written permission of the State. The LPP shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of LPP to meet its obligations under this LPP Agreement, without prior written notification to the LPS and written permission of the State. The LPS may require that the proceeds from the disposition of any real or personal property be remitted to the LPS for prompt disbursement to the State via SDCWA.
- E.31. PROJECT ACCESS: The LPP shall ensure that the LPS, SDCWA, the State, the Governor of the state, or any authorized representative of the foregoing, will have safe and suitable access to the project component site at all reasonable times during project component construction and thereafter for the term of this LPP Agreement.
- E.32. REMAINING BALANCE: In the event the LPP does not submit invoices requesting all of the funds encumbered under this LPP Agreement, any remaining funds revert to the State. The LPS will notify the LPP stating that the project component file is closed, and any remaining balance will be disencumbered and unavailable for further use under this LPP Agreement.
- E.33. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this LPP Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- E.34. RETENTION: The State shall withhold ten (10) percent of the Grant Funds until the Project is complete, and a Project Completion Report is approved and accepted by the State. Upon approval of the Project Completion Report and/or Component Completion Report, any retained amounts due to

the LPP will be promptly disbursed by the State to SDCWA and the LPS for prompt disbursement to the LPP, without interest.

- E.35. RIGHTS IN DATA: LPP agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this LPP Agreement shall be made available to the State, SDCWA, and the LPS and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) The LPP may disclose, disseminate, and use, in whole or in part, any final form data and information received, collected, and developed under this LPP Agreement, subject to appropriate acknowledgement of credit to the State for financial support. The LPP shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. the State, SDCWA, and the LPS shall have the right to use any data described in this paragraph for any public purpose.
- E.36. SEVERABILITY: Should any portion of this LPP Agreement be determined to be void or unenforceable, such shall be severed from the whole and the LPP Agreement shall continue as modified.
- E.37. SUSPENSION OF PAYMENTS: This LPP Agreement may be subject to suspension of payments or termination, or both if the State, SDCWA, or LPS determine that:
- A. The LPP, its contractors, or subcontractors have made a false certification, or
  - B. The LPP, its contractors, or subcontractors violate the certification by failing to carry out the requirements noted in this LPP Agreement.
- E.38. SUCCESSORS AND ASSIGNS: This LPP Agreement and all of its provisions shall apply to and bind the successors and assigns of the Parties. No assignment or transfer of this LPP Agreement or any part thereof, rights hereunder, or interest herein by the LPP shall be valid unless and until it is approved by the LPS and made subject to such reasonable terms and conditions as the LPS may impose.
- E.39. TERMINATION BY LPP: Subject to the State, SDCWA, and LPS approval, which may be reasonably withheld, the LPP may terminate this LPP Agreement and be relieved of contractual obligations. In doing so, the LPP must provide a reason(s) for termination. The LPP must submit all Progress Reports summarizing accomplishments up until termination date.
- E.40. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 13, "Default Provisions," the LPS may terminate this LPP Agreement and be relieved of any payments should the LPP fail to perform the requirements of this LPP Agreement at the time and in the manner herein provided including but not limited to reasons of default under Paragraph 13, "Default Provisions."
- E.41. TERMINATION WITHOUT CAUSE: The LPS may terminate this LPP Agreement without cause on thirty (30) days' advance written notice. The LPP shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- E.42. THIRD PARTY BENEFICIARIES: The Parties to this LPP Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this LPP Agreement, or any duty, covenant, obligation, or understanding established herein.
- E.43. TIMELINESS: Time is of the essence in this LPP Agreement.
- E.44. TRAVEL – DAC, EDA, TRIBES PROJECT: Travel is only an eligible reimbursable expense for projects providing at least 75% of benefits to DACs, EDAs, and/or Tribes (based on population or geographic area). Only ground transportation and lodging are eligible for grant reimbursement. Per diem costs will not be eligible for grant reimbursement. Any reimbursement for necessary travel shall be at rates not

to exceed those set by the California Department of Human Resources. These rates may be found at: <http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>. Reimbursement will be at the state travel amounts that are current as of the date costs are incurred. No travel outside of the LPP's service area shall be reimbursed unless prior written authorization is obtained from the State, via SDCWA and the LPS.

- E.45. UNION ORGANIZING: The LPP, by signing this LPP Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this LPP Agreement. Furthermore, the LPP, by signing this LPP Agreement, hereby certifies that:
- A. No State funds disbursed by this LPP Agreement will be used to assist, promote, or deter union organizing.
  - B. The LPP shall account for State funds disbursed for a specific expenditure by this LPP Agreement to show those funds were allocated to that expenditure.
  - C. The LPP shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
  - D. If the LPP makes expenditures to assist, promote, or deter union organizing, the LPP will maintain records sufficient to show that no State funds were used for those expenditures and that the LPP shall provide those records to the LPS upon request.
- E.46. VENUE: The LPS and the LPP hereby agree that any action arising out of this LPP Agreement shall be filed and maintained in the Superior Court in and for the County of San Diego, California, or in the United States District Court in and for the Southern District of California. The LPP hereby waives any existing sovereign immunity for the purposes of this LPP Agreement.
- E.47. WAIVER OF RIGHTS: None of the provisions of this LPP Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the Parties hereto that from time to time, either party may waive any of its rights under this LPP Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the LPP Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

## **EXHIBIT F**

### **REPORT FORMATS AND REQUIREMENTS**

The following reporting formats should be utilized.

#### **PROGRESS REPORTS**

Progress Reports shall generally use the following format. This format may be modified as necessary by the LPS, SDCWA, or the State to effectively communicate information.

For each project component, discuss the following at the task level, as organized in Exhibit B:

- Percent complete.
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.

For each project component, discuss the following at the project level, as organized in Exhibit B:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Budget projections for grant share for the next two quarters.
- Any schedule or budget modifications approved by the State during the reporting period.

#### **PROJECT COMPLETION REPORT**

The Project Completion Report shall generally use the following format, provided below:

##### **Executive Summary**

The Executive Summary provides a brief summary of project component information, including:

- A brief description of work proposed to be done in the original grant application.
- List any official amendments to the LPP Agreement, with a short description of the amendment.

##### **Reports and/or Products**

The following items should be provided, unless already submitted as a deliverable:

- A copy of a final technical report or study produced for/utilized in the project components described in Exhibit B.
- Electronic copies of any data collected, not previously submitted.
- Discussion of problems that occurred during the work and how those problems were resolved.
- Final project component schedule showing actual progress versus planned progress shown in Exhibit D.

Additional information that may be applicable for implementation projects includes the following:

- Record Drawings
- Final geodetic survey information
- Project component photos

##### **Cost & Disposition of Funds**

- A summary of final individual LPP components of the project component costs, including the following:
  - An accounting of project component expenditures, including all internal and external costs not previously disclosed (i.e., additional Cost Share);
  - A discussion of factors that positively or negatively affected the project components cost; and
  - Any deviation in final costs from the original project component cost estimate.

### **Additional Information**

#### **Project Benefits**

- List the benefits derived from the project component, with quantification of such benefits.
- If a DAC or EDA Cost Share Waiver was approved for this LPP Agreement, discuss the benefits derived for DAC and/or EDA.
- Briefly describe how the level, type, or magnitude of the benefits compare to the original project component proposal.

#### **IRWM Plan Goals and Objectives**

- Briefly discuss how the project component achieved San Diego IRWM Plan goals and objectives, which can be accessed online at [https://sdirwmp.org/pdf/SDIRWM\\_02\\_Vision\\_Objectives\\_FINAL\\_2019.pdf](https://sdirwmp.org/pdf/SDIRWM_02_Vision_Objectives_FINAL_2019.pdf).

#### **Remaining work**

- Discuss any remaining work to be completed for the project component and mechanism for its implementation.

#### **Project Certification**

- If applicable, include a Certification from a California Registered Professional (e.g., Civil Engineer or Geologist, as appropriate), consistent with Exhibit E, that the project component was conducted in accordance with the approved Work Plan in Exhibit B and any approved amendments thereto.

#### **Post-Performance Report**

- Include a submittal schedule for the annual Post-Performance Report.

## **POST-PERFORMANCE REPORT**

The Post-Performance Report (PPR) should be concise and focus on how each project component is performing compared to its expected performance; whether the project component is being operated and maintained and providing intended benefits as proposed. A PPR template may be provided by the LPS upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

### **Reports and/or Products**

- Header including the following:
  - LPP name
  - LPS name
  - Grant Agreement number
  - Project component name and number
  - Funding grant source (i.e., 2022 Proposition 1 IRWM Implementation Grant)
  - Report number

- Post-Performance Report schedule
- Time period of the annual report (e.g., January 2024 through December 2024)
- Project component description summary
- Discussion of the project component benefits
- An assessment of any differences between the expected versus actual project component benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced that year, etc.).
- Summary of any additional costs and/or benefits deriving from the project component since its completion, if applicable.
- Any additional information relevant to or generated by the continued operation of the project component.

## **EXHIBIT G**

### **REQUIREMENTS FOR DATA SUBMITTAL**

#### **Surface and Groundwater Quality Data:**

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project component reports.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: <http://www.ceden.org>.

If the LPP's project component's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program. Information on the GAMA Program can be obtained at:

[https://www.waterboards.ca.gov/water\\_issues/programs/gama/](https://www.waterboards.ca.gov/water_issues/programs/gama/). If further information is required, the LPS can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at:

[https://www.waterboards.ca.gov/water\\_issues/programs/gama/contact.shtml](https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml).

#### **Groundwater Level Data**

If the project component collects groundwater level data, the LPP will need to submit this data to the LPS for submittal to the State's Water Data Library (WDL), with a narrative description of data submittal activities included in project component reports, as described in Exhibit F (Report Formats and Requirements). Information regarding the WDL and in what format to submit data, can be found at:

<http://www.water.ca.gov/waterdatalibrary/>.

**EXHIBIT H**  
**STATE AND LOCAL PROJECT SPONSOR AUDIT DOCUMENT REQUIREMENTS**  
**AND COST SHARE GUIDELINES**

The following provides a list of documents typically required by State Auditors or the LPS and general guidelines for the LPP. The list of documents pertains to both State funding and the LPP's local Cost Share and details the documents/records that State Auditors and the LPS would need to review in the event this LPP Agreement is audited. The LPP should ensure that such records are maintained for each funded project component.

**State and LPS Audit Document Requirements**

Internal Controls

1. Organization chart (e.g., LPP's overall organization chart and organization chart for the State-funded project component).
2. Written internal procedures and flowcharts for the following:
  - a) Receipts and deposits
  - b) Disbursements
  - c) State reimbursement requests
  - d) Expenditure tracking of State funds
  - e) Guidelines, policy, and procedures on State-funded project component
3. Audit reports of the LPP internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State-funded project component.

State Funding:

1. This LPP Agreement and any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State.
3. A listing of all other funding sources for the project component.

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency, member agencies, and local project partners as related to the state-funded project component.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State via SDCWA and the LPS for payments under this LPP Agreement.
2. Documentation linking subcontractor invoices to the State reimbursement, requests, and related budget line items under this LPP Agreement.
3. Reimbursement and, if applicable, Advance Funding requests submitted to the State, via SDCWA and the LPS, under this LPP Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State, via SDCWA and the LPS.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State, via SDCWA and the LPS.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

1. Ledgers showing entries for funding receipts and cash disbursements.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.

3. Bridging documents that tie the general ledger to requests for LPP reimbursement.

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and LPP staff that worked on the State-funded project component.
2. Payroll records, including timesheets for contractor staff and LPP personnel who provided services charged to the project component.

Project Files:

1. All supporting documentation that is maintained in the project component files.
2. All LPP Agreement-related correspondence.

**Cost Share Guidelines**

Cost Share consists of non-State funds, including in-kind services. In-kind services are defined as work performed (i.e., dollar value of non-cash contributions) by the LPP (and potentially other entities) directly related to the execution of the funded project component. Examples include volunteer services, equipment use, and use of facilities. The cost of an in-kind service can be counted as Cost Share in lieu of actual funds (or revenue) provided by the LPP. Other Cost Share and in-kind service eligibility conditions may apply. Provided below is guidance for documenting Cost Share with and without in-kind services.

1. Although tracked separately, in-kind services shall be documented and, to the extent feasible, supported by the same methods used by the LPP for its own employees. Such documentation should include the following:
  - a. Detailed description of the contributed item(s) or service(s)
  - b. Purpose for which the contribution was made (tied to project component work plan)
  - c. Name of contributing organization and date of contribution
  - d. Real or approximate value of contribution. Who valued the contribution and how was the value determined? (e.g., actual, appraisal, fair market, etc.). Justification of rate. (See item #2, below)
  - e. Person's name and the function of the contributing person
  - f. Number of hours contributed
  - g. If multiple sources exist, these should be summarized on a table with summed charges
  - h. Source of contribution if it was provided by, obtained with, or supported by government funds
2. Rates for volunteer or in-kind services shall be consistent with those paid for similar work in the LPP's organization. For example, volunteer service of clearing vegetation performed by an attorney shall be valued at fair market value for this service, not the rate for professional legal services. In those instances, in which the required skills are not found in the recipient organization, rates shall be consistent with those paid for similar work in the labor market. Paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation.
3. Cost Share contribution (including in-kind services) shall be for costs and services directly attributed to activities included in the LPP Agreement. These services, furnished by professional and technical personnel, consultants, and other skilled labor may be counted as in-kind if the activities are an integral and necessary part of the project component funded by the LPP Agreement.
4. Cash contributions made to a project component shall be documented as revenue and in-kind services as expenditures. These costs should be tracked separately in the LPP's accounting system.

## **EXHIBIT I**

### **PROJECT MONITORING PLAN GUIDANCE**

#### **Introduction**

The Project Monitoring Plan is to include: a brief description of the Project (maximum ~150 words) and individual components (if the Project has multiple components); implementation elements; the need for the project components (i.e., what problem(s) are addressed); and that responds to the requirements listed below.

#### **Project Monitoring Plan Requirements**

The Project Monitoring Plan shall contain responses to the following questions:

- What are the anticipated project component physical benefits?
- What are the corresponding numeric targets for each project component benefit?
- How will proposed numeric targets be measured?
- What are baseline conditions?
- When will the targets be met (e.g., upon project component completion, five years after completion)?
- How often will monitoring be undertaken (e.g., monthly, yearly).
- Where are monitoring point locations (e.g., meter located at..., at stream mile...)? Include relevant maps.
- How will the project component be maintained (e.g., irrigation, pest management, weed abatement)?
- What will be the frequency and duration of maintenance proposed activities?
- Are there any special environmental considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)?
- Who is responsible for collecting the samples (i.e., who is conducting monitoring and/or maintenance)?
- How, and to whom, will monitoring results be reported (e.g., paper reports, online databases, public meetings)?
- What adaptive management strategies will be employed if problems are encountered during routine monitoring or maintenance?
- What is the anticipated life of the project component?

## **EXHIBIT J**

### **INVOICE GUIDANCE FOR ADMINISTRATIVE AND OVERHEAD CHARGES**

The funds provided pursuant to this LPP Agreement may only be used for costs that are directly related to the funded project component. The following provides a list of typical requirements for invoicing, specifically providing guidance on the appropriate methods for invoicing administrative and direct overhead charges.

#### **Administration Charges**

Indirect and General Overhead (i.e., indirect overhead) charges are not an allowable expense for reimbursement. However, administrative expenses that are apportioned directly to the project component are eligible for reimbursement. Cost such as rent, office supplies, fringe benefits, etc. can be “Direct Costs” and are eligible expenses as long as:

- There is a consistent, articulated method for how the costs are allocated that is submitted and approved by the DWR Grant Manager. The allocation method must be fully documented for auditors.
- A “fully burdened labor rate” can be used to capture allowable administrative costs.
- The administrative/overhead costs can never include:
  - Non-project-component specific personnel and accounting services performed within the Grantee, LPS, or LPP’s organization
  - Markup
  - Tuition
  - Conference fees
  - Building and equipment depreciation or use allowances
- Using a general overhead percentage is never allowed.

#### **Labor Rates**

The LPP must provide the LPS with supporting documentation for personnel hours it plans on submitting as part of its invoices. A personnel rate letter should be submitted by the LPS via the Water Authority to the DWR Grant Manager prior to submittal of the first invoice. The supporting documentation must include, at a minimum, employee classifications that will be reimbursed by the grant funds disbursed under this LPP Agreement and the corresponding hourly rate range. These rates should be “burdened”; the burdened rate must be consistent with the LPP’s standardized allocation methodology. The supporting documentation should also provide an explanation of what costs make up the burdened rate and how those costs were determined. This information will be used to compare against personnel hours summary table invoice supporting documentation. Periodic updates may be needed during the life of the Grant which would be handled through a revised billing rate letter.

# Memo

Date: June 21, 2023  
To: Olivenhain Municipal Water District Board of Directors  
From: Paul Martinez, Engineering Technician I  
Via: Kimberly A. Thorner, General Manager  
Subject: **CONSIDER ACCEPTANCE OF THE 3144 LEVANTE STREET WATER SERVICE  
INSTALL (DENNIS MATHIS) INTO OMWD'S SYSTEM AND ORDER A NOTICE OF  
COMPLETION FILED**

---

## Purpose

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

## Recommendation

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

## Alternative(s)

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

## **Background**

The 3144 Levante Street Water Service Installation Project is located on Levante Street, east of La Costa Avenue in Director Division 5 (Meyers). The Project consisted of the installation of one 1-inch water service line and one 1-inch domestic meter.

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

## **Fiscal Impact**

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

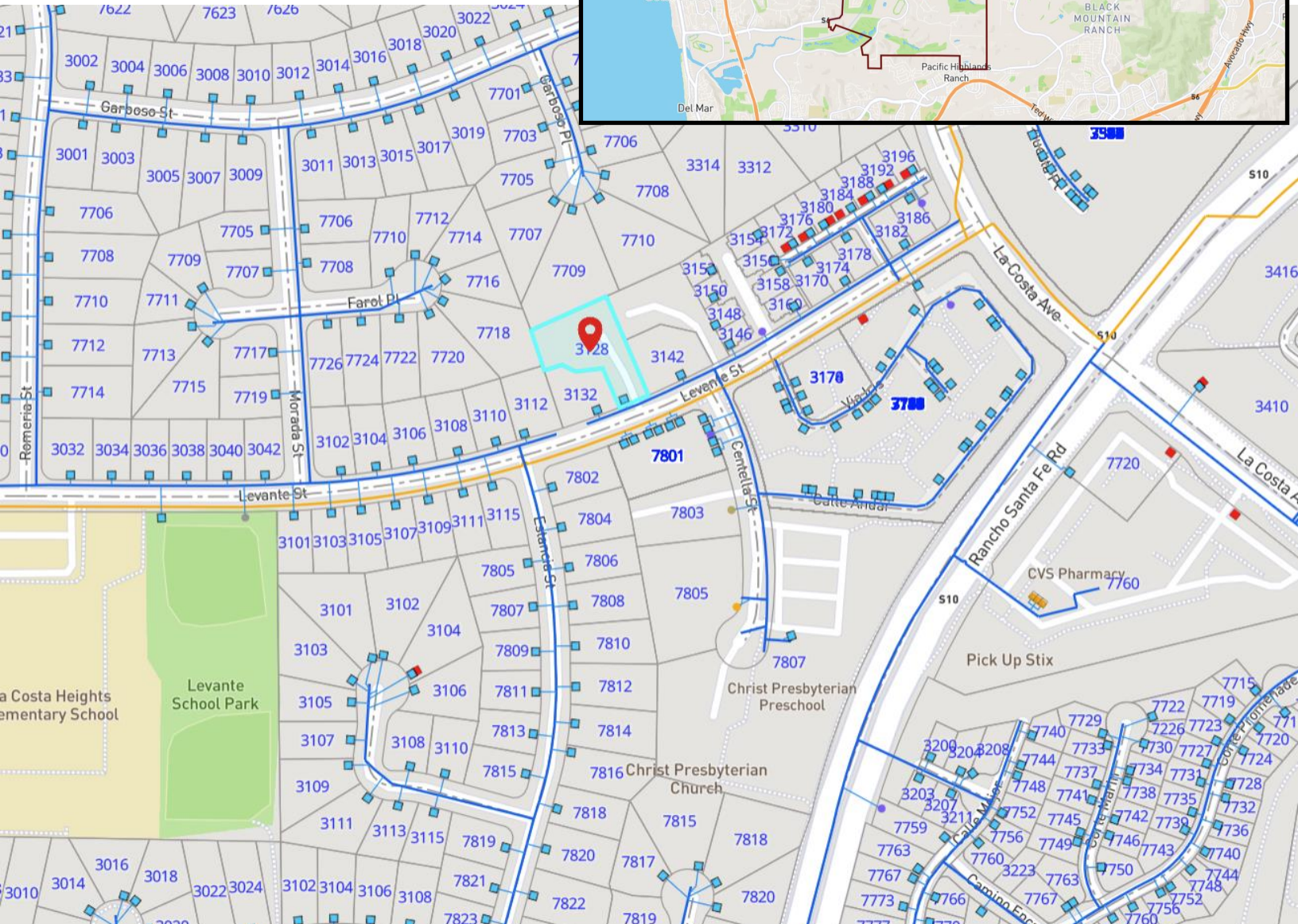
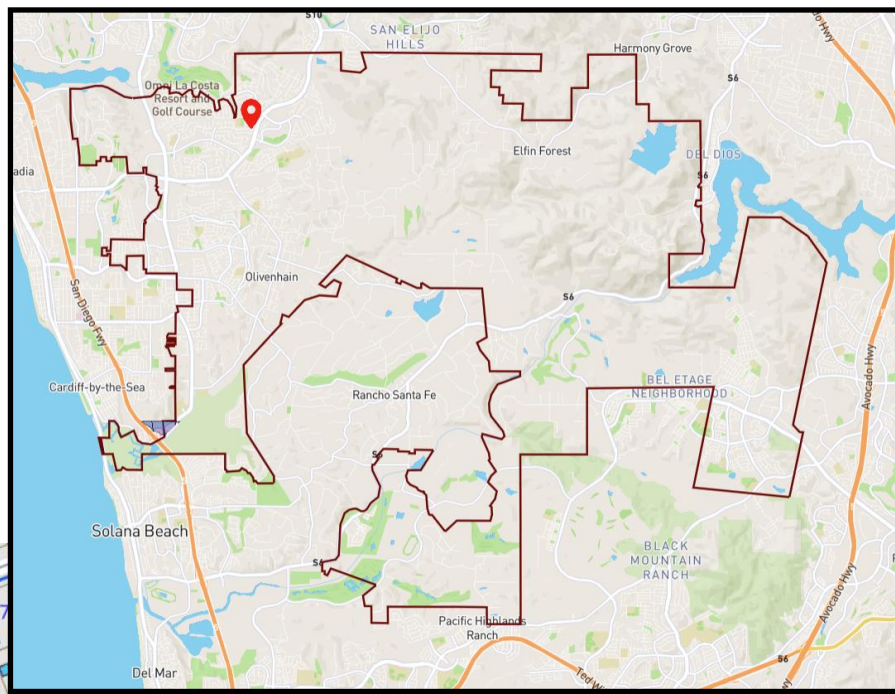
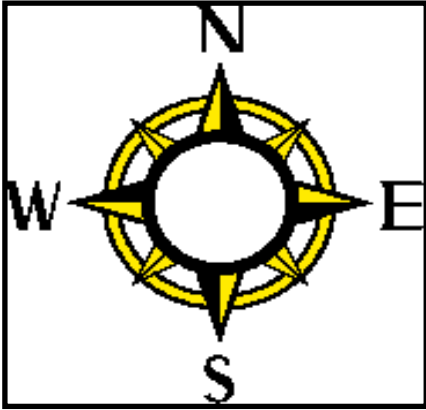
## **Discussion**

Staff is available to answer questions.

*Attachments:*

*Location Map*

*Notice of Completion*



## LOCATION MAP

**3144 LEVANTE ST – WATER SERVICE INSTALL  
DISTRICT PROJECT NO. W590284**

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

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

(This space for recorder's use)

**NOTICE OF COMPLETION**

NOTICE IS HEREBY GIVEN that the facilities shown on improvement plans for Parcel 223-170-65-00 of Map No. 21392, recorded on September 16<sup>th</sup>, 2016 located in the City of Carlsbad for which Dennis Mathis, ("Developer") contracted with the OLIVENHAIN MUNICIPAL WATER DISTRICT ("Owner," in fee, of the facilities), headquartered at 1966 Olivenhain Road, Encinitas, CA 92024, have been completed in accordance with the plans and specifications as of April 26<sup>th</sup>, 2023. The facilities have been accepted by the Board of Directors of the OLIVENHAIN MUNICIPAL WATER DISTRICT on this 21<sup>st</sup> day of June 2023.

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

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

OLIVENHAIN MUNICIPAL WATER DISTRICT

Date: \_\_\_\_\_, 20\_\_

By: \_\_\_\_\_  
Kimberly A. Thorner  
General Manager

District Project No. W590284 – 3144 Levante St Water Service Install

# Memo

Date: June 21, 2023  
To: Olivenhain Municipal Water District Board of Directors  
From: Paul Martinez, Engineering Technician I  
Via: Kimberly A. Thorner, General Manager  
Subject: **CONSIDER APPROVAL OF PRIVATE ENCROACHMENT PERMIT NO. 425 FOR MIRA COSTA COLLEGE TO CONSTRUCT A STORM DRAIN AND IRRIGATION LINE THROUGH OMWD EASEMENT 751 LOCATED ON THE MIRA COSTA CAMPUS AND ORDER THE PERMIT BE RECORDED**

---

## Purpose

The purpose of this agenda item is to consider approval to enter into an Encroachment Permit Agreement with Mira Costa College. The proposed facilities fall within the property at APN 261-150-60-00 and encroach upon OMWD's 20-foot Easement No. 751. Approval would authorize the General Manager to sign the Encroachment Permit on behalf of OMWD for recording by the County of San Diego Recorder's Office.

## Recommendation

Staff recommends approval of Encroachment Permit No. 425 and authorization for the General Manager to sign the permit on behalf of OMWD.

### **Alternative(s)**

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

### **Background**

The proposed encroachment consists of allowing the parcel owner to construct a storm drain and place an irrigation line through Easement No. 751 located on Assessor Parcel 261-150-60-00, owned by Mira Costa Community College District and located in Director Division 3 (Guerin).

### **Fiscal Impact**

There is no fiscal impact to OMWD in approving Encroachment Permit No. 425, and the applicant has already paid the encroachment permit application fee. The Encroachment Permit Agreement stipulates that the permittee is responsible for all costs incurred to remove and rebuild any encroaching facilities should OMWD need access to its facilities within the easement for any reason whatsoever.

### **Discussion**

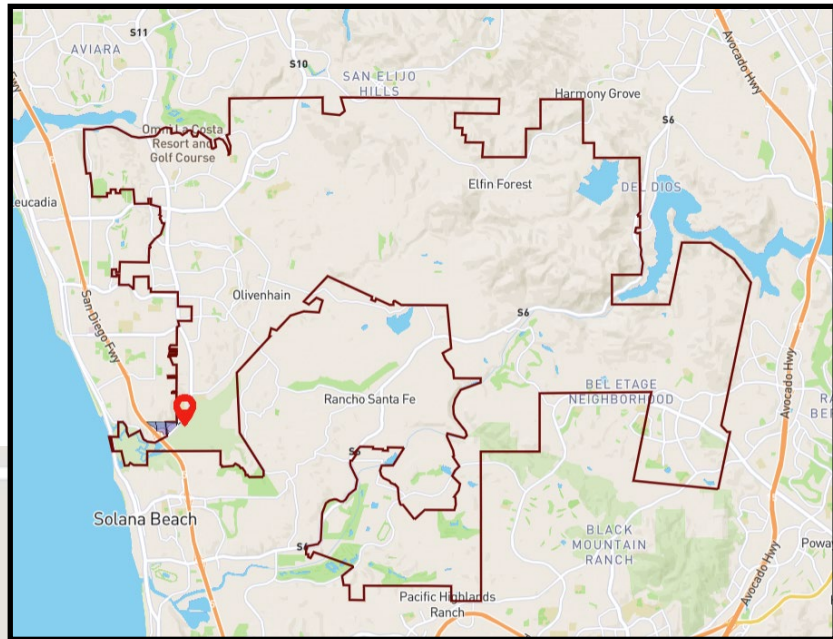
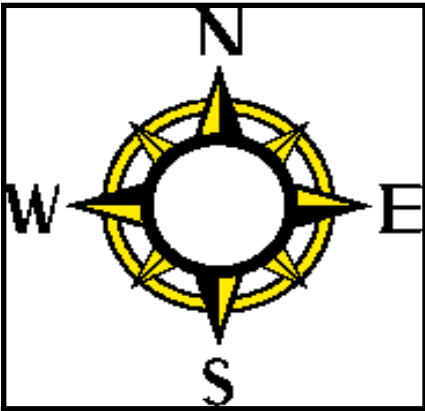
The proposed access encroachment will be constructed in a manner that will not unduly affect OMWD's daily operations or maintenance of facilities located in the easement. A copy of the Encroachment Permit is attached for review, and staff recommends approval given the proposed encroachments do not interfere with OMWD business and are a benefit to the community.

Staff is available to answer any questions.

*Attachments:*

*Location map*

*Encroachment Permit Agreement No. 425*



**LOCATION MAP**  
**ENCROACHMENT PERMIT 425**  
**DISTRICT PROJECT NO. W430062**

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

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

(This space for recorder's use)  
A.P.N. No. 261-150-60-00

**OLIVENHAIN MUNICIPAL WATER DISTRICT  
PRIVATE ENCROACHMENT PERMIT AGREEMENT NO. 425**

THIS ENCROACHMENT PERMIT No. 425 (hereinafter "Agreement") entered into by and between the OLIVENHAIN MUNICIPAL WATER DISTRICT organized and existing pursuant to the Municipal Water District Act of 1911, California Water Code §71000, et seq. (hereinafter "DISTRICT"), and MIRA COSTA COMMUNITY COLLEGE DISTRICT, (hereinafter "PERMITTEE").

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

1. The DISTRICT presently holds title to an easement as more particularly described in the DISTRICT's document no. 751, recorded May 3<sup>rd</sup>, 1988, as File/Page 88-203878, Official Records, San Diego County, not attached hereto, but incorporated herein by reference.
2. PERMITTEE desires to encroach upon this easement.
3. PERMITTEE is the owner of property described in Exhibit "A" attached hereto.
4. The parties agree that PERMITTEE shall be entitled to encroach upon this easement only to the extent and in the manner specified in this Agreement. No other encroachments shall be allowed without the express prior written consent of the DISTRICT.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

21. **Effective Date**: The effective date of this permit is \_\_\_\_\_, 20 \_\_\_\_.

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

**“DISTRICT”**

OLIVENHAIN MUNICIPAL WATER DISTRICT

Dated: \_\_\_\_\_, 20\_\_\_\_

By: \_\_\_\_\_  
Kimberly A. Thorner  
General Manager

**“PERMITTEE”**

Mira Costa Community College District

Dated: \_\_\_\_\_, 20\_\_\_\_

By: \_\_\_\_\_  
Tim Flood  
Vice President, Administrative Services

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

**EXHIBIT "A"**  
**Sheet 1 of 1**

**Legal Description**

**PARCEL 1:**

*THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER, THE WEST HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 26 TOWNSHIP 13 SOUTH TOWNSHIP 4 WEST, SAN BERNARDINO MERIDIANS, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO UNITED STATES GOVERNMENT SURVEY.*

**PARCEL 2:**

*THE EAST HALF OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 26, TOWNSHIP 13 SOUTH, RANGE 4 WEST SAN BERNARDINO MERIDIAN, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO OFFICIAL PLAT THEREOF.*

**EXHIBIT “B”**  
**Sheet 1 of 3**

1. **Encroachment Facilities:**

- A. Please see Exhibit ‘B’ sheet 2 of 3 and 3 of 3 for details regarding path of construction through easement.

2. **Encroachment Area:**

The encroachment facilities encroach upon District Easement No. 751 as shown on Exhibit ‘C’ sheet 1 of 1.

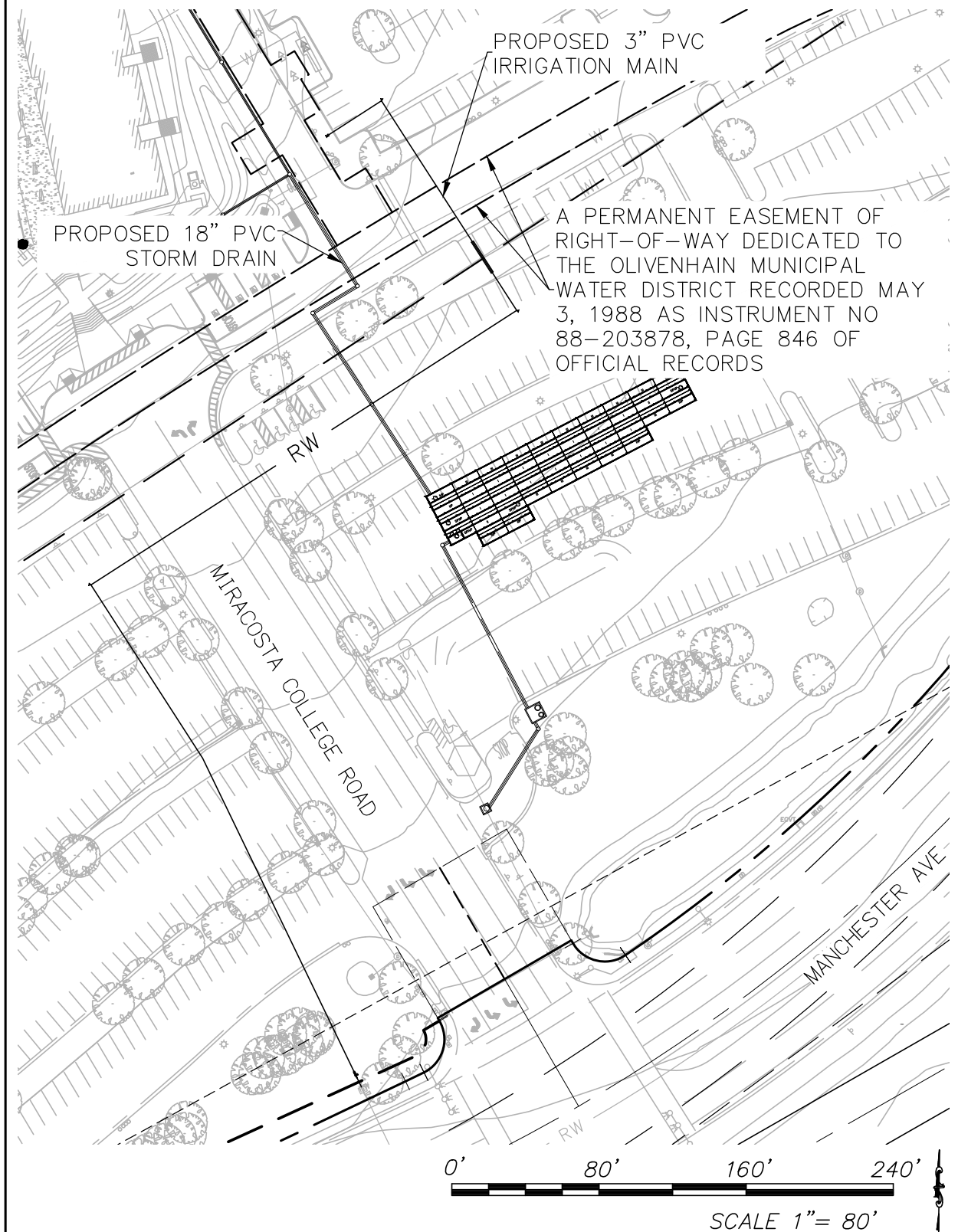
3. **Special Conditions of Encroachment:**

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

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

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

# SITE PLAN



# SITE PLAN

A PERMANENT  
EASEMENT OF  
RIGHT-OF-WAY  
DEDICATED TO THE  
OLIVENHAIN MUNICIPAL  
WATER DISTRICT  
RECORDED MAY 3,  
1988 AS INSTRUMENT  
NO 88-203878, PAGE  
846 OF OFFICIAL  
RECORDS

PROPOSED 3" PVC  
IRRIGATION MAIN

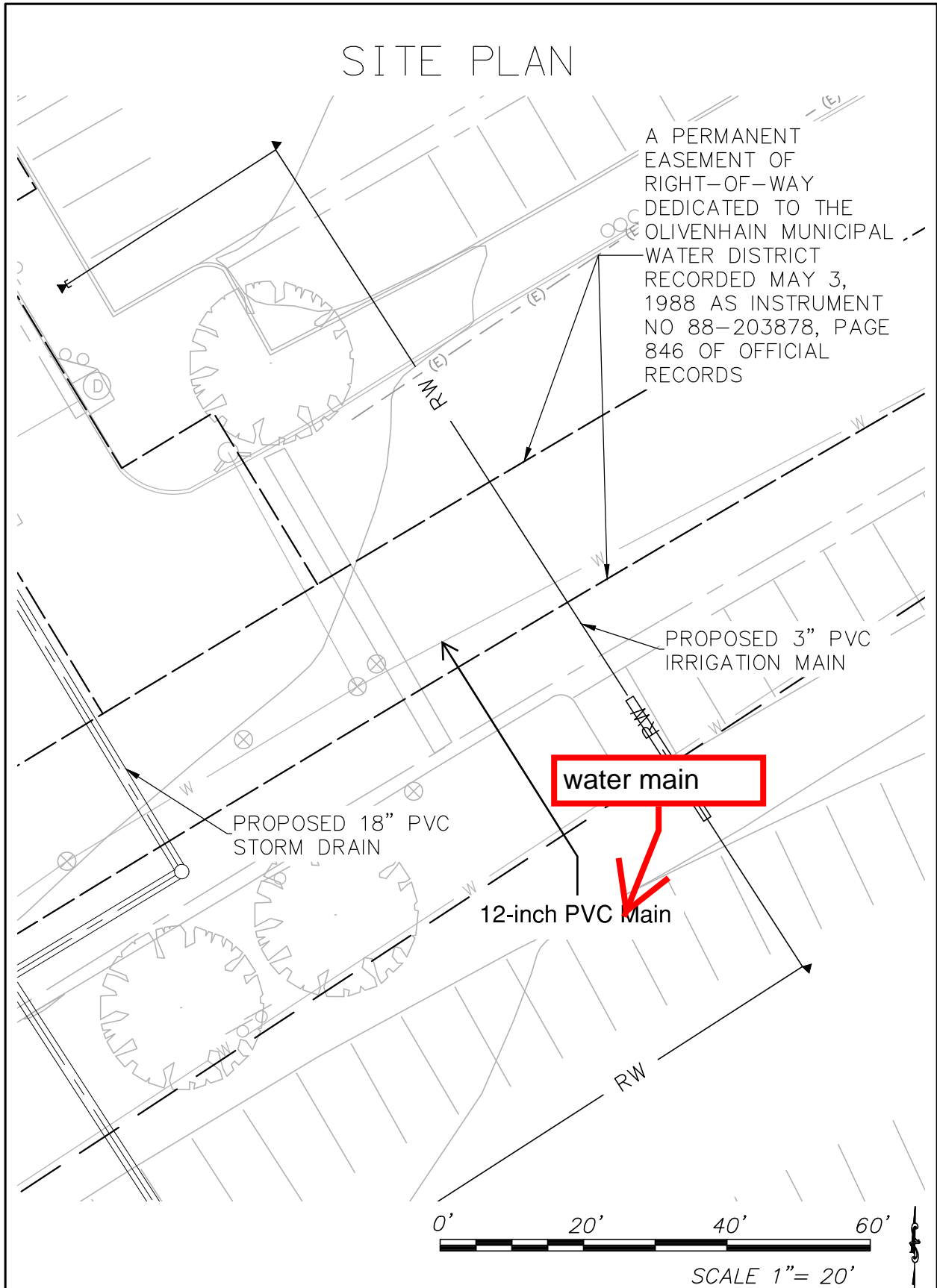
water main

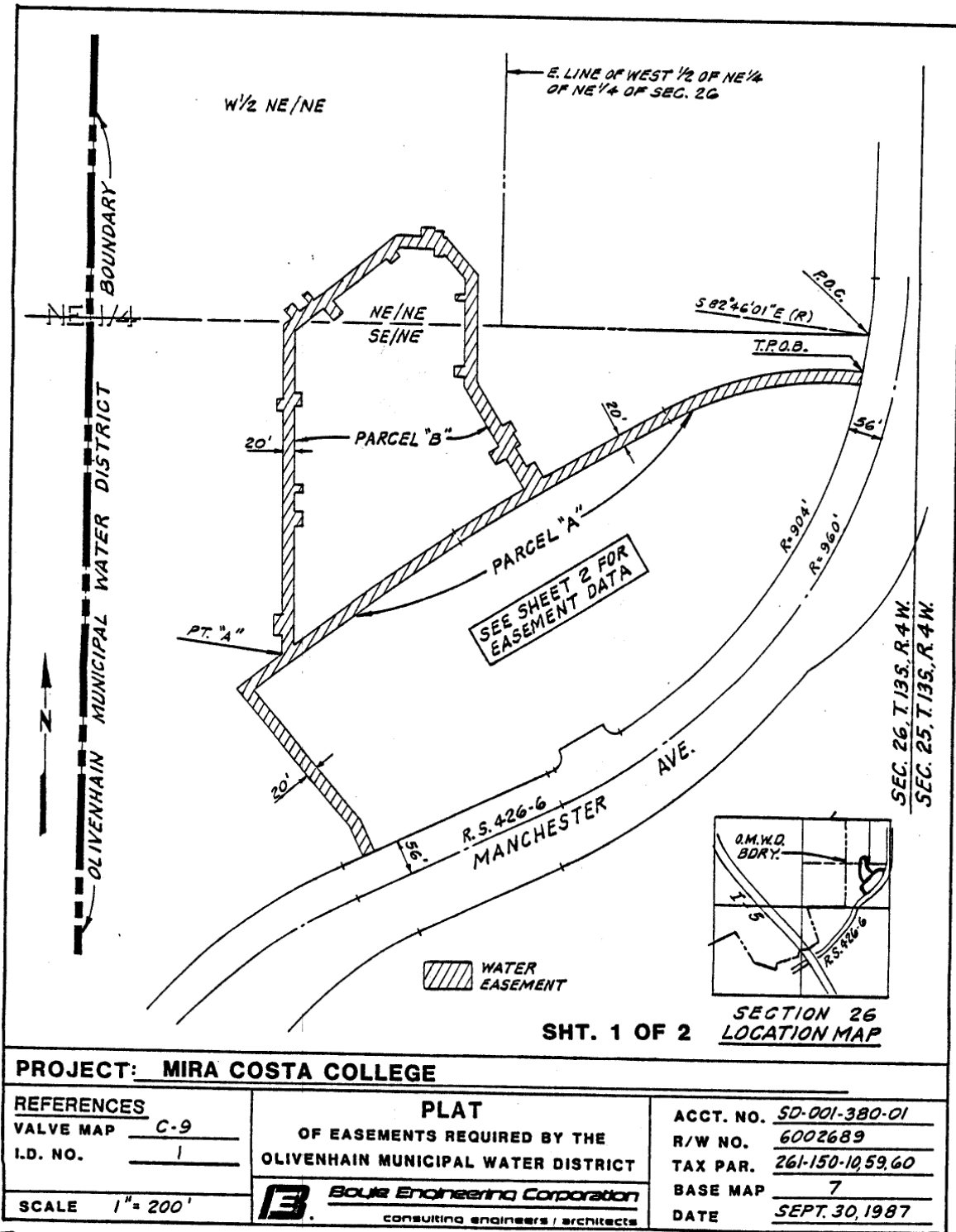
PROPOSED 18" PVC  
STORM DRAIN

12-inch PVC Main

0' 20' 40' 60'

SCALE 1" = 20'





E00751-7

# Memo

Date: June 21, 2023  
To: Olivenhain Municipal Water District Board of Directors  
From: Kimberly A. Thorner, General Manager  
Subject: **CONSIDER VOTE FOR SOUTHERN NETWORK (SEAT C) REPRESENTATIVE TO THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS**

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## Purpose

The purpose of this agenda item is to vote for one representative to the California Special Districts Association's (CSDA) Board of Directors. The successful candidate will fill Seat C for CSDA's Southern Network.

## Recommendation

While all the candidates are qualified for this position, staff recommends incumbent Arlene Schafer from Costa Mesa Sanitary District.

## Alternative(s)

The board could choose against participating in this year's election or select an alternative candidate.

## Background

Each of CSDA's six regional divisions has three seats on the Board of Directors, holding staggered three-year terms. The term for the director holding the Southern Network's Seat C is expiring and the seat is currently up for election. Southern Network member

districts are entitled to vote for one candidate in this election by which to fill Seat C for the upcoming term. This election there are three candidates; incumbent Arlene Schafer of Costa Mesa Sanitary District, Al Nederhood of the Municipal Water District of Orange County, and John Skerbelis of Rubidoux Community Services District.

### **Fiscal Impact**

There is no cost associated with participation in this election.

### **Discussion**

Voting will take place online through July 14, 2023, with the winner to be announced on July 18. Attached are the CSDA information sheets on each of the three candidates as well as any election correspondence OMWD has received to date.

*Attachments: CSDA election packet*



California Special  
Districts Association  
*Districts Stronger Together*

## 2023 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: Arlene Schafer

District/Company: Costa Mesa Sanitary District

Title: Board of Directors – Vice President

Elected/Appointed/Staff: Elected

Length of Service with District: 25 Years

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

I served on CSDA Board of Directors and several committees including chair of the membership and professional development committees and served on the legislative and fiscal, and I served on the Alliance Executive Council. I have completed the Special District Leadership Academy, Good Governance Foundation workshop and I attend the annual conference and Legislative Days.

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

I have been associated with the Solid Waste Association of North America (SWANA) of Southern California, and the Independent Special Districts of Orange County (ISDOC) and

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

I am a current member of the Board of Directors for CSDA Finance Corporation, and I am the former Vice President of ISDOC and the former commissioner of the Orange County Local Formation Commission (LAFCO). I am also the former Mayor of the City of Costa Mesa.

4. List civic organization involvement:

Harbor Mesa Lions Club, Costa Mesa Chamber of Commerce, Ambassador for the City Costa Mesa during special events.

**\*\*Candidate Statement – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after the nomination deadlines will not be included with the ballot.**

## **Candidate Statement**

**Arlene Schafer  
Costa Mesa Sanitary District  
Southern Network, Seat C**

It has been an honor serving you on CSDA's Board of Directors for the past nineteen years. I have had the privilege of establishing long lasting relationships with local officials that forged an organization to become one of the leading advocacy groups in California on statewide and national issues. I am proud of my past and current board members for the accomplishments we achieved to enhance special district's visibility in the capital, as well as broadening educational opportunities to help you govern effectively and openly. There is much more important work to be done, so I humbly ask for your trust and support in re-electing me to Seat C of the Southern Network.

I believe we are approaching a year that could have an everlasting effect on the way we provide services. It is very likely the November 2024 Statewide Ballot will have Initiative 21-0042A1, which is now Initiative 1935. If approved by the voters, this initiative will significantly restrict how we fund critical services like fire, parks, libraries, sewers, water, etc. Initiative 1935 will jeopardize the ability of special districts to deliver essential services, which is why as your CSDA representative I am committed to helping defeat this deceptive and dangerous measure.

In addition to my advocacy efforts, I believe CSDA provides some of the best training and professional development programs for local government officials. I will continue serving on the Professional Development Committee to work with CSDA staff and others on making sure you continue receiving top quality workshops, seminars, and conferences. I hope I earned your trust by voting for me by **July 14, 2023**.



Street Address:  
18700 Ward Street  
Fountain Valley, California 92708

Mailing Address:  
P.O. Box 20895  
Fountain Valley, CA 92728-0895

(714) 963-3058  
Fax: (714) 964-9389  
[www.mwdoc.com](http://www.mwdoc.com)

Megan Yoo Schneider, P.E.  
President

Bob McVicker, P.E., D.WRE  
Vice President

Randall Crane, Ph.D.  
Director

Larry D. Dick  
Director

Al Nederhood  
Director

Karl W. Seckel, P.E.  
Director

Jeffery M. Thomas  
Director

Harvey De La Torre  
Interim General Manager

MEMBER AGENCIES

City of Brea  
City of Buena Park  
East Orange County Water District  
El Toro Water District  
Emerald Bay Service District  
City of Fountain Valley  
City of Garden Grove  
Golden State Water Co.  
City of Huntington Beach  
Irvine Ranch Water District  
Laguna Beach County Water District  
City of La Habra  
City of La Palma  
Mesa Water District  
Moulton Niguel Water District  
City of Newport Beach  
City of Orange  
Orange County Water District  
City of San Clemente  
Santa Margarita Water District  
City of Seal Beach  
Serrano Water District  
South Coast Water District  
Trabuco Canyon Water District  
City of Tustin  
City of Westminster  
Yorba Linda Water District

May 26, 2023

Ms. Kimberly Thorner  
General Manager  
Olivenhain Municipal Water District  
1966 Olivenhain Rd  
Encinitas, CA 92024-5676

**Re: Support for Director Al Nederhood, CSDA Board of Directors, Southern Network Seat C**

Dear Ms. Thorner,

On behalf of the Municipal Water District of Orange County (MWD OC), it is my pleasure to share our unanimous support for Director Al Nederhood for the CSDA Board of Directors, Southern Network Seat C. MWD OC is a wholesale water supplier serving 3.2 million residents through 27 retail water agencies, making Director Nederhood uniquely qualified.

Director Nederhood brings seven years of Special District board experience as well as decades as a senior manager in the private sector to his candidacy. He willingly listens to constituents and fellow board members, and then works hard to create effective solutions. He actively engages with our local CSDA chapter, as well as CSDA and ACWA events.

Attached you will find a candidate's statement highlighting some of Director Nederhood's accomplishments. You will notice he has demonstrated his innovative thinking on behalf of special districts of all sizes which would make him an asset to the CSDA Board of Directors, bringing a fresh perspective to long-term practices.

I encourage you to share this information with your Board of Directors and that you strongly consider supporting Director Al Nederhood for the CSDA Board of Directors, Southern Network Seat C for the 2023 election. Electronic voting begins on June 5 and will continue until July 14. Please do not hesitate to contact me or Director Nederhood personally should you have any questions. His contact information can be found on the attached candidate's statement. Thank you for your consideration.

Sincerely,

Megan Yoo Schneider, M.S., P.E.  
Board President



**California Special  
Districts Association**  
*Districts Stronger Together*

2023 CSDA BOARD CANDIDATE INFORMATION SHEET The following information MUST accompany your nomination form and Resolution/minute order:

Name: Albert M. Nederhood

District/Company: Municipal Water District of Orange County (MWDOC)

Title: Director

Elected/Appointed/Staff: Elected

Length of Service with District: 2 years with MWDOC, 4 years with Yorba Linda Water District as elected Board Member

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.): I have attended nearly 100% of the public meetings for ISDOC (Independent Special Districts of Orange County) over the last 6 years. I spent 2 years working with Jim Fisler and Saundra Jacobs (both past ISDOC Presidents) to successfully revise the Special District dues structure created in 2000 to more accurately and fairly reflect revenue and dues payable to LAFCO.
2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.): Over the last 6 years I have attended most of the conferences held by the Urban Water Institute, ACWA, the Colorado River Water Users, as well as many Metropolitan Water District Board meetings.
3. List local government involvement (such as LAFCo, Association of Governments, etc.): For the 2 years that it took to initiate, revise and successfully change the LAFCO dues required of Special Districts in Orange County, I attended virtually all of the monthly OC-LAFCO meetings.
4. List civic organization involvement: I was elected twice and served on the Yorba Linda Water District Board, a Special District.

**\*\*Candidate Statement –** Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. Any statements received in the CSDA office after the nomination deadlines will not be included with the ballot. Page 133 of 173 2023 BOARD OF DIRECTORS NOMINATION FORM

**Al Nederhood Candidate Statement:**

I was introduced to CSDA in 2016 as a newly elected Director to the Yorba Linda Water District. I attended the CSDA training for new directors which opened my eyes to the responsibilities and value of Special Districts. I made friends at that training that continue on today including former YLWD Director Brooke Jones and current Director John Sears of East Orange County Water District.

Before getting involved in water issues later in life, I began my professional career as a high school teacher. I moved on to the business world including Xerox and 7-Eleven Stores as a Merchandise Manager. I was the college president for a variety of vocational colleges and ended my career as the President of a non-profit in Santa Ana.

After my 2016 election I attended ISDOC and LAFCO meetings. I became aware of the dues structure created by ISDOC in 2000. This structure, in place for 20 years, no longer represented the realities of revenue and dues. Many smaller revenue Special Districts had disproportionately large dues. By working with Director Jim Fisler from Mesa Water and Director Saundra Jacobs of Santa Margarita Water District, we revised the 20-year-old structure into a more equitable dues arrangement that saved smaller districts tens of thousands of dollars each year.



# **Al Nederhood**

## **MWDOC Board**

### **Elect to CSDA Board**

### **Southern Network**

### **Seat C**

#### **Professional & Personal**

#### **History**

6 Years as Elected Official for Special Districts, Yorba Linda Water District (YLWD) & Municipal Water District of Orange County (MWDOC)

LAFCO dues revision through Independent Special Districts of Orange County. First revision after 20 years saving small districts thousands of dollars annually.

Heli-Hydrant sponsor, supporter creating nation's first system (helicopter enabled fire suppression in wild-fire zones)

President of a Non-Profit

30 years of Senior Management Leadership positions with nationally known firms

President of an Educational Institution with \$100 million in revenue, 500 staff and 5000 students.

BA, Long Beach State  
MA, Central Michigan University

Retired, Married for 50+ years, 4 kids and 12 grandkids

#### **Why should you vote for Al Nederhood?**

Here's a sample of my history of measurable change created by active questioning and positive decision making based on the facts.

Seven years ago, I identified, initiated, and transformed an outdated LAFCO dues system on behalf of special districts in Orange County. The dues structure was developed in 2002 by ISDOC to fulfill their legal responsibility, but over time, it resulted in small districts subsidizing the large districts.

After two years of working with my fellow Special Districts, the new dues structure was unanimously approved and implemented. This effort created a balanced and proportionate LAFCO dues structure for Special Districts throughout the county, saving smaller districts with smaller operating budgets thousands of dollars each year.

As a Board Member for Yorba Linda Water District we investigated and implemented the nation's first Heli-hydrant to modernize fighting wild fires. YLWD now has two heli-hydrants with a third in development with Metropolitan Water District.

**I would appreciate your Board voting for me, Al Nederhood.**

If you want to contact me:

**Al Nederhood**

**MWDOC, Director Division One**

[anederhood@mwdoc.com](mailto:anederhood@mwdoc.com)

**C. 714-261-3964**

RESOLUTION NO. 2135

RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
NOMINATION OF AL NEDERHOOD  
TO THE CSDA BOARD OF DIRECTORS  
SOUTHERN NETWORK, SEAT C

WHEREAS, the California Special Districts Association (CSDA) is holding an election for its Board of Directors for the Southern Network, Seat C for the 2024-26 term; and

WHEREAS, the Municipal Water District of Orange County (MWDOC) is a voting member of CSDA and a voting member for the Southern Network, Seat C; and

WHEREAS, Director Al Nederhood has expressed interest in serving on the CSDA Board of Directors;

WHEREAS, Director Nederhood and MWDOC are aware of the commitment, expectations, and expenses associated with this position; and

WHEREAS, the Board of Directors of the Municipal Water District of Orange County believes that Al Nederhood would be an effective member of the CSDA Board.

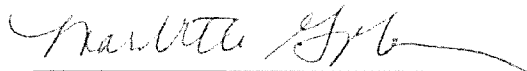
NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Municipal Water District of Orange County does hereby nominate Director Al Nederhood to represent the Southern Network, Seat C, on the CSDA Board of Directors; and

BE IT FURTHER RESOLVED that the District Secretary is hereby directed to transmit a Resolution to CSDA, forthwith.

PASSED AND ADOPTED by the following roll call vote of the Board of Directors for the Municipal Water District of Orange County on this 15<sup>th</sup> day of March 2023.

AYES:	Directors Nederhood, Dick, McVicker, Seckel, Thomas & Yoo Schneider
NOES:	None
ABSTAIN:	None
ABSENT:	Director Crane

ATTEST:



*Maribeth Goldsby, District Secretary  
Municipal Water District of Orange County*



California Special  
Districts Association  
*Districts Stronger Together*

## 2023 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: John Skerbelis  
District/Company: Rubidoux Community Services DIST  
Title: Vice President  
Elected/Appointed/Staff: Elected  
Length of Service with District: 12 Years

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

None

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

None

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

Past member of Riverside County Solid Waste  
Advisory Committee 7 Years

4. List civic organization involvement:

Riverside County Dept of Environmental Health  
Community Clean ups and Illegal Dumping

\*This document is for informational purposes only. It is not intended to be a substitute for legal advice. The information contained herein is not to be used for any other purpose without the express written consent of the California Special Districts Association. The information contained herein is not to be used for any other purpose without the express written consent of the California Special Districts Association.

**The CSDA Board of Directors is the governing body responsible for all policy decisions related to CSDA's member services, legislative advocacy, education, and resources. The Board of Directors is crucial to the operation of the Association and to the representation of the common interests of all California's special districts before the Legislature and the State Administration.**

**June 5 - Electronic Ballots were emailed to Designated Contact in each district in good standing**

The designated contact for each district received an email from *CSDA vote@simplyvoting.com*.

The email provides a direct link to the secure third-party voting system called Simply Voting and provides:

Elector ID number and Password

Link to access the ballot directly

Links to candidate information are within the ballot

*It is up to each district to determine their own process in terms of selecting a candidate to vote for in the election.*

*The selection will be cast by the main contact, only.*

**July 14** - Deadline to receive electronic ballots

**July 18** - Ballots will be counted and verified

If you have any questions about this process, contact Amber Phelen at CSDA – 916-442-7887 or [amberp@csda.net](mailto:amberp@csda.net).

0 comments

39 views

## Permalink

<https://www.csda.net/blogs/vanessa-gonzales/2023/06/05/csda-board-of-directors-seat-c-voting-june-5-2023>



**FIND IT FAST**

**CALIFORNIA SPECIAL DISTRICTS ALLIANCE**

SDLF

Scholarships

# Memo

Date: June 21, 2023  
To: Olivenhain Municipal Water District Board of Directors  
From: Rainy K. Selamat, Finance Manager  
Via: Kimberly Thorner, General Manager  
Subject: **CONSIDER AND APPROVE MIDTERM ADJUSTMENTS TO THE GENERAL  
MANAGER'S RECOMMENDED BIENNIAL OPERATING AND CAPITAL BUDGET  
FOR FISCAL YEARS 2023 AND 2024**

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## Purpose

The purpose of this agenda is to consider and approve midterm adjustments to the General Manager's Recommended Biennial Operating and Capital Budget for Fiscal Years 2023 and 2024 (Original Budget).

The proposed midterm adjustments to the Original Budget have been revised to include the current estimate of purchased water costs from San Diego County Water Authority as well as certain updates made to District CIP cost estimates since the May 2023 meeting.

## Recommendation

Staff recommends that the proposed adjustments be considered and approved by the Board.

The total proposed midterm operating budget adjustment is a \$4,414,000 increase to the projected revenue net of expenses for fiscal year 2024 from the Original Budget adopted by Board in June 2022.

Total proposed midterm adjustments to fiscal year 2024 capital budget include a total project budget increase of \$6,568,000 and an appropriation increase of \$5,178,500 to certain capital projects from the Original Budget adopted by the Board in June 2022.

Additional information on the proposed midterm adjustments is included in the Fiscal Impact section below.

### **Alternatives**

- The Board may decide not to approve these budget adjustments and direct Staff as otherwise deemed appropriate; or
- Instruct Staff to leave the District's Biennial Operating and Capital Budget for Fiscal Years 2023 and 2024 "as is", which was adopted by the Board in June 2022.

### **Background**

The District has a multi-year operating and capital budget that is approved and adopted by the Board in June of every other year, a biennial budget. The District's biennial budget for fiscal years 2023 and 2024 was approved and adopted by the Board in June 2022.

Following the Board's approval and adoption of the biennial budget in June 2022, budgeted amounts are appropriated and expended for District's water and sewer operations and capital infrastructure needs. Prior to June 2022, the District prepared an annual budget rather than a biennial budget. Since the adoption of the biennial budget, District staff has been able to put more emphasis into the budget monitoring process than preparation of an annual budget book. The biennial budget has also allowed staff to focus on results over a 24-month period rather than a 12-month period.

Upon completion of the first fiscal year of the biennial budget (fiscal year 2023), the District conducts a review of the second fiscal year of its biennial budget (fiscal year 2024), or midterm budget review process. The purpose of the midterm budget review is to present the Board with proposed midterm adjustments to the Original Budget, when

required, due to changes in assumptions and/or circumstances that were not anticipated or contemplated at the time the original budget was developed.

Proposed adjustments to the second fiscal year (fiscal year 2024) of the Original Budget were reviewed and discussed with the Finance Committee and the Board during budget workshops in May 2023. The Board tentatively approved staff's proposed midterm budget amendments to the Original Budget as presented at the May 2023 budget workshop.

Staff informed the Board at the May meeting that the tentatively approved midterm budget adjustments will be finalized to include changes made to the estimated cost of water from San Diego County Water Authority for fiscal year 2024. Staff also informed the Board that updates made to the Original Budget after the May meeting will be reviewed with the Board at the June 21<sup>st</sup> meeting for consideration and formal approval.

## **Fiscal Impact**

### **Midterm Operating Budget Adjustments**

Staff is projecting a \$4,414,000 increase to the District's revenue, net of expenses, for fiscal year 2024. The original approved budget amount for revenue, net of expenses, was \$1,750,000 and the proposed amount for 2024 is \$6,164,000. The proposed increase is mainly due to anticipated revenues from grants and proceeds from selling of District parcels.

The proposed amount presented to the Board at the May 2023 budget workshop was a \$4,287,000 increase to the District's revenue, net of expenses, which has since been revised for a reduction in cost of water from SDCWA of \$93,000 and an increase in revenue of \$34,000 from the selling of excess treatment services based on SDCWA's newly released treatment surcharge rate.

The proposed Midterm Operating Budget Adjustments are itemized in the attached presentation.

### **Midterm Equipment Purchases Budget Adjustments**

Staff is proposing an increase of \$52,400 to the fiscal year 2024 equipment purchases budget from the original Budget, bringing total equipment purchases for fiscal year 2024

to \$463,900. There are no additional changes to the equipment purchases budget since the budget workshop in May 2023.

The proposed adjustments to Equipment Purchases budget are itemized in the attached presentation.

### **Midterm Capital Improvement Project (CIP) Budget and Appropriation Adjustments**

The proposed appropriation for fiscal year 2024 is \$30,654,500, an increase of \$17,418,500 from the 2024 board-approved appropriation of \$13,236,000. This increase of \$17,418,500 includes \$12,240,000 in unspent carryover appropriations from fiscal year 2023 and \$5,178,500 in a proposed appropriation adjustment.

Compared to the appropriation adjustment of \$4,898,500 that was presented at the May 2023 workshop, Staff is requesting an increase to this amount of \$280,000. This increase is to pay for the tank repair project at the David McCollom Water Treatment Plant (\$250,000) and an increase in estimated cost to complete the Wastewater Master Plan (\$30,000).

More detailed information on the District's water and wastewater capital project appropriations to date and annual capital spending are shown in the tables below. The proposed Midterm CIP Budget and appropriations adjustments are itemized in the attached presentation.

<b>FY 23 &amp; FY 24 Board Approved Appropriations</b>	<b>FY 23 &amp; FY 24 Amended Appropriations</b>	<b>Proposed Appropriations Increase</b>
\$ 41,570,000	\$ 46,748,500*	\$ 5,178,500
*Includes \$12,240,000 in unspent carryover from FY 23 to FY 24		

<b>FY 23 &amp; FY 24 10-Yr CIP Budget**</b>	<b>Proposed CIP Budget Increases</b>	<b>FY 23 &amp; FY 24 Proposed 10-Yr CIP Budget</b>
\$ 173,121,000	\$ 6,568,000	\$ 179,689,000
<u>If a new appropriation:</u> Project is being paid for with Water and Wastewater Capital Improvement funds.		

If approved, the projected ending fund balance in Water and Wastewater Capital Improvement funds at 06/30/24 will be:

<b>Fund</b>	<b>Estimated Balance @ 6/30/24</b>	<b>Min. Bal.</b>	<b>Max. Bal.</b>
Water	\$ 31,478,000	\$ 14,666,000	\$ 73,329,000
Sewer	\$ 8,811,000	\$ 6,505,000	\$ 16,262,000
<i>**Source: Ten-Year Capital Spending Plan (Water and Wastewater) – Total Project Cost</i>			

### **Discussion**

Staff will present the proposed midterm budget adjustments for discussion with the Board at the meeting.

Attachment: Mid-term Budget (Fiscal Year 2024) Adjustments Presentation

# Fiscal Years 2023 & 2024 Midterm Budget Adjustments

Board Meeting  
June 21, 2023



# Background

- The Board adopted the District's Biennial Budget in June 2022.
- The District completed the midterm budget review of its Biennial Budget for fiscal year 2023 and fiscal year 2024.
- Fiscal Year 2024 operating budget and fiscal years 2023 and 2024 capital budget and appropriations need to be updated as a results of the midterm budget review process
- Midterm budget review process:
  - Reviewed projected actuals compared to the original/approved budget (FY 2023)
  - Proposed budget adjustments to FY 2024 approved operating and capital budget based on current information and FY 2023 projected actuals
- First round of midterm budget adjustments were considered and tentatively approved at the May 17 Board meeting (board budget workshop)
- Final midterm budget adjustments are presented to the Board for consideration and final approval

# Changes to Board tentatively approved midterm budget adjustments (FY 2024 Budget)

- Estimated Purchased Water Costs from SDCWA for FY 2024– **a decrease of \$93,000** due to revised CY 2024 rates from SDCWA based on SDCWA Option 2B (May 25, 2023)
- Estimated **increase of \$34,000** from selling excess treatment services from DCMWTP to Vallecitos based on SDCWA Melded Treatment Rate Option 2B
- **Additional \$280,000** in planned capital spending for FY 2024 not reviewed at May 2023 Board meeting:
  - Propose to increase FY 2024 budget and appropriation of \$250,000 for betterment of a tank at David McCollom Water Treatment Plant (DCMWTP)
  - Propose to Increase FY 2024 budget and appropriation of \$30,000 for the Wastewater Master Plan based on actual bids received to the study

# Revised SDCWA Purchased Water Costs ( Option 2B as of 5/25/23)

Variable Charges	CY 2023	CY 2024	\$	%
	(\$/AF)	(\$/AF)	Inc. (Dec.)	Inc. (Dec.)
Supply Rate	1,085	1,183	98	9.0%
Transportation Rate	173	189	16	9.2%
Melded Treatment Rate	350	400	50	14.3%
	1,608	1,772	164	10.2%

Fixed Charges	CY 2023	CY 2024 <sup>1</sup>	\$	%
	Annual Fee	Annual Fee	Inc. (Dec.)	Inc. (Dec.)
Customer Service Charge	1,207,649	1,247,248	39,599	3.3%
Storage Charge	2,971,843	3,041,491	69,648	2.3%
Supply Reliability Charge	1,982,179	2,117,579	135,400	6.8%
Infrastructure Access Charge	1,446,516	1,483,632	37,116	2.6%
Readiness to Serve Charge (MWD) <sup>2</sup>	609,946	619,747	9,801	1.6%
Capacity Charge (MWD)	328,774	392,198	63,424	19.3%
	8,546,907	8,901,895	354,988	4.2%

<sup>1</sup> OMWD allocation based on recommended allocations provided by SDCWA on June 6th, 2023 for board recommended alternative (8.2% rate increase)

<sup>2</sup> Readiness to Serve Charge (MWD) is billed on a fiscal year basis

# Midterm Operating Budget Adjustments ( Fiscal Year 2024)

Original Budget (adopted by the Board in June 2022) vs. Proposed Final Amended Budget

Description	Original Budget	Proposed Adjustments	Revised Budget (Final)	% Change From Original
<b><u>Operating Revenues</u></b>				
Water Sales and Service Revenue	59,074,000	(352,000)	58,722,000	-0.60%
Sewer Service Revenue	5,766,000	(376,000)	5,390,000	-6.52%
Recycled Water Sales	5,089,000	555,000	5,644,000	10.91%
<b>Total Operating Revenues</b>	<b>69,929,000</b>	<b>(173,000)</b>	<b>69,756,000</b>	<b>-0.25%</b>
<b><u>Non-operating Revenues</u></b>				
Water - Property Tax and Other Income	5,175,000	171,000	5,346,000	3.30%
Debt Service	1,045,000	-	1,045,000	0.00%
Wastewater - Other Income	66,000	14,000	80,000	21.21%
Recycled Water Operations	99,000	126,000	225,000	127.27%
Capacity Fee Revenues	582,000	165,000	747,000	28.35%
Anticipated Grant Revenue	514,000	1,915,000	2,429,000	372.57%
Anticipated Sale of Parcel (Weigand)	-	1,000,000	1,000,000	0.00%
<b>Total Revenues</b>	<b>77,410,000</b>	<b>3,218,000</b>	<b>80,628,000</b>	<b>4.16%</b>
<b><u>Operating Expenses</u></b>				
Cost of water (est. as of 6/21/2023)	34,194,000	(949,000)	33,245,000	-2.78%
Water Operations	22,887,000	(272,000)	22,615,000	-1.19%
Wastewater Operations	3,209,000	60,000	3,269,000	1.87%
EFRR (Parks) Operations	478,000	(27,000)	451,000	-5.65%
Recycled Water Operations	1,345,000	(52,000)	1,293,000	-3.87%
Other Operating Expenses - WFO	50,000	-	50,000	0.00%
Less: Capitalized Expenditures	(1,763,000)	144,000	(1,619,000)	-8.17%
Capital PAYGO Transfers	9,400,000	(700,000)	8,700,000	-7.45%
Less: Transfers from RSF to Operating for RRC	(600,000)	117,000	(483,000)	-19.50%
<b>Total Operating Expenses</b>	<b>69,200,000</b>	<b>(1,679,000)</b>	<b>67,521,000</b>	<b>-2.43%</b>
<b><u>Non-operating Expenses</u></b>				
Debt Service (principal and interest payments)*	6,420,000	-	6,420,000	0.00%
Capacity Fee Expenses	30,000	-	30,000	0.00%
Potable Water System (includes RRC)	10,000	483,000	493,000	4830.00%
<b>Total Expenses</b>	<b>75,660,000</b>	<b>(1,196,000)</b>	<b>74,464,000</b>	<b>-1.58%</b>
<b>Net Revenue (Expense)</b>	<b>1,750,000</b>	<b>4,414,000</b>	<b>6,164,000</b>	<b>252.23%</b>

\* Principal and Interest payments for all outstanding debt.

Capital contribution revenues are considered to be a non-operating measurement tool. Therefore, it is excluded for midyear budget purposes.

# Midterm Operating Budget Adjustments (Fiscal Year 2024)

## Tentatively Approved Amended Budget vs. Proposed Final Amended Budget

Description	Revised Budget (Draft)	Proposed Adjustments	Revised Budget (Final)	% Change From Original
<b><u>Operating Revenues</u></b>				
Water Sales and Service Revenue	58,688,000	34,000	58,722,000	0.06%
Sewer Service Revenue	5,390,000	-	5,390,000	0.00%
Recycled Water Sales	5,644,000	-	5,644,000	0.00%
<b>Total Operating Revenues</b>	<b>69,722,000</b>	<b>34,000</b>	<b>69,756,000</b>	<b>0.05%</b>
<b><u>Non-operating Revenues</u></b>				
Water - Property Tax and Other Income	5,339,000	7,000	5,346,000	0.13%
Debt Service	1,045,000	-	1,045,000	0.00%
Wastewater - Other Income	80,000	-	80,000	0.00%
Recycled Water Operations	231,000	(6,000)	225,000	-2.60%
Capacity Fee Revenues	748,000	(1,000)	747,000	-0.13%
Anticipated Grant Revenue	2,429,000	-	2,429,000	0.00%
Anticipated Sale of Parcel (Weigand)	1,000,000	-	1,000,000	0.00%
<b>Total Revenues</b>	<b>80,594,000</b>	<b>34,000</b>	<b>80,628,000</b>	<b>0.04%</b>
<b><u>Operating Expenses</u></b>				
Cost of water (est. as of 6/21/2023)	33,338,000	(93,000)	33,245,000	-0.28%
Water Operations	22,615,000	-	22,615,000	0.00%
Wastewater Operations	3,269,000	-	3,269,000	0.00%
EFRR (Parks) Operations	451,000	-	451,000	0.00%
Recycled Water Operations	1,293,000	-	1,293,000	0.00%
Other Operating Expenses - WFO	50,000	-	50,000	0.00%
Less: Capitalized Expenditures	(1,619,000)	-	(1,619,000)	0.00%
Capital PAYGO Transfers	8,700,000	-	8,700,000	0.00%
Less: Transfers from RSF to Operating for RRC	(483,000)	-	(483,000)	0.00%
<b>Total Operating Expenses</b>	<b>67,614,000</b>	<b>(93,000)</b>	<b>67,521,000</b>	<b>-0.14%</b>
<b><u>Non-operating Expenses</u></b>				
Debt Service (principal and interest payments)*	6,420,000	-	6,420,000	0.00%
Capacity Fee Expenses	30,000	-	30,000	0.00%
Potable Water System (includes RRC)	493,000	-	493,000	0.00%
<b>Total Expenses</b>	<b>74,557,000</b>	<b>(93,000)</b>	<b>74,464,000</b>	<b>-0.12%</b>
<b>Net Revenue (Expense)</b>	<b>6,037,000</b>	<b>127,000</b>	<b>6,164,000</b>	<b>2.10%</b>

\* Principal and Interest payments for all outstanding debt.

Capital contribution revenues are considered to be a non-operating measurement tool. Therefore, it is excluded for midyear budget purposes.

## Changes to Board Tentatively Approved Midterm CIP Budget and Appropriation Adjustments

- **Annual Equipment Purchases**

- No change
- \$463,900 in capital expenditures for planned equipment purchases in fiscal year 2024
  - More information on slide 7

- **Capital Improvement Program Budget and Appropriation - Water and Wastewater**

- Propose for an additional budget and appropriation increase of \$280,000 for water and wastewater projects
- \$ 30,654,500 in planned capital spending for water and wastewater infrastructures for fiscal year 2024
  - \$23,531,500 in water
  - \$7,123,000 in wastewater
  - More information on slides 8 through 11

# Proposed Equipment Purchases at Midterm (Fiscal Year 2024)

Asset Class	Qty.	Item Description	Budget Amount	Source of Funds *			COMMENT
				Potable Water	Wastewater	Recycled Water	
<b>Shop and Field Equipment</b> Project # D139820 - Potable Water Project # D739820 - Wastewater Project # D839820- Recycled Water	1	Leak Detection Equipment Replacement for Engineering	20,000	18,000	-	2,000	New Request
	1	Influent Sample Collection Unit Replacement for Wastewater	11,000	-	11,000	-	New Request
	1	New Fireproof Filing Cabinet for HR (move offsite storage in house)	5,000	5,000	-	-	New Request
<b>Subtotal Shop and Field Equipment</b>			<b>\$ 36,000</b>	<b>\$ 23,000</b>	<b>\$ 11,000</b>	<b>\$ 2,000</b>	-
<b>Automotive Equipment</b> Project # D139830 - Potable Water Project # D739830 - Wastewater Project # D839830- Recycled Water	1	Ford F-650 Reg Dump Truck Replacement for Ops Construction	105,000	89,000	5,000	11,000	
	1	Ford F-150 V-6 Replacement for Cross Connection Specialist	39,000	33,000	2,000	4,000	
	1	Ford Explorer V-6 Replacement for Ops Supervisor	40,000	34,000	2,000	4,000	
	1	New CX36B Mini Excavator for Construction (new purchase to save on rentals)	100,000	90,000	5,000	5,000	New Request
	1	535 Gallon Water Trailer for CS (replace current due to new license requirement)	9,400	8,000	-	1,400	New Request
	1	ATV 4x4 Replacement for Parks (replace current '09 with maintenance costs)	12,000	12,000	-	-	New Request
<b>Subtotal Automotive Equipment</b>			<b>\$ 305,400</b>	<b>\$ 266,000</b>	<b>\$ 14,000</b>	<b>\$ 25,400</b>	-
<b>Furniture and Fixtures</b> Project # D139850 - Potable Water Project # D739850 - Wastewater Project # D809850 - Recycled Water	1	Office Workstations	35,000	35,000	-	-	
<b>Subtotal Furniture and Fixtures</b>			<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Computer Hardware/Software</b> 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	
<b>Subtotal Computer Hardware/Software</b>			<b>\$ 87,500</b>	<b>\$ 61,500</b>	<b>\$ 12,000</b>	<b>\$ 14,000</b>	-
				<b>Potable Water</b>	<b>Wastewater</b>	<b>Recycled Water</b>	
<b>TOTAL</b>			<b>\$ 463,900</b>	<b>\$ 385,500</b>	<b>\$ 37,000</b>	<b>\$ 41,400</b>	-
* Capital item funding sources are allocated based on percentage of use of each asset.							
<b>Original FY 2024 Total</b>			<b>\$ 411,500</b>	<b>\$ 341,500</b>	<b>\$ 26,000</b>	<b>\$ 44,000</b>	
<b>Increase (Decrease)</b>			<b>\$ 52,400</b>	<b>\$ 44,000</b>	<b>\$ 11,000</b>	<b>\$ (2,600)</b>	
<b>Postpone to FY 2025</b>			<b>1 New Vehicle for Ops Construction Dump Truck / Ford F-650 Reg Dump Truck</b>	<b>105,000</b>	<b>89,000</b>	<b>5,000</b>	<b>11,000</b>
<i>Original FY 2024 budget included two dump truck replacements. Staff is proposing to delay the purchase of one dump truck until FY 2025 to cover the cost of the Mini Excavator added this year.</i>							

Surplus from selling District's vehicles and equipment: \$50-60k through competitive bids process.

# Midterm Capital Improvement Project (CIP) Budget and Appropriation Adjustments (Fiscal Year 2024)

Project Budget Increase (Decrease)		Appropriation Increase (Decrease)	Fund	Comments	
<b><u>Projects with Changes in Cost Estimates</u></b>					
\$ 2,300,000	DCMWTP 4th Stage Improvements	\$ 2,300,000	C&E	Expansion of project objective and inflation	New
1,500,000	HOA Pipeline Extensions - Calle Barcelona, Village Park & Summer Hill	1,500,000	C&E	Increase in cost; eligible for grant funding	
214,000	District-Wide PLC Replacements (Potable)	600,000	C&E	Accelerate and increase to award together	
379,000	District-Wide PLC Replacements (Wastewater)	600,000	C&E/WW	Accelerate and increase to award together	
-	San Diego Desalination	431,000	C&E	Addnl environmental, hydrological and Water Rights investigations to seek grant opportunities	
400,000	Replace Neighborhood 1 SPS	400,000	C&E/WW	Increase due to potential claim	
151,000	Replace DCMWTP Membranes	151,000	C&E	Increase due to inflation	
917,000	EFRR Parking Lot Expansion	145,000	C&E	Selected for grant; pursue work	
87,000	Replace Potable Meters	87,000	C&E	Increase in aged meter failures	
50,000	Hydropower Turbine Refurbishment	50,000	C&E	Increase due to addnl work on tank refurbishment - ongoing negotiations with vendor	
35,000	Replace Potable Pumps and Motors	35,000	C&E	Increase due to aging infrastructure and inflation	
30,000	DCMWTP Condition Assessment	30,000	C&E	Increase in staff support	
30,000	Wastewater Master Plan	30,000	C&E/WW	Increase budget to match consultant proposals	
20,000	Chlorine Generator Room Lining Rehabilitation	20,000	C&E	Increase in cost to implement improvements	
<b>\$ 6,113,000</b>	<b>Total, Increase in Estimated Costs</b>	<b>\$ 6,379,000</b>			
<b><u>Projects with Decelerated Schedule</u></b>					
\$ -	Encinitas Boulevard Inspection & Repair	\$ (537,000)	C&E	Deferred until FY 2025	
-	DCMWTP 2nd Stage Membrane Train	(280,000)	C&E	Re-assessing approach; defer until FY 2025	
-	Replace Overflow Pond Strainer	(206,000)	C&E/WW	Defer until FY 2025 to align with headworks construction	
-	Rancho Santa Fe Road - Unit A North Pipeline	(200,000)	C&E	Decrease in cost estimate	
(100,000)	Ext. 153 Flow Meter	(100,000)	C&E	Identified more cost effective approach	
-	Potable & Recycled Master Plan	(75,000)	C&E	Portion of cost already accelerated to FY '23	
-	Rehabilitation of Concrete Tanks	(47,000)	C&E	Deferred until FY 2025	
-	Replace Headworks Manual System	(39,000)	C&E/WW	Deferred until FY 2025	
-	Rancho La Cima/Aliso Canyon Pipeline	(5,000)	C&E	No progress from County; defer until FY 25	
<b>\$ (100,000)</b>	<b>Total, (Decrease) due to Decelerated Schedules</b>	<b>\$ (1,489,000)</b>			
<b><u>Cancelled Projects</u></b>					
\$ (250,000)	Backup Generator Santa Fe Valley Recycled Water Pump	\$ (250,000)	C&E	Re-assessed cost-benefit	
<b>\$ (250,000)</b>	<b>Total, Cancelled Projects</b>	<b>\$ (250,000)</b>			
<b><u>New Projects</u></b>					
\$ 305,000	Customer Information & Utility Billing System Upgrade	\$ 38,500	C&E	Upgrade CIS Infinity to latest version before v4 is no longer supported	New
250,000	Raw Water Equalization (RWEQ) Tank Repair Project	250,000	C&E	Rehabilitate tank that has a severe risk of failing per the condition assessment report	
150,000	Fleet Electrification Strategic Plan	150,000	C&E	Develop District-wide assessment of EV needs and recommend a strategy	
100,000	Bob Topolovac Memorial Courtyard (Annual Goal)	100,000	C&E	Construct memorial courtyard in center courtyard	
<b>\$ 805,000</b>	<b>Total, New Projects</b>	<b>\$ 538,500</b>			
<b>\$ 6,568,000</b>	<b>Total</b>	<b>\$ 5,178,500</b>			
<b><u>Fund Legend</u></b>					
C&E	Capital & Equipment Fund, Potable and Recycled	\$ 4,393,500	<b>Summary</b>		
C&E/WW	Capital & Equipment Fund, Wastewater	785,000			
	<b>Total</b>	<b>\$ 5,178,500</b>			

# Fiscal Years 2023 and 2024 Planned District CIP Spending

	<b>a</b>				<b>b</b> <b>c</b> <b>= a+b+c</b>		
	<b>FY 2023</b>	<b>FY 2024</b>	<b>Total</b>		<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2024</b>
	<b>Board</b>	<b>Board</b>	<b>Board</b>		<b>Unspent</b>	<b>Proposed</b>	<b>Amended</b>
	<b>Approved</b>	<b>Approved</b>	<b>Approved</b>		<b>Carryover</b>	<b>Appropriation</b>	<b>Appropriation</b>
	<b>Appropriation</b>	<b>Appropriation</b>	<b>Appropriation</b>			<b>Adjustment</b>	
Potable	13,002,000	11,308,000	24,310,000	1	4,946,000	3,211,500	19,465,500
Recycled	7,186,000	810,000	7,996,000	1	2,074,000	1,182,000	4,066,000
Wastewater	8,146,000	1,118,000	9,264,000	1	5,220,000	785,000	7,123,000
	28,334,000	13,236,000	41,570,000		12,240,000	5,178,500	30,654,500

1 Total Board Approved Appropriation amounts are included in the more detailed schedules on slides 10 and 11. Amounts above do not reflect \$2.47 million in anticipated grant funding for fiscal year 2024.

# Fiscal Years 2023 and 2024 Construction Work in Progress by Fund (Potable Water)

Fund	Project Name	FY 23 & FY 24 Approved Appropriation	FY 24 Appropriation Adjustment	FY 23 & 24 Amended Appropriation	Type
Potable	San Dieguito Desalination	2,369,000	431,000	2,800,000	Multi-year
Potable	RSFe Rd Unit A North PL	2,082,000	(200,000)	1,882,000	Multi-year
Potable	Fixed Base AMI	1,532,000	-	1,532,000	Multi-year
Potable	DCMWTP 4th Stage Improvements	996,000	2,300,000	3,296,000	Multi-year
Potable	Village Park PRS	940,000	-	940,000	Multi-year
Potable	Gardendale PRS	940,000	-	940,000	Multi-year
Potable	Encinitas Blvd Insp. & Repair	682,000	(537,000)	145,000	Multi-year
Potable	District-Wide PLC replacements	680,000	600,000	1,280,000	Multi-year
Potable	Pot & Recycled Master Plan	658,000	(75,000)	583,000	Multi-year
Potable	Gaty II and other Tank Safety Improvements	590,000	(32,000)	558,000	Multi-year
Potable	DCMWTP Condition Assessment	585,000	30,000	615,000	Multi-year
Potable	DCMWTP 2nd Stage Membrane Train	550,000	(280,000)	270,000	Multi-year
Potable	Residuals Handling Bldg Canopy	404,000	-	404,000	Multi-year
Potable	Parking & Access Improvements	341,000	-	341,000	Multi-year
Potable	Units B & K Rehabilitation	327,000	-	327,000	Multi-year
Potable	District-Wide Scada Upgrades	256,000	-	256,000	Multi-year
Potable	Palms I and II Reservoirs	150,000	-	150,000	Multi-year
Potable	Golem 14" Pipeln Cond. Assess.	150,000	-	150,000	Multi-year
Potable	Chlorine Gen Rm Lining Rehab	125,000	20,000	145,000	Multi-year
Potable	Rancho La Cima/Aliso Canyon PL	107,000	(5,000)	102,000	Multi-year
Potable	SWPPP Facility Improvements	100,000	-	100,000	Multi-year
Potable	District-Wide Facility Securit	80,000	-	80,000	Multi-year
Potable	Catalytic Converter Theft Prevention	38,000	-	38,000	Multi-year
Potable	Customer Information & Utility Billing System Upgrade	-	38,500	38,500	Multi-year
Potable	Hydropower Turbine Refurb	479,000	50,000	529,000	Multi-year
Potable	Raw Water Equalization (RWEQ) Tank Repair Project	-	250,000	250,000	Single
Potable	Fleet Electrification Strategic Plan	-	150,000	150,000	Single
Potable	Annual Goal: Bob Topolovac Memorial Courtyard	-	100,000	100,000	Single
Potable	Replace Pipelines	2,375,000	-	2,375,000	Recurring
Potable	Replace Valves	2,191,000	-	2,191,000	Recurring
Potable	Replace DCMWTP Membranes	1,549,000	151,000	1,700,000	Recurring
Potable	Replace Potable Meters	643,000	87,000	730,000	Recurring
Potable	Steel Mains Protection	573,000	-	573,000	Recurring
Potable	Replace Meter Anodes	298,000	-	298,000	Recurring
Potable	Network Security	280,000	-	280,000	Recurring
Potable	Replace Pot. Pumps and Motors	182,000	35,000	217,000	Recurring
Potable	Rehab Concrete Tanks	92,000	(47,000)	45,000	Recurring
Potable	EFRR Parking Lot Expansion	73,000	145,000	218,000	Recurring
Potable	Physical Security Upgrades	50,000	-	50,000	Recurring
Potable	Replace PRS Valves	109,000	-	109,000	Recurring
Potable	DCMWTP PH Control System	586,000	-	586,000	Close
Potable	Network User Enhancements	60,000	-	60,000	Close
Potable	Landscape HQ Courtyards	54,000	-	54,000	Close
Potable	DCMWTP Backpulse Pipeln Repair	34,000	-	34,000	Close
	<b>Potable Total</b>	<b>24,310,000</b>	<b>3,211,500</b>	<b>27,521,500</b>	

# Fiscal Years 2023 and 2024 Construction Work in Progress by Fund (Recycled Water and Wastewater)

Fund	Project Name	FY 23 & FY 24 Approved Appropriation	FY 24 Appropriation Adjustment	FY 23 & 24 Amended Appropriation	Type
Recycled	Manchester Recyc PL Exten.	4,465,000	-	4,465,000	Multi-year
Recycled	HOA Pipeline Ext - CB, VP, SH	2,610,000	1,500,000	4,110,000	Multi-year
Recycled	Ext. 153 Flow Meter	360,000	(100,000)	260,000	Multi-year
Recycled	Wanket RW Reservoir Rehab	150,000	32,000	182,000	Multi-year
Recycled	Recycled Conversions	122,000	-	122,000	Recurring
Recycled	Meter Replacement, Recycled	39,000	-	39,000	Recurring
Recycled	Backup Generator SFV RW Pump	250,000	(250,000)	-	Canceled
	<b>Recycled Total</b>	<b>7,996,000</b>	<b>1,182,000</b>	<b>9,178,000</b>	

Fund	Project Name	FY 23 & FY 24 Approved Appropriation	FY 24 Appropriation Adjustment	FY 23 & 24 Amended Appropriation	Type
Wastewater	Replace Neighborhood 1 SPS	6,592,000	400,000	6,992,000	Multi-year
Wastewater	District-Wide PLC Repl (WW)	680,000	600,000	1,280,000	Multi-year
Wastewater	Replace Overflow Pond Strainer	231,000	(206,000)	25,000	Multi-year
Wastewater	Cielo SPS Flow Meters	193,000	-	193,000	Multi-year
Wastewater	Collection System SPS Rehab	169,000	-	169,000	Multi-year
Wastewater	Replace Headworks Manual Sys	155,000	(39,000)	116,000	Multi-year
Wastewater	WW Master Plan	110,000	30,000	140,000	Multi-year
Wastewater	4S WRF Scada Upgrades	64,000	-	64,000	Multi-year
Wastewater	4S Physical Security Upgrades	60,000	-	60,000	Multi-year
Wastewater	Replace WW Pumps/ Motors/Equip	344,000	-	344,000	Recurring
Wastewater	Rancho Cielo Pipeline Replmnt	173,000	-	173,000	Recurring
Wastewater	4S Ranch Pipe Replacement	136,000	-	136,000	Recurring
Wastewater	Rancho Cielo Manhole Lining	98,000	-	98,000	Recurring
Wastewater	4S System Manhole Lining	35,000	-	35,000	Recurring
Wastewater	4SWRF Emergency Wiring Replmnt	224,000	-	224,000	Close
	<b>Wastewater Total</b>	<b>9,264,000</b>	<b>785,000</b>	<b>10,049,000</b>	

<b>Potable, Recycled, and Wastewater Total</b>	<b>41,570,000</b>	<b>5,178,500</b>	<b>46,748,500</b>
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Note: Total approved appropriations above may differ from the amounts reflected in the Biennial Operating and Capital budget due to General Manager (up to \$75k) or Board approved adjustments throughout fiscal year 2023.

# Board Action

- Consider and approve midterm budget adjustments to the Original Budget (fiscal years 2023 and 2024 operating and capital budget)

# Questions?

# Memo

Date: June 21, 2023  
To: Olivenhain Municipal Water District Board of Directors  
From: Jennifer Joslin, Human Resources Manager  
Via: Kimberly A. Thorner, General Manager  
Subject: **CONSIDER AN AMENDMENT TO OLIVENHAIN MUNICIPAL WATER DISTRICT'S  
CONFLICT OF INTEREST CODE**

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## Purpose

The purpose of this item is to consider an amendment to the District's Conflict of Interest Code (COI). The COI designates which job classifications are required to file a Statement of Economic Interest 700 Form with disclosure categories for each position based on the type and scope of work performed. Although the District's COI is reviewed bi-annually (scheduled next for September 2024) and reported to the County of San Diego Board of Supervisors, staff deems it important to update the COI at this time.

## Recommendation

Staff recommends that the Board adopt the updated COI with the noted revisions.

## Alternative(s)

The Board could decide to not approve the proposed amendment as recommended.

## Background

The District is adding one newly created job classification, Collection System Operator I/II/III, to the COI which was approved by the Board of Directors for fiscal year 2023/2024

as part of the Staffing Analysis at the April 19, 2023 Board meeting. After reviewing the current COI, it was noted that the plant leads, Water Treatment Plant Operator IV and Water Reclamation Operator IV, should also be included as they may be involved in the decision making process regarding vendor selection and other plant business procedures. After discussion with the Operations Manager and General Manager, the appropriate Form 700 disclosure categories were assigned to the positions.

### **Fiscal Impact**

No costs or savings will be realized with this update.

### **Discussion**

Should the Board of Directors approve the proposed COI amendments, the changes will be implemented. However, please note that staff must also send any Board approved revisions to the San Diego County Board of Supervisors for their formal review and approval. Staff feel that the amendments will help ensure transparency and accountability to the public. Staff will be available to answer any questions.

Attachment: Conflict of Interest Code

**CONFLICT OF INTEREST CODE**  
**OF**  
**OLIVENHAIN MUNICIPAL WATER DISTRICT**



**Updated 8/17/2022**

**CONFLICT OF INTEREST CODE  
OF  
OLIVENHAIN MUNICIPAL WATER DISTRICT**

1.     Standard Code of FPPC

The Political Reform Act of 1974 (Government Code Sections 81000, et seq.) requires each state and local government agency to adopt and promulgate a conflict of interest code. The Olivenhain Municipal Water District has adopted heretofore such a code which should be revised and updated. The Fair Political Practices commission (FPPC) has adopted a regulation (2 Cal. Code of Regs., Section 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference as a district's code. After public notice and hearing, the regulation may be amended by the FPPC to conform to amendments in the Political Reform Act.

2.     Adoption of Standard Code of FPPC

The provisions of Title 2 California Code of Regulations Section 18730 and any future amendments to it duly adopted by the FPPC are hereby incorporated by reference. This regulation and the Appendix attached hereto in which members of the Board of Directors and employees are designated and in which disclosure categories are set forth, shall constitute the Conflict of Interest Code of the Olivenhain Municipal Water District. This Code shall take effect when approved by the San Diego County Board of Supervisors and shall thereupon supersede all prior codes adopted by the Olivenhain Municipal Water District.

3.     Filing of Statements of Economic Interests

Pursuant to Section 4 of the standard code, designated employees set forth in the Appendix shall file statements of economic interests with the Human Resources Manager of the Olivenhain Municipal Water District. Board of Directors, Consultants, and the General Manager shall file these statements with the Clerk of the San Diego County Board of Supervisors. The Olivenhain Municipal Water District shall retain copies of these statements. Statements for all other designated employees shall be retained by the Olivenhain Municipal Water District. The Olivenhain Municipal Water District will make the statements available for public inspection and reproduction (Government Code Section 81008).

4.     Effective Date

This Code shall be effective upon adoption by resolution of the appropriate code reviewing body.

# APPENDIX TO CONFLICT OF INTEREST CODE OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT

## General Provisions

1. Designated employees listed in Column I must disclose investments in business entities and sources of income which manufacture, distribute, sell or supply the goods or services listed in Column II.

2. Investments in any business entity or sources of income which are entities or persons engaged in farming or real estate development or which are private water companies, and interests in real property, are disclosable if held, regardless of any contractual relationship with the District at any time.

## **I. Designated Positions**

## **II. Categories Disclosed -Form 700**

Board of Directors	All
Candidates Running for the Office of Board of Directors	All
General Counsel	All
General Manager	All
Assistant General Manager	All
Engineering Manager	All
Finance Manager	All
Operations Manager	All
Human Resources Manager	All
Customer Services Manager	All
Water Treatment Facilities Supervisor	2-12, 16, 22, 24, 26, 28
Information Technology Supervisor	3, 5, 11, 12, 17, 19, 20, 24, 28
Customer Service & Public Affairs Supervisor	3, 11, 13, 15, 17, 18, 20, 21, 25
Safety/Risk Compliance Administrator	3, 11, 12, 16-20, 24, 25, 28
Accounting Supervisor	1-16, 22
Engineering Services Supervisor	1-13, 15, 16, 21, 22, 24, 26
Operations Supervisors (Construction & Systems)	1-12, 16, 22, 24, 26, 28
Field Services Supervisor	1-12, 16, 22, 24, 26, 28
Engineering Project Administrator	1-13, 15-17, 19, 21, 22, 24, 26
Water Reclamation Facilities Supervisor	1-12, 16, 22, 24, 26, 28
Senior Systems Administrator	3, 5, 11, 12, 17, 19, 20, 24, 28
Systems Administrator	3, 5, 11, 12, 17, 19, 20, 24, 28
Park Supervisor	1-7, 11, 12, 20, 22, 24
Facilities Coordinator	1-3, 5-7, 11-13, 15, 21, 24, 28
Backflow and Cross Connection Coordinator I & II	4, 6, 8, 9, 11, 12
Records and Contracts Coordinator	3, 17-19
Cathodic Protection Technician	4-6, 8, 9, 11, 12, 22
Purchasing/Warehouse Clerk	1-12, 26
Engineering Technician III	1-13, 15-17, 19, 21, 22, 24, 26
Collection System Operator I, II & III	4, 6, 8, 9, 11, 12
Water Reclamation Operator IV	1-12, 16, 22, 24, 26, 28
Water Treatment Plant Operator IV	2-12, 16, 22, 24, 26, 28

## **Consultants\***

Engineering	1-16, 21, 22, 24
Financial	13-15, 23, 27
Legal	All

\*Consultants shall disclose all sources of income, interests in real property and investments and business position in business entities. The General

Manager of the District may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements described in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. Such determination shall be a public record and shall be retained for public inspection in the same manner and location as this conflict of interest code.

## **CATEGORIES**

1. Motor vehicles and specialty vehicles and parts thereof
2. Construction and building materials
3. Office equipment and supplies
4. Water system materials, parts, equipment, or chemicals
5. Electrical or electrical generating equipment and supplies
6. Irrigation equipment and supplies -- pipes, valves, fittings, tanks, pumps, meters, etc.
7. Agricultural equipment and supplies
8. Servicing water system materials, parts, equipment or chemicals
9. Water quality testing equipment, supplies and services
10. Petroleum, chlorine and treatment products
11. Equipment rental
12. Safety equipment, facilities, and instructional material
13. Real Property
14. Farming
15. Real estate firms, title insurance companies, and appraisals
16. Engineering, surveying, and architectural services
17. Printing or reproduction services, publications, and distribution
18. Travel agencies
19. Computer equipment, hardware and software and computer services
20. Educational and medical services and materials
21. Preparation of actions leading to taking eminent domain
22. Soil test, compaction and other services related to grading requirements
23. Banks and savings and loans
24. Environmental services
25. Insurance companies, brokers and agencies
26. Public utilities
27. Audit and accounting companies
28. Personnel and employment companies and services

# Memo

Date: June 21, 2023  
To: Olivenhain Municipal Water District Board of Directors  
From: Leo Mendez, Accounting Supervisor  
Rainy Selamat, Finance Manager  
Via: Kimberly A. Thorner, General Manager  
Subject: **CONSIDER SETTING A TIME AND PLACE FOR A PUBLIC HEARING TO  
CONSIDER THE OLIVENHAIN MUNICIPAL WATER DISTRICT'S WATER  
CAPACITY FEES FOR 2023 (JULY 19, 2023 – 5:30 P.M)**

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## Purpose

The purpose of this agenda item is to set a time and place for a public hearing to consider water capacity fees for calendar year 2023.

## Recommendation

Staff recommends setting a time and place for the public hearing to be July 19, 2023 at 5:30 p.m. at the District's office. Notification of the public hearing will be posted in the Union Tribune newspaper prior to the meeting and BIA will be notified in advance per their standing request with OMWD.

## Alternatives

The Board may choose to delay the public hearing and instruct staff to do otherwise.

## **Background**

The last comprehensive review of District water capacity fee was completed in 2011. Since the last review, the District's water capacity fees have been increased by Engineering News Record – Construction Cost Index in accordance with the District's Administrative and Ethic Code.

The goal of a water capacity fee update is to ensure that new users pay their fair share of the costs of the existing infrastructure required to serve them so that existing water users (rate payers) are not burdened with the costs of serving them and for the replacement and refurbishment of the District's water infrastructure.

At the May 17, 2023 regular board meeting, the District's consultant, Raftelis Financial Consultants, and staff presented the results of an updated capacity fee report to the Board of Directors. Three alternatives were presented and discussed for consideration, including a five-year phase in program of capacity fee increases to the current capacity fees.

Following the presentation by the District's consultant, the Board selected the phase-in option and a determination was made to hold a public hearing to receive and consider comments from the public.

## **Fiscal Impact**

The District is currently estimated at 95% build-out with about 1,180 Equivalent Dwelling Units (EDUs) remaining until complete build-out in 2050. Not increasing the capacity fees as proposed via the 2022 Water Capacity Fee Study would result in a total estimated revenue loss of approximately \$2.9 million through 2050.

Further delays in adjusting water capacity fees will increase the burden on existing water users for capital costs of replacing and refurbishing the District's water infrastructure.

## **Discussion**

This memo informs the time and place for a public hearing to receive comments and to consider potable water capacity fees for calendar year 2023. A copy of the draft Water Capacity Fee Report prepared by the District's consultant, Raftelis Financial Consultants, is attached for review.

Staff will be available at the meeting for discussion; however, no formal presentation is planned.

Notification of the public hearing will be posted in the Union Tribune newspaper a minimum of 10 days prior to the meeting. Staff will also notify the Building Industry Association (BIA) about the public hearing date and the recommended increases to the current water capacity fees.

Attachment: DRAFT Water Capacity Fee Study Report (Raftelis)

# Olivenhain Municipal Water District

## Water Capacity Fee Study DRAFT

June 14, 2023



June 14, 2023

Ms. Kimberly Thorner  
Ms. Rainy Selamat  
Finance Manager  
Olivenhain Municipal Water District  
1966 Olivenhain Road  
Encinitas, CA 92024

**Subject: Water Capacity Fee Study**

Dear Ms. Thorner,

Raftelis is pleased to provide this Water Capacity Fee Report (Report) to Olivenhain Municipal Water District (District). This Report details the methodology and calculations used to determine the water capacity fee.

We have calculated fees for ultimate buildout conditions under the capacity buy-in method for the different zones in the District. There are significant changes to existing water capacity fees based on detailed review of the assets used in the different zones.

It has been a pleasure working with District Staff and we thank Leo Mendez, Rainy Selamat, and Lindsey Stephenson, for the support provided during this Study.

Sincerely,

**Raftelis**

**Sudhir Pardiwala**  
Executive Vice President

**Sarah Wingfield**  
Associate Consultant

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## Glossary of Terms

**Buy-in method** – An approach to determining capacity fees based on the value of the existing system's capacity. This method is typically used when the existing system has sufficient capacity to serve new development; may also be used in conjunction with the incremental cost method resulting in the hybrid approach. There are two approaches under the buy-in method. The first is based on the existing demand in the system and called Equity buy-in, the second is **Capacity buy-in or System buy-in** where the value is based on the total capacity of the system. This results typically in a lower capacity fee as the system capacity is typically more than the demand of the existing users.

**Capacity** – The water utility's ability to have a certain quantity or level of resources available to meet the water service needs of its customers. Including quantity, quality, peak loads, and other service requirements of the various customers or classes of customers served by the utility.

**Capacity fee** – A contribution of capital toward existing or planned future facilities necessary to meet the service needs of new customers to which such fees apply. Three methods used to determine the amount of these charges are the buy-in method, the incremental cost method, and the hybrid approach which includes elements of the first two methods. Various terms are used to describe these charges in the industry, but these charges are intended to provide funds to be used to finance all or part of capital improvements necessary to serve new customers.

**Contribution in aid of construction (CIAC)** – Any amount of money, services, or property received by a water utility from any person or developer or governmental agency that is provided at no cost to the utility.

**Debt** – An obligation resulting from the borrowing of money or from the purchase of goods and services for the purpose of constructing utility long-lived fixed assets.

**Debt service** – The amounts of money necessary to pay interest and principal requirements for a given series of years.

**Depreciation** – The loss in service value not restored by current maintenance as applied to depreciable plant facilities. Depreciation is incurred in connection with the consumption or prospective retirement of plant facilities in the course of providing service. This depreciation is the result of causes known to be in current operation and against which the utility is not protected by insurance. Among the causes are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in technology, changes in demand, and requirements of public authorities. The proper level of depreciation expense at any given time should be based on the costs of depreciable plant in service. The funds resulting from depreciation are available for replacements, improvements, expansion of the system, or for repayment of the principal portion of outstanding debt.

**Equivalent dwelling unit** – a single family unit is typically defined as an equivalent dwelling unit (EDU). For water service the standard meter is considered to be one EDU. For the District, the standard meter size for single family residential connections is  $\frac{3}{4}$ -inch.

**Equivalent meter- ratio** – The ratio of the cost of investment in larger meters and services to those of a base meter size, such as the  $\frac{3}{4}$ -inch meter typically used for residential customers.

**Incremental cost method** – An approach to determining capacity fees based on the value or cost to expand the existing system's capacity. This method is typically used when the existing system has limited or no capacity to serve

new development and new or incremental facilities are needed to serve new development now and into the future; may also be used in conjunction with the buy-in method resulting in the combined cost approach.

**Hybrid approach** – An approach to determining capacity fees based on a blended value of both the existing and expanded system's capacity. This method is typically used where some capacity is available in parts of the existing system (e.g., source of supply), but new or incremental capacity will need to be built in other parts (e.g., treatment plant) to serve new development at some point in the future; a combination of the buy-in and incremental cost approaches.

**Original cost** – The cost at which an asset is purchased, also called book value.

**Replacement cost** – The current cost of replacing an asset. Typically, an asset purchased years ago will cost more to replace now because of inflation. One method of determining the current value of an asset is by using inflation factors. The Engineering News-Record Construction Cost Index is widely used to determine current value.

**Replacement cost less depreciation** – is the depreciated value of the replacement cost. Since the current users have used the asset, it is no longer new and this cost represents a better value of the asset than the new cost.

**Unit of service** – An element of service for which a cost can be ascertained, such as EDUs, thousand gallons, hundred cubic feet, million gallons per day, etc.

# 1. Executive Summary

In Spring 2022, the Olivenhain Municipal Water District (District) engaged Raftelis to conduct an analysis of its water capacity fees and to document this analysis in a written report. This Water Capacity Fee Study Report (Report) supersedes the 2011 Water Capacity Fee Study and provides a detailed summary of our analysis in which we determined updated water capacity fees in accordance with Government Code Section 66013. The results of this study are independent of prior studies. The analysis presented in this report utilizes the capacity buy-in method to calculate the water capacity fees. Proposed capacity fees for water are based on meter size for all customers. Numbers shown in all the tables of this report are rounded; therefore, hand calculations based on the displayed numbers, such as summing or multiplying, may not equal the exact results shown.

## 1.1. Background of the Study

The District provides water services to a population of approximately 87,000 in Encinitas, Carlsbad, San Diego, Solana Beach, and neighboring communities. The District is a member of the San Diego County Water Authority (SDCWA), from which it purchases all of its potable water supply. The District also provides recycled water to its customers. Recycled water is produced at the District's water reclamation facility or purchased from the City of San Diego, Santa Fe Valley Community Services District, Vallecitos Water District, and the San Elijo Joint Powers Authority. The District's water system is nearly built-out and can accommodate new connections resulting from the projected minimal growth. The water system comprises approximately 466 miles of pipe ranging from 0.5-48 inches in diameter, 1 potable water treatment plant, 1 water reclamation facility, 18 reservoirs, and 10 pump stations. The District is considering investing in local water supply projects such as the San Dieguito Valley Groundwater project and will continue to expand its Recycled Water System to reduce its reliance on imported water from SDCWA. The District's other capital improvement programs mainly consist of betterment and replacement of its water infrastructures.

Capacity fees are one-time fees assessed by the District to new users as a condition of establishing a new connection to the District's water system or at the expansion of an already existing connection. The capacity fee requires new users, to pay for their share of costs to construct facilities required to provide their utility service, or, in the case of increased density, their increase of intensity use. Revenues generated through capacity fees are used to finance costs associated with the water facilities required to serve customers in their zones of benefits. These fees are designed to be proportional to the demand placed on the system by the new or expanded connection. The primary objective of establishing a capacity fee is to provide an equitable means by which new system users (or existing customers requiring additional capacity) may contribute their fair-share towards the costs associated with the water facilities required to serve them. This way, capacity fee revenues in effect, reimburse existing users (through lower rates) for costs they have incurred to build and maintain capacity for new users in their zones of benefits. The recommended capacity fees for the service area do not exceed the estimated reasonable costs of providing the facilities for which they are collected and are of proportional benefit to the property being charged.

In accordance with the District's Administrative and Ethics Code, the District evaluates capacity fees on annual basis to determine if appropriate funds are being collected to pay for necessary future capital and replacement projects and updates the fees to present value using the Engineering News Record Construction Cost Index for Los Angeles (ENR-CCI-LA).

The District retained Raftelis to assist in updating the 2011 Water Capacity Fee Study. The purpose of this update is to:

- Update existing water capacity fees, which includes:
  - Assessing the methodology of calculating the fees by meter size and the Zone of Benefit. A map showing the Zone of Benefit is included in **Figure 1-1**
  - Adding additional assets and depreciation since 2011 (when the last capacity fee study was completed).
  - Update asset valuations to fiscal year 2021/22 dollars.
  - Review existing and future equivalent dwelling units (EDUs).
  - Update calculated pipeline replacement costs based on:
    - Revised lineal feet of pipelines based on the District's latest GIS data.
    - Cost per inch per lineal foot, based on the midpoint of recent pipeline constructions bids.
  - Review fiscal year 2022/23 water capital improvement projects.
  
- Validate the methodology of calculating and assessing the fees by Zone of Benefit.

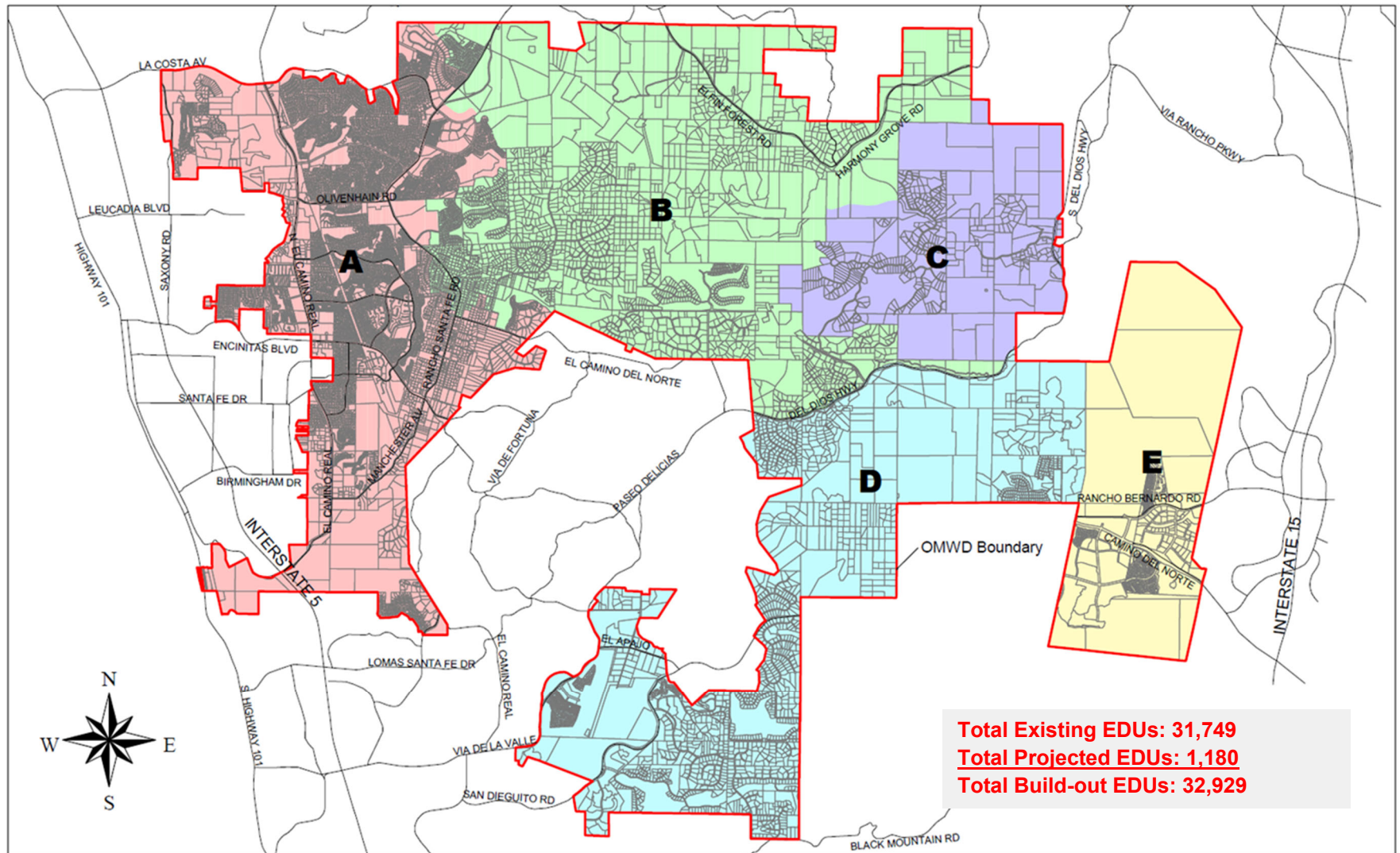
## 1.2. Current Water Capacity Fees

**Table 1-1** shows the District's current water capacity fees by zone and meter size. The current capacity fee schedule was developed in 2011 and has annually adjusted with inflation as measured by the Engineering News-Record Construction Cost Index (CCI) for Los Angeles.

**Table 1-1: Current Water Capacity Fees by Zone**

Meter Size	Zone A	Zone B	Zone C	Zone D	Zone E
<b>5/8 inch</b>	\$11,288	\$8,099	\$8,248	\$17,093	\$8,365
<b>3/4 inch</b>	\$16,126	\$11,570	\$11,785	\$24,421	\$11,951
<b>1 inch</b>	\$30,640	\$21,986	\$22,395	\$46,400	\$22,709
<b>1-1/2 inch</b>	\$49,993	\$35,875	\$36,540	\$75,708	\$37,053
<b>2 inch</b>	\$80,637	\$57,864	\$58,938	\$122,112	\$59,765
<b>3 inch</b>	\$164,500	\$118,045	\$120,237	\$249,108	\$121,924
<b>4 inch</b>	\$275,779	\$197,900	\$201,576	\$417,625	\$204,405
<b>6 inch</b>	\$580,592	\$416,634	\$424,371	\$879,214	\$430,326
<b>8 inch</b>	\$1,048,294	\$752,257	\$766,227	\$1,587,472	\$776,979

Figure 1-1 Zones of Benefit



### 1.3. Calculated Water Capacity Fees

The methodology used in this study to calculate water capacity fees is consistent with industry standards and practiced widely by water utilities in the country. **Table 1-2** shows the calculated water capacity fees schedule for a ¾-inch meter. **Table 1-3** shows the capital facility fees for the different meter sizes. The District is no longer installing new 5/8-inch connections. Therefore, calculated water capacity fee for a 5/8-inch meter by Zone of Benefit is not included and shown in the table below.

**Table 1-2: Calculated Water Capacity Fees by Zone Compared to Current for CY 2023**

Comparison (a ¾-inch meter)	Current	Calculated	Difference (\$)	Difference (%)
<b>Zone A</b>	\$16,126	\$21,700	\$5,574	35%
<b>Zone B</b>	\$11,570	\$12,570	\$1,000	9%
<b>Zone C</b>	\$11,785	\$14,004	\$2,219	19%
<b>Zone D</b>	\$24,421	\$24,764	\$343	1%
<b>Zone E</b>	\$11,951	\$14,612	\$2,660	22%

**Table 1-3: Calculated Water Capital Facility Fees by Meter Size by Zone**

Meter Size	Zone A	Zone B	Zone C	Zone D	Zone E
<b>5/8 inch</b>	N/A	N/A	N/A	N/A	N/A
<b>¾ inch</b>	\$21,700	\$12,570	\$14,004	\$24,764	\$14,612
<b>1 inch</b>	\$41,231	\$23,884	\$26,608	\$47,052	\$27,762
<b>1-1/2 inch</b>	\$67,272	\$38,968	\$43,412	\$76,768	\$45,297
<b>2 inch</b>	\$108,502	\$62,852	\$70,020	\$123,820	\$73,059
<b>3 inch</b>	\$221,345	\$128,217	\$142,840	\$252,593	\$149,041
<b>4 inch</b>	\$371,078	\$214,953	\$239,468	\$423,465	\$249,862
<b>6 inch</b>	\$781,218	\$452,532	\$504,143	\$891,504	\$526,025
<b>8 inch</b>	\$1,410,532	\$817,072	\$910,257	\$1,609,661	\$949,768

Since the Calculated Water Capacity Fees shown in the above tables show significant increases compared to the current water capacity fees for Zones A, C, and E, the District is considering to phase in these increases over five years and adjusting the fees through 2027 by the percentages shown in **Table 1-4**.

**Table 1-4: Proposed Calculated Water Capital Facility Fees for a ¾" Meter**

	2023	2024	2025	2026	2027
<b>Zone A</b>	7.0%	7% + ENR Adj. <sup>1</sup>	7% + ENR Adj.	7% + ENR Adj.	7% + ENR Adj.
<b>Zone B</b>	1.8%	1.8% + ENR Adj.	1.8% + ENR Adj.	1.8% + ENR Adj.	1.8% + ENR Adj.
<b>Zone C</b>	3.8%	3.8% + ENR Adj.	3.8% + ENR Adj.	3.8% + ENR Adj.	3.8% + ENR Adj.
<b>Zone D</b>	1.0%	ENR Adj.	ENR Adj.	ENR Adj.	ENR Adj.
<b>Zone E</b>	4.4%	4.4% + ENR Adj.	4.4% + ENR Adj.	4.4% + ENR Adj.	4.4% + ENR Adj.

<sup>1</sup> ENR Adjustment is based on Engineering News-Record Construction Cost Index for the City of Los Angeles.

Both current and calculated water capacity fees for larger meters will be proportionately higher based on the hydraulic capacity of the meters as shown in **Table 1-5** and are described further in section 3.4

**Table 1-5: Hydraulic Capacity of Meters to Calculate Fees for Larger Meters**

Meter Size	Meter Ratio
3/4 inch	1.00
1 inch	1.90
1-1/2 inch	3.10
2 inch	5.00
3 inch	10.20
4 inch	17.10
6 inch	36.00
8 inch	65.00

## **1.4. Economic and Legal Framework**

### **1.4.1. ECONOMIC FRAMEWORK**

For publicly owned systems, most of the assets are typically paid for by the contributions of existing customers through rates, charges, securing debt, and taxes. In service areas that incorporate new customers, the infrastructure developed by previous customers is generally extended towards the service of new customers. Existing customers' investment in the existing system capacity allows newly connecting customers to take advantage of unused surplus capacity. New connectors typically "Buy-In" the existing and pre-funded facilities to establish economic equality among new and existing customers, putting them on par with existing customers. In other words, the new users are buying into the existing system based on the replacement costs of existing assets to continue providing the same service level to new customers through repairs, expansions, and upgrades to the system.

The basic economic philosophy behind capacity fees is that the costs of providing service should be paid for by those that receive utility from the product. To effect fair distribution of the value of the system, the charge should reflect a reasonable estimate of the cost of providing capacity to new users and not unduly burden existing users through a rate increase. Accordingly, many utilities make this philosophy one of their primary guiding principles when developing their capacity fee structure.

The philosophy that service should be paid for by those that receive utility from the product is often referred to as "growth-should-pay-for-growth." The principal is summarized in the American Water Works Association (AWWA) Manual M26: *Water Rates and Related Charges*:

"The purpose of designing customer-contributed-capital system charges is to prevent or reduce the inequity to existing customers that results when these customers must pay the increase in water rates that are needed to pay for added plant costs for new customers. Contributed capital reduces the need for new outside sources of capital, which ordinarily has been serviced from the revenue stream. Under a system of contributed capital, many water utilities are able to finance required facilities by use of a 'growth-pays-for-growth' policy."

This principle, in general, applies to water, wastewater, and storm drainage systems. In the excerpt above, customer-contributed-capital system charges are equivalent to capacity fees.

### **1.4.2. LEGAL FRAMEWORK AND CALIFORNIA REQUIREMENTS**

In establishing capacity fees, it is vital to understand and comply with local laws and regulations governing the establishment, calculation, and implementation of capacity fees. The following sections summarize the regulations applicable to developing capacity fees for the District.

Capacity fees must be established based on a reasonable relationship to the needs and benefits of additional development or expansion. Courts have long used a standard of reasonableness to evaluate the legality of development charges. The basic statutory standards governing capacity fees are embodied by California Government Code Sections 66013, 66016, 66022, and 66023. Government Code Section 66013 contains requirements specific to determining utility development charges:

“Notwithstanding any other provision of law, when a local agency imposes fees for water connections or sewer connections, or imposes capacity charges, those fees or charges shall not exceed the estimated reasonable cost of providing the service for which the fee or charge is imposed, unless a question regarding the amount the fee or charge in excess of the estimated reasonable cost of providing the services or materials is submitted to, and approved by, a popular vote of two-thirds of those electors voting on the issue.”

Section 66013 also includes the following general requirements:

- Local agencies must follow a process set forth in the law, making certain determinations regarding the purpose and use of the charge; they must establish a nexus or relationship between a development project and the public improvement being financed with the charge.
- The capacity charge revenue must be segregated from the General Fund in order to avoid commingling of capacity fees and the General Fund.

## 2. Methodology Overview

A capital facility fee is generally a one-time charge paid by a new water system customer for the cost of facilities necessary to provide water system capacity to that new customer. However, it is also assessed to existing customers requiring increased water system capacity. Revenues generated by this charge are used to pay for water facilities needed to serve new customers.

### 2.1. Capacity Fee Methodologies

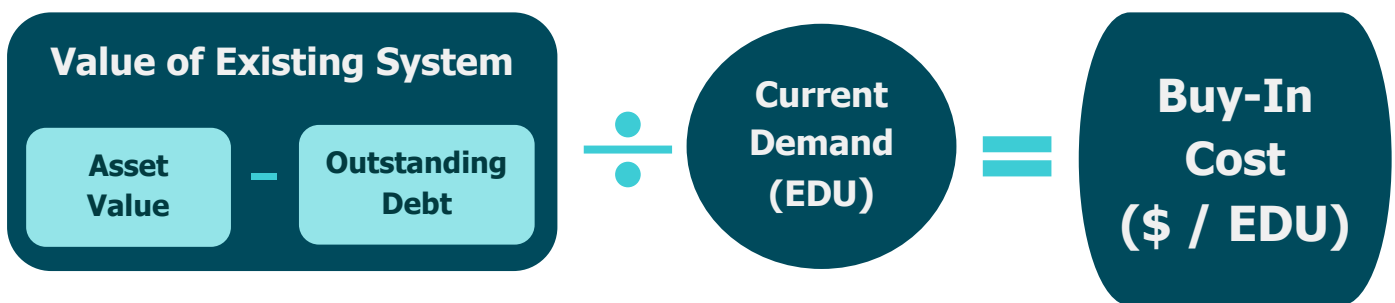
There are several methodologies for calculating capacity fees. The various approaches have largely evolved on the basis of changing public policy, legal requirements, and the unique and special circumstances of every local agency. However, there are two general approaches that are widely accepted and appropriate for water capacity fees.

#### 2.1.1. EQUITY BUY-IN APPROACH

The equity buy-in method focuses on total value and current demand of the existing system. This method is utilized when existing users have developed and maintained a utility system that can accommodate further growth. Since existing customers have already financed the costs associated with developing the current system, new customers will pay their respective portion of the net investment. The net equity investment, or value of the existing system, is then divided by the current demand of the system to determine the buy-in cost per unit of capacity (UOC). For water systems, a unit of capacity is generally an equivalent dwelling unit (EDU) typically measured by the standard single family meter size.

For example, if the current system has 1,000 units of usage in a typical year and the new connection would average an additional equivalent unit of usage, the new connection will cost 1/1000 of the total value of the existing system. By following this method, the new customer has bought into the current system by paying their portion of the overall system based on their strain or capacity access of the system. This places them in an equal financial position to the pre-existing customers. The process for this method is shown in **Figure 2-1**.

Figure 2-1: Equity Buy-In Method

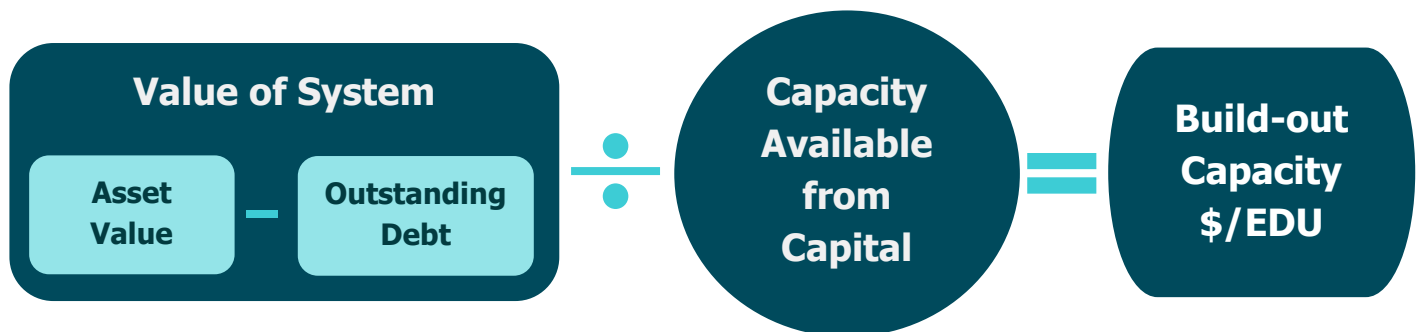


As shown, the value of the system typically includes asset value less any outstanding debt principal. Likewise, debt obligations are secured by the value of the system and used to pay for the assets of the system. Once the value of the existing system is determined, this is divided by the current demand (EDUs) and the buy-in cost is determined for various connection types.

## 2.1.2. CAPACITY BUY-IN APPROACH

The capacity buy-in approach is based on the same premise as that for the equity buy-in approach – that new customers share in the system costs with existing customers. The difference between the two approaches is that for the capacity buy-in approach, for each major asset, the value is divided by its capacity. This approach has a major challenge as determining the capacity of each major asset is problematic, as the system is designed for peak use and customer behavior fluctuates based on economics and water conservation. **Figure 2-2** illustrates the framework for calculating the capacity buy-in fee. In this case, the capacity at build-out is used to address the challenge of determining the capacity of the assets.

Figure 2-2: Capacity Buy-In Method

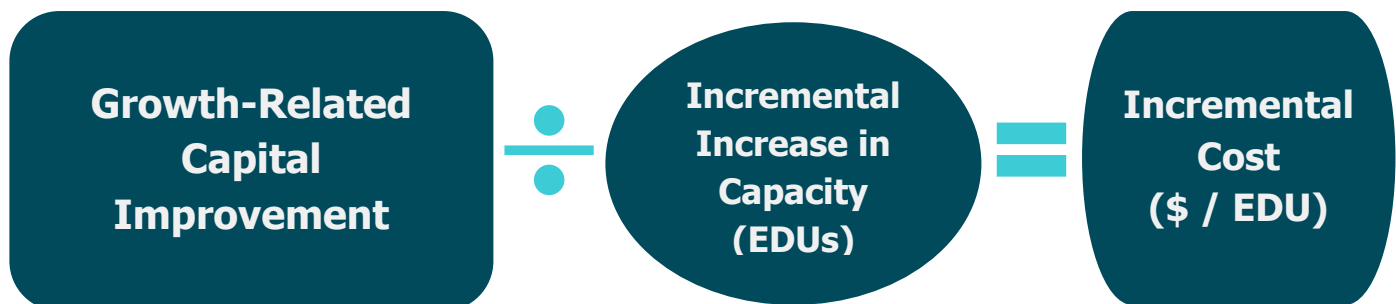


## 2.1.3. INCREMENTAL COST APPROACH

The incremental method is based on the premise that new development (new users) should pay for the additional capacity and expansions necessary to serve the new development. This method is typically used where there is little or no capacity available to accommodate growth and expansion is needed to service the new development. Under the incremental method, growth-related capital improvements are allocated to new development based on their estimated usage or capacity requirements, irrespective of the value of past investments made by existing customers.

For instance, if it costs X dollars (\$X) to provide 100 additional units of capacity for average usage and a new connector uses one of those units of capacity, then the new user would pay \$X/100 to connect to the system. In other words, new customers pay the incremental cost of capacity. As with the equity buy-in approach, new connectors will effectively acquire a financial position that is on par with existing customers. Use of this method is considered to be most appropriate when a significant portion of the capacity required to serve new customers must be provided by the construction of new facilities. **Figure 2-3** shows the framework for calculating the incremental cost fee.

Figure 2-3: Incremental Cost Method

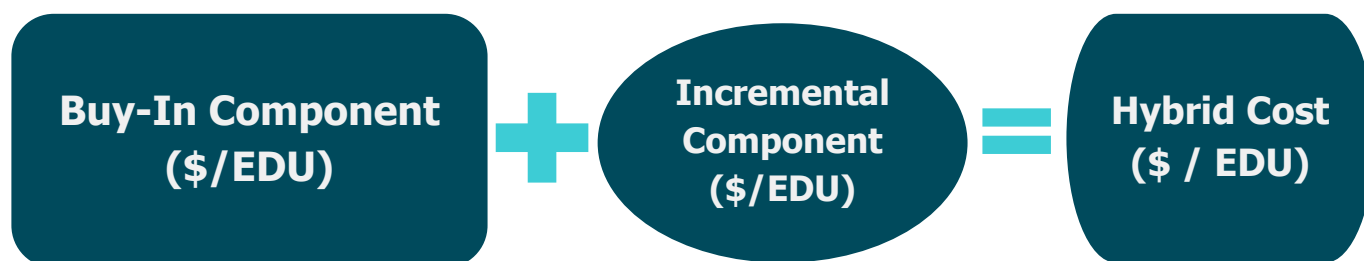


## 2.1.4. HYBRID APPROACH

The hybrid approach is typically used where some capacity is available to serve new growth, but additional expansion is still necessary to accommodate new development. Under the hybrid approach the capacity fee is based on the summation of the existing capacity and any necessary expansions.

In utilizing this methodology, it is important that system asset costs are not double counted when combining costs of the existing system with future costs from expanding the system. Asset costs that are included in the incremental costs should be excluded from the existing system. Capital Improvement Program (CIP). CIP costs that expand system capacity to serve future customers may be included proportionally to the percentage of the cost specifically required for expansion of the system. **Figure 2-4** summarizes the framework for calculating the hybrid capacity fee.

Figure 2-4: Hybrid Approach



## 2.1.5. RECOMMENDED METHODOLOGY

The District staff anticipates minimum future growth since the District is at about 95% build-out. Therefore, the system is mainly built out. As a result, Raftelis recommends the capacity buy-in approach for the calculation of the capacity. Under this approach, the buildout capacity that is expected is used as the denominator to determine the capacity fee.

## 2.2. Asset Valuation Options

Four principal methods are used to estimate the asset value of existing facilities: original cost (OC), replacement cost (RC), original cost less depreciation (OCLD), and replacement cost new less depreciation (RCLD).

### 2.2.1. ORIGINAL COST

The principal advantages of original cost valuation are relative simplicity and stability since the recorded costs of fixed assets are held constant. The major criticism levied against OC is the disregard of changes in the time value of money, and future capital costs, which are attributable to inflation and other factors. History shows that prices tend to increase rather than remain constant or decrease. This situation may be exacerbated since most water and sewer systems are developed over time on a piecemeal basis as demanded by the customer base and service area growth. Consequently, each asset addition is paid for with dollars of different purchasing power. When these outlays are added together to obtain a plant value, the result can be misleading. Additionally, the original cost does not account for the depreciation of facilities and other assets as they age which may not be representative of the state of the systems. We discuss depreciation in further detail below.

## 2.2.2. REPLACEMENT COST

Changes in the value of assets over time, represented by general inflation, are recognized by the replacement cost valuation. The replacement cost represents the cost of duplicating the existing water facilities (or duplicating their functions) in current dollars. Unlike the original cost approach, the replacement cost approach recognizes price level changes that have occurred since plant construction and subsequent investments. The most accurate replacement cost valuation requires a physical inventory and appraisal of the utility facilities in terms of their replacement costs at the time of valuation. However, with original cost records available, a reasonable approximation of replacement cost value can be easily derived by trending historical original costs. This approach employs the use of cost indices to express actual capital investment by the utility in current dollars. An obvious advantage of the RC approach is that it accounts for changes in the value of money over time. However, just like the original cost, it does not account for the depreciation of facilities and system assets.

## 2.2.3. ORIGINAL COST LESS DEPRECIATION

The current value of water facilities is also materially impacted by the effects of age. All assets have estimated useful lives, which vary by type. For example, pumps may have a 20-year life, buildings 50 years, and pipelines 50 to 100 years. Each year an asset is devalued by the fraction of its useful life to original cost. This is referred to as *straight line* or linear depreciation. At the end of an asset's useful life, it is worth zero dollars on paper, though it may still be in service. Depreciation accounts for estimated devaluation in system assets caused by wear and tear, decay, inadequacy, and obsolescence. Original cost valuation can be expressed as net of depreciation to yield the appropriate recognition of the effects of depreciation on existing water and sewer systems. Accumulated depreciation is computed for each asset and deducts losses in valuation based on age or condition from the respective total original cost.

## 2.2.4. REPLACEMENT COST LESS DEPRECIATION (RCLD)

The RCLD is identical to the original cost less depreciation valuation method, except that asset cost and asset depreciation are in today's dollars rather than the value of the dollar when the asset was placed in service. Original cost and depreciation are inflated using historical indices. Replacement cost depreciation is then subtracted from the replacement cost new of the asset to yield replacement cost less depreciation. RCLD allows for an accounting of system assets in present value while also accounting for proportional devaluation via depreciation.

## 2.2.5. RECOMMENDED ASSET VALUATION METHOD

Raftelis recommends using the RCLD method to account for today's replacement cost for system improvements while acknowledging the remaining useful life of the system facilities. This is the standard widely used in industry to compute capacity fees. Several factors were reviewed with District staff regarding the system assets, including age of the assets and availability of detailed records. The District provided records of their asset list as of the end of Fiscal Year 2020, which Raftelis utilized to calculate the RCLD value of the system. A complete list of these assets can be found in **Appendix B** and **Appendix C**. Replacement cost was estimated by escalating the original cost to what the current day replacement cost would be. This was accomplished by applying the Engineering News-Record's 20-City Construction Cost Index, shown in **Appendix D**. The depreciation cost was calculated by using a straight-line method of depreciation. This amount was then subtracted from the replacement cost to arrive at the RCLD amounts from the water asset list provided. Pipeline costs have increased significantly and the District obtained quotes on replacing pipelines. These costs were used to value the RCLD of existing pipelines.

# 3. Proposed Capacity Fees

This section calculates the capacity fees for each zone of benefit. The capacity fee is calculated by dividing the allocated system value in each zone is divided by the current demand on the system in each zone. The system demand in each zone is measured on a per equivalent dwelling unit (EDU) basis. One ¾-in meter represents one EDU. The EDUs for other meters are shown in **Table 3-5** below based on the hydraulic capacity of each meter under the current system. The per EDU amount will then be distributed across the different meter sizes to determine the proposed water capacity fee.

## 3.1. Buy-In System Value

The initial step in the capacity buy-in method is to determine the value of the water system. Contribution in aid of construction (CIAC) is excluded in determining the value of the water system used for the calculated water capacity fee in this report. Raftelis included outstanding debt principal when calculating the system's value. The asset cost basis for determining the buy-in component of the capacity fee is the RCLD, which estimates the replacement cost reflecting the remaining depreciable life of the facility. System asset data were available through the end of FY 2022. Recycled water assets are included in the valuation of system due to the fact that potable water customers benefit from recycled water facilities as recycled water offsets potable water use and the need for more expensive potable water sources. Recycled water customers also benefit from potable water when recycled water may not be available and pay the same capacity fee developed in this Study. The RCLD is based on the original asset cost adjusted to current costs based on a ratio of the Engineering News-Record, Construction Cost Index (CCI) for Los Angeles, March 2022 to the CCI for the construction year. Pipeline replacement costs are based on District's most recent publicly bid pipeline projects, range from \$55 to \$85 per inch-diameter per foot of length<sup>2</sup>. This study uses an average of \$67 per foot cost to estimate pipeline costs. This replacement cost is adjusted to account for estimated accumulated depreciation through FY 2022. CIAC or contributed assets are excluded in the total net asset value.

**Table 3-1** shows the adjusted system value. The adjusted system value reflects the current customers' equity or debt-free investment position. Since new customers, through payment of the general water service rates, would be covering the capital carrying costs of the existing plant, the outstanding debt principal is subtracted from the RCLD Asset Value. Assets in Zone B benefit the whole district and are termed "Base" assets. The assets in each zone are totaled as shown below.

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<sup>2</sup> OMWD Long-term Budgeting for Pipeline Replacement, DRAFT version, May 2023, HDR

**Table 3-1: Buy-in Component System Value**

Net Asset Value	Total System	Base	Zone of Benefit
Total Water Assets (RCLD)*	\$185,966,836	\$175,376,519	\$10,590,317
Total Recycled Water Assets (RCLD)*	\$11,580,734	\$11,580,734	\$0
Pipeline Costs (RCLD)*	\$458,149,848	\$245,691,321	\$212,458,527
FY 2023 R&R Water Capital Projects	\$11,670,000	\$11,670,000	\$0
Groundwater Project FY 23	\$700,000	\$700,000	\$0
FY 2023 Recycled Water Capital Projects	\$5,361,000	\$5,361,000	\$0
Less Remaining Principal Balance	(\$36,450,820)	(\$36,450,820)	
<b>Total - Net Asset Value</b>	<b>\$636,977,598</b>	<b>\$413,928,754</b>	<b>\$223,048,844</b>

\*Exclude Contribution in Aid of Construction (CIAC) assets. Pipeline Costs were calculated as shown in APPENDIX C.

## 3.2. Equivalent Units

The second step in calculating the capacity fee is determining the current demand. Dividing the system's value by capacity provides a unit cost for the development charge. Capacity is usually expressed in meter equivalents rather than the number of service connections. District Staff provided the number of EDUs for the five distinct zones of benefits. The benefit of using meter equivalents is that it relates the relative capacity of service connections with meters of various sizes, i.e., accounts for the larger meters generating more demand. The District's capacity fee is calculated based on assigned EDUs. EDUs are calculated and assigned by the District's Engineering department based on Article 13 of the District's Administrative and Ethics Code to provide adequate water capacity to each new development and/or a new parcel within the District's service area including peaking and system wide fire protection.

Table 3-2 shows the number of current EDUs by zone.

**Table 3-2: Build-out EDUs by Zone**

Zone of Benefit	Current EDUs	EDU Projections	Build-Out EDUs
<b>Zone A</b>	16,113	359	16,472
<b>Zone B</b>	4,834	515	5,349
<b>Zone C</b>	590	93	683
<b>Zone D</b>	4,838	126	4,964
<b>Zone E</b>	5,374	87	5,461
<b>Total</b>	<b>31,749</b>	<b>1,180</b>	<b>32,929</b>

## 3.3. Calculated Capacity Fees

The final step in determining the capacity fee is to divide the adjusted water system value of each zone by the build-out EDUs (Table 3-2). The total net asset value in Table 3-1 is distributed to each zone based on each individual assets. The EDUs relate the relative capacity of service connections with meters of various sizes.

First, we calculate the base capacity fee, these are the assets in Zone B that benefit all zones and is shown in

**Table 3-3:** Base Capacity Fee Calculation. Zone B includes the District’s water treatment plant. All assets in Zone B, including the pipelines, benefit all the other zones.

**Table 3-3: Base Capacity Fee Calculation for One EDU (3/4” meter)**

Base Capacity Fee Component	
Base Allocated Asset Costs	\$413,928,754
Distribution Cost	\$0
Build-out EDUs Total	32,929
<b>Base Capacity Fee</b>	<b>\$12,570</b>

Next, we calculate the capacity fee associated with the assets in each zone as shown in **Table 3-4:** Zonal Component Capacity Fee Calculation. Since Zone B assets benefit the whole district and are included as the base capacity fee, no additional zonal capacity fee is considered for Zone B

**Table 3-4: Zonal Component Capacity Fee Calculation for One EDU (3/4” meter)**

Capacity Fee By Zone	Zone A	Zone B	Zone C	Zone D	Zone E
Zonal Component Asset Value	\$150,391,797	\$0	\$979,163	\$60,529,371	\$11,148,514
Build-Out EDUs By Zone	16,472	5,349	683	4,964	5,461
<b>Zonal Component Capacity Fee per EDU</b>	<b>\$9,130</b>	<b>\$0</b>	<b>\$1,434</b>	<b>\$12,194</b>	<b>\$2,041</b>

The total capacity fee is the sum of the base capacity fee in **Table 3-3** and the zonal component capacity fee shown in **Table 3-4** as shown in **Table 3-4**. Because of the topography and density, the value of the assets serving customers varies significantly along with the corresponding fees.

**Table 3-4: Total Capacity Fee by Zone for One EDU (3/4” meter)**

Capacity Fee by Zone per EDU	Zone A	Zone B	Zone C	Zone D	Zone E
Base Component Capacity Fee	\$12,570	\$12,570	\$12,570	\$12,570	\$12,570
Zonal Component Capacity Fee	\$9,130	\$0	\$1,434	\$12,194	\$2,041
<b>Total Capacity Fee by Zone</b>	<b>\$21,700</b>	<b>\$12,570</b>	<b>\$14,004</b>	<b>\$24,764</b>	<b>\$14,612</b>

### 3.4. Calculated Capacity Fee Schedule

The District’s base and most common meter size is ¾-inch. Therefore, the component unit charge is applied to the ¾-inch meter which is equated to one EDU. The capacity of each meter size is used to determine the meter ratio compared to the ¾-inch meter based on the Engineer’s Report prepared for Olivenhain Municipal Water District Assessment District No.96-1 Olivenhain Water Storage Project adopted by the Board of Directors. The calculated fee schedule is proportional to the meter capacity ratio. The capacity ratios shown in **Table 3-5:** OMWD Meter Capacity Ratio are used to determine the fees for the various meter sizes.

**Table 3-5: OMWD Meter Capacity Ratio**

Meter Size	Meter Ratio/EDU
5/8 inch	0.70
3/4 inch	1.00
1 inch	1.90
1-1/2 inch	3.10
2 inch	5.00
3 inch	10.20
4 inch	17.10
6 inch	36.00
8 inch	65.00

**Table 3-6** shows the calculated water capacity fee by meter size by zone. The fee by meter size is calculated by multiplying the fee per EDU, derived in **Table 3-4**, by the meter ratios, defined in **Table 3-5**, at each zone.

**Table 3-6: Calculated Zonal Water Capacity Fees by Meter Size**

Meter Size	Zone A	Zone B	Zone C	Zone D	Zone E
5/8 inch	N/A	N/A	N/A	N/A	N/A
3/4 inch	\$21,700	\$12,570	\$14,004	\$24,764	\$14,612
1 inch	\$41,231	\$23,884	\$26,608	\$47,052	\$27,762
1-1/2 inch	\$67,272	\$38,968	\$43,412	\$76,768	\$45,297
2 inch	\$108,502	\$62,852	\$70,020	\$123,820	\$73,059
3 inch	\$221,345	\$128,217	\$142,840	\$252,593	\$149,041
4 inch	\$371,078	\$214,953	\$239,468	\$423,465	\$249,862
6 inch	\$781,218	\$452,532	\$504,143	\$891,504	\$526,025
8 inch	\$1,410,532	\$817,072	\$910,257	\$1,609,661	\$949,768

**Table 3-7** shows a comparison between the current and calculated water capacity fee per EDU in each zone.

**Table 3-7: Comparison of 3/4" Current and Calculated Water Capacity Fees by Zone**

Zone	Current	Proposed	Difference (\$)
Zone A	\$16,126	\$21,700	\$5,574
Zone B	\$11,570	\$12,570	\$1,000
Zone C	\$11,785	\$14,004	\$2,219
Zone D	\$24,421	\$24,764	\$343
Zone E	\$11,951	\$14,612	\$2,660

There are significant changes to the capacity fees in Zones A, C, and E. To mitigate the impacts to new customers, the District Board has decided to phase in the increases over five years as shown in **Table 3-8**.

**Table 3-8: Proposed Water Capital Facility Fees for ¾-in Meter**

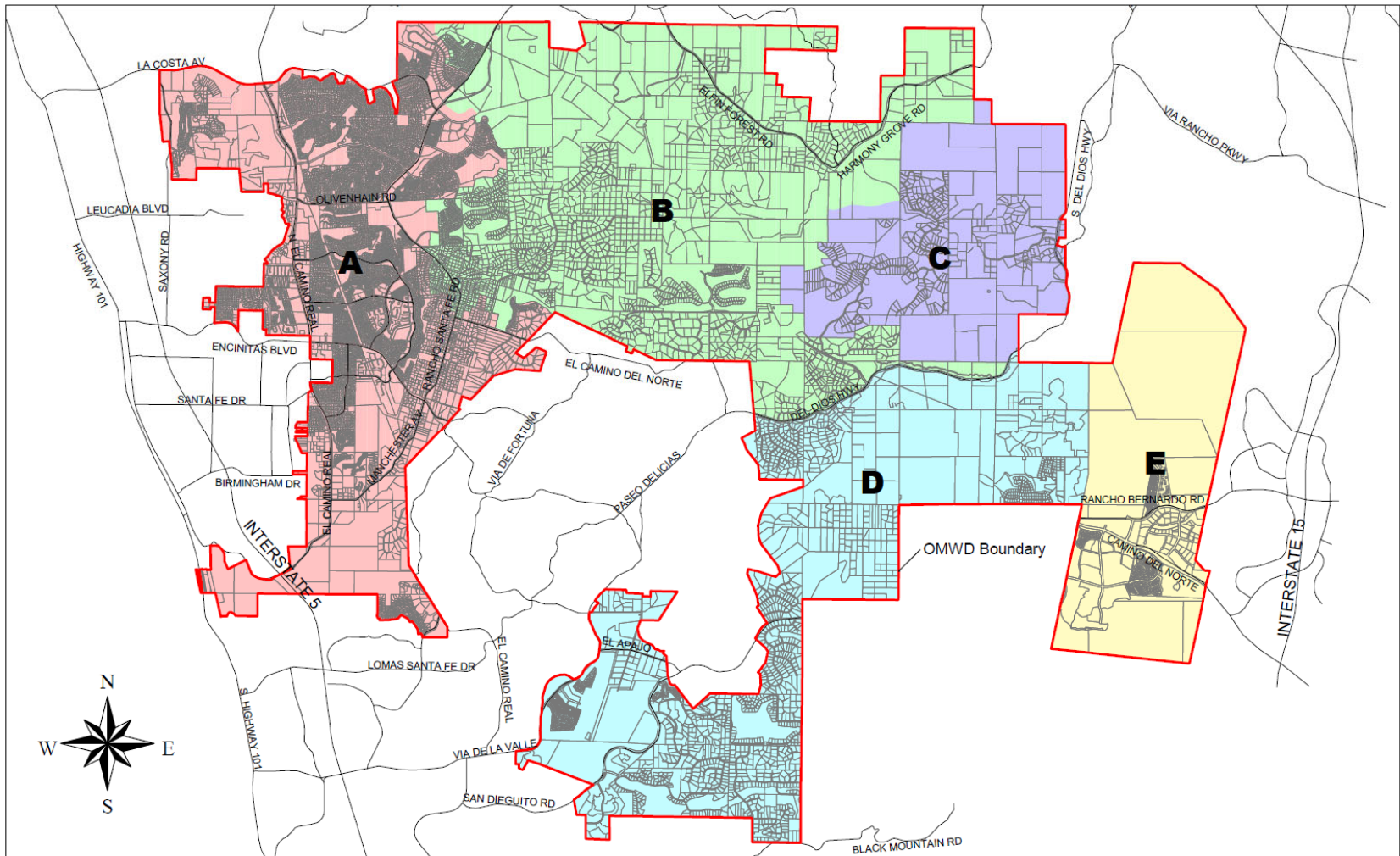
	2023	2024	2025	2026	2027
<b>Zone A</b>	7.0%	7% + ENR Adj. <sup>3</sup>	7% + ENR Adj.	7% + ENR Adj.	7% + ENR Adj.
<b>Zone B</b>	1.8%	1.8% + ENR Adj.	1.8% + ENR Adj.	1.8% + ENR Adj.	1.8% + ENR Adj.
<b>Zone C</b>	3.8%	3.8% + ENR Adj.	3.8% + ENR Adj.	3.8% + ENR Adj.	3.8% + ENR Adj.
<b>Zone D</b>	1.0%	ENR Adj.	ENR Adj.	ENR Adj.	ENR Adj.
<b>Zone E</b>	4.4%	4.4% + ENR Adj.	4.4% + ENR Adj.	4.4% + ENR Adj.	4.4% + ENR Adj.

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<sup>3</sup> ENR Adjustment is the Engineering News-Record Construction Cost Index for the City of Los Angeles.

# APPENDIX A:

## Zones of Benefit Map



# **APPENDIX B:**

## **Water Capital Fee Assets Valuation**

**Appendix B: Water Capital Fee Assets Valuation  
Summary**

<b>Zone of Benefit</b>	<b>Total Original Cost</b>	<b>Replacement Cost</b>	<b>Replacement Cost Less Depreciation</b>
<b>A</b>	3,618,823	6,451,178	5,231,598
<b>C</b>	263,909	324,095	179,365
<b>D</b>	5,277,918	8,197,003	5,147,514
<b>E</b>	56,158	70,050	31,841
<b>ALL</b>	203,139,231	325,470,920	186,957,253
<b>Total</b>	212,356,039	340,513,246	197,547,571

## Appendix B: Water Capital Fee Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
202102	AUTOMOTIVE	2021 FORD F250 CREW CAB 4X2 (PU111)	\$29,518	\$8,434	\$33,027	\$9,436	\$23,591
202103	AUTOMOTIVE	2021 FORD F150 CREW CAB 4X2 (PU112)	\$22,968	\$6,562	\$25,698	\$7,342	\$18,356
202104	AUTOMOTIVE	2021 FORD F150 CREW CAB 4X2 (PU113)	\$23,397	\$6,685	\$26,178	\$7,479	\$18,698
202105	AUTOMOTIVE	2020 FORD F450 FLATBED DUMP TRUCK (FB25)	\$37,920	\$10,834	\$42,427	\$12,122	\$30,305
297880	AUTOMOTIVE	2019 FORD F250 S/C W/SVC BED (PU109)	\$31,190	\$13,367	\$34,731	\$14,885	\$19,846
297881	AUTOMOTIVE	2019 FORD F250 (PU110)	\$32,337	\$13,859	\$36,009	\$15,432	\$20,576
297882	AUTOMOTIVE	2020 FORD F550 CREW TRUCK (FB02)	\$103,023	\$44,153	\$114,721	\$49,166	\$65,555
297883	AUTOMOTIVE	2020 FORD F450 FLATBED DUMP TRUCK (FB26)	\$42,427	\$18,183	\$47,245	\$20,248	\$26,997
297884	AUTOMOTIVE	2020 FORD TRANSIT 150MR PASSENGER XL VAN	\$30,813	\$13,206	\$34,312	\$14,705	\$19,607
208365	AUTOMOTIVE	2018 FORD F150 S/C 4X2 (PU106)	\$26,763	\$15,293	\$30,234	\$17,276	\$12,957
208366	AUTOMOTIVE	2018 FORD F150 S/C 4X2 (PU105)	\$26,504	\$15,145	\$29,940	\$17,109	\$12,832
208367	AUTOMOTIVE	2018 FORD F150 S/C 4X2 (PU104)	\$30,563	\$17,465	\$34,526	\$19,729	\$14,797
208368	AUTOMOTIVE	2018 FORD F150 S/C 4X2 (PU103)	\$23,925	\$13,671	\$27,028	\$15,444	\$11,583
208369	AUTOMOTIVE	2019 FORD F150 S/C 4X4 (PU108)	\$28,407	\$16,233	\$32,091	\$18,338	\$13,753
208370	AUTOMOTIVE	2018 FORD F150 C/C 4X2 (PU107)	\$24,319	\$13,897	\$27,473	\$15,699	\$11,774
208371	AUTOMOTIVE	2019 FORD F550 4X2 DIESEL (FB01)	\$137,938	\$78,822	\$155,826	\$89,043	\$66,782
208360	AUTOMOTIVE	2017 FORD F250 SUPER DUTY (PU 98)	\$28,486	\$20,347	\$33,020	\$23,586	\$9,434
208361	AUTOMOTIVE	2018 FORD F150 SUPER CAB (PU100)	\$35,946	\$25,676	\$41,667	\$29,762	\$11,905
208362	AUTOMOTIVE	2018 FORD F150 SUPER CAB (PU101)	\$22,819	\$16,299	\$26,451	\$18,893	\$7,557
208363	AUTOMOTIVE	2018 FORD F150 SUPER CAB (PU99)	\$22,819	\$16,299	\$26,451	\$18,893	\$7,557
208364	AUTOMOTIVE	2017 FORD F750 WATER TRUCK	\$42,823	\$21,412	\$49,639	\$24,820	\$24,820
208354	AUTOMOTIVE	2017 FORD F150 4X4 (PU92)	\$39,726	\$34,051	\$48,066	\$41,199	\$6,867
208355	AUTOMOTIVE	2017 FORD F150 4X4 TRUCK (PU94)	\$37,335	\$32,001	\$45,172	\$38,719	\$6,453
208356	AUTOMOTIVE	2017 FORD F150 V-6 (PU95)	\$27,061	\$23,195	\$32,742	\$28,065	\$4,677
208357	AUTOMOTIVE	2017 FORD F150 V-6 (PU96)	\$27,061	\$23,195	\$32,742	\$28,065	\$4,677
208358	AUTOMOTIVE	2017 FORD F150 V-6 (PU93)	\$30,271	\$25,946	\$36,626	\$31,393	\$5,232
208359	AUTOMOTIVE	2017 FORD F250 TRUCK W/SVC BED (PU97)	\$27,138	\$23,261	\$32,835	\$28,144	\$4,691
208350	AUTOMOTIVE	2015 FORD F150 V6 (PU90)	\$19,190	\$16,449	\$23,219	\$19,902	\$3,317
208351	AUTOMOTIVE	FORD F250 EXTRA CAB W/SVC (PU91)	\$25,389	\$21,762	\$30,719	\$26,330	\$4,388
208352	AUTOMOTIVE	2016 FORD F450 REG CAB (FB27)	\$33,599	\$28,799	\$40,652	\$34,845	\$5,807
208353	AUTOMOTIVE	2016 FORD F-650 DUMP TRUCK (D627)	\$67,036	\$57,459	\$81,108	\$69,521	\$11,587
208340	AUTOMOTIVE	2015 Case 580SN 4WD Backhoe (BA09)	\$97,010	\$45,271	\$119,163	\$55,609	\$63,553
202110	AUTOMOTIVE-REC	2021 FORD F250 CREW CAB 4X2 (PU111)	\$5,952	\$1,701	\$6,659	\$1,903	\$4,757
202111	AUTOMOTIVE-REC	2021 FORD F150 CREW CAB 4X2 (PU112)	\$4,626	\$1,322	\$5,176	\$1,479	\$3,697
202112	AUTOMOTIVE-REC	2021 FORD F150 CREW CAB 4X2 (PU113)	\$4,626	\$1,322	\$5,176	\$1,479	\$3,697
202113	AUTOMOTIVE-REC	2020 FORD F450 FLATBED DUMP (FB25)	\$8,025	\$2,293	\$8,979	\$2,565	\$6,413
297890	AUTOMOTIVE-REC	2019 FORD F250 S/C W/SVC BED (PU109)	\$6,233	\$2,671	\$6,941	\$2,975	\$3,966
297891	AUTOMOTIVE-REC	2019 FORD F250 (PU110)	\$6,233	\$2,671	\$6,941	\$2,975	\$3,966
297892	AUTOMOTIVE-REC	2020 FORD F450 FLATBED DUMP (FB26)	\$7,669	\$3,287	\$8,540	\$3,660	\$4,880
297893	AUTOMOTIVE-REC	2020 FORD TRANSIT PASSENGER VAN (VN57)	\$7,747	\$3,320	\$8,627	\$3,697	\$4,930
297894	AUTOMOTIVE-REC	2020 FORD F550 CREW TRUCK (FB02)	\$19,237	\$8,244	\$21,421	\$9,180	\$12,241
728332	AUTOMOTIVE-REC	2018 FORD F150 S/C 4X2 (PU106)	\$1,900	\$1,086	\$2,146	\$1,227	\$920
728333	AUTOMOTIVE-REC	2018 FORD F150 S/C 4X2 (PU105)	\$1,900	\$1,086	\$2,146	\$1,227	\$920
728334	AUTOMOTIVE-REC	2018 FORD F150 S/C 4X2 (PU103)	\$3,793	\$2,167	\$4,285	\$2,448	\$1,836
728335	AUTOMOTIVE-REC	2019 FORD F150 S/C 4X4 (PU108)	\$4,500	\$2,571	\$5,084	\$2,905	\$2,179
728336	AUTOMOTIVE-REC	2018 FORD F150 S/C 4X2 (PU107)	\$4,064	\$2,322	\$4,591	\$2,623	\$1,968
728327	AUTOMOTIVE-REC	2017 FORD F250 SUPER DUTY (PU98)	\$4,600	\$3,286	\$5,332	\$3,809	\$1,523
728328	AUTOMOTIVE-REC	2018 FORD F150 SUPER CAB (PU101)	\$3,600	\$2,571	\$4,173	\$2,981	\$1,192
728329	AUTOMOTIVE-REC	2018 FORD F150 SUPER CAB (PU99)	\$3,600	\$2,571	\$4,173	\$2,981	\$1,192
728330	AUTOMOTIVE-REC	2017 FORD F750 WATER TRUCK	\$42,822	\$21,411	\$49,638	\$24,819	\$24,819

## Appendix B: Water Capital Fee Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
728331	AUTOMOTIVE-REC	2018 FORD F150 SUPER CAB (PU102)	\$5,157	\$3,684	\$5,978	\$4,270	\$1,708
728324	AUTOMOTIVE-REC	2017 FORD F150 V-6 (PU95)	\$4,000	\$3,429	\$4,840	\$4,148	\$691
728325	AUTOMOTIVE-REC	2017 FORD F150 V-6 (PU96)	\$4,000	\$3,429	\$4,840	\$4,148	\$691
728326	AUTOMOTIVE-REC	2017 FORD F250 W/SVC BED (PU97)	\$5,000	\$4,286	\$6,050	\$5,185	\$864
728320	AUTOMOTIVE-REC	2105 FORD F150 V6 (PU90)	\$3,685	\$3,159	\$4,459	\$3,822	\$637
728321	AUTOMOTIVE-REC	FORD F250 EXTRA CAB W/SVC (PU91)	\$4,850	\$4,157	\$5,868	\$5,030	\$838
728322	AUTOMOTIVE-REC	2016 FORD F450 REG CAB (FB27)	\$6,400	\$5,486	\$7,744	\$6,637	\$1,106
728323	AUTOMOTIVE-REC	20 FORD F-650 DUMP TRUCK (D653)	\$13,405	\$11,490	\$16,219	\$13,902	\$2,317
212227	BLDGS/IMPRV	SOLAR PANELS	\$9,933	\$662	\$10,283	\$686	\$9,598
212243	BLDGS/IMPRV	NEW ADMIN BLDG - HQ - CAP FEES	\$24,753	\$619	\$25,626	\$641	\$24,986
202139	BLDGS/IMPRV	OMWD HQ BUILDING	\$13,012,685	\$650,634	\$14,559,407	\$727,970	\$13,831,436
202164	BLDGS/IMPRV	EFRR INTERPRETIVE CENTER ROOF	\$23,428	\$2,343	\$26,213	\$2,621	\$23,591
202165	BLDGS/IMPRV	CAPITALIZED INTEREST 218 BONDS	\$142,073	\$7,104	\$158,961	\$7,948	\$151,013
297872	BLDGS/IMPRV	EFRR RIDGETOP PICNIC AREA FENCING	\$13,200	\$1,584	\$14,699	\$1,764	\$12,935
810089	BLDGS/IMPRV	SECURITY CAMERAS (SECURITY CAMERA KING)	\$6,017	\$4,814	\$6,797	\$5,438	\$1,359
810087	BLDGS/IMPRV	GAS PUMP RELOCATION	\$297,734	\$49,622	\$345,124	\$57,521	\$287,603
810088	BLDGS/IMPRV	WASH BAY RELOCATION	\$298,352	\$49,725	\$345,841	\$57,640	\$288,201
810083	BLDGS/IMPRV	PARKS TRAILER REPAIRS	\$10,399	\$6,239	\$12,582	\$7,549	\$5,033
810084	BLDGS/IMPRV	900 LINEAR FEET OF FENCING - PARKS DEP	\$26,606	\$15,964	\$32,192	\$19,315	\$12,877
298117	BLDGS/IMPRV	CUP Modifications	\$164,406	\$23,017	\$201,950	\$28,273	\$173,677
298115	BLDGS/IMPRV	EFRR Drainage & Paving Improvements	\$67,992	\$21,757	\$85,397	\$27,327	\$58,070
298116	BLDGS/IMPRV	Emergency Power Generating System	\$413,791	\$132,413	\$519,719	\$166,310	\$353,409
298113	BLDGS/IMPRV	Building B Modifications	\$296,324	\$98,775	\$388,077	\$129,359	\$258,718
298110	BLDGS/IMPRV	Admin Ee Parking Lot Lights	\$9,756	\$5,366	\$13,092	\$7,201	\$5,892
298111	BLDGS/IMPRV	Building J	\$4,305,689	\$947,252	\$5,778,151	\$1,271,193	\$4,506,958
298112	BLDGS/IMPRV	Surplus Storage Facility	\$136,092	\$29,940	\$182,633	\$40,179	\$142,454
298102	BLDGS/IMPRV	Fence Around Office Perimeter	\$84,023	\$36,410	\$115,918	\$50,231	\$65,687
298103	BLDGS/IMPRV	Gaty Communications Building	\$42,067	\$13,672	\$58,036	\$18,862	\$39,174
298104	BLDGS/IMPRV	Efr Interpretvie Center	\$17,490	\$9,095	\$24,129	\$12,547	\$11,582
238106	BLDGS/IMPRV	4G Vent Installed	\$2,359	\$2,241	\$4,225	\$4,014	\$211
810081	BLDGS/IMPRV	Master Plan Develop	\$118,107	\$98,422	\$239,077	\$199,231	\$39,846
212229	BLDGS/IMPRV-REC	BLDG D RECYCLED PORTION	\$3,537	\$88	\$3,662	\$92	\$3,570
202167	BLDGS/IMPRV-REC	OMWD HQ OFFICE - RECYCLED PORTION	\$278,679	\$13,934	\$311,804	\$15,590	\$296,213
728104	BLDGS/IMPRV-REC	Wet Weather Pond Fence	\$90,367	\$49,702	\$121,271	\$66,699	\$54,572
728103	BLDGS/IMPRV-REC	Capitalized Interest	\$254,713	\$40,754	\$344,878	\$55,180	\$289,697
728101	BLDGS/IMPRV-REC	4S Rcyld Sys Const	\$2,048,840	\$437,086	\$3,233,531	\$689,820	\$2,543,711
728102	BLDGS/IMPRV-REC	4S Rcyld Sys Int	\$583,563	\$124,494	\$920,995	\$196,479	\$724,516
298407	COMMEQUIP	Knightsbridge Remote Prs I/O	\$41,270	\$20,635	\$54,049	\$27,024	\$27,024
298406	COMMEQUIP	Scada System Upgrades	\$28,419	\$15,631	\$38,138	\$20,976	\$17,162
298405	COMMEQUIP	Radio Repeater @ Berk Rsvr	\$19,827	\$10,905	\$26,607	\$14,634	\$11,973
278402	COMMEQUIP	Gaty/Subnet Opto Replacement	\$188,385	\$141,288	\$286,970	\$215,228	\$71,743
278401	COMMEQUIP	Miller Opto Replacement	\$11,744	\$8,808	\$17,890	\$13,417	\$4,472
268401	COMMEQUIP	4G/Zorro Subnet Tele	\$236,619	\$189,296	\$373,439	\$298,751	\$74,688
268404	COMMEQUIP	Telemetry Installs	\$41,789	\$33,431	\$65,952	\$52,762	\$13,190
268402	COMMEQUIP	Cielo Ps Opto Rplcmt	\$14,221	\$11,377	\$22,445	\$17,956	\$4,489
268403	COMMEQUIP	Miller Hydrogen Opto	\$21,128	\$16,902	\$33,344	\$26,676	\$6,669
248402	COMMEQUIP	Del Mar Flow Meter	\$22,884	\$16,477	\$37,680	\$27,130	\$10,550
238403	COMMEQUIP	Headquarters Antenna	\$77,413	\$73,542	\$138,638	\$131,706	\$6,932
238405	COMMEQUIP	4G Antenna	\$119,013	\$113,062	\$213,141	\$202,484	\$10,657
238406	COMMEQUIP	Gaty Tower	\$35,899	\$34,104	\$64,291	\$61,077	\$3,215

## Appendix B: Water Capital Fee Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
238408	COMMEQUIP	Peay Rsvr Cntrl Sys	\$54,669	\$51,936	\$97,907	\$93,011	\$4,895
212233	COMP HW/SW-REC	FY21/22 COMPUTER EQUIPMENT	\$2,073	\$691	\$2,147	\$716	\$1,431
202120	COMP HW/SW-REC	FY 20/21 COMPUTER SUPPLIES	\$1,643	\$1,095	\$1,838	\$1,226	\$613
212230	COMPUTER HW/SW	NETWORK SECURITY	\$52,507	\$17,502	\$54,360	\$18,120	\$36,240
212231	COMPUTER HW/SW	FY21/22 COMPUTER EQUIPMENT	\$65,825	\$21,942	\$68,147	\$22,716	\$45,431
202115	COMPUTER HW/SW	FY 20/21 COMPUTERS, MONITORS, ETC.	\$26,283	\$17,522	\$29,407	\$19,605	\$9,802
202116	COMPUTER HW/SW	NETWORK SECURITY	\$158,277	\$105,518	\$177,090	\$118,060	\$59,030
202117	COMPUTER HW/SW	PHONE SYSTEM	\$65,429	\$43,619	\$73,206	\$48,804	\$24,402
202118	COMPUTER HW/SW	GP UPGRADE	\$23,424	\$15,616	\$26,208	\$17,472	\$8,736
297895	COMPUTER HW/SW	NETWORK SECURITY - HARDWARE	\$20,723	\$12,434	\$23,076	\$13,846	\$9,231
297896	COMPUTER HW/SW	ANTI-VIRUS APPLIANCE (CDW)	\$47,541	\$28,525	\$52,939	\$31,764	\$21,176
708628	COMPUTER HW/SW	NETWORK SECURITY	\$138,429	\$110,744	\$156,381	\$125,105	\$31,276
708629	COMPUTER HW/SW	WAN UPGRADES	\$32,146	\$25,717	\$36,314	\$29,051	\$7,263
868632	COMPUTER HW/SW	INVENTORY BAR CODING	\$40,546	\$24,328	\$49,058	\$29,435	\$19,623
868619	COMPUTER HW/SW	BILLING INTEGRATION WITH GEOVIEWER	\$45,400	\$38,915	\$54,931	\$47,084	\$7,847
868620	COMPUTER HW/SW	FIXED BASE PIPELINE MONITORING	\$16,300	\$13,971	\$19,722	\$16,904	\$2,817
868621	COMPUTER HW/SW	WAN UPGRADES	\$72,998	\$62,570	\$88,322	\$75,705	\$12,617
868622	COMPUTER HW/SW	CUSTOMER UTILITY BILLING	\$1,059,439	\$317,832	\$1,281,849	\$384,555	\$897,294
208707	COMPUTER HW/SW	EAM Upgrades-Databridge to Infinity CIS	\$31,600	\$11,060	\$38,816	\$13,586	\$25,231
208709	COMPUTER HW/SW	Finance ERP	\$145,633	\$50,972	\$178,890	\$62,611	\$116,278
208696	COMPUTER HW/SW	Finance ERP Capitalized Interest	\$55,766	\$22,306	\$70,042	\$28,017	\$42,025
208697	COMPUTER HW/SW	Finance ERP	\$1,534,366	\$613,746	\$1,927,153	\$770,861	\$1,156,292
238801	ELEC SUBSTATION	Elect'L Substation	\$575,669	\$312,506	\$1,030,966	\$559,667	\$471,299
238802	ELEC SUBSTATION	Elect'L Substation	\$575,670	\$218,755	\$1,030,967	\$391,768	\$639,200
870002	HYDROELEC PLANT	Miller Hydro Controls	\$133,905	\$107,124	\$181,305	\$145,044	\$36,261
286001	INTANGBL ASSETS	Conveyance Of Easements	\$88,856	\$73,175	\$129,349	\$106,523	\$22,826
276001	INTANGBL ASSETS	Video Security System (Dam)	\$75,294	\$66,436	\$114,697	\$101,203	\$13,494
256003	INTANGBL ASSETS	Dam & Rsvr Construct	\$24,529,509	\$17,375,069	\$39,867,309	\$28,239,344	\$11,627,965
256004	INTANGBL ASSETS	Pre-Ad 96-1 Costs	\$2,674,656	\$1,894,548	\$4,347,063	\$3,079,170	\$1,267,893
300062	LAND	Gano Reservoir	\$695,031	\$0	\$1,096,915	\$0	\$1,096,915
300060	LAND	Unit G-1 (Greenland)	\$499,009	\$0	\$787,548	\$0	\$787,548
300061	LAND	Denk Inflow PI Esmnt	\$6,000	\$0	\$9,469	\$0	\$9,469
300063	LAND	Unit X Pipeline	\$431,947	\$0	\$681,710	\$0	\$681,710
300056	LAND	Dam & Reservoir	\$811,787	\$0	\$1,319,381	\$0	\$1,319,381
300057	LAND	Dam & Reservoir	\$2,644,992	\$0	\$4,298,852	\$0	\$4,298,852
300058	LAND	WTP Connection Easement	\$1,202,126	\$0	\$1,953,790	\$0	\$1,953,790
300050	LAND	Water Treatment Plnt	\$379,431	\$0	\$679,524	\$0	\$679,524
300051	LAND	Via Ambiente Road	\$134,800	\$0	\$241,413	\$0	\$241,413
300052	LAND	P/L East Mitigation	\$1,001,904	\$0	\$1,794,311	\$0	\$1,794,311
300053	LAND	Wtp Coastal Sage	\$906,985	\$0	\$1,624,320	\$0	\$1,624,320
300054	LAND	P/L West Easement	\$12,432	\$0	\$22,264	\$0	\$22,264
300055	LAND	Land	\$137,641	\$0	\$246,501	\$0	\$246,501
300047	LAND	Right-Of-Way	\$30,565	\$0	\$61,870	\$0	\$61,870
300045	LAND	Master Plan Develop	\$1,505,330	\$0	\$3,134,513	\$0	\$3,134,513
300026	LAND	District Easements	\$1,592	\$0	\$4,352	\$0	\$4,352
300029	LAND	Staver Settlement	\$5,000	\$0	\$13,669	\$0	\$13,669
300023	LAND	District Easements	\$1,990	\$0	\$5,924	\$0	\$5,924
300017	LAND	Unit "K" Phase 1	\$6,725	\$0	\$22,113	\$0	\$22,113
300019	LAND	Unit K Pipeline R/W	\$83,902	\$0	\$275,872	\$0	\$275,872
300018	LAND	General Easements	\$4,050	\$0	\$13,316	\$0	\$13,316

## Appendix B: Water Capital Fee Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
300020	LAND	Gaty li Res Site	\$25,127	\$0	\$82,618	\$0	\$82,618
300021	LAND	Denk Reservoir Site	\$109,078	\$0	\$358,651	\$0	\$358,651
300022	LAND	Roger Miller Res Sit	\$63,883	\$0	\$210,049	\$0	\$210,049
300014	LAND	General Easements	\$1,285	\$0	\$4,762	\$0	\$4,762
300001	LAND	Unit "G" Pipeline	\$11,412	\$0	\$44,993	\$0	\$44,993
300012	LAND	Reclass R/W Unit "H"	\$19,699	\$0	\$77,665	\$0	\$77,665
300013	LAND	Completed	\$9,898	\$0	\$39,024	\$0	\$39,024
300004	LAND	Id4 - Reservoir (2)	\$5,928	\$0	\$23,372	\$0	\$23,372
300008	LAND	Wanket Tank Site Aqu	\$10,268	\$0	\$40,485	\$0	\$40,485
300005	LAND	Unit B-1	\$6,536	\$0	\$25,769	\$0	\$25,769
300010	LAND	General Easemnts Dis	\$13,469	\$0	\$53,102	\$0	\$53,102
300011	LAND	Unit "K" Pln Rt Stdy	\$45,607	\$0	\$179,811	\$0	\$179,811
300006	LAND	Id3 Unit	\$1,332	\$0	\$5,252	\$0	\$5,252
310039	LAND IMPRV	Unit G-1 Mitigation	\$214,041	\$85,616	\$280,315	\$112,126	\$168,189
310038	LAND IMPRV	District Office Landscape	\$43,165	\$31,654	\$57,927	\$42,479	\$15,447
310036	LAND IMPRV	Landscaping	\$218,407	\$52,418	\$295,719	\$70,973	\$224,747
310037	LAND IMPRV	Oak Riparian Mitigation	\$65,448	\$15,707	\$88,615	\$21,268	\$67,348
310033	LAND IMPRV	Olivenhain Rd/Cup Permitting	\$1,838,245	\$477,944	\$2,536,050	\$659,373	\$1,876,677
310034	LAND IMPRV	Tree Rmvl/Relo @ District	\$46,380	\$12,059	\$63,986	\$16,636	\$47,350
310031	LAND IMPRV	Elfin Forest Rr Bridge	\$135,007	\$75,604	\$196,533	\$110,058	\$86,475
310032	LAND IMPRV	4G Reservoir Fencing	\$34,925	\$24,447	\$50,841	\$35,589	\$15,252
310027	LAND IMPRV	Denk Inflow P/L Mitigation	\$92,227	\$55,336	\$140,492	\$84,295	\$56,197
310028	LAND IMPRV	Unit G1 Pipeline Mitigation	\$272,736	\$163,642	\$415,464	\$249,279	\$166,186
310029	LAND IMPRV	Denk Outflow P/L Mitigation	\$30,843	\$18,506	\$46,984	\$28,190	\$18,794
310030	LAND IMPRV	Via Ambiente Bridge Lomr	\$27,004	\$9,001	\$41,136	\$13,712	\$27,424
310022	LAND IMPRV	Zorro Rehab Landscap	\$11,437	\$7,320	\$18,051	\$11,553	\$6,498
310023	LAND IMPRV	Gano Rsvr-Landscape	\$120,000	\$76,800	\$189,387	\$121,208	\$68,179
310024	LAND IMPRV	Unit X P/L Landscape	\$80,000	\$51,200	\$126,258	\$80,805	\$45,453
310025	LAND IMPRV	X-1 Access Road	\$1,215,760	\$486,304	\$1,918,743	\$767,497	\$1,151,246
310026	LAND IMPRV	X-2 Access Road	\$1,652,937	\$661,175	\$2,608,706	\$1,043,483	\$1,565,224
310018	LAND IMPRV	Via Ambiente Bridge	\$476,381	\$181,025	\$853,151	\$324,197	\$528,954
310019	LAND IMPRV	Via Ambiente Road	\$714,439	\$271,487	\$1,279,489	\$486,206	\$793,283
310016	LAND IMPRV	Olivenhain Rd Wideng	\$257,494	\$214,578	\$521,230	\$434,358	\$86,872
310012	LAND IMPRV	San Diequito River	\$2,915	\$2,623	\$6,024	\$5,422	\$602
310010	LAND IMPRV	Fence By Cal West	\$3,006	\$2,806	\$6,207	\$5,793	\$414
273301	LAND IMPRV-REC	Santa Fe Valley P.S. Landscape	\$64,019	\$38,411	\$97,521	\$58,513	\$39,008
273302	LAND IMPRV-REC	Santa Fe Valley P.S. Access Rd	\$145,648	\$43,694	\$221,869	\$66,561	\$155,308
212219	METERS	FIXED BASE AMI	\$600,931	\$30,047	\$622,129	\$31,106	\$591,023
212220	METERS	FY2122 METER REPLACEMENTS	\$199,953	\$13,330	\$207,007	\$13,800	\$193,206
202155	METERS	FIXED BASE AMI	\$758,619	\$75,862	\$848,790	\$84,879	\$763,911
202156	METERS	FY 20/21 METER REPLACEMENTS	\$255,780	\$34,104	\$286,183	\$38,158	\$248,025
297870	METERS	FY 2020 2" & UNDER	\$189,586	\$37,917	\$211,114	\$42,223	\$168,891
297871	METERS	FIXED BASED AMI	\$550,266	\$82,540	\$612,751	\$91,913	\$520,838
297945	METERS	T & M METERS	\$12,642	\$2,528	\$14,077	\$2,815	\$11,262
297831	METERS	FY 2019 METERS 2" & UNDER	\$250,686	\$100,274	\$283,194	\$113,278	\$169,917
297832	METERS	FY 2019 METERS OVER 2" (4)	\$13,867	\$5,547	\$15,665	\$6,266	\$9,399
297833	METERS	FIXED BASE AMI	\$617,075	\$246,830	\$697,097	\$278,839	\$418,258
297816	METERS	FY 2018 METERS OVER 2" (SIX)	\$16,658	\$8,329	\$19,310	\$9,655	\$9,655
297817	METERS	FIRE HYDRANT/WATER SVC RELO - GRANGETTOS	\$51,824	\$25,912	\$60,073	\$30,036	\$30,036
297818	METERS	FY 2018 AMI FIXED BASED TOWERS	\$139,460	\$46,487	\$161,658	\$53,886	\$107,772

## Appendix B: Water Capital Fee Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
297819	METERS	FY 2018 AMI METERS	\$384,628	\$192,314	\$445,848	\$222,924	\$222,924
297820	METERS	FY 2018 METERS 2" & UNDER	\$246,265	\$123,133	\$285,463	\$142,731	\$142,731
297808	METERS	FY 2017 2" METERS & UNDER	\$425,080	\$255,048	\$514,317	\$308,590	\$205,727
297809	METERS	FY 2017 METERS OVER 2"	\$26,222	\$15,733	\$31,727	\$19,036	\$12,691
297810	METERS	M400 AMI BASE STATIONS (3)	\$229,955	\$91,982	\$278,230	\$111,292	\$166,938
297811	METERS	2017 AMI RETROFIT SERVICES	\$470,194	\$282,116	\$568,902	\$341,341	\$227,561
297918	METERS	FY 2016 AMR 2" & UNDER	\$146,455	\$87,873	\$177,201	\$106,320	\$70,880
297919	METERS	FY 2016 AMR 4"	\$10,421	\$6,253	\$12,609	\$7,565	\$5,043
297916	METERS	FY 2015 Additions	\$202,604	\$141,823	\$248,871	\$174,210	\$74,661
297917	METERS	Upgrade to 520M's & 520R's	\$507,830	\$355,481	\$623,799	\$436,659	\$187,140
297913	METERS	FY 2014 Additions	\$208,405	\$111,150	\$261,756	\$139,603	\$122,153
297914	METERS	Upgrade to 520R's from B's and C's	\$281,743	\$150,263	\$353,867	\$188,729	\$165,138
297915	METERS	Upgrade to 520M's	\$14,900	\$7,947	\$18,714	\$9,981	\$8,733
297908	METERS	Amr Meter/Battery Replacements	\$122,317	\$110,085	\$160,110	\$144,099	\$16,011
297909	METERS	Metro 50 Tower Base Station	\$75,425	\$45,255	\$98,730	\$59,238	\$39,492
297910	METERS	Radio Read Remotes	\$15,085	\$9,051	\$19,746	\$11,848	\$7,898
297911	METERS	Meters FY 2013	\$2,143,585	\$1,286,151	\$2,805,916	\$1,683,550	\$1,122,366
297912	METERS	Meters Capitalized Interest	\$56,383	\$50,745	\$73,804	\$66,424	\$7,380
297903	METERS	Fire Hydrant (Elfin Forest)	\$43,810	\$14,238	\$60,441	\$19,643	\$40,798
257903	METERS	2004/05 Vent-O-Mats	\$72,303	\$61,457	\$117,512	\$99,885	\$17,627
212221	METERS-REC	RETROFIT METERS TO RECYCLED	\$62,719	\$4,181	\$64,932	\$4,329	\$60,603
212222	METERS-REC	FY2122 METER REPLACEMENTS	\$19,470	\$1,298	\$20,157	\$1,344	\$18,813
202157	METERS-REC	METER REPLACEMENTS	\$4,132	\$551	\$4,623	\$616	\$4,007
202158	METERS-REC	RETROFIT METERS TO RECYCLED	\$26,358	\$3,514	\$29,491	\$3,932	\$25,559
297862	METERS-REC	RECYCLED RETROFITS (FY19/20)	\$132,095	\$26,419	\$147,095	\$29,419	\$117,676
297946	METERS-REC	FY 2020 MTR REPLACEMENT 3" (1) 6" (1)	\$11,944	\$2,389	\$13,300	\$2,660	\$10,640
727307	METERS-REC	RECYCLED RETROFITS	\$51,892	\$20,757	\$58,621	\$23,448	\$35,173
727305	METERS-REC	RECYCLED RETROFITS - 2" & UNDERS	\$56,315	\$28,158	\$65,279	\$32,640	\$32,640
727306	METERS-REC	RECYCLED RETROFITS - OVER 2"	\$6,519	\$3,260	\$7,557	\$3,778	\$3,778
727304	METERS-REC	FY 2017 METERS - 2" AND LESS	\$5,550	\$3,330	\$6,715	\$4,029	\$2,686
727302	METERS-REC	6" OCTAVE METER	\$3,838	\$2,303	\$4,643	\$2,786	\$1,857
727301	METERS-REC	Meters FY 2013	\$53,880	\$48,492	\$70,528	\$63,475	\$7,053
202114	OFFC FURN/EQUIP	HQ FACILITIES ENHANCEMENTS	\$44,173	\$17,669	\$49,423	\$19,769	\$29,654
248504	OFFC FURN/EQUIP	Times Two Files	\$21,234	\$19,111	\$34,963	\$31,467	\$3,496
248506	OFFC FURN/EQUIP	Expansion/Renovation	\$68,612	\$61,751	\$112,973	\$101,675	\$11,297
248507	OFFC FURN/EQUIP	Expansion/Renovation	\$68,612	\$41,167	\$112,973	\$67,784	\$45,189
238506	OFFC FURN/EQUIP	Wtp - Furniture	\$18,642	\$14,168	\$33,385	\$25,373	\$8,012
238507	OFFC FURN/EQUIP	Wtp - Furniture	\$50,000	\$27,143	\$89,545	\$48,610	\$40,935
202140	OFFIC F&E	OMWD HQ - OFFICE FURNITURE (CAP FEES)	\$137,242	\$54,897	\$153,555	\$61,422	\$92,133
212215	PUMP STNS,ETC.	VAULT UPGRADES	\$19,700	\$1,313	\$20,395	\$1,360	\$19,035
212217	PUMP STNS,ETC.	PUMPS & MOTORS FY2122	\$62,720	\$4,181	\$64,933	\$4,329	\$60,604
212216	PUMP STNS,ETC.	GOLEM PUMP STATION REPLACEMENT	\$27,820	\$1,855	\$28,801	\$1,920	\$26,881
202148	PUMP STNS,ETC.	VAULT UPGRADES	\$58,175	\$7,757	\$65,090	\$8,679	\$56,411
202150	PUMP STNS,ETC.	CIELO GENERATOR SWITCH	\$12,970	\$1,729	\$14,512	\$1,935	\$12,577
202149	PUMP STNS,ETC.	GOLEM PUMP STATION	\$362,266	\$18,113	\$405,326	\$20,266	\$385,059
297860	PUMP STNS,ETC.	PUMP CONTROLS - THORNTON	\$22,081	\$6,624	\$24,588	\$7,376	\$17,212
297859	PUMP STNS,ETC.	VAULTS (6) FLOOR LINERS	\$86,554	\$25,966	\$96,383	\$28,915	\$67,468
297858	PUMP STNS,ETC.	RANCHO LAKES PUMP CONTROLS	\$12,809	\$3,843	\$14,264	\$4,279	\$9,985
730058	PUMP STNS,ETC.	VAULT FLOOR LINER - THORNTON P/S	\$16,944	\$4,518	\$19,141	\$5,104	\$14,037
730057	PUMP STNS,ETC.	CONNEMARA BLADDERS	\$20,796	\$11,883	\$23,493	\$13,424	\$10,068

## Appendix B: Water Capital Fee Assets Valuation

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730055	PUMP STNS,ETC.	VALES I PRS	\$814,351	\$162,870	\$943,969	\$188,794	\$755,175
730056	PUMP STNS,ETC.	CIELO PUMP STATION CONTROLS	\$157,404	\$52,468	\$182,458	\$60,819	\$121,638
730053	PUMP STNS,ETC.	VAULT FLOOR LINERS (9)	\$53,159	\$31,895	\$64,318	\$38,591	\$25,727
730054	PUMP STNS,ETC.	4S WATER PR STATION PEDESTAL	\$10,522	\$6,313	\$12,731	\$7,639	\$5,092
730052	PUMP STNS,ETC.	VAULT LINERS	\$45,356	\$27,213	\$54,877	\$32,926	\$21,951
297301	PUMP STNS,ETC.	El Cmno Del Norte Cla-Valves	\$9,483	\$6,164	\$13,082	\$8,504	\$4,579
287302	PUMP STNS,ETC.	Maryloyd Pump Sta Switch Gear	\$46,287	\$32,401	\$67,381	\$47,167	\$20,214
287303	PUMP STNS,ETC.	Cielo Booster #1-Turbine Pump	\$6,626	\$4,638	\$9,645	\$6,752	\$2,894
267301	PUMP STNS,ETC.	Potable Pump Station	\$526,962	\$210,785	\$831,664	\$332,666	\$498,998
730501	PUMP STNS,ETC.	Excess Treated Wtr Investment	\$738,637	\$251,137	\$1,200,492	\$408,167	\$792,325
247301	PUMP STNS,ETC.	Unit H Deepwell	\$70,284	\$42,170	\$115,724	\$69,435	\$46,290
247303	PUMP STNS,ETC.	520 Vault Prs Const	\$353,990	\$159,296	\$582,858	\$262,286	\$320,572
237302	PUMP STNS,ETC.	Rancho Lakes Ps	\$48,499	\$30,716	\$86,858	\$55,010	\$31,848
227301	PUMP STNS,ETC.	Thornton Pump Stat	\$645,602	\$430,401	\$1,176,360	\$784,240	\$392,120
730018	PUMP STNS,ETC.	Pump & Chlorine Sta	\$38,844	\$37,549	\$80,884	\$78,188	\$2,696
730017	PUMP STNS,ETC.	Pump & Chlor Sta #92	\$190,577	\$142,932	\$404,915	\$303,686	\$101,229
727303	PUMP STNS-REC	VILLAGE PARK RECYCLED PUMP STATION	\$807,362	\$242,209	\$976,852	\$293,056	\$683,796
297306	PUMP STNS-REC	RECYCLED FILL STATION	\$97,165	\$58,299	\$117,563	\$70,538	\$47,025
297304	PUMP STNS-REC	Santa Fe Valley Pump Station Valve	\$15,312	\$7,145	\$18,808	\$8,777	\$10,031
297305	PUMP STNS-REC	Santa Fe Valley Pump Station Solar Sys	\$31,226	\$14,572	\$38,356	\$17,900	\$20,457
294503	PUMP STNS-REC	Flow Meter @ Mahr	\$235,000	\$152,750	\$324,207	\$210,735	\$113,472
294501	PUMP STNS-REC	Prs @ Calle Barcelona	\$187,500	\$121,875	\$258,676	\$168,139	\$90,537
294502	PUMP STNS-REC	Prs @ Calle Acervo	\$211,000	\$137,150	\$291,096	\$189,213	\$101,884
284501	PUMP STNS-REC	Crosby Prs	\$107,819	\$75,473	\$156,955	\$109,868	\$47,086
274501	PUMP STNS-REC	Santa Fe Valley Pump Station	\$564,436	\$169,331	\$859,816	\$257,945	\$601,871
212214	RESERVOIRS	CONCRETE TANKS REHAB	\$198,579	\$19,858	\$205,584	\$20,558	\$185,026
202146	RESERVOIRS	CONCRETE TANKS REHAB STUDY (GATY II)	\$58,928	\$11,786	\$65,933	\$13,187	\$52,746
297829	RESERVOIRS	CHAIN LINK INSTALLATION	\$8,768	\$2,338	\$9,905	\$2,641	\$7,264
297814	RESERVOIRS	GATY DRIVEWAY OVERLAY	\$23,103	\$7,701	\$26,780	\$8,927	\$17,853
297815	RESERVOIRS	GATY I & II IRRIGATION REPLACEMENT	\$40,852	\$20,426	\$47,354	\$23,677	\$23,677
297813	RESERVOIRS	ROGER MILLER IRRIGATION REPLACEMENT	\$11,850	\$5,925	\$13,736	\$6,868	\$6,868
297805	RESERVOIRS	WIEGAND RESERVOIR IRRIGATION	\$15,011	\$9,007	\$18,162	\$10,897	\$7,265
297806	RESERVOIRS	ROGER MILLER INLET PIPELINE	\$23,469	\$7,041	\$28,396	\$8,519	\$19,877
297807	RESERVOIRS	4G RESERVOIR REPLACEMENT	\$207,374	\$31,106	\$250,908	\$37,636	\$213,272
717102	RESERVOIRS	Emerg Generators (Denk,Gano,Peay,4S)	\$22,662	\$10,575	\$27,837	\$12,990	\$14,846
297112	RESERVOIRS	Gaty Check Valve Rehab	\$266,952	\$96,103	\$349,435	\$125,797	\$223,639
297107	RESERVOIRS	Lux Canyon Prs Replacement	\$357,536	\$107,261	\$484,098	\$145,229	\$338,869
297108	RESERVOIRS	Dove Hollow Prs	\$569,468	\$170,840	\$771,051	\$231,315	\$539,735
297103	RESERVOIRS	Lusardi #1 Vault Rehab	\$85,532	\$25,660	\$115,810	\$34,743	\$81,067
287101	RESERVOIRS	Wiegand Outlet Piping	\$42,934	\$12,021	\$62,499	\$17,500	\$45,000
267101	RESERVOIRS	Avd Diestra Pr Stat	\$177,791	\$71,116	\$280,595	\$112,238	\$168,357
267102	RESERVOIRS	Denk Inlet Flow Cntl	\$438,852	\$175,541	\$692,607	\$277,043	\$415,564
267103	RESERVOIRS	Gano Rsvr Construct	\$7,604,722	\$1,622,341	\$12,001,966	\$2,560,419	\$9,441,546
267104	RESERVOIRS	Gano Rsvr Equipment	\$47,367	\$30,315	\$74,756	\$47,844	\$26,912
267105	RESERVOIRS	Gano Rsvr Piping	\$160,000	\$51,200	\$252,516	\$80,805	\$171,711
267106	RESERVOIRS	Gano Rsvr Cntl Valve	\$401,680	\$128,538	\$633,941	\$202,861	\$431,080
257101	RESERVOIRS	Zorro Rehab	\$1,271,714	\$720,638	\$2,066,891	\$1,171,238	\$895,653
257102	RESERVOIRS	Zorro Prs	\$492,789	\$279,247	\$800,921	\$453,855	\$347,066
247102	RESERVOIRS	Wiegand Rsvr Struct	\$238,410	\$107,285	\$392,551	\$176,648	\$215,903
710071	RESERVOIRS	Gaty I Repairs '96	\$18,020	\$7,809	\$37,061	\$16,060	\$21,002

## Appendix B: Water Capital Fee Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
710073	RESERVOIRS	R.S.F.Security Tie-In	\$2,041	\$885	\$4,199	\$1,819	\$2,379
710069	RESERVOIRS	Cathodic Protect '95	\$192,912	\$86,811	\$398,719	\$179,424	\$219,295
710070	RESERVOIRS	Resr & Tanks Design	\$437,709	\$196,969	\$904,673	\$407,103	\$497,570
710062	RESERVOIRS	Wanket Tank Repair	\$88,824	\$45,892	\$196,731	\$101,644	\$95,087
710064	RESERVOIRS	Resv & Tanks - Boyle	\$6,788	\$3,507	\$15,034	\$7,768	\$7,267
710065	RESERVOIRS	Resv & Tanks-Twining	\$11,629	\$6,008	\$25,755	\$13,307	\$12,448
710066	RESERVOIRS	R&T - Nowel-Thompson	\$2,300	\$1,188	\$5,094	\$2,632	\$2,462
710067	RESERVOIRS	4-S Ranch-Landscape	\$16,646	\$8,600	\$36,868	\$19,049	\$17,820
710057	RESERVOIRS	Wanket Tank Repair	\$4,960	\$2,645	\$11,160	\$5,952	\$5,208
710060	RESERVOIRS	Reservoir & Tanks	\$7,292	\$3,889	\$16,408	\$8,751	\$7,657
710053	RESERVOIRS	Maryloyd	\$28,132	\$15,941	\$65,754	\$37,261	\$28,494
710037	RESERVOIRS	Palm Res-Landscape	\$5,403	\$3,726	\$14,769	\$10,186	\$4,584
710038	RESERVOIRS	Gaty li Reservoir	\$17,151	\$11,627	\$46,885	\$31,787	\$15,099
710033	RESERVOIRS	Gaty li Res-Initial	\$2,987,530	\$2,041,479	\$8,893,866	\$6,077,475	\$2,816,391
710034	RESERVOIRS	Gaty li- Int Cap	\$77,557	\$52,997	\$230,887	\$157,773	\$73,114
710028	RESERVOIRS	Palms Reservoir li	\$350,902	\$245,631	\$1,153,770	\$807,639	\$346,131
710016	RESERVOIRS	Wanket Tank	\$45,267	\$32,441	\$167,800	\$120,257	\$47,543
710015	RESERVOIRS	Additions F/Y 78	\$17,122	\$12,556	\$67,505	\$49,504	\$18,001
710012	RESERVOIRS	Wanket Tank	\$358,660	\$274,973	\$2,014,927	\$1,544,777	\$470,150
710009	RESERVOIRS	Wanket Tank Unit "J"	\$12,777	\$10,009	\$77,913	\$61,032	\$16,881
710001	RESERVOIRS	200' Reservoir Palms #1	\$58,304	\$53,445	\$732,255	\$671,234	\$61,021
710003	RESERVOIRS	Gaty Reservoir	\$202,475	\$199,100	\$3,031,204	\$2,980,684	\$50,520
710006	RESERVOIRS	Maryloyd Reservoir	\$31,172	\$30,652	\$466,668	\$458,891	\$7,778
710007	RESERVOIRS	Golem Reservoir	\$56,988	\$56,038	\$853,153	\$838,934	\$14,219
727109	RESERVOIRS-RC	Pond Driveway Expansion	\$18,400	\$6,624	\$24,085	\$8,671	\$15,415
727110	RESERVOIRS-RC	Pond Fencing/Landscape Imprvmt	\$28,898	\$17,339	\$37,828	\$22,697	\$15,131
202147	RESERVOIRS-REC	STORAGE POND LANDSCAPE	\$364,348	\$72,870	\$407,655	\$81,531	\$326,124
297830	RESERVOIRS-REC	STORAGE POND LANDSCAPE	\$30,017	\$12,007	\$33,909	\$13,564	\$20,345
727111	RESERVOIRS-REC	WIEGAND RESERVOIR CONVERSION	\$123,823	\$37,147	\$149,817	\$44,945	\$104,872
727112	RESERVOIRS-REC	STORAGE POND ACCESS RD	\$424,995	\$169,998	\$514,214	\$205,686	\$308,529
727102	RESERVOIRS-REC	Storage Pond Const	\$764,777	\$244,729	\$1,206,990	\$386,237	\$820,753
727104	RESERVOIRS-REC	Storage Pond Struct	\$1,802,242	\$576,718	\$2,844,344	\$910,190	\$1,934,154
727105	RESERVOIRS-REC	Storage Pond Sprnklr	\$202,707	\$129,732	\$319,917	\$204,747	\$115,170
940001	SEWER LATERALS	Building J Lateral	\$277,299	\$76,257	\$372,130	\$102,336	\$269,794
202101	SHOP/FIELDEQUIP	LINE LOCATING EQUIPMENT	\$6,911	\$2,764	\$7,732	\$3,093	\$4,639
297874	SHOP/FIELDEQUIP	CANYCOM BFP 602HB POWERED WHEELBARROW	\$7,540	\$3,232	\$8,397	\$3,599	\$4,798
297876	SHOP/FIELDEQUIP	TIRE WHEEL BALANCER	\$6,196	\$2,655	\$6,899	\$2,957	\$3,942
297877	SHOP/FIELDEQUIP	LINE LOCATING EQUIPMENT	\$5,920	\$3,552	\$6,592	\$3,955	\$2,637
820528	SHOP/FIELDEQUIP	SC200 CONTROLLER (WTP)	\$2,191	\$876	\$2,475	\$990	\$1,485
820529	SHOP/FIELDEQUIP	TU5400 TURBIDMETER (WTP)	\$7,158	\$2,863	\$8,086	\$3,234	\$4,852
820530	SHOP/FIELDEQUIP	TU5400 TURBIDITY ANALYZER (WTP)	\$7,278	\$2,911	\$8,222	\$3,289	\$4,933
820531	SHOP/FIELDEQUIP	DEPOLOX FREE CL2 ANALYZER (WTP)	\$6,070	\$2,428	\$6,857	\$2,743	\$4,114
820532	SHOP/FIELDEQUIP	GANTRY CRANE 4,000 LB (WTP)	\$7,498	\$2,999	\$8,470	\$3,388	\$5,082
820533	SHOP/FIELDEQUIP	FALL RETRIEVAL SYSTEM (WTP)	\$9,735	\$2,596	\$10,998	\$2,933	\$8,065
8205034	SHOP/FIELDEQUIP	CANDLE ASSEMBLY (WTP)	\$24,996	\$6,666	\$28,237	\$7,530	\$20,707
820520	SHOP/FIELDEQUIP	WTP CONDUCTIVITY PROBE/CONTROLLER	\$5,080	\$2,540	\$5,889	\$2,944	\$2,944
820468	SHOP/FIELDEQUIP	ELECTRICAL INSTALLATION	\$9,098	\$5,459	\$11,008	\$6,605	\$4,403
820492	SHOP/FIELDEQUIP	SURVEILLANCE SYSTEM UPGRADES	\$40,912	\$24,547	\$49,501	\$29,700	\$19,800
208242	SHOP/FIELDEQUIP	4000A Reconditioned Breaker	\$15,485	\$7,226	\$19,021	\$8,876	\$10,144
208243	SHOP/FIELDEQUIP	Wachs HPU-750 Hydraulic Pump	\$5,872	\$4,110	\$7,213	\$5,049	\$2,164

## Appendix B: Water Capital Fee Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
208246	SHOP/FIELD-EQUIP	4" Sensus Meter Tester	\$9,458	\$4,414	\$11,617	\$5,421	\$6,196
208235	SHOP/FIELD-EQUIP	Unit Z Pumps	\$45,636	\$24,339	\$57,319	\$30,570	\$26,749
258220	SHOP/FIELD-EQUIP	Cathodic Test Sta	\$41,725	\$35,467	\$67,815	\$57,643	\$10,172
258222	SHOP/FIELD-EQUIP	Lone Jack Rd Hydrant	\$15,543	\$13,211	\$25,262	\$21,472	\$3,789
728231	SHOP/FIELD-REC	4S I RECYCLED CLA VALVES	\$6,934	\$3,467	\$8,037	\$4,019	\$4,019
728232	SHOP/FIELD-REC	TURBINE PUMP	\$14,998	\$7,499	\$17,386	\$8,693	\$8,693
728235	SHOP/FIELD-REC	REPLACEMENT BLADDER - SFV RAW WTR PS	\$22,089	\$15,778	\$25,605	\$18,289	\$7,316
728230	SHOP/FIELD-REC	WIEGAND RESERVOIR IRRIGATION PUMP	\$9,315	\$5,589	\$11,271	\$6,762	\$4,508
728228	SHOP/FIELD-REC	SAMPLE COLLECTION EQUIPMENT	\$7,146	\$6,125	\$8,647	\$7,411	\$1,235
728229	SHOP/FIELD-REC	LINER FLOOR OF PUMP STATION	\$6,237	\$5,346	\$7,546	\$6,468	\$1,078
728226	SHOP/FIELD-REC	SOLAR BEE WATER MIXER @ WW	\$68,273	\$27,309	\$82,606	\$33,042	\$49,564
728224	SHOP/FIELD-REC	Wachs HPU-750 Hydraulic Pump	\$1,957	\$1,370	\$2,404	\$1,683	\$721
728202	SHOP/FIELD-REC	Rcyld Sys Equipment	\$257,006	\$137,070	\$405,613	\$216,327	\$189,286
710063	STEEL RESERVRS	Weigand & Denk Tank	\$20,544	\$10,614	\$45,502	\$23,509	\$21,992
710058	STEEL RESERVRS	Weigand & Denk Tank	\$181,757	\$96,937	\$408,981	\$218,123	\$190,858
710059	STEEL RESERVRS	Peay Reservoir	\$518,896	\$276,744	\$1,167,595	\$622,717	\$544,878
710061	STEEL RESERVRS	4-S Ranch Reservoir	\$1,265,420	\$674,891	\$2,847,388	\$1,518,607	\$1,328,781
710054	STEEL RESERVRS	Peay Reservoir - Paint Mtn	\$5,362,516	\$2,949,384	\$12,493,259	\$6,871,293	\$5,621,967
710041	STEEL RESERVRS	Zorro Reservoir	\$402,060	\$261,339	\$1,070,965	\$696,127	\$374,838
710039	STEEL RESERVRS	Roger Miller Res	\$39,516	\$26,790	\$108,026	\$73,238	\$34,788
710040	STEEL RESERVRS	Denk Reservoir	\$2,112,243	\$1,408,162	\$5,774,321	\$3,849,547	\$1,924,774
710032	STEEL RESERVRS	Roger Miller Res-Int	\$1,368,254	\$934,973	\$4,073,286	\$2,783,412	\$1,289,874
710035	STEEL RESERVRS	R.Miller Res-Int Cap	\$43,454	\$29,694	\$129,362	\$88,398	\$40,965
710002	STEEL RESERVRS	400' Reservoir Zorro	\$71,012	\$65,094	\$891,858	\$817,537	\$74,322
710004	STEEL RESERVRS	Wiegand Reservoir	\$64,745	\$61,508	\$899,405	\$854,435	\$44,970
727101	STEEL RSVR RECY	Thelma Miller Rsvr	\$1,095,453	\$350,545	\$1,728,872	\$553,239	\$1,175,633
727106	STEEL RSVR RECY	T.Miller Rsvr Int	\$119,525	\$38,248	\$188,637	\$60,364	\$128,273
410505	STUDY COSTS-REC	Implement Recycled	\$32,547	\$27,408	\$51,366	\$43,256	\$8,110
410502	STUDY COSTS-REC	Recycled Agreement	\$420,735	\$357,625	\$683,813	\$581,241	\$102,572
212223	TREATMENT PLANT	CHEMICAL SYSTEM UPDATE	\$5,895	\$590	\$6,103	\$610	\$5,493
212224	TREATMENT PLANT	MEMBRANE REPLACEMENT	\$747,271	\$74,727	\$773,632	\$77,363	\$696,269
212225	TREATMENT PLANT	CHLORINE GENERATION CELL	\$22,804	\$2,280	\$23,608	\$2,361	\$21,247
212226	TREATMENT PLANT	TRAIN 9 CONTROL WIRING	\$36,139	\$3,614	\$37,414	\$3,741	\$33,672
202159	TREATMENT PLANT	CHEMICAL SYSTEM UPDATE	\$453,961	\$90,792	\$507,920	\$101,584	\$406,336
202160	TREATMENT PLANT	VALVE ACTUATORS	\$23,064	\$4,613	\$25,805	\$5,161	\$20,644
202161	TREATMENT PLANT	TRAINS 9 & 10 - VALVES	\$43,847	\$8,769	\$49,059	\$9,812	\$39,247
202162	TREATMENT PLANT	MEMBRANES	\$681,754	\$136,351	\$762,789	\$152,558	\$610,231
202163	TREATMENT PLANT	PUMPS & MOTORS	\$9,810	\$1,962	\$10,976	\$2,195	\$8,781
297863	TREATMENT PLANT	RECOAT EQUIPMENT	\$23,936	\$7,181	\$26,654	\$7,996	\$18,658
297864	TREATMENT PLANT	SETTLER UNIT 3	\$153,683	\$46,105	\$171,134	\$51,340	\$119,794
297865	TREATMENT PLANT	VALVE ACTUATORS	\$235,919	\$70,776	\$262,708	\$78,812	\$183,896
297866	TREATMENT PLANT	STRUCTURAL ENGINEERING	\$17,828	\$3,566	\$19,852	\$3,970	\$15,882
297867	TREATMENT PLANT	MEMBRANES - TRAIN 8	\$668,289	\$200,487	\$744,176	\$223,253	\$520,923
297869	TREATMENT PLANT	REPLACE PUMP AND MOTORS	\$60,068	\$18,020	\$66,888	\$20,067	\$46,822
295054	TREATMENT PLANT	RECOAT EQUIPMENT	\$27,990	\$11,196	\$31,620	\$12,648	\$18,972
295055	TREATMENT PLANT	HVAC SYSTEM	\$142,369	\$37,965	\$160,831	\$42,888	\$117,943
295056	TREATMENT PLANT	SETTLER UNIT 1	\$95,546	\$25,479	\$107,937	\$28,783	\$79,154
295057	TREATMENT PLANT	SETTLER UNIT 3	\$85,041	\$22,678	\$96,069	\$25,618	\$70,451
295058	TREATMENT PLANT	SEWER SYS (BLDG) REHAB	\$206,441	\$33,031	\$233,213	\$37,314	\$195,899
295059	TREATMENT PLANT	TRANSFORMER REPLACEMENT	\$33,800	\$9,013	\$38,183	\$10,182	\$28,001

## Appendix B: Water Capital Fee Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
295060	TREATMENT PLANT	MAIN COMPRESSOR	\$151,743	\$40,465	\$171,420	\$45,712	\$125,708
295061	TREATMENT PLANT	STRAINER ISOLATION VALVE	\$134,751	\$35,934	\$152,226	\$40,594	\$111,632
295062	TREATMENT PLANT	STREAMING CURRENT MONITOR #2	\$19,442	\$7,777	\$21,963	\$8,785	\$13,178
295063	TREATMENT PLANT	SOLENOID REPLACEMENT	\$26,204	\$10,482	\$29,602	\$11,841	\$17,761
295064	TREATMENT PLANT	MEMBRANES - TRAIN 7	\$609,254	\$243,702	\$688,262	\$275,305	\$412,957
295065	TREATMENT PLANT	MEMBRANES - TRAIN 3	\$612,716	\$245,087	\$692,173	\$276,869	\$415,304
295066	TREATMENT PLANT	SECURITY CAMERAS (SECURITY CAMERA KING)	\$12,033	\$9,627	\$13,594	\$10,875	\$2,719
295067	TREATMENT PLANT	PUMP & MOTORS REPLACEMENT	\$30,387	\$12,155	\$34,328	\$13,731	\$20,597
295048	TREATMENT PLANT	AMMONIA SYSTEM EQUIPMENT	\$86,684	\$43,342	\$100,481	\$50,241	\$50,241
295049	TREATMENT PLANT	VARIABLE FEQUENCY DRIVES (VFD'S)	\$82,455	\$41,228	\$95,580	\$47,790	\$47,790
295050	TREATMENT PLANT	HYPOCHLORITE TANK	\$55,191	\$27,596	\$63,976	\$31,988	\$31,988
295052	TREATMENT PLANT	THM ANALYZER (NEW)	\$68,101	\$34,051	\$78,941	\$39,470	\$39,470
295053	TREATMENT PLANT	TRAIN 7 BASIN REFURBISHED	\$35,961	\$11,987	\$41,685	\$13,895	\$27,790
295041	TREATMENT PLANT	DIST SYS PROGRAM LOGIC CONTROLLERS	\$10,858	\$6,515	\$13,137	\$7,882	\$5,255
295042	TREATMENT PLANT	VARIABLE FREQUENCY DRIVES (VFD'S) PUMPS	\$137,467	\$82,480	\$166,325	\$99,795	\$66,530
295043	TREATMENT PLANT	BRINE TANK	\$49,692	\$19,877	\$60,124	\$24,050	\$36,074
295045	TREATMENT PLANT	PUMPS & MOTORS	\$33,846	\$20,307	\$40,951	\$24,571	\$16,380
295047	TREATMENT PLANT	MEMBRANES - TRAIN 1	\$555,852	\$333,511	\$672,543	\$403,526	\$269,017
295037	TREATMENT PLANT	DIST SYSTEM PGM LOGIC CONTROLLERS-PLC'S	\$98,977	\$49,488	\$119,755	\$59,878	\$59,878
295038	TREATMENT PLANT	VARIABLE FREQUENCY DRIVES (VFD'S)	\$290,487	\$174,292	\$351,469	\$210,881	\$140,588
295039	TREATMENT PLANT	PUMP & MOTORS	\$30,198	\$18,119	\$36,538	\$21,923	\$14,615
295040	TREATMENT PLANT	MEMBRANES	\$1,237,038	\$742,223	\$1,496,730	\$898,038	\$598,692
295035	TREATMENT PLANT	Hypochlorite Generation System Upgrades	\$535,059	\$374,541	\$657,245	\$460,072	\$197,174
295036	TREATMENT PLANT	Solenoid Valve Replacements	\$78,569	\$45,832	\$96,511	\$56,298	\$40,213
295027	TREATMENT PLANT	420 ZW-500D Membranes	\$507,963	\$451,522	\$637,997	\$567,109	\$70,889
295028	TREATMENT PLANT	21 20-Module ZW 500D Cassettes	\$299,809	\$119,924	\$376,558	\$150,623	\$225,935
295030	TREATMENT PLANT	Hypochlorite Tanks	\$321,741	\$171,595	\$404,105	\$215,523	\$188,582
295031	TREATMENT PLANT	Fluoridation System - Building	\$644,116	\$171,764	\$809,005	\$215,735	\$593,271
295032	TREATMENT PLANT	Fluoridation System - Equipment & Pumps	\$648,094	\$345,650	\$814,002	\$434,134	\$379,868
295033	TREATMENT PLANT	Turbines	\$1,240,397	\$661,545	\$1,557,930	\$830,896	\$727,034
295034	TREATMENT PLANT	Turbines	\$1,240,397	\$330,773	\$1,557,930	\$415,448	\$1,142,482
295017	TREATMENT PLANT	Vinyl Automated Double Gate	\$34,419	\$12,391	\$45,054	\$16,220	\$28,835
295018	TREATMENT PLANT	Via Ambiente Gate	\$25,714	\$9,257	\$33,659	\$12,117	\$21,542
295019	TREATMENT PLANT	Element Strainers (3)	\$279,964	\$167,978	\$366,468	\$219,881	\$146,587
295020	TREATMENT PLANT	Membranes	\$141,904	\$127,714	\$185,750	\$167,175	\$18,575
295021	TREATMENT PLANT	Lt2 Equipment	\$672,536	\$302,641	\$880,339	\$396,152	\$484,186
295022	TREATMENT PLANT	Residual Handling Building	\$2,533,360	\$456,005	\$3,316,125	\$596,902	\$2,719,222
295023	TREATMENT PLANT	Steel Water Storage Tanks	\$1,724,268	\$310,368	\$2,257,037	\$406,267	\$1,850,771
295024	TREATMENT PLANT	Lt2 Upgrades	\$19,808,088	\$3,565,456	\$25,928,449	\$4,667,121	\$21,261,328
295025	TREATMENT PLANT	Lt2 Capitalized Interest	\$1,052,928	\$189,527	\$1,378,265	\$248,088	\$1,130,178
295026	TREATMENT PLANT	Lt2 Materials	\$107,262	\$96,536	\$140,405	\$126,364	\$14,040
295014	TREATMENT PLANT	Clortec Ct-750 Cell	\$25,029	\$13,766	\$33,588	\$18,473	\$15,115
295016	TREATMENT PLANT	Frame - Zw-500D Modules (40)	\$581,830	\$320,007	\$780,805	\$429,443	\$351,362
295012	TREATMENT PLANT	Cla Valve Check Valves	\$27,983	\$8,395	\$37,888	\$11,366	\$26,522
295013	TREATMENT PLANT	Clean In Place Heating System	\$35,100	\$21,060	\$47,525	\$28,515	\$19,010
295002	TREATMENT PLANT	Wtp Gate	\$75,695	\$39,362	\$104,429	\$54,303	\$50,126
295005	TREATMENT PLANT	Cassette Frames 500D(20'S) 72	\$1,002,802	\$521,457	\$1,383,469	\$719,404	\$664,065
295006	TREATMENT PLANT	Feed Channel Baffle Wall	\$75,339	\$39,176	\$103,938	\$54,048	\$49,890
295007	TREATMENT PLANT	Crane & Hoist	\$29,759	\$15,475	\$41,056	\$21,349	\$19,707
285002	TREATMENT PLANT	Control Instrumentation	\$80,670	\$56,469	\$117,433	\$82,203	\$35,230

## Appendix B: Water Capital Fee Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
285003	TREATMENT PLANT	Basin Walls Resurfacing	\$271,851	\$76,118	\$395,741	\$110,807	\$284,933
285004	TREATMENT PLANT	Ammonia Treatment Facility	\$2,277,932	\$637,821	\$3,316,040	\$928,491	\$2,387,549
265001	TREATMENT PLANT	Back-Pulse Tanks	\$301,638	\$193,048	\$476,053	\$304,674	\$171,379
265002	TREATMENT PLANT	Fish Screens	\$645,396	\$104,306	\$1,018,581	\$164,619	\$853,962
265003	TREATMENT PLANT	Fencing	\$23,297	\$14,910	\$36,768	\$23,531	\$13,236
265004	TREATMENT PLANT	Trains-Rplc/Coat	\$234,942	\$93,977	\$370,792	\$148,317	\$222,475
255001	TREATMENT PLANT	Emerg Generation Sys	\$248,261	\$168,818	\$403,494	\$274,376	\$129,118
255002	TREATMENT PLANT	Aeration System	\$63,708	\$43,322	\$103,544	\$70,410	\$33,134
255003	TREATMENT PLANT	Flow Control Fac #8	\$759,916	\$516,743	\$1,235,075	\$839,851	\$395,224
255004	TREATMENT PLANT	Flow Control Fac #8	\$759,916	\$258,371	\$1,235,075	\$419,926	\$815,150
255005	TREATMENT PLANT	Flow Control Fac #8	\$759,916	\$172,248	\$1,235,075	\$279,950	\$955,125
245006	TREATMENT PLANT	Circuit Breakers Vfd	\$84,424	\$50,655	\$139,008	\$83,405	\$55,603
245007	TREATMENT PLANT	Gravity Settler	\$105,099	\$63,060	\$173,050	\$103,830	\$69,220
245008	TREATMENT PLANT	Wtp Elec Supply	\$100,000	\$36,000	\$164,654	\$59,275	\$105,378
245009	TREATMENT PLANT	Equalization Tank	\$73,769	\$66,392	\$121,463	\$109,317	\$12,146
245010	TREATMENT PLANT	Equalization Tank	\$73,769	\$33,196	\$121,463	\$54,658	\$66,805
245012	TREATMENT PLANT	Wtp Trains 9 & 10	\$166,660	\$74,997	\$274,412	\$123,485	\$150,926
245014	TREATMENT PLANT	9.0 Mgd Expansion	\$1,349,191	\$693,870	\$2,221,491	\$1,142,481	\$1,079,010
245015	TREATMENT PLANT	9.0 Mgd Expansion	\$1,892,689	\$681,368	\$3,116,380	\$1,121,897	\$1,994,483
238109	TREATMENT PLANT	Wtp - Building	\$917,570	\$697,353	\$1,643,276	\$1,248,890	\$394,386
238110	TREATMENT PLANT	Wtp - Building	\$1,143,714	\$620,873	\$2,048,278	\$1,111,923	\$936,356
238111	TREATMENT PLANT	Wtp - Building	\$22,357,212	\$8,495,741	\$40,039,541	\$15,215,025	\$24,824,515
238204	TREATMENT PLANT	Cyclic Aeration	\$694,558	\$527,864	\$1,243,885	\$945,353	\$298,532
238207	TREATMENT PLANT	Centrifuge	\$324,073	\$175,925	\$580,382	\$315,064	\$265,317
238211	TREATMENT PLANT	Membranes	\$437,194	\$415,335	\$782,971	\$743,823	\$39,149
238212	TREATMENT PLANT	Membranes	\$975,125	\$529,354	\$1,746,352	\$948,020	\$798,332
238213	TREATMENT PLANT	Membranes	\$975,125	\$370,548	\$1,746,352	\$663,614	\$1,082,738
400009	TREATMENT PLANT	Wtp Capitalized Int	\$3,829,010	\$1,455,024	\$6,857,375	\$2,605,803	\$4,251,573
			\$ 212,356,039	\$ 81,940,193	\$ 340,513,246	\$ 142,965,675	\$ 197,547,571

# **APPENDIX C:**

## **Water Pipeline Assets Valuation**

# Appendix C: Water Pipeline Assets Valuation

Olivenhain Municipal Water District - 2022 Water Capacity Study

Transmission & Distribution Pipeline Costs	Zone A	Zone B	Zone C	Zone D	Zone E	Unknown - Allocated Proportionally	Total
Costs Per Zone	\$484,407,634	\$697,432,677	\$90,643,447	\$327,004,818	\$175,099,681	\$40,072,728	\$1,814,660,985
Percentage of Zone Costs	27%	39%	5%	18%	10%		
Allocated Distributed Pipe Costs - Total	\$495,346,248	\$713,181,699	\$92,690,305	\$334,389,052	\$179,053,681		\$1,814,660,985
Allocated Distributed Pipe Costs - Adj. to RCLD	\$259,778,380	\$374,019,562	\$48,610,315	\$175,366,315	\$93,902,549		\$951,677,120
Calculated of Contributed Assets Percentages	Zone A	Zone B	Zone C	Zone D	Zone E	Total	
Non-Contributed	\$31,535,643	\$27,263,377	\$134,916	\$9,735,805	\$4,379,670		
Contributed Assets	\$24,900,476	\$14,240,068	\$8,065,046	\$21,092,562	\$32,615,409		
Total Assets	\$56,436,119	\$41,503,445	\$8,199,962	\$30,828,367	\$36,995,079		
% - Non-Contributed	56%	66%	2%	32%	12%		
% - Contributed Assets	44%	34%	98%	68%	88%		
Pipeline Replacement Costs Less Depreciation, net CIAC	\$145,160,199	\$245,691,321	\$799,798	\$55,381,856	\$11,116,673		\$458,149,848

## Summary Pipeline Assets

RCLD -RC Ratio 52%

Asset Class	Inflate?	Fund	Original Cost	Replacement Cost	Original Cost Less Depreciation	Replacement Cost Less Depreciation	Selection: Replacement Cost Less Depreciation
CNT PIPELINES	Yes	100	\$107,607,281	\$190,008,862	\$63,203,477	\$97,551,798	\$97,551,798
CNT PIPELN EXT	Yes	100	\$12,153,089	\$27,781,606	\$4,812,515	\$8,566,636	\$8,566,636
PIPELINES	Yes	100	\$94,975,690	\$165,212,590	\$64,523,187	\$86,010,210	\$86,010,210
PIPELINES-REC	Yes	120	\$16,682,796	\$21,176,151	\$13,581,262	\$17,084,856	\$17,084,856
CNT PIPELNS-REC	Yes	120	\$13,404,696	\$19,290,543	\$8,993,377	\$12,870,117	\$12,870,117
Total			\$244,823,552	\$423,469,752	\$155,113,818	\$222,083,616	\$222,083,616
			TRUE	TRUE	TRUE	TRUE	

Fund	Original Cost	Replacement Cost	Original Cost Less Depreciation	Replacement Cost Less Depreciation	Selection
100 Water	\$214,736,060	\$383,003,058	\$132,539,179	\$192,128,643	\$192,128,643
120 Recycled Water	\$30,087,492	\$40,466,694	\$22,574,639	\$29,954,974	\$29,954,974
Total	\$244,823,552	\$423,469,752	\$155,113,818	\$222,083,616	\$222,083,616
	TRUE	TRUE	TRUE	TRUE	TRUE

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
	212235 CNT PIPELINES	MIRA COSTA COLLEGE B200 FDC INSTALL	20,762	\$519	\$21,494	\$537	\$20,957
	212236 CNT PIPELINES	1509 ENC BLVD FDC & WS INSTALL	36,257	\$906	\$37,536	\$938	\$36,598
	212239 CNT PIPELINES	MIRA COSTA COLLEGE BLDG B100 FDC INSTALL	20,762	\$519	\$21,494	\$537	\$20,957
	212240 CNT PIPELINES	THE BEACON - FDC INSTALL	68,583	\$1,715	\$71,002	\$1,775	\$69,227
	212241 CNT PIPELINES	MAIN EXT 145B - CALLE PONTE BELLA	97,055	\$2,426	\$100,479	\$2,512	\$97,967
	212237 CNT PIPELINES	3281 POPPY HILLS LANE FH INSTALL	13,615	\$340	\$14,095	\$352	\$13,743
	212238 CNT PIPELINES	EXT 246 - DESERT ROSE WAY	108,380	\$2,710	\$112,203	\$2,805	\$109,398
	212234 CNT PIPELINES	16020 VIA DICHA WS INSTALL	11,998	\$300	\$12,421	\$311	\$12,111
	202125 CNT PIPELINES	121 AVENIDA ESPERANZA WS INSTALL	11,840	\$592	\$13,247	\$662	\$12,585
	202126 CNT PIPELINES	504 WHISPERWIND DR WS INSTALL	11,840	\$592	\$13,247	\$662	\$12,585
	202128 CNT PIPELINES	ENCINITAS VILLAGE WS INSTAL	12,008	\$600	\$13,435	\$672	\$12,764
	202129 CNT PIPELINES	THE BEACON FH & WS RELOCATION PJT	12,118	\$606	\$13,558	\$678	\$12,880
	202133 CNT PIPELINES	WESTMONT ENCINITAS FDC & WS (2) INSTALL	46,353	\$2,318	\$51,863	\$2,593	\$49,270
	202123 CNT PIPELINES	6804 CALLE PORTONE 4" FS INSTALL	22,601	\$1,130	\$25,287	\$1,264	\$24,023
	202124 CNT PIPELINES	PARCEL 4 COPPER CREST RD WS INSTALL	12,008	\$600	\$13,435	\$672	\$12,764
	202130 CNT PIPELINES	ELFIN VISTA LN WS RELOCATION	11,840	\$592	\$13,247	\$662	\$12,585
	202131 CNT PIPELINES	1170 VIA DI FELICITA RD WS INSTALL	11,840	\$592	\$13,247	\$662	\$12,585
	202132 CNT PIPELINES	ELFIN VISTA LN FDC & WS INSTALL	33,841	\$1,692	\$37,863	\$1,893	\$35,970
	202134 CNT PIPELINES	2902 & 2920 LONE JACK RD FH & WS INSTALL	37,116	\$1,856	\$41,528	\$2,076	\$39,451
	202127 CNT PIPELINES	8960 MT ISRAEL RD WS INSTALL	12,008	\$600	\$13,435	\$672	\$12,764
	202121 CNT PIPELINES	16591 RIO VISTA WATER SERVICE INSTALL	12,008	\$600	\$13,435	\$672	\$12,764
	202122 CNT PIPELINES	16627 RIO VISTA ROAD FDC & WS INSTALL	34,513	\$1,726	\$38,615	\$1,931	\$36,685
	297930 CNT PIPELINES	FDC DIEGUENO MIDDLE SCHOOL	20,253	\$1,519	\$22,553	\$1,691	\$20,861
	297926 CNT PIPELINES	WS 3800 CANYON DE ORO	11,703	\$878	\$13,032	\$977	\$12,055
	297928 CNT PIPELINES	FH 18490 LAGO VISTA (LOT 23)	13,280	\$996	\$14,788	\$1,109	\$13,679
	297933 CNT PIPELINES	FS 2" 18568 CALLE FLORES	12,533	\$940	\$13,956	\$1,047	\$12,909
	297934 CNT PIPELINES	FDC 6847 VIA DEL CHARRO	20,253	\$1,519	\$22,553	\$1,691	\$20,861
	297936 CNT PIPELINES	WS 3456 BUMANN ROAD	11,703	\$878	\$13,032	\$977	\$12,055
	297937 CNT PIPELINES	WS 4180 CANYON DE ORO	11,703	\$878	\$13,032	\$977	\$12,055
	297938 CNT PIPELINES	FH 19828 FORTUNA DEL ESTE	13,280	\$996	\$14,788	\$1,109	\$13,679
	297939 CNT PIPELINES	FH 7499 VISTA RANCHO CT	13,280	\$996	\$14,788	\$1,109	\$13,679
	297900 CNT PIPELINES	WS 9530 MT ISRAEL RD	11,703	\$878	\$13,032	\$977	\$12,055
	297935 CNT PIPELINES	WS (NEW) UPSIZE TO 1" 9433 MT ISRAEL	11,869	\$890	\$13,217	\$991	\$12,226
	297940 CNT PIPELINES	WS REPAIR 2" RANCHO VALENCIA VISTA	5,644	\$423	\$6,285	\$471	\$5,814
	297925 CNT PIPELINES	WS & FDC 16510 ARTESIAN HILLS	31,956	\$2,397	\$35,585	\$2,669	\$32,916
	297927 CNT PIPELINES	FDC HELEN WOODWARD ANIMAL CENTER	21,581	\$1,619	\$24,032	\$1,802	\$22,229
	297929 CNT PIPELINES	WS 16147 VIA DE SANTA FE	11,703	\$878	\$13,032	\$977	\$12,055
	297931 CNT PIPELINES	WS 7533 DEL DIOS HWY	24,984	\$1,874	\$27,821	\$2,087	\$25,734
	297932 CNT PIPELINES	WS & FDC 16413 RIO VISTA RD	34,114	\$2,559	\$37,988	\$2,849	\$35,139
	760234 CNT PIPELINES	WTR SVC (2) ENC VILL SQ PHASE 2	11,732	\$1,173	\$13,253	\$1,325	\$11,928
	760238 CNT PIPELINES	WATER SERVICE - 3111 CADENCIA STREEET	8,861	\$886	\$10,010	\$1,001	\$9,009
	760235 CNT PIPELINES	WATER SERVICE - 3453 BUMANN RD	11,732	\$1,173	\$13,253	\$1,325	\$11,928
	760237 CNT PIPELINES	WATER SERVICE - 9545 MT ISRAEL ROAD	11,568	\$1,157	\$13,068	\$1,307	\$11,761
	760236 CNT PIPELINES	WATER SERVICE - BIANCAMANO PARCEL	11,568	\$1,157	\$13,068	\$1,307	\$11,761
	760231 CNT PIPELINES	BERRYMAN CANYON ENCLAVE PHASE 1	255,101	\$31,888	\$295,705	\$36,963	\$258,742
	760232 CNT PIPELINES	BERRYMAN CANYON ENCLAVE PHASE 2	50,679	\$6,335	\$58,745	\$7,343	\$51,402

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
760233	CNT PIPELINES	BERRYMAN CANYON ENCLAVE PHASE 3	51,957	\$6,495	\$60,227	\$7,528	\$52,699
760229	CNT PIPELINES	FAIR OAKS VALLEY	809,147	\$101,143	\$937,938	\$117,242	\$820,695
760230	CNT PIPELINES	RANCHO SANTA FE FARMS RD REALIGNMENT	147,470	\$18,434	\$170,943	\$21,368	\$149,575
760228	CNT PIPELINES	FIRE HYDRANT - 9021 DETWILER RD	11,812	\$1,772	\$14,292	\$2,144	\$12,148
760227	CNT PIPELINES	RANCHO SANTA FE LAKES UNIT 3	1,602,160	\$240,324	\$1,938,503	\$290,775	\$1,647,728
760212	CNT PIPELINES	LA COSTA TOWN SQUARE COMMERCIAL	121,326	\$14,559	\$146,796	\$17,616	\$129,181
760214	CNT PIPELINES	669 RSF RD 1.5" LATERAL	8,420	\$1,010	\$10,188	\$1,223	\$8,965
760215	CNT PIPELINES	GRAUER SCHOOL FDC & WS	23,640	\$2,837	\$28,603	\$3,432	\$25,170
760224	CNT PIPELINES	SDUHS DISTRICT WS & FDC	29,551	\$3,546	\$35,755	\$4,291	\$31,464
760221	CNT PIPELINES	LA COSTA TOWN SQUARE - TAYLOR MORRISON	239,285	\$28,714	\$289,518	\$34,742	\$254,776
760213	CNT PIPELINES	9519 MT ISRAEL RD FH & FS INSTALL	19,750	\$2,370	\$23,896	\$2,868	\$21,029
760217	CNT PIPELINES	7604 TOP O THE MORNING WS RELOCATION	8,421	\$1,011	\$10,189	\$1,223	\$8,966
760216	CNT PIPELINES	CROSBY ENCLAVE	110,413	\$13,250	\$133,592	\$16,031	\$117,561
760218	CNT PIPELINES	16593 FRANZEN FARM RD WS INSTALL	8,421	\$1,011	\$10,189	\$1,223	\$8,966
760219	CNT PIPELINES	LOT 106 CERRO DEL SOL WS RELOCATION	8,421	\$1,011	\$10,189	\$1,223	\$8,966
760220	CNT PIPELINES	RSF LAKES UNIT 4 - PROVINCE COURT	124,521	\$14,943	\$150,662	\$18,079	\$132,582
760223	CNT PIPELINES	6716 POCO LAGO FDC & WS INSTALL	35,935	\$4,312	\$43,479	\$5,217	\$38,261
760226	CNT PIPELINES	RANCHO PASEANA FDC INSTALL	13,295	\$1,595	\$16,086	\$1,930	\$14,156
297670	CNT PIPELINES	204 N El Camino Real FDC	9,000	\$1,260	\$11,055	\$1,548	\$9,508
297672	CNT PIPELINES	La Costa Town Square @ La Costa Ave	583,600	\$81,704	\$716,871	\$100,362	\$616,509
297671	CNT PIPELINES	Rancho Cielo Parcel "M"	493,300	\$69,062	\$605,950	\$84,833	\$521,117
297673	CNT PIPELINES	8948 Mt Israel Rd FDC & WS	21,000	\$2,940	\$25,796	\$3,611	\$22,184
297674	CNT PIPELINES	6415 Rancho Santa Fe Farms Rd Fire Svc	8,200	\$1,148	\$10,073	\$1,410	\$8,662
297675	CNT PIPELINES	4S Ranch Carls JR Wtr Svc Install	10,900	\$1,526	\$13,389	\$1,874	\$11,515
297660	CNT PIPELINES	Westridge - Aryana Drive	181,000	\$28,960	\$227,335	\$36,374	\$190,961
297664	CNT PIPELINES	Lux Institue 4" FDC & 6" Gate Valve	9,000	\$1,440	\$11,304	\$1,809	\$9,495
297669	CNT PIPELINES	Manchester Ave 2 Way Hydrant	10,000	\$1,600	\$12,560	\$2,010	\$10,550
297659	CNT PIPELINES	Rancho Pacifica TM 5148	115,000	\$18,400	\$144,439	\$23,110	\$121,329
297661	CNT PIPELINES	La Costa Town Square 18" PL Relocation	129,000	\$20,640	\$162,023	\$25,924	\$136,099
297667	CNT PIPELINES	Via Roswitha,RSF,TDC,G V & 2 Way Hydrant	18,000	\$2,880	\$22,608	\$3,617	\$18,991
297666	CNT PIPELINES	Rancho Cielo Parcel M	603,000	\$96,480	\$757,364	\$121,178	\$636,186
297658	CNT PIPELINES	Crosby Estates, Emerald Cover, TM 5393-1	226,000	\$36,160	\$283,854	\$45,417	\$238,438
297662	CNT PIPELINES	Rancho Santa Fe Lakes Unit 2, TM 5069	1,139,000	\$182,240	\$1,430,576	\$228,892	\$1,201,684
297665	CNT PIPELINES	Vintage at The Crosby, TM 5073-A	461,000	\$73,760	\$579,013	\$92,642	\$486,371
297668	CNT PIPELINES	7761 Artesian Rd FDC & WS Install	12,000	\$1,920	\$15,072	\$2,412	\$12,660
297663	CNT PIPELINES	Cymer 1" Water Lateral	8,000	\$1,280	\$10,048	\$1,608	\$8,440
297655	CNT PIPELINES	Mission Estancia Fdc Install	70,400	\$12,672	\$92,152	\$16,587	\$75,565
297656	CNT PIPELINES	Unit Aa Pipeline	13,000,000	\$2,340,000	\$17,016,778	\$3,063,020	\$13,953,758
297657	CNT PIPELINES	Olivenhain 9 & 10 Svc Connect	500,000	\$90,000	\$654,491	\$117,808	\$536,683
297648	CNT PIPELINES	Rsf Lakes - Old Course Rd	292,750	\$52,695	\$383,205	\$68,977	\$314,228
297649	CNT PIPELINES	Rsf Lakes - Unit 1	376,350	\$67,743	\$492,636	\$88,674	\$403,961
297651	CNT PIPELINES	Elfin Forest Fire Hydrant	10,250	\$1,845	\$13,417	\$2,415	\$11,002
297650	CNT PIPELINES	Mission Ranch	281,550	\$50,679	\$368,544	\$66,338	\$302,206
297652	CNT PIPELINES	4Sr Med Office Fdc/Conversions	30,700	\$5,526	\$40,186	\$7,233	\$32,952
297647	CNT PIPELINES	Fy12 Contributed Mains	191,952	\$38,390	\$251,387	\$50,277	\$201,110
297644	CNT PIPELINES	Rancho Cielo Parcel 3	316,111	\$63,222	\$413,990	\$82,798	\$331,192

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
	297645 CNT PIPELINES	Fairbanks Ranch Fs #3	60,204	\$12,041	\$78,845	\$15,769	\$63,076
	297646 CNT PIPELINES	Horizon School 10" Main/G.V.	74,458	\$14,892	\$97,513	\$19,503	\$78,010
	297643 CNT PIPELINES	4S Nbhd #3 - Units 3 & 4	2,450,837	\$490,167	\$3,209,702	\$641,940	\$2,567,761
	297641 CNT PIPELINES	Villas De La Costa	150,985	\$33,217	\$202,619	\$44,576	\$158,043
	297639 CNT PIPELINES	Greater Centurion	56,335	\$12,394	\$75,600	\$16,632	\$58,968
	297640 CNT PIPELINES	Crosby Golf Villas	97,482	\$21,446	\$130,819	\$28,780	\$102,039
	297642 CNT PIPELINES	4S Village Phase 2 P/L Relo	152,500	\$33,550	\$204,652	\$45,023	\$159,629
	297636 CNT PIPELINES	Olivenhain Guest Home	19,457	\$4,670	\$26,344	\$6,323	\$20,022
	297633 CNT PIPELINES	Brookside Lane - Bouchard	7,114	\$1,707	\$9,632	\$2,312	\$7,321
	297623 CNT PIPELINES	Avenida Apice & Berk Access Rd	809,667	\$194,320	\$1,096,276	\$263,106	\$833,170
	297628 CNT PIPELINES	Cielo Village	40,160	\$9,638	\$54,376	\$13,050	\$41,326
	297627 CNT PIPELINES	Ben Bond Residence PI Relo	46,959	\$11,270	\$63,582	\$15,260	\$48,322
	297635 CNT PIPELINES	Morgan Run Resort & Club	19,731	\$4,735	\$26,715	\$6,412	\$20,304
	297637 CNT PIPELINES	Crosby Swim & Tennis Villas	440,993	\$105,838	\$597,098	\$143,303	\$453,794
	297638 CNT PIPELINES	Ext 244 - Rio Vista Rd	49,625	\$11,910	\$67,191	\$16,126	\$51,066
	297622 CNT PIPELINES	4S Pa 40 - Gianni	346,282	\$83,108	\$468,860	\$112,527	\$356,334
	297624 CNT PIPELINES	4S Ranch Nbhd 3 Unit 2	1,339,825	\$321,558	\$1,814,102	\$435,385	\$1,378,718
	297625 CNT PIPELINES	4S Commons	1,822,158	\$437,318	\$2,467,174	\$592,122	\$1,875,052
	297626 CNT PIPELINES	Del Norte High School	58,429	\$14,023	\$79,112	\$18,987	\$60,125
	297629 CNT PIPELINES	Monterey Ridge Elementary Sch	25,228	\$6,055	\$34,158	\$8,198	\$25,960
	297630 CNT PIPELINES	Oak Valley Middle School	31,881	\$7,651	\$43,166	\$10,360	\$32,806
	297631 CNT PIPELINES	Stone Ranch Elementary School	31,527	\$7,566	\$42,687	\$10,245	\$32,442
	297632 CNT PIPELINES	Souplantation	9,580	\$2,299	\$12,971	\$3,113	\$9,858
	297634 CNT PIPELINES	7808 Cmno Sin Puente Fh Instl	4,165	\$1,000	\$5,639	\$1,353	\$4,286
	297610 CNT PIPELINES	Rosebay Condominiums	37,308	\$9,700	\$51,470	\$13,382	\$38,088
	297614 CNT PIPELINES	Horseman'S Valley South	76,500	\$19,890	\$105,540	\$27,440	\$78,099
	297616 CNT PIPELINES	Belmont Village	100,269	\$26,070	\$138,332	\$35,966	\$102,365
	297617 CNT PIPELINES	El Camino Promenade	131,600	\$34,216	\$181,556	\$47,205	\$134,351
	297618 CNT PIPELINES	La Costa Glen Phase 1	362,845	\$94,340	\$500,582	\$130,151	\$370,431
	297619 CNT PIPELINES	La Costa Glen Phase 2	703,955	\$183,028	\$971,179	\$252,507	\$718,673
	297620 CNT PIPELINES	Rite Aid - Manchester Ave	28,382	\$7,379	\$39,156	\$10,181	\$28,975
	297605 CNT PIPELINES	Unit N Pipeline Relocation	323,796	\$84,187	\$446,710	\$116,145	\$330,566
	297606 CNT PIPELINES	Carlsbad Fire Station No. 6	93,415	\$24,288	\$128,876	\$33,508	\$95,368
	297607 CNT PIPELINES	La Costa Ave 18" P/L Relo	200,000	\$52,000	\$275,921	\$71,739	\$204,181
	297608 CNT PIPELINES	Oaks South Nbhd 3.9	217,000	\$56,420	\$299,374	\$77,837	\$221,537
	297602 CNT PIPELINES	Rancho Cielo Parcel "A"	849,383	\$220,840	\$1,171,812	\$304,671	\$867,141
	297611 CNT PIPELINES	Rancho Cielo Parcel "C"	185,591	\$48,254	\$256,042	\$66,571	\$189,471
	297612 CNT PIPELINES	Rancho Cielo Parcel "D"	281,072	\$73,079	\$387,768	\$100,820	\$286,948
	297601 CNT PIPELINES	4S Planning Area 35	29,274	\$7,611	\$40,387	\$10,500	\$29,886
	297603 CNT PIPELINES	4S Ranch 27" Pipeline	758,643	\$197,247	\$1,046,627	\$272,123	\$774,504
	297604 CNT PIPELINES	Quest Medical Office Building	12,000	\$3,120	\$16,555	\$4,304	\$12,251
	297609 CNT PIPELINES	4S Planning Area 38	540,317	\$140,482	\$745,423	\$193,810	\$551,613
	297613 CNT PIPELINES	Dove Canyon Apartments	15,351	\$3,991	\$21,178	\$5,506	\$15,672
	297615 CNT PIPELINES	4S Ranch Nbhd 3 Unit 1	2,755,181	\$716,347	\$3,801,059	\$988,275	\$2,812,783
	287607 CNT PIPELINES	Oaks South Nbhd 3.10/3.11	347,002	\$97,161	\$505,139	\$141,439	\$363,700
	287611 CNT PIPELINES	La Costa Oaks Nbhd 3.08	212,000	\$59,360	\$308,613	\$86,412	\$222,202

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
	287610 CNT PIPELINES	Ranch Cielo Parcel F Swr/Water	963,649	\$269,822	\$1,402,807	\$392,786	\$1,010,021
	287612 CNT PIPELINES	Rancho Cielo Parcel G	907,500	\$254,100	\$1,321,069	\$369,899	\$951,170
	287616 CNT PIPELINES	Unit S-3	1,557,508	\$436,102	\$2,267,302	\$634,844	\$1,632,457
	287602 CNT PIPELINES	El Apajo Estates (River Run)	103,649	\$29,022	\$150,884	\$42,248	\$108,637
	287608 CNT PIPELINES	Crosby Estates 5073-7	302,000	\$84,560	\$439,629	\$123,096	\$316,533
	287601 CNT PIPELINES	North Coast Health Center	64,995	\$18,199	\$94,615	\$26,492	\$68,123
	287603 CNT PIPELINES	Coastline Community Church	29,000	\$8,120	\$42,216	\$11,820	\$30,396
	287604 CNT PIPELINES	4S Ranch Pa 37	212,563	\$59,518	\$309,433	\$86,641	\$222,792
	287605 CNT PIPELINES	The Forum	336,500	\$94,220	\$489,851	\$137,158	\$352,693
	287606 CNT PIPELINES	4S Ranch Pa 41	323,063	\$90,458	\$470,291	\$131,681	\$338,609
	287609 CNT PIPELINES	4S Ranch Nbhd 2 Unit 3	1,222,896	\$342,411	\$1,780,199	\$498,456	\$1,281,743
	287613 CNT PIPELINES	4S Ranch La Fitness	75,000	\$21,000	\$109,179	\$30,570	\$78,609
	287614 CNT PIPELINES	4S Pipeline North Phase I	1,381,000	\$386,680	\$2,010,355	\$562,899	\$1,447,455
	287615 CNT PIPELINES	4S Pipeline North Phase II	1,729,000	\$484,120	\$2,516,947	\$704,745	\$1,812,202
	277608 CNT PIPELINES	Encinitas Country Day School	78,431	\$29,412	\$119,476	\$44,803	\$74,672
	277609 CNT PIPELINES	Encinitas Ranch Phase Iii	59,484	\$22,307	\$90,613	\$33,980	\$56,633
	277610 CNT PIPELINES	Gardenview Office Building	9,857	\$3,696	\$15,015	\$5,631	\$9,385
	277611 CNT PIPELINES	La Costa Oaks S Cmno Junipero	192,797	\$72,299	\$293,692	\$110,134	\$183,557
	277612 CNT PIPELINES	La Costa Oaks S Nbhd 3.12/3.13	423,728	\$158,898	\$645,473	\$242,053	\$403,421
	277613 CNT PIPELINES	La Costa Oaks S Nbhd 3.14	253,099	\$94,912	\$385,551	\$144,582	\$240,969
	277614 CNT PIPELINES	La Costa Oaks S Nbh	420,000	\$157,500	\$639,794	\$239,923	\$399,872
	277615 CNT PIPELINES	La Costa Oaks S Nbhd	291,000	\$109,125	\$443,286	\$166,232	\$277,054
	277616 CNT PIPELINES	La Costa Oaks South	240,000	\$90,000	\$365,597	\$137,099	\$228,498
	277617 CNT PIPELINES	North Park @ La Cost	56,551	\$21,207	\$86,145	\$32,304	\$53,841
	277622 CNT PIPELINES	Shelley Unit 1 (Centex)	78,800	\$29,550	\$120,038	\$45,014	\$75,024
	277623 CNT PIPELINES	Unit "M" P/L Relocation & Fcf	567,108	\$212,666	\$863,887	\$323,958	\$539,929
	277624 CNT PIPELINES	Unit "M" Relocation - Dove Trl	211,888	\$79,458	\$322,773	\$121,040	\$201,733
	277620 CNT PIPELINES	Rancho Pacifica	92,000	\$34,500	\$140,145	\$52,555	\$87,591
	277619 CNT PIPELINES	Rancho Cielo B Tm 42	473,500	\$177,563	\$721,292	\$270,485	\$450,808
	277602 CNT PIPELINES	Crosby @ Rsf Tm 5073-1	329,000	\$123,375	\$501,172	\$187,940	\$313,233
	277603 CNT PIPELINES	Crosby Golf Clubhouse Ext	76,827	\$28,810	\$117,032	\$43,887	\$73,145
	277604 CNT PIPELINES	Crosby Tm 5073-2	859,000	\$322,125	\$1,308,532	\$490,700	\$817,833
	277605 CNT PIPELINES	Crosby Tm 5073-4	390,600	\$146,475	\$595,009	\$223,128	\$371,881
	277606 CNT PIPELINES	Crosby Tm 5073-8	41,263	\$15,474	\$62,857	\$23,571	\$39,285
	277607 CNT PIPELINES	Crosby Unit 3 Tm 5073-3	284,500	\$106,688	\$433,385	\$162,519	\$270,865
	277618 CNT PIPELINES	Old Course Road Enca	427,000	\$160,125	\$650,458	\$243,922	\$406,536
	277621 CNT PIPELINES	Santa Luz Affordable Housing	371,000	\$139,125	\$565,152	\$211,932	\$353,220
	277626 CNT PIPELINES	Unit Rc-2 Pipeline - Sfv	299,490	\$89,847	\$456,219	\$136,866	\$319,353
	277600 CNT PIPELINES	4S Ranch Nbhd 1 Backbone	1,564,488	\$586,683	\$2,383,216	\$893,706	\$1,489,510
	277601 CNT PIPELINES	4S Ranch Community Park	136,050	\$51,019	\$207,248	\$77,718	\$129,530
	267606 CNT PIPELINES	Enc Ranch N Mesa	96,000	\$38,400	\$151,510	\$60,604	\$90,906
	267615 CNT PIPELINES	Temple Solel	93,475	\$37,390	\$147,525	\$59,010	\$88,515
	267617 CNT PIPELINES	Raw Water Pipeline	107,281	\$34,330	\$169,313	\$54,180	\$115,133
	267604 CNT PIPELINES	Santa Fe Creek #1	242,000	\$96,800	\$381,931	\$152,772	\$229,158
	267605 CNT PIPELINES	Santa Fe Creek #2	65,000	\$26,000	\$102,585	\$41,034	\$61,551
	267607 CNT PIPELINES	Bridges Units 1 & 2	57,000	\$22,800	\$89,959	\$35,984	\$53,975

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
267608	CNT PIPELINES	Bridges @ Rsf Unit 3	189,500	\$75,800	\$299,074	\$119,629	\$179,444
267609	CNT PIPELINES	Bridges @ Rsf Unit 4	464,000	\$185,600	\$732,297	\$292,919	\$439,378
267610	CNT PIPELINES	Bridges @ Rsf Unit 6	23,000	\$9,200	\$36,299	\$14,520	\$21,780
267616	CNT PIPELINES	Bridges Unit 5	117,000	\$46,800	\$184,652	\$73,861	\$110,791
267601	CNT PIPELINES	Units V3 & V4 P/L	1,063,252	\$340,241	\$1,678,051	\$536,976	\$1,141,075
267602	CNT PIPELINES	Unit S-1 Valve	66,709	\$21,347	\$105,283	\$33,690	\$71,592
267603	CNT PIPELINES	Unit P-2B P/L Relo	68,000	\$27,200	\$107,319	\$42,928	\$64,392
727601	CNT PIPELINES	Ext 153 Capacity	269,003	\$153,716	\$424,547	\$242,598	\$181,949
267611	CNT PIPELINES	4S Ranch Unit 8	189,000	\$75,600	\$298,285	\$119,314	\$178,971
267612	CNT PIPELINES	4S Ranch Unit 3	301,000	\$120,400	\$475,046	\$190,018	\$285,027
267613	CNT PIPELINES	4S Ranch Nbhd 2 #1	1,039,798	\$415,919	\$1,641,035	\$656,414	\$984,621
267614	CNT PIPELINES	4S Ranch Nbhd 2 #2	1,200,592	\$480,237	\$1,894,805	\$757,922	\$1,136,883
257602	CNT PIPELINES	Enc Ranch Mesa Lower	97,500	\$41,438	\$158,465	\$67,348	\$91,117
257603	CNT PIPELINES	Quail Hollow	255,000	\$108,375	\$414,446	\$176,140	\$238,307
257607	CNT PIPELINES	Shelley Unit 2	162,800	\$69,190	\$264,596	\$112,453	\$152,142
257608	CNT PIPELINES	Shelley Unit 3	281,000	\$119,425	\$456,704	\$194,099	\$262,605
257609	CNT PIPELINES	Shelley Unit 4	209,000	\$88,825	\$339,683	\$144,365	\$195,318
257601	CNT PIPELINES	4S Planning Area 27	197,000	\$83,725	\$320,180	\$136,077	\$184,104
257604	CNT PIPELINES	4S Planning Area 26	188,400	\$80,070	\$306,203	\$130,136	\$176,067
257605	CNT PIPELINES	4S Planning Area 19	400,000	\$170,000	\$650,112	\$276,298	\$373,814
257606	CNT PIPELINES	4S Planning Area 25	626,300	\$266,178	\$1,017,913	\$432,613	\$585,300
257610	CNT PIPELINES	4S Planning Area 16	409,500	\$174,038	\$665,552	\$282,860	\$382,692
257611	CNT PIPELINES	4S Planning Area 29	171,000	\$272,675	\$277,923	\$118,117	\$159,806
257612	CNT PIPELINES	Bernardo Point #4	79,454	\$33,768	\$129,135	\$54,882	\$74,253
257613	CNT PIPELINES	4S Planning Area 15	383,500	\$162,988	\$623,295	\$264,900	\$358,394
257614	CNT PIPELINES	4S Planning Area 28	63,000	\$26,775	\$102,393	\$43,517	\$58,876
257615	CNT PIPELINES	4S Planning Area 12	323,000	\$137,275	\$524,965	\$223,110	\$301,855
257616	CNT PIPELINES	Unit Z P/L -Artesian	2,833,396	\$1,204,193	\$4,605,060	\$1,957,151	\$2,647,910
247601	CNT PIPELINES	Arroyo La Costa #3	70,000	\$31,500	\$115,257	\$51,866	\$63,392
247603	CNT PIPELINES	Rancho La Costa Vlg	25,840	\$11,628	\$42,546	\$19,146	\$23,401
247604	CNT PIPELINES	Rncho La Costa-Rcycl	42,160	\$18,972	\$69,418	\$31,238	\$38,180
247605	CNT PIPELINES	Salviati	458,350	\$206,258	\$754,690	\$339,610	\$415,079
247606	CNT PIPELINES	W-2 Extension	155,209	\$69,844	\$255,557	\$115,001	\$140,556
247602	CNT PIPELINES	4S Rnch Vlg Comm Dev	181,850	\$81,833	\$299,422	\$134,740	\$164,682
237622	CNT PIPELINES	Concordia 28 Llc	124,000	\$58,900	\$222,072	\$105,484	\$116,588
237624	CNT PIPELINES	Arroyo La Costa (F)	75,000	\$35,625	\$134,318	\$63,801	\$70,517
237625	CNT PIPELINES	Arroyo La Costa (K)	173,000	\$82,175	\$309,826	\$147,167	\$162,659
237627	CNT PIPELINES	Arroyo La Costa (D)	189,000	\$89,775	\$338,480	\$160,778	\$177,702
237628	CNT PIPELINES	Arroyo La Costa (M)	126,000	\$59,850	\$225,653	\$107,185	\$118,468
237629	CNT PIPELINES	Arroyo La Costa (N)	201,000	\$95,475	\$359,971	\$170,986	\$188,985
237630	CNT PIPELINES	Arroyo La Costa (O)	127,000	\$60,325	\$227,444	\$108,036	\$119,408
237631	CNT PIPELINES	Arroyo La Costa (B)	294,000	\$139,650	\$526,525	\$250,099	\$276,425
237632	CNT PIPELINES	Ctrh, Llc	25,000	\$11,875	\$44,773	\$21,267	\$23,506
237633	CNT PIPELINES	Unit W-1 Pipeline	749,173	\$355,857	\$1,341,694	\$637,305	\$704,389
237634	CNT PIPELINES	Unit W-2 Pipeline	1,007,144	\$478,393	\$1,803,695	\$856,755	\$946,940
237623	CNT PIPELINES	4S Lots 37 & 38	20,125	\$9,559	\$36,042	\$17,120	\$18,922

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
	237626 CNT PIPELINES	4S Lots 14 - 17	20,000	\$9,500	\$35,818	\$17,014	\$18,804
	227620 CNT PIPELINES	Arroyo La Costa - E	204,200	\$102,100	\$372,076	\$186,038	\$186,038
	227621 CNT PIPELINES	Sandalwood - Ps	417,000	\$208,500	\$759,821	\$379,911	\$379,911
	227619 CNT PIPELINES	Groves li	78,000	\$39,000	\$142,125	\$71,062	\$71,062
	217602 CNT PIPELINES	Arroyo La Costa #3	463,000	\$243,075	\$864,164	\$453,686	\$410,478
	217604 CNT PIPELINES	Arroyo La Costa I	376,000	\$197,400	\$701,783	\$368,436	\$333,347
	217606 CNT PIPELINES	Leucadia Highlands	93,000	\$48,825	\$173,579	\$91,129	\$82,450
	217612 CNT PIPELINES	Sage Canyon	97,000	\$50,925	\$181,045	\$95,049	\$85,996
	217616 CNT PIPELINES	Arroyo La Costa #C	118,000	\$61,950	\$220,241	\$115,626	\$104,614
	217603 CNT PIPELINES	Lone Jack Rd Imprvmt	9,000	\$4,725	\$16,798	\$8,819	\$7,979
	217607 CNT PIPELINES	Kinghtsbridge	344,500	\$180,863	\$642,990	\$337,570	\$305,420
	217611 CNT PIPELINES	Crestview	92,000	\$48,300	\$171,713	\$90,149	\$81,564
	217613 CNT PIPELINES	Stratford Knolls	67,500	\$35,438	\$125,985	\$66,142	\$59,843
	217615 CNT PIPELINES	Rancho Verde Unit #2	345,887	\$181,591	\$645,579	\$338,929	\$306,650
	217617 CNT PIPELINES	Rancho Verde Unit #4	124,000	\$65,100	\$231,439	\$121,506	\$109,934
	217605 CNT PIPELINES	Bernardo Lks Unit V1	283,588	\$148,884	\$529,302	\$277,884	\$251,419
	217608 CNT PIPELINES	Christopherhill #1	267,000	\$140,175	\$498,341	\$261,629	\$236,712
	217609 CNT PIPELINES	Christopherhill #2	176,000	\$92,400	\$328,494	\$172,460	\$156,035
	217610 CNT PIPELINES	Christopherhill #3	165,000	\$86,625	\$307,963	\$161,681	\$146,283
	217614 CNT PIPELINES	Christopherhill Bkbn	532,500	\$279,563	\$993,882	\$521,788	\$472,094
	207601 CNT PIPELINES	Mains 99/00 Add'S	3,351,454	\$1,843,300	\$6,395,916	\$3,517,754	\$2,878,162
	760197 CNT PIPELINES	Ext 180 Carlsbad Hs	250,000	\$143,750	\$494,020	\$284,061	\$209,958
	760199 CNT PIPELINES	Arroyo La Costa #2	355,000	\$204,125	\$701,508	\$403,367	\$298,141
	760200 CNT PIPELINES	Calle Barcelona	509,000	\$292,675	\$1,005,824	\$578,349	\$427,475
	760198 CNT PIPELINES	Rancho Lakes Estates	487,455	\$280,287	\$963,249	\$553,868	\$409,381
	760195 CNT PIPELINES	Home Depot	500,000	\$312,500	\$1,012,122	\$632,576	\$379,546
	760192 CNT PIPELINES	Vista Santa Fe Areab	170,666	\$106,666	\$345,470	\$215,918	\$129,551
	760193 CNT PIPELINES	Ranch View Estates	56,500	\$35,313	\$114,370	\$71,481	\$42,889
	760196 CNT PIPELINES	Mains 97/98 Addition	458,135	\$286,334	\$927,377	\$579,611	\$347,766
	760194 CNT PIPELINES	Rancho Lakes	500,000	\$312,500	\$1,012,122	\$632,576	\$379,546
	760189 CNT PIPELINES	Sonata (Tierra S.F.)	183,333	\$119,167	\$377,059	\$245,088	\$131,971
	760190 CNT PIPELINES	Hdden Valley Subdivs	114,200	\$74,230	\$234,874	\$152,668	\$82,206
	760191 CNT PIPELINES	Intertie - Fairbanks	151,634	\$98,562	\$311,863	\$202,711	\$109,152
	760186 CNT PIPELINES	Tierra Santa Fe 9'95	73,333	\$49,500	\$151,568	\$102,308	\$49,259
	760188 CNT PIPELINES	Sonata 1&2 '95	73,333	\$49,500	\$151,568	\$102,308	\$49,259
	760184 CNT PIPELINES	Rancho Farms Ests'95	75,000	\$50,625	\$155,013	\$104,634	\$50,379
	760185 CNT PIPELINES	Vista Santa Fe B1'95	341,334	\$230,400	\$705,483	\$476,201	\$229,282
	760181 CNT PIPELINES	Rosemont Estates	78,500	\$54,950	\$162,080	\$113,456	\$48,624
	760179 CNT PIPELINES	Heritage Raw H2O P/L	1,051,712	\$736,198	\$2,171,481	\$1,520,037	\$651,444
	760182 CNT PIPELINES	Stratford Estates	33,000	\$23,100	\$68,135	\$47,695	\$20,441
	760183 CNT PIPELINES	Wildflower Estate #1	169,500	\$118,650	\$349,968	\$244,978	\$104,991
	760180 CNT PIPELINES	Heritage Hills C.C.	588,000	\$411,600	\$1,214,050	\$849,835	\$364,215
	760178 CNT PIPELINES	Leucadia Homes	51,500	\$37,338	\$107,237	\$77,747	\$29,490
	760177 CNT PIPELINES	Rancho Pacifica Apts	156,500	\$117,375	\$332,513	\$249,385	\$83,128
	760173 CNT PIPELINES	Forrest Bluff Estate	65,000	\$50,375	\$143,965	\$111,573	\$32,392
	760172 CNT PIPELINES	Brookside Sub	93,500	\$72,463	\$207,088	\$160,493	\$46,595

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
760174	CNT PIPELINES	Pearce Project	55,500	\$43,013	\$122,924	\$95,266	\$27,658
760176	CNT PIPELINES	Ranch Farms Ests #2	115,000	\$89,125	\$254,707	\$197,398	\$57,309
760175	CNT PIPELINES	Alva Rd Improvements	148,000	\$114,700	\$327,797	\$254,042	\$73,754
760164	CNT PIPELINES	Encinitas Tract 4574	347,500	\$278,000	\$781,928	\$625,542	\$156,386
760168	CNT PIPELINES	Scenna Canyon Subdiv	91,250	\$73,000	\$205,326	\$164,261	\$41,065
760163	CNT PIPELINES	New Horizon Group	17,131	\$13,705	\$38,548	\$30,838	\$7,710
760165	CNT PIPELINES	Rancho S.F.Highlands	213,500	\$170,800	\$480,407	\$384,326	\$96,081
760166	CNT PIPELINES	La Jolla Valencia	341,000	\$272,800	\$767,302	\$613,842	\$153,460
760167	CNT PIPELINES	Rancho S.F. Farms	940,922	\$752,738	\$2,117,218	\$1,693,774	\$423,444
760169	CNT PIPELINES	Unit R P/L 4-S Partn	639,388	\$511,510	\$1,438,720	\$1,150,976	\$287,744
760171	CNT PIPELINES	Water Facilities 4-S	457,750	\$366,200	\$1,030,007	\$824,006	\$206,001
760150	CNT PIPELINES	Mira Costa College S	143,341	\$118,256	\$333,947	\$275,506	\$58,441
760151	CNT PIPELINES	Scotts Valley #1	142,000	\$117,150	\$330,823	\$272,929	\$57,894
760152	CNT PIPELINES	Scotts Valley	204,200	\$168,465	\$475,733	\$392,479	\$83,253
760153	CNT PIPELINES	Monarch Villas	84,000	\$69,300	\$195,698	\$161,451	\$34,247
760156	CNT PIPELINES	Vista Santa Fe #3	138,000	\$113,850	\$321,504	\$265,241	\$56,263
760157	CNT PIPELINES	Vista Santa Fe #4	105,000	\$86,625	\$244,623	\$201,814	\$42,809
760158	CNT PIPELINES	Vista Santa Fe #5	81,500	\$67,238	\$189,874	\$156,646	\$33,228
760159	CNT PIPELINES	Vista Santa Fe #6	90,000	\$74,250	\$209,676	\$172,983	\$36,693
760160	CNT PIPELINES	Beland Project	40,500	\$33,413	\$94,354	\$77,842	\$16,512
760161	CNT PIPELINES	Country Rose #1	208,350	\$171,889	\$485,401	\$400,456	\$84,945
760162	CNT PIPELINES	Country Rose #2	138,900	\$114,593	\$323,601	\$266,971	\$56,630
760154	CNT PIPELINES	Fairbanks Cc #4	83,000	\$68,475	\$193,368	\$159,529	\$33,839
760155	CNT PIPELINES	Fairbankd Cc #6	85,000	\$70,125	\$198,028	\$163,373	\$34,655
760141	CNT PIPELINES	Santa Fe Knolls	544,600	\$462,910	\$1,272,938	\$1,081,997	\$190,941
760142	CNT PIPELINES	Olive Crest	150,000	\$127,500	\$350,607	\$298,016	\$52,591
760144	CNT PIPELINES	Rsf Road Improvement	18,000	\$15,300	\$42,073	\$35,762	\$6,311
760146	CNT PIPELINES	Olivenhain Venture	105,500	\$89,675	\$246,594	\$209,605	\$36,989
760148	CNT PIPELINES	La Costa Condos Ph 3	60,500	\$51,425	\$141,412	\$120,200	\$21,212
760149	CNT PIPELINES	Sea Point Village	180,500	\$153,425	\$421,897	\$358,613	\$63,285
760147	CNT PIPELINES	Windsor Country Ests	364,000	\$309,400	\$850,807	\$723,186	\$127,621
760143	CNT PIPELINES	Rancho Del Rayo- Sub	604,000	\$513,400	\$1,411,778	\$1,200,011	\$211,767
760145	CNT PIPELINES	Fairbanks Polo Club	110,500	\$93,925	\$258,281	\$219,538	\$38,742
760135	CNT PIPELINES	Encinitas Estates #4	105,500	\$92,313	\$259,959	\$227,464	\$32,495
760137	CNT PIPELINES	La Costa Condos 1&2	373,800	\$327,075	\$921,068	\$805,935	\$115,134
760139	CNT PIPELINES	De La Plaza, Encntas	145,000	\$126,875	\$357,290	\$312,629	\$44,661
760140	CNT PIPELINES	Del Rayo Heights Sub	74,500	\$65,188	\$183,573	\$160,626	\$22,947
760136	CNT PIPELINES	Whispering Palms V-I	201,500	\$176,313	\$496,510	\$434,446	\$62,064
760138	CNT PIPELINES	Fairbanks C.C. #3	233,000	\$203,875	\$574,128	\$502,362	\$71,766
760124	CNT PIPELINES	Northview # 6	60,600	\$54,540	\$149,923	\$134,931	\$14,992
760125	CNT PIPELINES	Northview #5	119,900	\$107,910	\$296,631	\$266,968	\$29,663
760126	CNT PIPELINES	Quail Gardens #4.	288,500	\$259,650	\$713,744	\$642,370	\$71,374
760127	CNT PIPELINES	La Costa Trans Main.	192,000	\$172,800	\$475,005	\$427,504	\$47,500
760128	CNT PIPELINES	Santa Fe Ridge #2.	189,000	\$170,100	\$467,583	\$420,825	\$46,758
760129	CNT PIPELINES	Lagoon View.	84,500	\$76,050	\$209,052	\$188,146	\$20,905
760130	CNT PIPELINES	Mission Ridge.	117,000	\$105,300	\$289,456	\$260,510	\$28,946

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
760131	CNT PIPELINES	Northview #7.	57,200	\$51,480	\$141,512	\$127,361	\$14,151
760132	CNT PIPELINES	Northview #8.	81,000	\$72,900	\$200,393	\$180,353	\$20,039
760133	CNT PIPELINES	Northview #9.	61,300	\$55,170	\$151,655	\$136,490	\$15,166
760134	CNT PIPELINES	Stonebridge	169,500	\$152,550	\$419,340	\$377,406	\$41,934
760109	CNT PIPELINES	Vista Santa Fe #2	75,000	\$69,375	\$185,736	\$171,806	\$13,930
760110	CNT PIPELINES	Seagate Village	288,500	\$266,863	\$714,466	\$660,881	\$53,585
760114	CNT PIPELINES	Encinitas Villg Apts	47,000	\$43,475	\$116,395	\$107,665	\$8,730
760115	CNT PIPELINES	Villg Park Villas #5	5,900	\$5,458	\$14,611	\$13,515	\$1,096
760116	CNT PIPELINES	La Costa Trans Main.	479,292	\$443,345	\$1,186,960	\$1,097,938	\$89,022
760117	CNT PIPELINES	Pac Ranch-Tennis Clb	328,200	\$303,585	\$812,783	\$751,824	\$60,959
760120	CNT PIPELINES	Olivenhain Bluffs	26,000	\$24,050	\$64,389	\$59,559	\$4,829
760121	CNT PIPELINES	Camino Creek #2	201,000	\$185,925	\$497,774	\$460,441	\$37,333
760122	CNT PIPELINES	Santa Fe Ridge #1	160,000	\$148,000	\$396,238	\$366,520	\$29,718
760123	CNT PIPELINES	Summerhill- Tm4421-1	290,452	\$268,668	\$719,300	\$665,353	\$53,948
760107	CNT PIPELINES	Vista Del Rio	148,500	\$137,363	\$367,758	\$340,176	\$27,582
760108	CNT PIPELINES	Vista Santa Fe #1	108,500	\$100,363	\$268,699	\$248,546	\$20,152
760113	CNT PIPELINES	Galeria	87,750	\$81,169	\$217,312	\$201,013	\$16,298
760118	CNT PIPELINES	Aliso Canyon Road	166,400	\$153,920	\$412,087	\$381,181	\$30,907
760106	CNT PIPELINES	Fairbanks Cntry Club	200,000	\$185,000	\$495,297	\$458,150	\$37,147
760111	CNT PIPELINES	Fairbanks Cntry Club	197,000	\$182,225	\$487,868	\$451,278	\$36,590
760112	CNT PIPELINES	Fairbanks Cntry Club	111,000	\$102,675	\$274,890	\$254,273	\$20,617
760119	CNT PIPELINES	Fairbanks Ranch #4	524,000	\$484,700	\$1,297,679	\$1,200,353	\$97,326
760095	CNT PIPELINES	Village Park Nrtvw 2	12,478	\$11,854	\$31,999	\$30,399	\$1,600
760096	CNT PIPELINES	Camino Creek #3	34,873	\$33,129	\$89,429	\$84,957	\$4,471
760097	CNT PIPELINES	Hollyridge	16,000	\$15,200	\$41,031	\$38,979	\$2,052
760098	CNT PIPELINES	Sakal Project	44,330	\$42,114	\$113,681	\$107,997	\$5,684
760100	CNT PIPELINES	Village Park Nthvw 3	48,500	\$46,075	\$124,374	\$118,155	\$6,219
760101	CNT PIPELINES	Village Park Nthvw 4	60,620	\$57,589	\$155,455	\$147,682	\$7,773
760102	CNT PIPELINES	Heritage Park	154,275	\$146,561	\$395,625	\$375,844	\$19,781
760103	CNT PIPELINES	Jantsch Project	26,000	\$24,700	\$66,675	\$63,341	\$3,334
760104	CNT PIPELINES	Morning Sun West li	254,000	\$241,300	\$651,362	\$618,794	\$32,568
760105	CNT PIPELINES	Encinitas Racquet C.	108,000	\$102,600	\$276,957	\$263,109	\$13,848
760099	CNT PIPELINES	Vista Del Rio 1&2	175,500	\$166,725	\$450,055	\$427,552	\$22,503
760094	CNT PIPELINES	Santa Fe Highlands	289,500	\$282,263	\$771,139	\$751,861	\$19,278
760090	CNT PIPELINES	Whspring Plms Grn #3	76,200	\$74,295	\$202,973	\$197,899	\$5,074
760091	CNT PIPELINES	Vida Pacifica Ph I	288,500	\$281,288	\$768,476	\$749,264	\$19,212
760092	CNT PIPELINES	Rancho La Zanja #1	166,380	\$162,221	\$443,185	\$432,106	\$11,080
760093	CNT PIPELINES	Rancho Del Lago	308,000	\$300,300	\$820,418	\$799,907	\$20,510
760075	CNT PIPELINES	Serena Vista	47,634	\$26,675	\$156,621	\$87,708	\$68,913
760076	CNT PIPELINES	South Pointe Farms	190,200	\$106,512	\$625,380	\$350,213	\$275,167
760077	CNT PIPELINES	Whspring Plms Vil #2	101,200	\$56,672	\$332,747	\$186,338	\$146,409
760065	CNT PIPELINES	Mccoy Med.	15,900	\$9,116	\$58,939	\$33,792	\$25,148
760067	CNT PIPELINES	Canon Pk I-II-III	54,300	\$31,132	\$201,284	\$115,403	\$85,881
760068	CNT PIPELINES	Canon Pk I-II-III	71,000	\$40,707	\$263,189	\$150,895	\$112,294
760069	CNT PIPELINES	Canon Pk I-II-III	28,799	\$16,511	\$106,755	\$61,206	\$45,549
760070	CNT PIPELINES	Shady Hollow	82,110	\$47,076	\$304,372	\$174,507	\$129,866

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
760071	CNT PIPELINES	Ponderosa #5	53,662	\$30,766	\$198,919	\$114,047	\$84,872
760072	CNT PIPELINES	Vllge Pk,N County #2	71,263	\$40,857	\$264,164	\$151,454	\$112,710
760073	CNT PIPELINES	Wandering Rd Schl St	25,725	\$14,749	\$95,360	\$54,673	\$40,687
760059	CNT PIPELINES	La Costa #3	187,003	\$109,708	\$737,280	\$432,537	\$304,742
760060	CNT PIPELINES	La Costa #4	70,700	\$41,477	\$278,742	\$163,529	\$115,214
760061	CNT PIPELINES	Rancho Pond #4	78,200	\$45,877	\$308,312	\$180,876	\$127,436
760049	CNT PIPELINES	Green Valley Knolls	233,003	\$139,802	\$1,220,068	\$732,041	\$488,027
760050	CNT PIPELINES	Summerfield #9	43,430	\$26,058	\$227,412	\$136,447	\$90,965
760051	CNT PIPELINES	Summerfield #8	77,452	\$46,471	\$405,560	\$243,336	\$162,224
760053	CNT PIPELINES	Village Pk #15	29,283	\$17,570	\$153,334	\$92,000	\$61,334
760054	CNT PIPELINES	Encinitas Est #3	46,724	\$28,034	\$244,660	\$146,796	\$97,864
760055	CNT PIPELINES	Rancho Del Pond #1	70,000	\$42,000	\$366,539	\$219,924	\$146,616
760056	CNT PIPELINES	Rancho Del Pond #2	65,850	\$39,510	\$344,809	\$206,885	\$137,924
760057	CNT PIPELINES	Rancho Del Dios	304,420	\$182,652	\$1,594,027	\$956,416	\$637,611
760058	CNT PIPELINES	Adj Per Aje/6-30-77	38,751	\$23,251	\$202,911	\$121,747	\$81,164
760045	CNT PIPELINES	Summerfield #6	15,405	\$9,448	\$86,544	\$53,080	\$33,464
760046	CNT PIPELINES	Summerfield #7	29,239	\$17,933	\$164,263	\$100,748	\$63,515
760047	CNT PIPELINES	Santa Fe Glens	62,681	\$38,445	\$352,139	\$215,979	\$136,161
760048	CNT PIPELINES	S D Shore-Wanket Tnk	211,928	\$129,983	\$1,190,597	\$730,233	\$460,364
760010	CNT PIPELINES	Vllge Pk #10	52,900	\$33,151	\$322,581	\$202,151	\$120,430
760011	CNT PIPELINES	Vllge Pk #11	21,100	\$13,223	\$128,667	\$80,631	\$48,036
760012	CNT PIPELINES	Vllge Pk #12	54,493	\$34,149	\$332,295	\$208,238	\$124,057
760033	CNT PIPELINES	San Elijo Hills	142,592	\$89,358	\$869,518	\$544,898	\$324,620
760014	CNT PIPELINES	Vllg Pk Villas #1	63,753	\$40,802	\$425,714	\$272,457	\$153,257
760016	CNT PIPELINES	Vllg Pk Villas #3	41,700	\$26,688	\$278,454	\$178,210	\$100,243
760017	CNT PIPELINES	Vllg Pk Villas #17	20,300	\$12,992	\$135,554	\$86,755	\$48,800
760006	CNT PIPELINES	Vllge Pk #6	25,471	\$16,641	\$181,303	\$118,451	\$62,852
760035	CNT PIPELINES	Villanitas #1	25,519	\$16,672	\$181,643	\$118,673	\$62,970
760038	CNT PIPELINES	Emerald Classics #2	25,200	\$16,464	\$179,374	\$117,191	\$62,183
760037	CNT PIPELINES	Emerald Classics #1	15,410	\$10,273	\$118,574	\$79,049	\$39,525
760044	CNT PIPELINES	Whspring Plms Grn #2	29,899	\$19,933	\$230,059	\$153,373	\$76,686
760002	CNT PIPELINES	Village Park #2	11,641	\$7,916	\$99,318	\$67,536	\$31,782
760022	CNT PIPELINES	Pacific Sereno #4	25,830	\$17,564	\$220,374	\$149,855	\$70,520
760027	CNT PIPELINES	La Costa South #6	11,557	\$7,859	\$98,599	\$67,047	\$31,552
760030	CNT PIPELINES	La Costa Vale #2	38,336	\$26,068	\$327,068	\$222,406	\$104,662
760039	CNT PIPELINES	Emerald Classics #3	14,155	\$9,625	\$120,767	\$82,121	\$38,645
760040	CNT PIPELINES	Emerald Classics #4	15,728	\$10,695	\$134,187	\$91,247	\$42,940
760041	CNT PIPELINES	Whsprng Plms Grn #1	52,420	\$35,646	\$447,233	\$304,118	\$143,114
760042	CNT PIPELINES	Palms Golf	24,080	\$16,374	\$205,444	\$139,702	\$65,742
760019	CNT PIPELINES	Pacific Sereno #1	42,375	\$29,380	\$413,890	\$286,963	\$126,926
760020	CNT PIPELINES	Pacific Sereno #2	21,435	\$14,862	\$209,362	\$145,158	\$64,204
760021	CNT PIPELINES	Pacific Sereno #3	26,300	\$18,235	\$256,880	\$178,104	\$78,777
760024	CNT PIPELINES	La Costa South #1	80,086	\$55,526	\$782,224	\$542,342	\$239,882
760018	CNT PIPELINES	Lake Val Sereno #2	27,948	\$19,377	\$272,977	\$189,264	\$83,713
202138	CNT PIPELN EXT	MAIN EXT 256 - SANTA FE HEIGHTS	141,048	\$7,052	\$157,813	\$7,891	\$149,923
297518	CNT PIPELN EXT	EXT 235 - PALMA DE LA REINA	379,561	\$37,956	\$428,782	\$42,878	\$385,904

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
	297517 CNT PIPELN EXT	EXT 68A - ELFIN VISTA LANE	48,149	\$6,019	\$55,813	\$6,977	\$48,836
	297515 CNT PIPELN EXT	Ext 248-Citymark Olivenhain Primrose Ln	58,000	\$8,120	\$71,245	\$9,974	\$61,271
	297516 CNT PIPELN EXT	Ext 253 - Cole Ranch Rd	21,000	\$2,940	\$25,796	\$3,611	\$22,184
	297512 CNT PIPELN EXT	Extension 166 - Minks	233,000	\$37,280	\$292,646	\$46,823	\$245,823
	297513 CNT PIPELN EXT	Extension 9B - Levie	41,000	\$6,560	\$51,496	\$8,239	\$43,256
	297514 CNT PIPELN EXT	Extension 247 - Vista Hills	52,000	\$8,320	\$65,312	\$10,450	\$54,862
	297510 CNT PIPELN EXT	Ext 174A - Calzada Del Bosque	100,440	\$25,110	\$131,540	\$32,885	\$98,655
	297511 CNT PIPELN EXT	Ext 245 - Crosby Looped	67,707	\$16,927	\$88,671	\$22,168	\$66,504
	297508 CNT PIPELN EXT	Ext 238A - Pacifica Ranch	36,945	\$10,160	\$49,579	\$13,634	\$35,945
	297509 CNT PIPELN EXT	Ext 191A - Via De La Nola	24,330	\$6,691	\$32,650	\$8,979	\$23,672
	297504 CNT PIPELN EXT	Main Ext 242 - Rimmer	66,274	\$19,882	\$89,734	\$26,920	\$62,814
	297505 CNT PIPELN EXT	Ext 233 - Bella Vista Drive	84,620	\$25,386	\$114,574	\$34,372	\$80,202
	297506 CNT PIPELN EXT	Ext 151A - Church Of Nativity	7,476	\$2,243	\$10,122	\$3,037	\$7,086
	297507 CNT PIPELN EXT	Main Ext 231 - Artesian Rd	81,293	\$24,388	\$110,069	\$33,021	\$77,049
	297501 CNT PIPELN EXT	Ext 234 - Bella Collina	21,152	\$6,874	\$29,181	\$9,484	\$19,697
	297503 CNT PIPELN EXT	Ext 169 - Los Coches Village	161,778	\$52,578	\$223,190	\$72,537	\$150,653
	297502 CNT PIPELN EXT	Ext 230 - Rancho Valencia	104,351	\$33,914	\$143,963	\$46,788	\$97,175
	287501 CNT PIPELN EXT	El Apajo Estates (River Run)	12,476	\$3,493	\$18,162	\$5,085	\$13,076
	287502 CNT PIPELN EXT	Christopher Hill Duplexes	125,000	\$35,000	\$181,965	\$50,950	\$131,015
	287503 CNT PIPELN EXT	Christopher Hill Triplexes	169,500	\$47,460	\$246,745	\$69,089	\$177,657
	277500 CNT PIPELN EXT	Main Ext 186-Narcissus Summit	55,565	\$20,837	\$84,643	\$31,741	\$52,902
	277501 CNT PIPELN EXT	Main Ext 145B Fh & Water Svcs	27,013	\$10,130	\$41,149	\$15,431	\$25,718
	277503 CNT PIPELN EXT	Main Ext 239 Passo Fiore	58,762	\$22,036	\$89,513	\$33,568	\$55,946
	277502 CNT PIPELN EXT	Main Ext 196C Poco Log/Roxbury	67,500	\$25,313	\$102,824	\$38,559	\$64,265
	267505 CNT PIPELN EXT	Main Ext 229-Lux Art	62,199	\$24,880	\$98,164	\$39,266	\$58,898
	267501 CNT PIPELN EXT	Main Extension 186A	50,000	\$20,000	\$78,911	\$31,565	\$47,347
	267502 CNT PIPELN EXT	Main Extension 186B	45,800	\$18,320	\$72,283	\$28,913	\$43,370
	267503 CNT PIPELN EXT	Main Extension 186C	48,300	\$19,320	\$76,228	\$30,491	\$45,737
	267504 CNT PIPELN EXT	Main Extension 186D	28,500	\$11,400	\$44,979	\$17,992	\$26,988
	267506 CNT PIPELN EXT	Main Extension 214	44,000	\$17,600	\$69,442	\$27,777	\$41,665
	267507 CNT PIPELN EXT	Bridges Main Ext 145	285,241	\$114,096	\$450,175	\$180,070	\$270,105
	257501 CNT PIPELN EXT	Main Ext 201-Dixon	152,000	\$64,600	\$247,042	\$104,993	\$142,049
	247505 CNT PIPELN EXT	Extension 222	31,000	\$13,950	\$51,043	\$22,969	\$28,073
	247501 CNT PIPELN EXT	Main Ext 149C	73,000	\$32,850	\$120,197	\$54,089	\$66,108
	247502 CNT PIPELN EXT	Main Ext 220	25,800	\$11,610	\$42,481	\$19,116	\$23,364
	247503 CNT PIPELN EXT	Main Ext 224	48,000	\$21,600	\$79,034	\$35,565	\$43,469
	247504 CNT PIPELN EXT	Extension 227	39,000	\$17,550	\$64,215	\$28,897	\$35,318
	247506 CNT PIPELN EXT	Ext 219 - Rio Vista	51,100	\$22,995	\$84,138	\$37,862	\$46,276
	237506 CNT PIPELN EXT	Extension 212	21,000	\$9,975	\$37,609	\$17,864	\$19,745
	227505 CNT PIPELN EXT	Main Ext 207	64,000	\$32,000	\$116,615	\$58,308	\$58,308
	217504 CNT PIPELN EXT	Main Ext 205	57,000	\$29,925	\$106,387	\$55,853	\$50,534
	217502 CNT PIPELN EXT	Main Ext 195	26,000	\$13,650	\$48,528	\$25,477	\$23,051
	217503 CNT PIPELN EXT	Main Ext 211	81,200	\$42,630	\$151,555	\$79,567	\$71,989
	207501 CNT PIPELN EXT	Pipeline 99/00 Adds	454,300	\$249,865	\$866,986	\$476,842	\$390,144
	750164 CNT PIPELN EXT	Extension 149D	20,000	\$11,500	\$39,522	\$22,725	\$16,797
	750165 CNT PIPELN EXT	Extension 149B	71,000	\$40,825	\$140,302	\$80,673	\$59,628

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
	750162 CNT PIPELN EXT	Pipeline 97/98 Adds	233,585	\$145,991	\$472,833	\$295,521	\$177,312
	750163 CNT PIPELN EXT	Unit S Pipeline	469,415	\$293,384	\$950,210	\$593,882	\$356,329
	750161 CNT PIPELN EXT	Rancho Cielo 27"	250,000	\$156,250	\$506,061	\$316,288	\$189,773
	750160 CNT PIPELN EXT	P/L Ext #134A	96,500	\$62,725	\$198,470	\$129,006	\$69,465
	750159 CNT PIPELN EXT	P/L Ext #193	28,000	\$18,200	\$57,587	\$37,432	\$20,156
	750158 CNT PIPELN EXT	Ext #191	42,000	\$27,300	\$86,381	\$56,148	\$30,233
	750156 CNT PIPELN EXT	P/L Ext# 192 '95	81,000	\$54,675	\$167,414	\$113,004	\$54,410
	750155 CNT PIPELN EXT	P/L Ext# 142 '95	590,000	\$398,250	\$1,219,435	\$823,119	\$396,316
	750157 CNT PIPELN EXT	P/L Ext# 149A '95	49,000	\$33,075	\$101,275	\$68,361	\$32,914
	750154 CNT PIPELN EXT	P/L Ext# 194 '95	40,000	\$27,000	\$82,674	\$55,805	\$26,869
	750151 CNT PIPELN EXT	P/L Ext 177	29,000	\$20,300	\$59,877	\$41,914	\$17,963
	750153 CNT PIPELN EXT	P/L Ext 146	25,000	\$17,500	\$51,618	\$36,132	\$15,485
	750152 CNT PIPELN EXT	P/L Ext 149	35,500	\$24,850	\$73,297	\$51,308	\$21,989
	750145 CNT PIPELN EXT	P/L Ext # 184	15,500	\$11,238	\$32,275	\$23,400	\$8,876
	750150 CNT PIPELN EXT	P/L Ext # 187	22,500	\$16,313	\$46,851	\$33,967	\$12,884
	750146 CNT PIPELN EXT	P/L Ext # 172	59,000	\$42,775	\$122,854	\$89,069	\$33,785
	750147 CNT PIPELN EXT	P/L Ext # 99A	36,000	\$26,100	\$74,962	\$54,347	\$20,615
	750148 CNT PIPELN EXT	P/L Ext # 174	68,000	\$49,300	\$141,595	\$102,656	\$38,939
	750149 CNT PIPELN EXT	P/L Ext # 178	41,000	\$29,725	\$85,373	\$61,896	\$23,478
	750142 CNT PIPELN EXT	P/L Ext.#181	36,000	\$27,000	\$76,489	\$57,366	\$19,122
	750140 CNT PIPELN EXT	P/L Ext.#157	37,500	\$28,125	\$79,676	\$59,757	\$19,919
	750141 CNT PIPELN EXT	P/L Ext.#162	42,000	\$31,500	\$89,237	\$66,927	\$22,309
	750143 CNT PIPELN EXT	P/L Ext.#157	21,000	\$15,750	\$44,618	\$33,464	\$11,155
	750144 CNT PIPELN EXT	P/L Ext.#188	16,500	\$12,375	\$35,057	\$26,293	\$8,764
	750135 CNT PIPELN EXT	P/L Ext #176	114,000	\$88,350	\$252,492	\$195,681	\$56,811
	750137 CNT PIPELN EXT	P/L Ext #170	15,000	\$11,625	\$33,223	\$25,748	\$7,475
	750132 CNT PIPELN EXT	P/L Ext #161	87,750	\$68,006	\$194,352	\$150,623	\$43,729
	750134 CNT PIPELN EXT	P/L Ext #160	16,500	\$12,788	\$36,545	\$28,322	\$8,223
	750138 CNT PIPELN EXT	P/L Ext #168	30,500	\$23,638	\$67,553	\$52,353	\$15,199
	750136 CNT PIPELN EXT	P/L Ext #173	72,500	\$56,188	\$160,576	\$124,446	\$36,130
	750139 CNT PIPELN EXT	P/L Ext #154	110,000	\$85,250	\$243,633	\$188,815	\$54,817
	750130 CNT PIPELN EXT	P/L Ext. 101	152,000	\$121,600	\$342,023	\$273,619	\$68,405
	750131 CNT PIPELN EXT	P/L Ext. 158	35,500	\$28,400	\$79,880	\$63,904	\$15,976
	750125 CNT PIPELN EXT	P/L Ext. 88A	19,000	\$15,200	\$42,753	\$34,202	\$8,551
	750126 CNT PIPELN EXT	P/L Ext. 151	87,000	\$69,600	\$195,763	\$156,611	\$39,153
	750127 CNT PIPELN EXT	P/L Ext. 140	949,500	\$759,600	\$2,136,520	\$1,709,216	\$427,304
	750128 CNT PIPELN EXT	P/L Ext. 104	75,000	\$60,000	\$168,761	\$135,009	\$33,752
	750129 CNT PIPELN EXT	P/L Ext 155	42,500	\$34,000	\$95,631	\$76,505	\$19,126
	750121 CNT PIPELN EXT	P/L Ext. 147	19,000	\$15,675	\$44,265	\$36,519	\$7,746
	750122 CNT PIPELN EXT	P/L Ext 120	195,000	\$160,875	\$454,299	\$374,797	\$79,502
	750123 CNT PIPELN EXT	P/L Ext 109A	50,500	\$41,663	\$117,652	\$97,063	\$20,589
	750124 CNT PIPELN EXT	P/L Ext. 82	13,000	\$10,725	\$30,287	\$24,986	\$5,300
	750117 CNT PIPELN EXT	P/L Extension #133	145,700	\$123,845	\$340,556	\$289,473	\$51,083
	750118 CNT PIPELN EXT	P/L Extension #135	36,500	\$31,025	\$85,314	\$72,517	\$12,797
	750120 CNT PIPELN EXT	P/L Extension #115A	442,000	\$375,700	\$1,033,122	\$878,154	\$154,968
	750119 CNT PIPELN EXT	P/L Extension #129	20,000	\$17,000	\$46,748	\$39,735	\$7,012

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
	750112 CNT PIPELN EXT	P/L Extension # 138	61,500	\$53,813	\$151,540	\$132,598	\$18,943
	750114 CNT PIPELN EXT	P/L Extension # 134	81,500	\$71,313	\$200,821	\$175,719	\$25,103
	750115 CNT PIPELN EXT	P/L Extension # 119	17,500	\$15,313	\$43,121	\$37,731	\$5,390
	750111 CNT PIPELN EXT	P/L Extension # 132	26,000	\$22,750	\$64,066	\$56,058	\$8,008
	750113 CNT PIPELN EXT	P/L Extension #136	23,500	\$20,563	\$57,906	\$50,667	\$7,238
	750116 CNT PIPELN EXT	P/L Extension # 139	15,000	\$13,125	\$36,961	\$32,341	\$4,620
	750106 CNT PIPELN EXT	P/L Extension # 92	25,728	\$23,155	\$63,651	\$57,286	\$6,365
	750107 CNT PIPELN EXT	P/L Extension # 113	22,500	\$20,250	\$55,665	\$50,098	\$5,566
	750109 CNT PIPELN EXT	P/L Extension # 72	64,500	\$58,050	\$159,572	\$143,615	\$15,957
	750110 CNT PIPELN EXT	P/L Extension # 112	44,640	\$40,176	\$110,439	\$99,395	\$11,044
	750104 CNT PIPELN EXT	P/L Extension # 127	185,000	\$166,500	\$457,687	\$411,918	\$45,769
	750103 CNT PIPELN EXT	Extension 116	50,000	\$46,250	\$123,824	\$114,537	\$9,287
	750105 CNT PIPELN EXT	P/L Extension # 111	105,000	\$97,125	\$260,031	\$240,529	\$19,502
	750099 CNT PIPELN EXT	Extension 123	157,000	\$145,225	\$388,808	\$359,648	\$29,161
	750100 CNT PIPELN EXT	Extension 124	12,800	\$11,840	\$31,699	\$29,322	\$2,377
	750101 CNT PIPELN EXT	Extension 125	164,000	\$151,700	\$406,144	\$375,683	\$30,461
	750102 CNT PIPELN EXT	Extension 128	107,500	\$99,438	\$266,222	\$246,256	\$19,967
	750097 CNT PIPELN EXT	Extension 96	23,500	\$22,325	\$60,264	\$57,251	\$3,013
	750098 CNT PIPELN EXT	Extension 122	41,500	\$39,425	\$106,423	\$101,102	\$5,321
	750096 CNT PIPELN EXT	Extension 128	107,500	\$102,125	\$275,675	\$261,891	\$13,784
	750092 CNT PIPELN EXT	Ext 108	151,400	\$147,615	\$403,283	\$393,201	\$10,082
	750094 CNT PIPELN EXT	Ext 118	45,000	\$43,875	\$119,866	\$116,870	\$2,997
	750095 CNT PIPELN EXT	Ext 118 Off-Site	56,500	\$55,088	\$150,499	\$146,736	\$3,762
	750091 CNT PIPELN EXT	Ext 105	20,000	\$19,500	\$53,274	\$51,942	\$1,332
	750093 CNT PIPELN EXT	Ext 115	45,000	\$43,875	\$119,866	\$116,870	\$2,997
	750069 CNT PIPELN EXT	Extension #52	24,650	\$13,804	\$81,050	\$45,388	\$35,662
	750070 CNT PIPELN EXT	Extension #74	11,400	\$6,384	\$37,483	\$20,991	\$16,493
	750071 CNT PIPELN EXT	Extension #73	18,600	\$10,416	\$61,157	\$34,248	\$26,909
	750072 CNT PIPELN EXT	Extension #75	10,400	\$5,824	\$34,195	\$19,149	\$15,046
	750073 CNT PIPELN EXT	Extension #79	13,500	\$7,560	\$44,388	\$24,857	\$19,531
	750074 CNT PIPELN EXT	Extension #86	34,000	\$19,040	\$111,792	\$62,604	\$49,189
	750076 CNT PIPELN EXT	Ext 29 Supplement	3,145	\$1,761	\$10,341	\$5,791	\$4,550
	750075 CNT PIPELN EXT	Extension #84	53,000	\$29,680	\$174,265	\$97,588	\$76,676
	750059 CNT PIPELN EXT	Extension #50	41,151	\$23,593	\$152,542	\$87,457	\$65,085
	750064 CNT PIPELN EXT	Extension #75	10,400	\$5,963	\$38,552	\$22,103	\$16,449
	750065 CNT PIPELN EXT	Extension #76	16,000	\$9,173	\$59,310	\$34,004	\$25,306
	750060 CNT PIPELN EXT	Extension #56	14,912	\$8,550	\$55,277	\$31,692	\$23,585
	750062 CNT PIPELN EXT	Extension #68	34,400	\$19,723	\$127,517	\$73,110	\$54,407
	750063 CNT PIPELN EXT	Extension #69	11,430	\$6,553	\$42,370	\$24,292	\$18,078
	750066 CNT PIPELN EXT	Extension #77	24,207	\$13,879	\$89,733	\$51,447	\$38,286
	750067 CNT PIPELN EXT	Extension #78	13,400	\$7,683	\$49,672	\$28,479	\$21,193
	750061 CNT PIPELN EXT	Extension #60	32,600	\$18,691	\$120,844	\$69,284	\$51,560
	750053 CNT PIPELN EXT	Extension #71	20,800	\$12,203	\$82,006	\$48,110	\$33,896
	750055 CNT PIPELN EXT	Extension #63	7,800	\$4,576	\$30,752	\$18,041	\$12,711
	750057 CNT PIPELN EXT	Extension #57	16,000	\$9,387	\$63,082	\$37,008	\$26,074
	750054 CNT PIPELN EXT	Extension #65	11,200	\$6,571	\$44,157	\$25,906	\$18,252

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
	750056 CNT PIPELN EXT	Snypes & Salerno	20,950	\$12,291	\$82,598	\$48,457	\$34,140
	750058 CNT PIPELN EXT	Extension #67	7,300	\$4,283	\$28,781	\$16,885	\$11,896
	750042 CNT PIPELN EXT	Extension #41	37,271	\$22,860	\$209,387	\$128,424	\$80,963
	750045 CNT PIPELN EXT	Extension #44	12,015	\$7,369	\$67,501	\$41,400	\$26,100
	750046 CNT PIPELN EXT	Extension #45	16,380	\$10,046	\$92,022	\$56,440	\$35,582
	750038 CNT PIPELN EXT	Extension #37	5,200	\$3,189	\$29,213	\$17,917	\$11,296
	750039 CNT PIPELN EXT	Extension #38	16,022	\$9,827	\$90,008	\$55,205	\$34,803
	750040 CNT PIPELN EXT	Extension #39	22,643	\$13,888	\$127,206	\$78,020	\$49,186
	750041 CNT PIPELN EXT	Extension #40	22,701	\$13,923	\$127,533	\$78,220	\$49,313
	750044 CNT PIPELN EXT	Extension #43	5,248	\$3,219	\$29,480	\$18,081	\$11,399
	750047 CNT PIPELN EXT	Extension #47	10,148	\$6,224	\$57,011	\$34,966	\$22,044
	750048 CNT PIPELN EXT	Extension #48	9,558	\$5,862	\$53,695	\$32,933	\$20,762
	750051 CNT PIPELN EXT	Extension #53	10,401	\$6,379	\$58,434	\$35,839	\$22,594
	750043 CNT PIPELN EXT	Extension #42	4,000	\$2,453	\$22,472	\$13,783	\$8,689
	750049 CNT PIPELN EXT	Extension #49	7,467	\$4,580	\$41,949	\$25,729	\$16,220
	750036 CNT PIPELN EXT	Extension #35	12,642	\$7,922	\$77,091	\$48,310	\$28,781
	750037 CNT PIPELN EXT	Extension #36	5,316	\$3,403	\$35,501	\$22,720	\$12,780
	750031 CNT PIPELN EXT	Extension #30	9,757	\$6,374	\$69,448	\$45,373	\$24,075
	750033 CNT PIPELN EXT	Extension #32	1,069	\$698	\$7,609	\$4,971	\$2,638
	750032 CNT PIPELN EXT	Extension #31	3,761	\$2,508	\$28,943	\$19,295	\$9,648
	750034 CNT PIPELN EXT	Extension #33	6,043	\$4,029	\$46,497	\$30,998	\$15,499
	750030 CNT PIPELN EXT	Extension #29	12,307	\$8,205	\$94,700	\$63,133	\$31,567
	750035 CNT PIPELN EXT	Extension #34	10,274	\$6,849	\$79,053	\$52,702	\$26,351
	750028 CNT PIPELN EXT	Extension #27	2,326	\$1,581	\$19,842	\$13,493	\$6,350
	750029 CNT PIPELN EXT	Extension #28	2,217	\$1,508	\$18,917	\$12,863	\$6,053
	750020 CNT PIPELN EXT	Extension #19	10,759	\$7,603	\$114,356	\$80,812	\$33,544
	750027 CNT PIPELN EXT	Extension #26	3,075	\$2,173	\$32,685	\$23,098	\$9,588
	750022 CNT PIPELN EXT	Extension #21	1,350	\$954	\$14,350	\$10,140	\$4,209
	750026 CNT PIPELN EXT	Extension #25	4,437	\$3,135	\$47,162	\$33,328	\$13,834
	750025 CNT PIPELN EXT	Extension #24	31,000	\$21,907	\$329,510	\$232,854	\$96,656
	750021 CNT PIPELN EXT	Extension #20	1,000	\$720	\$11,678	\$8,409	\$3,270
	750023 CNT PIPELN EXT	Extension #22	11,155	\$8,032	\$130,273	\$93,797	\$36,477
	750024 CNT PIPELN EXT	Extension #23	22,033	\$15,864	\$257,312	\$185,265	\$72,047
	750018 CNT PIPELN EXT	Extension #18	3,681	\$2,700	\$46,234	\$33,905	\$12,329
	750017 CNT PIPELN EXT	Extension #17	15,100	\$11,073	\$189,645	\$139,073	\$50,572
	750015 CNT PIPELN EXT	Extension #15	1,200	\$896	\$15,885	\$11,860	\$4,024
	750011 CNT PIPELN EXT	Extension #11	1,250	\$966	\$18,008	\$13,926	\$4,082
	750013 CNT PIPELN EXT	Extension #13	2,000	\$1,547	\$28,822	\$22,289	\$6,533
	294704 CNT PIPELNS-REC	RANCHO LAKES UNIT 3	167,141	\$25,071	\$202,229	\$30,334	\$171,895
	294403 CNT PIPELNS-REC	SDUHS DISTRICT WS & FDC INSTALL	16,612	\$1,993	\$20,099	\$2,412	\$17,687
	294402 CNT PIPELNS-REC	RSF FARMS RECYCLED RETROFIT PROJECT	18,710	\$2,245	\$22,638	\$2,717	\$19,921
	727631 CNT PIPELNS-REC	Rancho Santa Fe Lakes Unit 2, TM 5069	35,000	\$5,600	\$43,960	\$7,034	\$36,926
	727629 CNT PIPELNS-REC	Rsf Lakes - Old Course Rd	803,650	\$144,657	\$1,051,964	\$189,354	\$862,611
	727630 CNT PIPELNS-REC	Mission Ranch	100,550	\$18,099	\$131,618	\$23,691	\$107,927
	294406 CNT PIPELNS-REC	4S Nbhd #3, Units 3 & 4	336,513	\$84,128	\$440,709	\$110,177	\$330,532
	294405 CNT PIPELNS-REC	Fbrcc - Upsize Recycled Wtrline	377,892	\$113,368	\$511,660	\$153,498	\$358,162

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
727627	CNT PIPELNS-REC	4S Ranch Nbhd 3 Unit 2	62,081	\$14,899	\$84,057	\$20,174	\$63,883
727628	CNT PIPELNS-REC	Del Norte High School	7,854	\$1,885	\$10,634	\$2,552	\$8,082
294401	CNT PIPELNS-REC	Nw Quadrant (Initial Const)	5,168,500	\$1,679,762	\$7,130,483	\$2,317,407	\$4,813,076
294404	CNT PIPELNS-REC	La Costa Glen Phase 1	352,644	\$114,609	\$486,509	\$158,115	\$328,394
727624	CNT PIPELNS-REC	Dove Canyon Apartments	6,545	\$2,127	\$9,030	\$2,935	\$6,095
727625	CNT PIPELNS-REC	4S Ranch Nbhd 3 Unit 1	451,824	\$146,843	\$623,338	\$202,585	\$420,753
727626	CNT PIPELNS-REC	4S Ranch Recycled Prs #2	86,479	\$22,485	\$119,307	\$31,020	\$88,287
284401	CNT PIPELNS-REC	Crosby Estates 5073-7	74,000	\$20,720	\$107,724	\$30,163	\$77,561
284402	CNT PIPELNS-REC	4S Ranch Nbhd 2 Unit 3	353,375	\$98,945	\$514,416	\$144,037	\$370,380
274400	CNT PIPELNS-REC	La Costa Oaks S Cmno Junipero	114,519	\$42,945	\$174,449	\$65,418	\$109,031
274401	CNT PIPELNS-REC	La Costa Oaks Nbhd 3.10-3.15	125,000	\$46,875	\$190,415	\$71,406	\$119,009
274402	CNT PIPELNS-REC	Crosby @ Rsf Tm 5073-1	119,000	\$44,625	\$181,275	\$67,978	\$113,297
274403	CNT PIPELNS-REC	Crosby Tm 5073-2	508,600	\$190,725	\$774,761	\$290,535	\$484,225
274404	CNT PIPELNS-REC	Crosby Unit 3 Tm 5073-3	32,000	\$12,000	\$48,746	\$18,280	\$30,466
274405	CNT PIPELNS-REC	Crosby Tm 5073-4	69,400	\$26,025	\$105,718	\$39,644	\$66,074
274406	CNT PIPELNS-REC	Unit Rb-1 Pipeline - Sfv	278,803	\$83,641	\$424,706	\$127,412	\$297,294
274407	CNT PIPELNS-REC	Unit Ra-2 Pipeline - Sfv	59,245	\$17,773	\$90,248	\$27,075	\$63,174
727622	CNT PIPELNS-REC	4S Ranch Community Park	13,357	\$5,009	\$20,347	\$7,630	\$12,717
727623	CNT PIPELNS-REC	4S Ranch Nbhd 1 Backbone	1,384,736	\$519,276	\$2,109,396	\$791,024	\$1,318,373
440601	CNT PIPELNS-REC	Unit Ra - 1	250,587	\$100,235	\$395,482	\$158,193	\$237,289
727602	CNT PIPELNS-REC	Unit Ra-Bernardo Lks	60,189	\$19,261	\$94,992	\$30,398	\$64,595
727603	CNT PIPELNS-REC	Alav Rd 12" Rclmd Pl	152,412	\$48,772	\$240,540	\$76,973	\$163,567
727604	CNT PIPELNS-REC	Alva Rd 12" Rclmd Pl	49,924	\$15,976	\$78,792	\$25,213	\$53,578
727619	CNT PIPELNS-REC	4S Ranch Unit 8	47,000	\$18,800	\$74,177	\$29,671	\$44,506
727620	CNT PIPELNS-REC	4S Ranch Nbhd 2 #1	189,699	\$75,880	\$299,388	\$119,755	\$179,633
727621	CNT PIPELNS-REC	4S Ranch Nbhd 2 #2	289,408	\$115,763	\$456,751	\$182,700	\$274,051
430502	CNT PIPELNS-REC	Unit Rb-2	193,533	\$82,252	\$314,546	\$133,682	\$180,864
440501	CNT PIPELNS-REC	Unit Rb-2 Pipeline	380,535	\$161,727	\$618,476	\$262,852	\$355,624
440502	CNT PIPELNS-REC	Unit Rc-1 P/L	515,879	\$219,249	\$838,448	\$356,340	\$482,107
727615	CNT PIPELNS-REC	4S Planning Area 26	1,600	\$680	\$2,600	\$1,105	\$1,495
727616	CNT PIPELNS-REC	4S Planning Area 25	3,900	\$1,658	\$6,339	\$2,694	\$3,645
727617	CNT PIPELNS-REC	4S Planning Area 15	22,000	\$9,350	\$35,756	\$15,196	\$20,560
727618	CNT PIPELNS-REC	4S Planning Area 12	16,500	\$7,013	\$26,817	\$11,397	\$15,420
727614	CNT PIPELNS-REC	Christopher Hill	107,500	\$48,375	\$177,003	\$79,651	\$97,351
212204	PIPELINES	EL CAMINO REAL PIPELINE REPLACEMENT	5,076,152	\$126,904	\$5,255,218	\$131,380	\$5,123,837
212205	PIPELINES	MANCHESTER PIPELINE	3,476,154	\$86,904	\$3,598,778	\$89,969	\$3,508,809
212207	PIPELINES	STRATFORD HOA PIPELINE	94,493	\$2,362	\$97,826	\$2,446	\$95,381
212209	PIPELINES	VILLAGE VIEW RD PIPELINE REPAIR	56,870	\$1,422	\$58,876	\$1,472	\$57,404
212210	PIPELINES	GARDENVIEW CT PIPELINE REPAIR	38,402	\$960	\$39,757	\$994	\$38,763
212201	PIPELINES	STEEL MAINS PROTECTION	83,378	\$2,084	\$86,319	\$2,158	\$84,161
212202	PIPELINES	METER ANODES	8,913	\$223	\$9,228	\$231	\$8,997
212203	PIPELINES	VALVE REPLACEMENT FY2122	721,971	\$18,049	\$747,439	\$18,686	\$728,754
212206	PIPELINES	PIPELINE REPLACEMENTS FY2122	76,605	\$1,915	\$79,307	\$1,983	\$77,324
212208	PIPELINES	CIRCO DIEGUENO CT	38,777	\$969	\$40,145	\$1,004	\$39,142
202145	PIPELINES	MORNING SUN PRS	568,902	\$28,445	\$636,523	\$31,826	\$604,697
202141	PIPELINES	FY 20/21 VALVE REPLACEMENTS	1,298,166	\$64,908	\$1,452,470	\$72,623	\$1,379,846

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
	202142 PIPELINES	STEEL MAINS PROTECTION	86,915	\$4,346	\$97,246	\$4,862	\$92,384
	202144 PIPELINES	METER ANODES - FY 20/21	37,675	\$1,884	\$42,153	\$2,108	\$40,045
	202143 PIPELINES	LUSARDI CANYON CORROSION PROTECTION	300,457	\$15,023	\$336,170	\$16,809	\$319,362
	297851 PIPELINES	RANCHO SANTA FE RD VALVE REPLACEMENT	76,643	\$5,748	\$85,346	\$6,401	\$78,945
	297853 PIPELINES	INDIAN HEAD CYN PL ADD'L PROTECTION WORK	47,495	\$14,248	\$52,888	\$15,866	\$37,022
	297850 PIPELINES	FY 2020 VALVE REPLACEMENTS	649,284	\$48,696	\$723,012	\$54,226	\$668,786
	297852 PIPELINES	UNIT AA PIPELINE ADD'L PROTECTION WORK	150,898	\$22,635	\$168,033	\$25,205	\$142,828
	297854 PIPELINES	STEEL MAINS PROTECTION	69,117	\$5,184	\$76,965	\$5,772	\$71,193
	297855 PIPELINES	METER ANODES	28,149	\$2,111	\$31,346	\$2,351	\$28,995
	297822 PIPELINES	OLIVENHAIN RD MAIN/VALVE RPLCMNT - EMERG	62,215	\$6,222	\$70,283	\$7,028	\$63,255
	297823 PIPELINES	CADENCIA VALVE REPLACEMENT	43,351	\$4,335	\$48,973	\$4,897	\$44,076
	297824 PIPELINES	MAIN EXT 235A - PHASE 2	215,925	\$21,592	\$243,926	\$24,393	\$219,533
	297826 PIPELINES	MANCHESTER 14" CATHODIC PROTECTION	29,887	\$2,989	\$33,763	\$3,376	\$30,386
	297821 PIPELINES	FY 2019 VALVE REPLACEMENTS	1,284,986	\$128,499	\$1,451,622	\$145,162	\$1,306,460
	297825 PIPELINES	STEEL MAINS PROTECTION	40,410	\$4,041	\$45,650	\$4,565	\$41,085
	297827 PIPELINES	METER ANODES REPLACEMENT	17,520	\$1,752	\$19,792	\$1,979	\$17,813
	707221 PIPELINES	EXT 235A PHASE I	113,705	\$14,213	\$131,804	\$16,475	\$115,328
	297812 PIPELINES	FY 2018 VALVE REPLACEMENTS	1,748,504	\$218,563	\$2,026,810	\$253,351	\$1,773,459
	297803 PIPELINES	FY 2017 VALVE REPLACEMENTS	1,190,492	\$178,574	\$1,440,413	\$216,062	\$1,224,351
	297804 PIPELINES	FY 2017 STEEL MAINS PROTECTION	36,161	\$5,424	\$43,752	\$6,563	\$37,189
	297802 PIPELINES	PALMS RESERVOIR PIPELINE	386,711	\$58,007	\$467,893	\$70,184	\$397,709
	297287 PIPELINES	HYDRANT - DORADO PLACE	20,377	\$4,890	\$24,655	\$5,917	\$18,738
	297288 PIPELINES	HYDRANT - ESFERA & CORNER PIRAGUA	25,245	\$6,059	\$30,545	\$7,331	\$23,214
	297289 PIPELINES	HYDRANT - ESFERA & CORNER CABO WAY	20,568	\$4,936	\$24,886	\$5,973	\$18,913
	297290 PIPELINES	HYDRANT - CARVALLO CT & CADENCIA ST	25,547	\$6,131	\$30,910	\$7,418	\$23,492
	297291 PIPELINES	HYDRANT - 7940 DIXIE LANE	30,238	\$7,257	\$36,586	\$8,781	\$27,805
	297292 PIPELINES	HYDRANT (3) AVENIDA LA POSTA	37,210	\$8,930	\$45,022	\$10,805	\$34,216
	297293 PIPELINES	HYDRANT - VILLAGE RUN EAST & EASTWOOD LN	24,305	\$5,833	\$29,407	\$7,058	\$22,350
	297294 PIPELINES	HYDRANT-4" BRANCH @ VILLAGE RUN E	44,172	\$10,601	\$53,445	\$12,827	\$40,618
	297295 PIPELINES	HYDRANT (4) SHANAS LANE	50,761	\$12,183	\$61,417	\$14,740	\$46,677
	297296 PIPELINES	HYDRANT (3) VANESSA CIRCLE	46,445	\$11,147	\$56,195	\$13,487	\$42,708
	297297 PIPELINES	HYDRANT - 1509 LINDA SUE LANE	32,071	\$7,697	\$38,804	\$9,313	\$29,491
	297298 PIPELINES	HYDRANT (2) - HONEYCOMB CT - ENCINITAS	24,216	\$5,812	\$29,300	\$7,032	\$22,268
	297299 PIPELINES	HYDRANT (3) COUNTRYHAVEN RD	37,970	\$9,113	\$45,941	\$11,026	\$34,915
	297300 PIPELINES	HYDRANT (2) - SPRINGDALE LANE	30,660	\$7,358	\$37,096	\$8,903	\$28,193
	297500 PIPELINES	HYDRANT (2) MISTY CIRCLE	46,622	\$11,189	\$56,409	\$13,538	\$42,871
	297600 PIPELINES	HYDRANT - 1851 AUTUM PLACE	21,209	\$5,090	\$25,661	\$6,159	\$19,503
	297700 PIPELINES	HYDRANT/INLINE - 2104 VALLEYDALE LANE	28,578	\$6,859	\$34,577	\$8,299	\$26,279
	297800 PIPELINES	HYDRANT/BRANCH - 2144 VALLEYDALE LN	23,431	\$5,623	\$28,350	\$6,804	\$21,546
	297285 PIPELINES	FY 2016 CATHODIC TEST STATIONS	5,707	\$2,283	\$6,905	\$2,762	\$4,143
	297286 PIPELINES	DEEP WELL ANODES - UNIT G SPUR	61,433	\$14,744	\$74,330	\$17,839	\$56,491
	297801 PIPELINES	FY 2016 VALVES (60) - LESS THAN \$20K EA	852,603	\$204,625	\$1,031,591	\$247,582	\$784,009
	297274 PIPELINES	Thornton Pump Station Pipeline Relo	164,676	\$28,818	\$202,282	\$35,399	\$166,883
	297279 PIPELINES	Valve 409 Village Center WSV9168	29,077	\$8,142	\$35,717	\$10,001	\$25,716
	297280 PIPELINES	Valve 20169 Colina Encantada WSVN5121	24,939	\$6,983	\$30,634	\$8,578	\$22,057
	297281 PIPELINES	Valve 2107 Mt Vista WSVF9103	21,637	\$6,058	\$26,578	\$7,442	\$19,136

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
	297283 PIPELINES	Valve 218 Sierra Ridge WSVF10163	20,672	\$5,788	\$25,393	\$7,110	\$18,283
	297276 PIPELINES	Deep Well Anode Unit K (EAM #WMLK51019)	10,950	\$3,066	\$13,450	\$3,766	\$9,684
	297277 PIPELINES	FY 2015 Cathodic Protection	18,860	\$8,801	\$23,167	\$10,811	\$12,356
	297278 PIPELINES	FY 2015 Meter Anode Replacements	60,114	\$28,053	\$73,842	\$34,460	\$39,382
	297284 PIPELINES	FY 2015 Valve Replacements	1,244,177	\$348,369	\$1,528,297	\$427,923	\$1,100,374
	297273 PIPELINES	20" P/L Rplc (218lf) @ RSF Lakes Unit 3	43,435	\$7,601	\$53,353	\$9,337	\$44,017
	297275 PIPELINES	14" P/L Rplc (104lf) @ 520 Vault Unit 3	285,943	\$50,040	\$351,241	\$61,467	\$289,774
	297282 PIPELINES	24" Butterfly Valve Unit Z PS WSVQ15103	22,916	\$6,416	\$28,149	\$7,882	\$20,267
	297269 PIPELINES	10" Inline Valve 322 Sierra Ridge	21,250	\$6,800	\$26,690	\$8,541	\$18,149
	297271 PIPELINES	Encinitas Village Center - 13 Hydrants	162,000	\$51,840	\$203,471	\$65,111	\$138,360
	297266 PIPELINES	FY 2014 Cathodic Replacements	52,177	\$10,435	\$65,534	\$13,107	\$52,427
	297267 PIPELINES	FY 2014 Meter Anode Replacements	76,459	\$15,292	\$96,031	\$19,206	\$76,825
	297268 PIPELINES	FY 2014 Deep Well Anode Replacements	96,237	\$19,247	\$120,873	\$24,175	\$96,698
	297272 PIPELINES	FY 2014 Valve Replacements	1,008,953	\$322,865	\$1,267,238	\$405,516	\$861,722
	297270 PIPELINES	18" Valve Replacement La Costa Town Cntr	68,000	\$21,760	\$85,408	\$27,330	\$58,077
	297264 PIPELINES	Golem Reservoir Pipeline Replacement	73,554	\$14,711	\$92,383	\$18,477	\$73,906
	297248 PIPELINES	San Elijo Jpa Connection	115,454	\$25,977	\$151,128	\$34,004	\$117,124
	297254 PIPELINES	8" Vlve Rplc-Overland/Pheasant	21,130	\$4,754	\$27,659	\$6,223	\$21,436
	297246 PIPELINES	Olivenhain 9 & 10 Svc Connect	400,480	\$90,108	\$524,222	\$117,950	\$406,272
	297253 PIPELINES	12" Branch Valve @ Gaty	25,100	\$5,648	\$32,855	\$7,392	\$25,463
	297256 PIPELINES	Valve Replacements Fy 2013	651,021	\$146,480	\$852,175	\$191,739	\$660,436
	297257 PIPELINES	Unit Aa Valves	141,131	\$31,754	\$184,738	\$41,566	\$143,172
	297258 PIPELINES	Unit Aa Pipeline	8,559,556	\$1,925,900	\$11,204,313	\$2,520,970	\$8,683,342
	297259 PIPELINES	Unit Aa PI Capital Interest	2,051,234	\$461,528	\$2,685,030	\$604,132	\$2,080,898
	297261 PIPELINES	Deep Well Anodes	13,600	\$3,060	\$17,803	\$4,006	\$13,797
	297262 PIPELINES	Cathodic Test Stations Fy 2013	33,634	\$7,568	\$44,027	\$9,906	\$34,121
	297263 PIPELINES	Meter Anodes Fy 2013	28,491	\$6,411	\$37,295	\$8,391	\$28,903
	297245 PIPELINES	Elfin Forest 12" Looped P/L	566,941	\$127,562	\$742,115	\$166,976	\$575,140
	297247 PIPELINES	Interconnect W/San Dieguito	183,499	\$41,287	\$240,197	\$54,044	\$186,153
	297249 PIPELINES	Elfin Forest 12" P/L Rplcmnt	354,427	\$79,746	\$463,939	\$104,386	\$359,553
	297250 PIPELINES	Harmony Grv-Via Ambiente P/L	638,141	\$143,582	\$835,315	\$187,946	\$647,369
	297251 PIPELINES	Valve/Inline Valve Replacement	71,965	\$16,192	\$94,201	\$21,195	\$73,006
	297255 PIPELINES	Valve Rplc-Esmt E Stonebridge	25,660	\$5,774	\$33,589	\$7,557	\$26,031
	297252 PIPELINES	6611 Lago Corte Valve Rplcmnt	20,470	\$4,606	\$26,795	\$6,029	\$20,766
	297260 PIPELINES	Unit Z Vfd Repairs	23,386	\$5,262	\$30,612	\$6,888	\$23,724
	297235 PIPELINES	Hydrant Valve @ 3315 Cabo Ct	20,013	\$5,003	\$26,209	\$6,552	\$19,657
	297240 PIPELINES	Hydrant Valve-Romeria/Garbosa	39,002	\$9,750	\$51,078	\$12,770	\$38,309
	297241 PIPELINES	Hydrant Valve @ 3304 Azahar	33,851	\$8,463	\$44,333	\$11,083	\$33,250
	297242 PIPELINES	Hydrant Valve @ 7708 Morada	28,376	\$7,094	\$37,163	\$9,291	\$27,872
	297227 PIPELINES	Fy12 Cathodic Test Stations	102,201	\$25,550	\$133,846	\$33,461	\$100,384
	297228 PIPELINES	Fy12 Meter Anodes	102,764	\$25,691	\$134,584	\$33,646	\$100,938
	297244 PIPELINES	Fy12 Valve Replacements	513,394	\$128,349	\$672,359	\$168,090	\$504,269
	297229 PIPELINES	Rectifier #9 Deep Well Anode	16,790	\$4,197	\$21,988	\$5,497	\$16,491
	297230 PIPELINES	Mt Israel Deep Well Anode	17,662	\$4,416	\$23,131	\$5,783	\$17,348
	297231 PIPELINES	Rectifier #1 Deep Well Anode	81,547	\$20,387	\$106,796	\$26,699	\$80,097
	297232 PIPELINES	Rectifier #29 Deep Well Anode	56,916	\$14,229	\$74,539	\$18,635	\$55,904

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
	297233 PIPELINES	Fy12 Deep Well Anodes	21,581	\$5,395	\$28,263	\$7,066	\$21,197
	297234 PIPELINES	Mt Israel Pipeline	599,953	\$149,988	\$785,719	\$196,430	\$589,290
	297243 PIPELINES	10" Valve-Paint Mtn Air N Vac	20,928	\$5,232	\$27,407	\$6,852	\$20,556
	297236 PIPELINES	Hydrant Valve @ Brava Del Rey	34,446	\$8,611	\$45,111	\$11,278	\$33,833
	297237 PIPELINES	Hydrant Valve @ Calle Major	40,641	\$10,160	\$53,225	\$13,306	\$39,918
	297238 PIPELINES	14" Inline Gate Valve-CI Major	68,376	\$17,094	\$89,548	\$22,387	\$67,161
	297239 PIPELINES	Rw Valve @ Dove Cyn/Lone Quail	21,536	\$5,384	\$28,204	\$7,051	\$21,153
	297213 PIPELINES	Blue Heron Pipeline Rplcmnt	166,588	\$45,812	\$223,558	\$61,478	\$162,079
	297211 PIPELINES	Meter Anode Replacement	86,228	\$23,713	\$115,716	\$31,822	\$83,894
	297212 PIPELINES	Bldg J Potable Line	87,265	\$23,998	\$117,108	\$32,205	\$84,903
	297226 PIPELINES	Fy10/11 Valve Replacements	310,809	\$85,472	\$417,099	\$114,702	\$302,397
	297210 PIPELINES	Deep Well Anodes	30,115	\$8,282	\$40,414	\$11,114	\$29,300
	297214 PIPELINES	Borrelli'S Center P/L Rplcmnt	54,506	\$14,989	\$73,146	\$20,115	\$53,031
	297215 PIPELINES	Hydrant Valve - Saragosa	17,392	\$4,783	\$23,340	\$6,418	\$16,921
	297216 PIPELINES	Valve - 3503 Cmnto Sierra	16,297	\$4,482	\$21,870	\$6,014	\$15,856
	297217 PIPELINES	Branch Valve & 8"X6" Tee	28,182	\$7,750	\$37,820	\$10,400	\$27,419
	297218 PIPELINES	Hydrant Valve - Linda Sue Lane	80,850	\$22,234	\$108,499	\$29,837	\$78,662
	297219 PIPELINES	In-Line Valve	14,892	\$4,095	\$19,985	\$5,496	\$14,489
	297220 PIPELINES	10" Branch Valve-Cerro/Taegon	20,383	\$5,605	\$27,354	\$7,522	\$19,831
	297221 PIPELINES	Takeoff Valve	17,392	\$4,783	\$23,340	\$6,418	\$16,921
	297222 PIPELINES	Hydrant Valve - 408 Cerro	20,146	\$5,540	\$27,036	\$7,435	\$19,601
	297223 PIPELINES	Detector Check Valve	20,539	\$5,648	\$27,563	\$7,580	\$19,983
	297224 PIPELINES	Hydrant Valve - 172 N El Cmno	18,668	\$5,134	\$25,052	\$6,889	\$18,163
	297225 PIPELINES	8" Occlude Valve	60,320	\$16,588	\$80,948	\$22,261	\$58,687
	297209 PIPELINES	Valve Replacements	190,426	\$57,128	\$257,834	\$77,350	\$180,484
	297208 PIPELINES	Rectifier #24 Harris Rnch Rplc	40,847	\$12,254	\$55,306	\$16,592	\$38,714
	297207 PIPELINES	4S-1 Reservoir Inlet Pipeline	2,819,199	\$676,608	\$3,817,151	\$916,116	\$2,901,035
	297203 PIPELINES	Valve Replacements	290,542	\$94,426	\$400,832	\$130,271	\$270,562
	297201 PIPELINES	Main 24-Fortuna Ranch Rd Rplc	2,712,511	\$881,566	\$3,742,191	\$1,216,212	\$2,525,979
	297204 PIPELINES	Rectifier 8 Anode Replacement	16,081	\$8,362	\$22,185	\$11,536	\$10,649
	297205 PIPELINES	Rectifier 21 Anode Replacement	16,142	\$8,394	\$22,269	\$11,580	\$10,689
	297206 PIPELINES	Lady'S Secret Anode Rplcmnt	17,905	\$9,310	\$24,701	\$12,845	\$11,857
	297202 PIPELINES	Rancho Cielo 24" Ball Valve	144,879	\$47,086	\$199,876	\$64,960	\$134,916
	287201 PIPELINES	Valve Replacements	127,601	\$44,660	\$185,752	\$65,013	\$120,739
	287202 PIPELINES	Cathodic/Corrosion Rplcmnt Pgm	41,546	\$14,541	\$60,480	\$21,168	\$39,312
	277204 PIPELINES	Manchester Rd P/L Replacement	1,163,946	\$349,184	\$1,773,063	\$531,919	\$1,241,144
	277205 PIPELINES	Agua Dulce P/L Replacement	244,233	\$73,270	\$372,045	\$111,613	\$260,431
	277202 PIPELINES	Valve Replacement Program	175,062	\$65,648	\$266,675	\$100,003	\$166,672
	277203 PIPELINES	Cathodic Test Station Rpr/Rplc	12,525	\$4,697	\$19,080	\$7,155	\$11,925
	277201 PIPELINES	Unit V2 Pipeline	161,884	\$48,565	\$246,602	\$73,981	\$172,621
	267201 PIPELINES	Shelley Project	210,931	\$67,498	\$332,897	\$106,527	\$226,370
	267204 PIPELINES	Rsf Pipeline Relo	528,499	\$169,120	\$834,090	\$266,909	\$567,181
	267208 PIPELINES	Cathodic Test Stat	17,858	\$7,143	\$28,184	\$11,274	\$16,910
	267203 PIPELINES	Unit G-1 Pipeline	4,316,728	\$1,381,353	\$6,812,770	\$2,180,086	\$4,632,684
	267207 PIPELINES	Valve Rplcmnt Pgm	168,159	\$67,263	\$265,392	\$106,157	\$159,235
	267211 PIPELINES	Raw Water Pipeline	70,028	\$22,409	\$110,520	\$35,366	\$75,154

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
	267202 PIPELINES	Denk Inflow Pipeline	2,351,304	\$752,417	\$3,710,887	\$1,187,484	\$2,523,403
	267205 PIPELINES	Denk Outflow P/L	643,643	\$205,966	\$1,015,813	\$325,060	\$690,753
	267209 PIPELINES	Unit S-1 Valve	66,709	\$26,684	\$105,283	\$42,113	\$63,170
	267206 PIPELINES	Unit V3 & V4 P/L	598,079	\$191,385	\$943,904	\$302,049	\$641,855
	267210 PIPELINES	Unit W-2 Pipeline	23,990	\$7,677	\$37,861	\$12,116	\$25,746
	267212 PIPELINES	Unit X P/L Construct	1,654,350	\$529,392	\$2,610,937	\$835,500	\$1,775,437
	727201 PIPELINES	Ext 153 Capacity	820,040	\$468,594	\$1,294,208	\$739,547	\$554,661
	247202 PIPELINES	Vons Center P/L Rplc	33,584	\$15,113	\$55,296	\$24,883	\$30,413
	247203 PIPELINES	Looped P/L Off Heers	78,029	\$35,113	\$128,477	\$57,815	\$70,663
	247204 PIPELINES	48 P/L East Inspect	22,202	\$11,418	\$36,557	\$18,801	\$17,756
	247205 PIPELINES	W-2 Extension	155,209	\$69,844	\$255,557	\$115,001	\$140,556
	247201 PIPELINES	San Dieguito Rd P/L	278,598	\$125,369	\$458,722	\$206,425	\$252,297
	237205 PIPELINES	Woodwind P/L Rplcmnt	267,163	\$126,902	\$478,462	\$227,270	\$251,193
	237206 PIPELINES	Gaty Intertie & P/L	151,268	\$71,852	\$270,905	\$128,680	\$142,225
	237209 PIPELINES	Pipelines East	3,548,517	\$1,926,338	\$6,355,041	\$3,449,879	\$2,905,162
	237210 PIPELINES	Pipelines East	3,559,452	\$1,352,592	\$6,374,623	\$2,422,357	\$3,952,266
	237212 PIPELINES	Pipelines West	4,221,696	\$2,291,778	\$7,560,637	\$4,104,346	\$3,456,291
	237213 PIPELINES	Pipelines West	4,221,696	\$1,604,244	\$7,560,637	\$2,873,042	\$4,687,595
	237207 PIPELINES	Unit W-1 Pipeline	994,681	\$472,474	\$1,781,375	\$846,153	\$935,222
	237214 PIPELINES	Unit W-2 Pipeline	813,231	\$386,285	\$1,456,416	\$691,797	\$764,618
	237215 PIPELINES	Unit V-5 Pipeline	198,716	\$94,390	\$355,881	\$169,043	\$186,837
	227204 PIPELINES	Manchester P/L Rplc	124,055	\$62,027	\$226,041	\$113,021	\$113,021
	217202 PIPELINES	Rsf Rd Widening	56,020	\$29,411	\$104,559	\$54,894	\$49,666
	217203 PIPELINES	Rsf P/L Phase I	371,288	\$194,926	\$692,988	\$363,819	\$329,169
	217201 PIPELINES	Camino Del Norte P/L	82,681	\$43,407	\$154,319	\$81,017	\$73,301
	217618 PIPELINES	V-1 Pipeline	166,412	\$87,366	\$310,598	\$163,064	\$147,534
	720153 PIPELINES	Unit S Pipeline	1,321,525	\$825,953	\$2,675,089	\$1,671,930	\$1,003,158
	720141 PIPELINES	Pacific P/L - Valves	12,213	\$7,938	\$25,118	\$16,327	\$8,791
	720140 PIPELINES	Manchester Road '95	18,937	\$12,783	\$39,141	\$26,420	\$12,721
	720134 PIPELINES	#7A 24" Main	1,662,910	\$1,164,037	\$3,433,427	\$2,403,399	\$1,030,028
	720136 PIPELINES	#8/9 Main Ext 17/30	382,499	\$267,750	\$789,751	\$552,825	\$236,925
	720135 PIPELINES	93/94 Mains	75,248	\$52,674	\$155,366	\$108,756	\$46,610
	720131 PIPELINES	Stratford Estates	52,942	\$38,383	\$110,239	\$79,923	\$30,316
	720132 PIPELINES	Fortuna Stratford	1,438,498	\$1,042,911	\$2,995,349	\$2,171,628	\$823,721
	720133 PIPELINES	Mains (92-93)	17,107	\$12,403	\$35,622	\$25,826	\$9,796
	720128 PIPELINES	Elfin Forest Rd #6	4,720	\$3,540	\$10,030	\$7,522	\$2,507
	720130 PIPELINES	Mains 92	31,769	\$23,827	\$67,498	\$50,624	\$16,875
	720121 PIPELINES	Mains-Rsf Road	64,217	\$49,768	\$142,231	\$110,229	\$32,002
	720122 PIPELINES	Mains-Olivenhn Road	26,896	\$20,844	\$59,570	\$46,167	\$13,403
	720126 PIPELINES	Rsf Rd P/L-Resurface	51,969	\$40,276	\$115,104	\$89,205	\$25,898
	720123 PIPELINES	Main-Elfin Forest Rd	406,679	\$315,177	\$900,730	\$698,066	\$202,664
	720124 PIPELINES	Mains-Omwd Ext. 101A	73,842	\$57,228	\$163,548	\$126,750	\$36,798
	720125 PIPELINES	Mains (91)	24,284	\$18,820	\$53,785	\$41,684	\$12,102
	720127 PIPELINES	Del Dios Hwy Crossng	54,221	\$42,022	\$120,092	\$93,071	\$27,021
	720103 PIPELINES	#4 Rncho S.F. Road	683,590	\$546,872	\$1,538,182	\$1,230,546	\$307,636
	720105 PIPELINES	#14A Manchester Road	15,544	\$12,435	\$34,976	\$27,981	\$6,995

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
	720109 PIPELINES	#7C 24" Main	10,142	\$8,113	\$22,820	\$18,256	\$4,564
	720114 PIPELINES	#4 Rsf Rd P/L Over-	273,061	\$218,449	\$614,430	\$491,544	\$122,886
	720120 PIPELINES	#5A Olivenhain Road	122,992	\$98,393	\$276,750	\$221,400	\$55,350
	720104 PIPELINES	#6 Elfin Forest Road	249,476	\$199,581	\$561,360	\$449,088	\$112,272
	720110 PIPELINES	Unit R Pipeline	158,867	\$127,093	\$357,474	\$285,979	\$71,495
	720112 PIPELINES	89-90 Mains- General	20,183	\$16,147	\$45,415	\$36,332	\$9,083
	720116 PIPELINES	Unit Q P/L Ext.111	86,199	\$68,959	\$193,960	\$155,168	\$38,792
	720118 PIPELINES	Unit S Pipeline	25,883	\$20,706	\$58,240	\$46,592	\$11,648
	720115 PIPELINES	Unit P - P/L	11,476	\$9,180	\$25,822	\$20,657	\$5,164
	720117 PIPELINES	Del Dios Hiway Cross	145,701	\$116,561	\$327,850	\$262,280	\$65,570
	720098 PIPELINES	Bumann P/L Sta.	81,223	\$67,009	\$189,227	\$156,112	\$33,115
	720096 PIPELINES	Conn #3 Construction	152,000	\$125,400	\$354,120	\$292,149	\$61,971
	720097 PIPELINES	Unit R P/L	1,366,642	\$1,127,480	\$3,183,918	\$2,626,733	\$557,186
	720099 PIPELINES	Unit P P/L	146,391	\$120,772	\$341,052	\$281,368	\$59,684
	720092 PIPELINES	Repl Anode Bed 30"PI	66,221	\$56,287	\$154,783	\$131,565	\$23,217
	720094 PIPELINES	Part Ext. 115A	23,836	\$20,261	\$55,715	\$47,357	\$8,357
	720095 PIPELINES	Mains 1987-88	12,424	\$10,560	\$29,039	\$24,684	\$4,356
	720091 PIPELINES	Pressure Reducing St	37,014	\$32,387	\$91,205	\$79,805	\$11,401
	720086 PIPELINES	Major P/L Replace/Ad	66,466	\$59,819	\$164,435	\$147,991	\$16,443
	720088 PIPELINES	Mains / 1985/86	18,339	\$16,505	\$45,371	\$40,834	\$4,537
	720084 PIPELINES	Major P/L Additions	221,475	\$204,864	\$548,479	\$507,343	\$41,136
	720085 PIPELINES	Major P/L Additions	246,775	\$228,267	\$611,134	\$565,299	\$45,835
	720083 PIPELINES	Pressure Reducing St	34,362	\$31,785	\$85,097	\$78,715	\$6,382
	720078 PIPELINES	S D River X-Ing	120,342	\$117,333	\$320,554	\$312,540	\$8,014
	720013 PIPELINES	Unit "H"	310,287	\$194,447	\$1,892,112	\$1,185,724	\$706,389
	720002 PIPELINES	Unit "J"	85,352	\$54,626	\$569,945	\$364,765	\$205,180
	720003 PIPELINES	Harmony Grove	40,867	\$26,155	\$272,891	\$174,651	\$98,241
	720001 PIPELINES	Unit "G"	960,243	\$842,319	\$7,388,697	\$6,481,313	\$907,384
	720010 PIPELINES	Trans Main To N Area	55,618	\$37,820	\$474,517	\$322,672	\$151,846
	720009 PIPELINES	La Costa Off Site	58,206	\$40,356	\$568,516	\$394,171	\$174,345
	297856 PIPELINES-REC	LUSARDI CREEK EXT 153	333,537	\$25,015	\$371,412	\$27,856	\$343,556
	297857 PIPELINES-REC	EXT 153A - SURF CUP	737,362	\$55,302	\$821,091	\$61,582	\$759,510
	707220 PIPELINES-REC	WANDERING ROAD RECYCLED EXTENSION	213,720	\$26,715	\$247,738	\$30,967	\$216,771
	707222 PIPELINES-REC	AVENIDA LA POSTA	88,432	\$11,054	\$102,507	\$12,813	\$89,694
	707208 PIPELINES-REC	VP PL SECTION B - WIEGAND RESERVOIR	354,348	\$53,152	\$428,737	\$64,310	\$364,426
	707209 PIPELINES-REC	VP PIPELINE SECTION D - EASEMENT	1,362,153	\$204,323	\$1,648,111	\$247,217	\$1,400,895
	707210 PIPELINES-REC	VP PL SECTION E - MOUNTAIN VISTA	2,306,054	\$345,908	\$2,790,166	\$418,525	\$2,371,641
	707211 PIPELINES-REC	VP PL SECTION F - FLORA VISTA ELEMENTARY	914,842	\$137,226	\$1,106,896	\$166,034	\$940,861
	707212 PIPELINES-REC	VP PL SECTION G-VILLAGE PKWY/GLEN ARBOR	1,506,511	\$225,977	\$1,822,774	\$273,416	\$1,549,358
	707213 PIPELINES-REC	VP PL SECTION H - EAST MOUNTAIN VISTA	789,283	\$118,392	\$954,978	\$143,247	\$811,731
	707214 PIPELINES-REC	VP PL SECTION I - PARKDALE ELEMETARY	1,015,385	\$152,308	\$1,228,546	\$184,282	\$1,044,264
	707215 PIPELINES-REC	VP PL SECTION K - COUNTRYHAVEN	1,289,753	\$193,463	\$1,560,512	\$234,077	\$1,326,435
	707216 PIPELINES-REC	VP PL SECTION L - GOLF COURSE	845,749	\$126,862	\$1,023,298	\$153,495	\$869,803
	707217 PIPELINES-REC	VP PL SECTION M - SHADY TREE	132,196	\$19,829	\$159,948	\$23,992	\$135,956
	707218 PIPELINES-REC	RSF FARMS HOA RECYCLED EXTENSION	22,800	\$3,420	\$27,586	\$4,138	\$23,448
	727207 PIPELINES-REC	Ext 252 Mission Estancia	191,166	\$38,233	\$240,104	\$48,021	\$192,083

## Appendix C: Water Pipeline Assets Valuation

Asset ID	Asset Class ID	Asset Description	Original Cost	Calculated LTD OC Depreciation	Replacement Cost	Calculated LTD RC Depreciation	Replacement Cost Less Depreciation
284304	PIPELINES-REC	Dist Office Irrig Lateral	65,992	\$18,148	\$88,560	\$24,354	\$64,206
727206	PIPELINES-REC	Campania Ave P/L Replacement	270,795	\$74,469	\$363,402	\$99,935	\$263,466
294303	PIPELINES-REC	Sd Recycled Connection #2	1,168,585	\$280,460	\$1,582,245	\$379,739	\$1,202,506
294301	PIPELINES-REC	Rancho Santa Fe Rd Rcyld P/L	463,370	\$120,476	\$639,267	\$166,209	\$473,057
294302	PIPELINES-REC	Nw Quadrant (Initial Const)	757,088	\$246,054	\$1,044,481	\$339,456	\$705,025
274301	PIPELINES-REC	Unit Rb-1 Pipeline - Sfv	79,954	\$23,986	\$121,796	\$36,539	\$85,257
274302	PIPELINES-REC	Unit Ra-2 Pipeline - Sfv	265,562	\$79,669	\$404,536	\$121,361	\$283,175
727202	PIPELINES-REC	Unit Ra-Bernardo Lks	183,484	\$58,715	\$289,579	\$92,665	\$196,913
727203	PIPELINES-REC	Unit Ra - 4S Ranch	341,383	\$109,243	\$538,779	\$172,409	\$366,370
727204	PIPELINES-REC	Alva Rd - 12" Rclmd	464,619	\$148,678	\$733,274	\$234,648	\$498,626
727205	PIPELINES-REC	Alva Rd 12" Rclmd PI	152,192	\$48,701	\$240,193	\$76,862	\$163,331
430501	PIPELINES-REC	Unit Ra-1	366,482	\$155,755	\$595,636	\$253,145	\$342,490
			244,823,552	89,709,734	423,469,752	201,386,136	222,083,616

**APPENDIX D:**  
**Engineering News-Record's Los Angeles -**  
**City Construction Cost Index**

## Engineering News-Record City Cost Index (CCI), Los Angeles Area

Year	Construction Cost Average	CCI	Year	Construction Cost Average	CCI	Year	Construction Cost Average	CCI
1908	97	139.06	1946	346	38.9845	1984	5259.93	2.56442
1909	91	148.23	1947	413	32.6602	1985	5446.69	2.47649
1910	96	140.51	1948	461	29.2595	1986	5452.2	2.47398
1911	93	145.04	1949	477	28.2781	1987	5474.14	2.46407
1912	91	148.23	1950	510	26.4483	1988	5770.84	2.33738
1913	100	134.89	1951	543	24.841	1989	5789.77	2.32974
1914	89	151.56	1952	569	23.7059	1990	5994.55	2.25015
1915	93	145.04	1953	600	22.4811	1991	6090.12	2.21484
1916	130	103.76	1954	628	21.4787	1992	6348.55	2.12468
1917	181	74.52	1955	660	20.4373	1993	6477.84	2.08228
1918	189	71.37	1956	692	19.4923	1994	6532.95	2.06471
1919	198	68.12	1957	724	18.6307	1995	6526.22	2.06684
1920	251	53.74	1958	759	17.7716	1996	6558.44	2.05669
1921	202	66.78	1959	797	16.9243	1997	6663.55	2.02424
1922	174	77.52	1960	824	16.3697	1998	6851.95	1.96859
1923	214	63.03	1961	847	15.9252	1999	6825.97	1.97608
1924	215	62.74	1962	872	15.4686	2000	7068.04	1.9084
1925	207	65.16	1963	901	14.9708	2001	7226.92	1.86645
1926	208	64.85	1964	936	14.411	2002	7402.75	1.82211
1927	206	65.48	1965	971	13.8915	2003	7531.77	1.7909
1928	207	65.16	1966	1019	13.2371	2004	8192.14	1.64654
1929	207	65.16	1967	1074	12.5593	2005	8299.28	1.62528
1930	203	66.45	1968	1155	11.6785	2006	8546.72	1.57823
1931	181	74.52	1969	1269	10.6294	2007	8854.77	1.52332
1932	157	85.91	1970	1381	9.76731	2008	9265.94	1.45572
1933	170	79.35	1971	1581	8.53172	2009	9777.19	1.3796
1934	198	68.12	1972	1753	7.69461	2010	9962.19	1.35398
1935	196	68.82	1973	1895	7.11802	2011	10051.3	1.34198
1936	206	65.48	1974	2020	6.67755	2012	10299.55	1.30963
1937	235	57.40	1975	2212	6.09794	2013	10304.68	1.30898
1938	236	57.16	1976	2401	5.61793	2014	10739.43	1.25599
1939	236	57.16	1977	2576	5.23628	2015	10981.02	1.22836
1940	242	55.74	1978	3421.25	3.94261	2016	11148.28	1.20993
1941	258	52.28	1979	3638.81	3.70688	2017	11636.49	1.15917
1942	276	48.87	1980	4102.37	3.28801	2018	11940.25	1.12968
1943	290	46.51	1981	4530.96	2.977	2019	12113.16	1.11355
1944	299	45.11	1982	4934.14	2.73374	2020	12055.68	1.11886
1945	308	43.79	1983	5063.89	2.66369	2021	13029.04	1.03528
						2022	13488.65	1

# Memo

Date: June 21, 2023  
To: Olivenhain Municipal Water District Board of Directors  
From: Kimberly A. Thorner, General Manager  
Subject: **CONSIDER ADOPTION OF A RESOLUTION OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT UPDATING THE DISTRICT'S REPRESENTATIVE TO VOTE IN THE ABSENCE OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT'S REPRESENTATIVE TO THE SAN DIEGO COUNTY WATER AUTHORITY**

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## Purpose

The purpose of this resolution is to update the Olivenhain Municipal Water District's (OMWD) representative to vote in the absence (also known as a proxy vote) of OMWD's representative to the San Diego County Water Authority (SDCWA). A discussion and selection of the designated representative to vote in the absence of OMWD's representative will take place at the June board meeting. Approval of the resolution will also update the name of the current OMWD SDCWA representative to "the District's current representative."

## Recommendation

Staff recommends confirming the board's selection of a proxy, adopting an updated resolution to include the District's current SDCWA representative language, and to designate a proxy to vote on behalf of OMWD when our representative is absent from a meeting of the SDCWA.

### **Alternative(s)**

- The board may choose not to adopt this resolution. However, this will leave the prior District's SDCWA representative in the resolution and would not update the District's designee to vote in the absence of OMWD's representative.

### **Background**

At the January 18, 2023, the Board voted Neal Meyers as the District's SDCWA representative and on March 23, 2023, was sworn in at SDCWA. General Manager Thorner followed by Director Topolovac, and then President Guerin were the District's last three prior SDCWA representatives and had previously utilized Michael Hogan from Santa Fe Irrigation District as the District's SDCWA proxy vote. Effective April 2013, Michael Hogan of the Santa Fe Irrigation District was designated to vote in the absence of the Olivenhain Municipal Water District's representative.

### **Fiscal Impact**

There is no fiscal impact to adopting this resolution.

### **Discussion**

This request was made in order to select and update the District's current proxy resolution and the District's proxy designee. The resolution will also update the name of the current SDCWA representative to "the District's current representative." This administrative update will be more efficient while only requiring that the resolution be updated and return for board approval when the proxy designee is updated. Staff will be on hand to answer questions.

*Attachment: Resolution 2023-xx*

RESOLUTION NO. 2023-XX

A RESOLUTION OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT  
UPDATING THE DISTRICT'S REPRESENTATIVE TO VOTE IN THE ABSENCE  
OF THE OLIVENHAIN MUNICIPAL WATER DISTRICT'S  
REPRESENTATIVE TO THE SAN DIEGO COUNTY WATER AUTHORITY

WHEREAS, Section 6(g) of the County Water Authority Act provides that a member agency's representative to the San Diego County Water Authority may designate another member of the Board of Directors of the San Diego County Water Authority to vote in the absence of such representative, provided the designee is confirmed by the governing body of the member agency; and

WHEREAS, the District's current representative to the San Diego County Water Authority, wishes to update the designation of XXXXXXXXXXXX to vote in their absence; and

WHEREAS, the Olivenhain Municipal Water District desires to confirm the designation.

NOW, THEREFORE, BE IT RESOLVED by the Olivenhain Municipal Water District Board of Directors as follows:

Section 1. Affirming the designation of XXXXXXXXXXXX to vote in the absence of the Olivenhain Municipal Water District's representative to the San Diego County Water Authority board of directors is hereby confirmed.

Section 2. The Secretary of the board is directed to file a certified copy of this Resolution with the Clerk of the Board of the San Diego County Water Authority.

PASSED, ADOPTED AND APPROVED by the Board of Directors of the Olivenhain Municipal Water District at a regular meeting held on June 21, 2023.

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Christy Guerin, President  
Board of Directors  
Olivenhain Municipal Water District

ATTEST:

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

# 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

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Any written report will be attached; any oral report will be provided at the time of the Board Meeting.

June 21, 2023

Board of Directors  
Olivenhain Municipal Water District  
1966 Olivenhain Road  
Encinitas, CA 92024

The following are brief highlights of the District's departmental operations for the month of  
**May 2023:**

<b>Operations &amp; Maintenance</b>	<b>May 2023</b>	<b>April 2023</b>
<b>David C. McCollom Water Treatment Plant (DCMWTP) Total Production</b>	588.3 million gallons	308.9 million gallons
<b>DCMWTP Average Daily Production</b>	19 million gallons	10.3 million gallons
<b>DCMWTP Peak Day Production</b>	22.3 million gallons	21.2 million gallons
<b>Source Water Blend (% State Project Water)</b>	20	4
<b>Total Deliveries to Vallecitos Water District</b>	319.74 acre feet 104.1 million gallons	210 acre feet 68.42 million gallons
<b>4S and Rancho Cielo Sewer Systems Total Inflow</b>	39.21 million gallons	37.74 million gallons
<b>4S and Rancho Cielo Sewer Systems Average Daily Inflow</b>	1,264,817 gallons	1,258,089 gallons
<b>4S and Rancho Cielo Sewer Systems Peak Day Inflow</b>	1,344,399 gallons	1,393,262 gallons
<b>4S and Rancho Cielo Sewer Systems Low Day Inflow</b>	1,190,103 gallons	1,142,457 gallons
<b>4S Water Reclamation Facility (4SWRF) Average Daily Production</b>	835,848 gallons	798,505 gallons
<b>4SWRF Peak Day Production</b>	1,111,267 gallons	1,393,115 gallons
<b>4SWRF Total to Recycled Water Distribution System</b>	25.9 million gallons	23.95 million gallons
<b>4S Recycled Water Storage Pond Volume</b>	298 acre feet	342 acre-feet
<b>Repaired Potable Water Main Leak(s)</b>	0	1
<b>Repaired Potable Water Service Lateral Assembly Leak(s)</b>	3	4
<b>Repaired Recycled Water Main Leak(s)</b>	0	0
<b>Repaired Recycled Water Service Lateral Leak(s)</b>	0	0
<b>Repaired Hit Fire Hydrant Lateral Assembly Leak(s)</b>	1	1
<b>Replaced Valve(s) Monthly Total</b>	9	7
<b>Replaced Valve(s) Calendar Year To Date</b>	43	34
<b>Recycled Water Use Site Inspections &amp; Visits</b>	22	26
<b>Recycled Water Use Site Cross Connection Tests</b>	3	3
<b>Cross Connection Site Surveys</b>	2	1
<b>Backflow Inspections &amp; Testing (New)</b>	5	5
<b>IT Help Requests</b>	34	24
<b>Customer Services</b>	<b>May 2023</b>	<b>April 2023</b>
<b>Customer Calls and Inquiries</b>	2,051	1,795
<b>Total Monthly Bills Issued</b>	22,970	22,961
<b>Service Orders</b>	638	740
<b>New Potable Meters</b>	2	0
<b>New Fire Meters</b>	0	0
<b>New Recycled Water Meters</b>	0	4

Advanced Metering Infrastructure (AMI) Troubleshooting Investigations	157	113
Customer Services - Continued	May 2023	April 2023
Automated Meter Reading (AMR) Troubleshooting	30	31
Stopped/Underperforming Meters Replaced	36	49
Meter Transceiver Units (MXU) Upgraded to AMI	244	298
Meter Accuracy Tests Performed	0	0
Water Use Evaluations	4	4
Water Use Violation Reports	2	0
Workshops, Events, and Tours	1	4
High-Efficiency Clothes Washer Rebate Applications	4	5
Weather-Based Irrigation Controller Rebate Applications	19	9
Hose Irrigation Controller Rebate Applications	0	0
High-Efficiency Rotating Nozzle Rebate Applications	1	1
High-Efficiency Toilet Rebate Applications	1	2
Rain Barrel Rebate Applications	0	0
Flow Monitor Device Rebate Applications	3	5
Turf Removal Project Rebate Applications	2	2
Social Media Posts	30	23
News Releases/Media Advisories	3	4
EFRR	May 2023	April 2023
Special Use/Event Permits	3	6
Parking Notices	88	113
Incident Reports	3	6
Vehicle Count	4,691	6,078
Trail Use Count	8,649	12,188
Days Closed Due to Rain/Red Flag	0	0
Days Interpretive Center (IC) Open	13	15
Number of IC Visitors	377	541
Volunteer Trail Patrol Shifts	3	3
Volunteer Docent Hours	73	82
Total Number of Docents	61	63
Finance	May 2023	April 2023
Infosend Payments (ACH and Credit Card)	12,554	11,809
OMWD Auto Debit Payments	1,938	1,994
California Bank & Trust Lockbox Payments	3,208	2,717
Over the Counter Payments	268	377
Check-free, Metavante and Chase	4,775	3,946
Finance Calls and Walk-ins	69	47
Service Orders Processed	13	18
Service Orders Closed Out	5	8
Purchase Orders	13	21
Inventory Items Received	405	2,865
Invoices Processed	423	465
Payroll Direct Deposits Processed	244	244
Accounts Payable Checks and Electronic Fund Transfers	438	334

## **ENGINEERING DEPARTMENT**

### **Engineering Manager Lindsey Stephenson Highlights for May 2023:**

4S Ranch Neighborhood 1 Sewer Pump Station Replacement Project continues to progress through construction, with anticipated bypass piping installations and excavations continuing. Coordination efforts continued with County of San Diego on probable leak of storm drain adjacent to the project site. Staff contracted the Asphalt and Concrete Maintenance Project and issued Notice to Proceed in May. Staff continued planning and design efforts on multiple Capital Improvement Projects. Staff continues to handle developer requests, continues to assist other departments with engineering-related work, and continues to manage OMWD's right of ways.

## **HUMAN RESOURCES DEPARTMENT**

### **Human Resources Manager Jennifer Joslin Highlights for May 2023:**

Human Resources staff conducted interviews for the vacant Utility I positions. Hosted a lunch and learn training for all staff on the Performance Planning and Review (PPR) and merit system. Attended the San Diego North Economic Development Council's annual North County Economic Summit meeting. Hosted the National Public Works Week (NPWW) employee appreciation luncheon and celebration of the 20th anniversary of the 4S water reclamation facility. Reviewed all completed annual performance reviews and prepared the compensation merit matrix for hourly staff and supervisors. Safety staff hosted an Air Pollution Control District (APCD) inspection of the permitted control devices at District headquarters with no violations to report. Staff participated in an "Addressing Workplace Violence" training presented by Liebert Cassidy Whitmore (LCW) and attended their training consortium planning meeting for the new fiscal year. Hosted the May Safety Committee meeting.

## **OPERATIONS & MAINTENANCE**

### **Operations Manager Geoff Fulks Highlights for May 2023:**

DCMWTP membrane train 4 was recommissioned following refurbishments and membrane replacement work as part of the Membrane Replacement Project. Plant staff continue to support the Condition Assessment, 4<sup>th</sup> Stage Centrifuge Design, and Energy Recovery Turbine Refurbishment projects. A shift in the water source from the Colorado River to State Water Project (SWP) is ongoing with the most recent blend at 32% SWP. Operations staff are continuously adjusting treatment processes in order to maintain optimal membrane permeability throughout the blend changes. SWP blend is expected to be over 50% in June. Four manholes in the 4S Ranch Collection System were re-lined to prevent root intrusion. In addition, infiltration repairs were made at the 4S WRF and at the Camino Sin Puente Sewer Pump Station #1. IT staff continue with computer deployments as well as completing the Data Domain installation. Instrumentation and Control staff, along with System Operations staff, completed the Thornton Pump Station Variable Frequency Drive installation which will improve operational efficiency and reduce SDG&E costs. Fleet Mechanic installed 10 catalytic converter shields on District vehicles.

## **CUSTOMER SERVICES DEPARTMENT**

### **Customer Services Manager John Carnegie Highlights for May 2023:**

Mailed 121 postcards notifying customers affected by the next Advanced Metering Infrastructure Expansion Project phase of upcoming work and the My Water Use dashboard; published 2023 Consumer Confidence Report on drinking water quality; hosted facilities tour for Assemblymember Tasha Boerner's office; submitted letter of opposition for AB 755, letters of oppose unless amended for AB 1072 and AB 1572, as well as a comment letter to EPA on its biannual reporting requirement for Consumer Confidence Reports; held luncheon to commemorate 4S Ranch Water Reclamation Facility's 20th anniversary; and received notice of award for \$2,000 in grant funding from Metropolitan Water District's Community Partnering Program for educational signage at 4S Ranch Water Reclamation facility.

At EFRR, finalized 2023 Goldspotted Oak Borer surveying utilizing volunteers; conducted assessment of interpretive center's photovoltaic system; hosted portion of San Diego Mountain Bike Association's Fifteenth Annual Archipelago Ride; held appreciation BBQ for volunteers; closed EFRR on May 17 for GSOB treatment; and provided docent-led hike for 40 Bella Monte Academy students.

## **FINANCE DEPARTMENT**

### **Finance Manager Rainy Selamat Highlights for May 2023:**

Presented the midterm budget adjustments; presented the results of 2022 Water Capacity Fee Study and capacity fee options; discussed Proposed Pinnacle CFD with District Finance Committee; staff completed preliminary fiscal year 2023/24 sewer billing reports for submittal to the County Assessor's Office; discussed Avion development sewer billing with Engineering and Operation departments; staff worked with Woodard and Currant on various grant programs, grant partner claims and grant disbursements documentation for grant compliance; staff began working on fiscal year 2023 interim financial audits; staff worked on cost allocation to calculate OMWD's indirect rate; staff assisted other department in completing the District's Electronic Annual Report; reviewed draft of Water Capacity Fee Report prepared by Raftelis; finalized midterm budget adjustments; staff attended North County Economic Summit event; drafted SDCWA rate hike protest letter for GM's review; reviewed SDCWA Fiscal Years 2024 and 2025 Draft Recommended Budget, Five-Year Financial Forecast, and reserve policies for discussion with Director Meyers and GM Thorner; reviewed ACWA JPIA Annual Comprehensive Report for discussion with GM Thorner; and completed annual performance reviews.

## **ASSISTANT GENERAL MANAGER:**

### **The Assistant General Manager reports the following for May 2023:**

Attended the San Diego North Economic Development Council Summit Breakfast, American Public Works Awards Luncheon and 4S Reclamation 20<sup>th</sup> anniversary, substantial time dedicated to employee reviews, worked with North San Diego Water Reuse Coalition partners on Local Project Sponsor and Local Project Participant agreement, engaged in meetings with consultants and continued project management efforts on San Dieguito Valley Brackish Groundwater Project, met with City of San Diego representatives to discuss Groundwater Project, dedicated significant time to personnel matters, employee recruitment, and claims management.

**GENERAL MANAGER:**

**The General Manager reports the following for May 2023:**

General Manager Thorner held a Finance Committee Meeting, was interviewed for the Industrial Environmental Awards luncheon, attended the ACWA Spring Conference, attended the WaterReuse California Board Meeting, attended the Member Agency Managers Meeting, held a VIP Tour, held a Safety Committee Meeting, hosted a National Public Works Week and 4S Ranch Water Reclamation Facility 20<sup>th</sup> Anniversary Luncheon, attended an Encina Wastewater Tour with Directors San Antonio and Hahn, attended the Annual PPR Merit System and System Operations Lunch & Learns, dedicated significant time to preparing the detachment board memo, OMWD mid-term budget, legal issues, annual reviews, board member briefings, and personnel matters.

# Memo

C

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

CONSULTING ENGINEER

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Any written report will be attached; any oral report will be provided at the time of the Board Meeting.

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## 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: June 12, 2023

This is a report on the One Water and Stewardship Committee, the Engineering, Operations, and Technology Committee, and the Demand Management, Conservation and Priorities Committee meetings, held on June 12, 2023. This report is based on the Board webcast, reports and memorandums.

Finance, Audit, Insurance, and Real Property Committee – No update was provided for water transactions, revenues, or expenses.

One Water and Stewardship Committee –

1. Updates - Staff provided updates on groundwater storage and delivery projects, and stormwater capture projects. The water surplus and drought management (WSDM) report was largely unchanged from May.
2. Bay – Delta – MWD was awarded a \$20.9 million grant from the Delta Conservancy, for the Webb Tract, to construct up to 3,500 acres of wetlands and up to 1,500 acres of rice farming. The purpose is to reduce or reverse subsidence, reduce green house gas generation and receive State credits. The Project cannot be used for Delta Conveyance Project mitigation.
3. Conservation Grants – MWD has received \$49.5 million in conservation grants between FY 2021 and FY 2023. Most of the funding was provided by DWR and USBR for turf replacement. MWD will be pursuing additional grants from the USBR Bucket 2 Funding for non-functional turf removal and various water storage programs. MWD will promote partnerships with member agencies.
4. Lake Powell – Since May 1, 2023, Lake Powell has risen 40 feet and has increased in length by five miles.

## MEMORANDUM

Metropolitan Water District of Southern California

June 12, 2023 Committee Meetings

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### Engineering, Operations, and Technology Committee –

1. May 2023 Demands - 91 TAF, while the May 2022 demands were 144 TAF. The 2023 demands were the lowest since 1998.
2. SWP Water Delivered to Lake Skinner and the Skinner Water Treatment Plant – 25 percent and increasing.
3. SWP Storage – SWP carryover storage is being maximized. The flexible storage in Lake Perris and Castaic Lake has been filled. Diamond Valley Lake is filling and is currently approximately 70 percent full.
4. Sepulveda Feeder Electromagnetic Inspection – MWD has completed an electromagnetic inspection of the Feeder which is a 96-inch prestressed concrete cylinder pipe. Broken prestressing wires were identified in three 24-foot sections of pipe and they will be repaired with carbon fiber reinforced polymer in the near future.

### Demand Management and Conservation Programs and Priorities –

1. Local Resources Program Update – This program incentivizes the development of local water resources by member agencies, including recycled water, groundwater recovery, and seawater desalination. Staff reported that currently, actual project production is approximately 100,000 acre-feet per year less than project contractual capacity. The reasons for the difference include the factors listed below. This difference opens up capacity for future projects. The General Manager commented that funding for the LRP will be reviewed as a part of the MWD business model review, to expand the agencies and communities that benefit, and possibly develop more regional projects.
  - a. Lower irrigation demands due to conservation.
  - b. Declining flows to wastewater treatment plants.
  - c. Restrictions on groundwater pumping.
  - d. Equipment failures and supply-chain issues.
  - e. Reduced wet-year water production.
2. Water Saving Incentive Program Update – This program incentivizes innovative programs to save water. The successful programs in the past year include:
  - a. Wireless soil-moisture sensors to reduce irrigation.
  - b. Recirculating systems for fire hydrant flushing.
  - c. Efficient irrigation systems.
  - d. High-density avocado tree plantings, from 100 trees per acre to 400 trees per acre, to reduce irrigation.
  - e. Reduced water use in fire department training activities.

## MEMORANDUM

Metropolitan Water District of Southern California

June 12, 2023 Committee and Board Meetings

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CIP – Capital Improvement Program      CRA – Colorado River Aqueduct  
CWA – San Diego County Water Authority    EIS – Environmental Impact Statement  
DWR – State of California Department of Water Resources  
MGD – Million Gallons per Day      MAF – Million acre-feet  
MWD – Metropolitan Water District of Southern California  
PFAS – Per and Polyfluorinated Substances  
SWP – State Water Project      TAF – Thousand acre-feet  
SWRCB – State Water Resources Control Board  
USBR – United States Bureau of Reclamation

# Memo

D

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

GENERAL COUNSEL

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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:** June 21, 2023

**RE:** Attorney Report: Proposition 218  
150152-0005

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**I. INTRODUCTION.**

This attorney report provides an update on a recent appellate court decision involving water rates and Proposition 218. On May 23, 2023, the First District Court of Appeal in *Campana v. East Bay Municipal Utility District*, A163054, issued a decision finding a Proposition 218 challenge to water rates was barred by a 120-day statute of limitations period.

In reaching this conclusion, the Court of Appeal rejected the plaintiffs' claim for a partial refund, holding that the 120-day limitations period ran *from the date the fee structure is adopted*, and not when the fees are assessed and collected. The Court rejected the plaintiffs' efforts to avoid the statute of limitations by recharacterizing the complaint as merely seeking a refund of the excess charges.

Additionally, the Court of Appeal found that the statute of limitations for challenging rates was not extended by the Government Claims Act because (1) the "gravamen" of the action was a challenge to the validity of the rates; and (2) the shorter 120-day statute of limitations had already run at the time plaintiffs filed the complaint.

**II. BACKGROUND.**

Proposition 218, or the "Right to Vote on Taxes Act," was approved by California voters in 1996, limiting the methods by which state and local governments exact revenue from taxpayers. Proposition 218 amended the California Constitution by adding articles XIII C and XIII D which included procedural and substantive limitations for levying assessments and imposing new, or increasing existing, property-related fees and charges.

Public Utilities Code section 14402 states that any interested person may challenge the validity of rates or charges within 120 days of the ordinance, resolution, or motion approving the rates or charges. The limitation period serves to protect local agencies from fiscal uncertainty resulting from legal challenges brought many years after the initial decision setting the rates or charges.

### **III. COURT'S ANALYSIS.**

In 2017 and 2019, the East Bay Municipal Utilities District ("EBMUD") adopted resolutions creating a tiered-rate water structure to determine the cost of residential and commercial water service in Alameda and Contra Costa Counties. The plaintiffs, a group of water customers, brought a putative class action against EBMUD. The complaint alleged EBMUD's tiered water rates violated Proposition 218's requirement that "property-related fees" for services shall not exceed the proportional cost of the service attributable to the parcel. The plaintiffs argued that EBMUD's tiered-rate structure charged some parcels a higher rate than others for the use of water in violation of Article XIII D of the California Constitution.

On July 17, 2019, plaintiffs presented a claim to EBMUD pursuant to the Government Claims Act seeking a refund of water service charges. On January 13, 2020, after the statutory time period to contest the fees lapsed, plaintiffs filed a complaint. Because the plaintiffs filed their complaint more than 120 days after EBMUD adopted the tiered water rates, the plaintiffs argued the 120-day limitation under section 14402 did not apply because they did not seek to invalidate the water rates. Instead, Plaintiffs argued they challenged EBMUD's *post-enactment* conduct and merely sought a refund for the excessive charges. In the alternative, the plaintiffs argued even if section 14402 applied, the 120-day period had not been exhausted because the statute of limitations resets each month EBMUD collects the allegedly illegal tax.

EBMUD filed a demurrer to the complaint arguing that the complaint was time-barred by the 120-day statute of limitations found in Public Utilities Code section 14402, because plaintiffs were challenging water rates that were adopted in 2017 and 2019. The trial court agreed, and plaintiffs appealed.

The Court of Appeal analyzed "the nature of the cause of action, i.e., the 'gravamen'" of the complaint, to identify the applicable statute of limitations. Plaintiffs sought to characterize their claim as "merely seeking a refund of the excess fees that were paid," rather than an attack on the constitutionality of the entire rate scheme. EBMUD argued that the complaint challenged its adoption of water rates, and that because a refund claim necessarily depends on a finding that the rate scheme was invalid, the 120-day limitations period under section 14402 applied.

The appellate court agreed with EBMUD, and found that the "refund claim" was necessarily based on the alleged illegality of the previously adopted tiered-rate scheme. The Court stated: "Plaintiffs cannot avoid the applicable statute of limitations by characterizing their claim as merely seeking a refund of the excess fees that were paid." The Court held that when the "inevitable *effect*" of the complaint would be to invalidate a district's fee structure, the 120-day statute of limitations applies. Because Plaintiffs' complaint was based on the alleged illegality of the 2017 and 2019 tiered-rate fee

structure adopted by EBMUD, the complaint necessarily depended upon a finding that the fee structure was invalid under Article XIII D and, therefore, was subject to the 120-day statute of limitations under section 14402.

The Court of Appeal further rejected plaintiff's argument that the limitations period could run anew when, each month, the agency collected the allegedly illegal fees, pursuant to *Howard Jarvis Taxpayers Assn. v. City of La Habra* (2001) 25 Cal. 4th 809. The appellate court rejected this rolling statute of limitations argument and found that because the agency's water rate adoption resolution is subject to validation statutes, the 120-day statute of limitation applies.

The appellate court further highlighted the express language in section 14402 which provides the limitations period runs from "the effective date of the ordinance, resolution, or motion," regardless of whether the charges are assessed and collected much later. Thus, "the enactment of a utility rate or rate increase, and not a subsequent act which actually imposes a utility charge, triggers the 120-day statute of limitations."

The Court of Appeal found that any notice requirements imposed by the Government Claims Act did not extend the applicable statute of limitations; rather, the 120-day statute of limitations applied because the "gravamen" of the action was a challenge to the validity of the rates. Plaintiffs could not rely on the timelines set out in the Government Claims Act because the shorter statute of limitations had already run at the time of the plaintiff's complaint.

Finally, the appellate court noted its decision does not allow EBMUD to indefinitely collect the allegedly improper charges because the 120-day period may reset following any subsequent resolution adopting the tiered-rate water structure or after EBMUD extends, imposes, or increases its rates.

#### **IV. CONCLUSION.**

The *Campana* decision is significant for water agencies. Previously, some courts have found Proposition 218 challenges to be timely, even years after enactment of challenged rates, based on the date that water bills were *paid*, under an ongoing-accrual standard established in *Howard Jarvis Taxpayers Assn. v. City of La Habra*. The *Campana* decision, however, expressly declined to apply any such accrual rule because Public Utilities Code section 14402 made EBMUD's adoption of water rates subject to the validation statutes.

Notably, section 14402 does not just benefit municipal utility districts like EBMUD that are subject to validation under the Public Utilities Code. Senate Bill 323 ("SB 323"), which added Section 53759 to the Government Code in 2021, now similarly requires challenges to water and wastewater rates to be brought as reverse validation actions,

commenced within 120 days of their effective date, *if* the adopting agency has given notice of that requirement as part of its Proposition 218 process. Under *Campana*, that requirement now eliminates ongoing accrual under *La Habra* for any rates adopted pursuant to SB 323.

The *Campana* case underscores the importance for municipal water districts adopting water and wastewater rates and charges to incorporate SB 323 notice into the rate-setting processes. The appellate court's decision also clarifies that when calculating the 120-day limitations period, water districts must count after the *effective* date of the rate, rather than the date the rate or charge was adopted because those two dates may be different.

Finally, the case is an important reminder for water districts to include notice of Senate Bill 323's shortened statute of limitations period in the Proposition 218 notifications sent to customers.

AES

# Memo

E

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

SAN DIEGO COUNTY WATER AUTHORITY REPRESENTATIVE

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Any report will be oral at the time of the Board meeting.

**SUMMARY OF FORMAL BOARD OF DIRECTORS' MEETING  
MAY 25, 2023**

1. Approve Water Rights Legislative Policy Guidelines.  
The Board approved water rights legislative policy guidelines to be included in the Water Authority's Legislative Policy Guidelines.
2. Adopt positions on various bills.  
The Board adopted positions of Oppose on: AB 460 (Bauer-Kahan), relating to State Water Resources Control Board: Interim Relief; AB 1337 (Wicks), relating to State Water Resources Control Board: Water Shortage Enforcement; SB 389 (Allen), relating to State Water Resources Control Board: Determination of Water Right; and Support on AB 530 (Boerner), relating to County Water Authority Act: Exclusion of Territory: Procedure.
3. Monthly Treasurer's Report on Investments and Cash Flow.  
The Board noted and filed the Treasurer's report.
4. General Manager's Recommended Budget for Fiscal Years 2024 and 2025.  
The Board approved CY 2024 Rate Alternative 2B: Use Reserves Beyond Board Policy and Defeasement bonds for an 8.2% Effective rate Increase and directed the General Manager to look at the entire organization FTEs and come back with a risk analysis reducing the FTEs by five.
5. Resolution setting a Public Hearing date and time for proposed Calendar Year 2024 Rates and Charges.  
The Board adopted Resolution No. 2023-19 setting the time and place for a public hearing on June 22, 2023, at or after 9:00 a.m., or as soon thereafter as may practicably be heard, during the Administrative and Finance Committee meeting, to receive comments regarding proposed rates and charges to be effective January 1, 2024.
6. Adopt resolution supporting candidates for President of the Association of California Water Agencies.  
The Board adopted Resolution No. 2023-21 supporting Cathy Green for President of the Association of California Water Agencies.
7. Retirement of Director.  
The Board adopted Resolution No. 2023-20 honoring Elsa Saxod upon her retirement from the Board of Directors.
8. Approval of Minutes.  
The Board approved the minutes of the Special Administrative and Finance Committee meetings of April 11 and 13, 2023 and the Formal Board of Directors' meeting of April 27, 2023.
9. CLOSED SESSION  
The Board approved staff to continue negotiations on potential properties as listed on the agenda.

# Memo

F

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS  
LEGISLATIVE REPORT

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Any written report will be attached; any oral report will be provided at the time of the Board Meeting.

 **NOSSAMAN** LLP | Memorandum

**TO:** Olivenhain Municipal Water District (OMWD)  
**FROM:** Ashley Walker, Senior Policy Advisor, Nossaman LLP  
Jennifer Capitulo, Jennifer M. Capitulo and Associates LLC  
**DATE:** June 14, 2023  
**RE:** June 2023 Public Policy Report

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**State Legislative Update:**

**Status of the Legislature:** The budget must be passed by the Legislature by Thursday, June 15. The Governor will have until June 30 to take action on the budget. As of July 1, Assemblymember Robert Rivas will assume the role of the Speaker of the Assembly.

Regarding the bill process, the first house deadline was Friday, June 2. All bills that are continuing to move through the legislative process this year are now in their second house being assigned to policy committees. The second house policy committee deadline is Friday, July 14, which also marks the date that the legislature begins Summer Recess. They will return on August 14 and remain in session until September 14, before Interim Study Recess begins.

**State Budget Request:** OMWD has requested our legislative delegation put forth a suite of water loss minimization projects to be funded in the FY 2023-24 State Budget. Initial feedback from the delegation is very supportive of these projects. The State Budget deficit is predicted to be \$31.5 Billion and will impact whether or not Member's projects will be funded or not. The main budget bill, AB/SB 101, does not include a list of project funding; however this may happen through a budget trailer bill later in Session.

**Legislation:** OMWD has taken several positions on legislation, as outlined below.

- **AB 30 (Ward): Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program.** This bill would update and expand the Atmospheric River Research and Forecast Improvement Program: Enabling Climate Adaptation Through Forecast-Informed Reservoir Operations (FIRO) and Hazard Resiliency Program (AR Program) within the Department of Water Resources (DWR). The AR Program will include forecast-informed reservoir operations (FIRO), and integrate FIRO into DWR water supply operations and flood and hazard risk mitigation efforts. Current position: Support.
- **AB 755 (Papan): Water: public entity: cost-of-service analysis.** This bill would require a public entity in a cost-of-service analysis, to identify the incremental costs incurred by major water users and the incremental costs avoided if the major water users met the State Water Resources Control Board's Urban Water Use Efficiency Standards. Current position: Oppose.
- **AB 838 (Connolly): California Water Affordability and Infrastructure Transparency Act of 2023.** This bill would place additional requirements to public water systems by having them provide

specified information and data related to the average water bill paid by customers at intervals determined by the State Water Board. Current position: Oppose. \*This bill is dead for the year.\*

- **AB 1072 (Wicks): Water conservation and efficiency: low-income residential customers.** Seeks to ensure local rebates are available to low-income and disadvantaged communities. Olivenhain MWD strongly supports access to rebates for water efficient fixtures and landscapes for these communities, but recognizes there are barriers to participation. The approach this bill takes to ensuring access to these programs, however, is not workable as it potentially violates Proposition 218 requirements and directs inappropriate state funding for these purposes. Current positions: Oppose unless amended. \*This bill is dead for the year.\*
- **AB 1572 (Friedman): Potable water: nonfunctional turf.** This bill would create a regulatory structure around a prohibition on the use of potable water for the irrigation of nonfunctional turf on properties other than single-family homes. We do not oppose banning irrigation of certain nonfunctional turf with potable water, but have concerns regarding the current definition of nonfunctional turf, scope, and compliance structure provided for in AB 1572. Current positions: Oppose unless amended.
- **AB 1594 (Garcia): Medium- and heavy-duty zero-emission vehicles: public agency utilities.** This bill would require that any state regulation applicable to essential public agency utility vehicles ensures that those vehicles can support a public agency utility's ability to maintain reliable water and electric service, respond to disasters in an emergency capacity, and provide mutual aid assistance statewide and nationwide. Current position: Support.
- **AB 1637 (Irwin): Local government: internet websites and email addresses.** This bill would require local governments to ensure that their public-facing internet websites and email addresses use a ".gov" or ".ca.gov" domain name, no later than January 1, 2027. Current position: Comments on concerns.
- **SB 23 (Caballero): Water supply and flood risk reduction projects: expedited permitting.** ACWA is sponsoring SB 23 which would streamline the regulatory permitting of water supply and flood risk reduction projects. Current position: Support.
- **SB 366 (Caballero): The California Water Plan: long-term supply targets.** CMUA is sponsoring this legislation intended to transform California's water planning efforts from a process where we are managing for scarcity to a future where there is enough water for all beneficial uses. Current position: Support. \*This bill is dead for the year.\*
- **SB 411 (Portantino): Open meetings: teleconferences: bodies with appointed membership.** This bill ensures alternate teleconferencing provisions indefinitely to boards, an advisory boards of a local agency and commissions. This measure will allow boards and commissions to continue to serve their constituents uninterrupted by extending appropriate COVID-19 pandemic provisions. Current position: Support.

**Governor's Actions and Executive Orders:** On May 19, the Governor released several proposals aimed at streamlining permitting and environmental processes for clean energy infrastructure projects. These proposals are being discussed and debated with the Legislature as a part of the FY 2023-24 State Budget.

Additionally, the Governor signed an Executive Order that directed an “Infrastructure Strike Team” to be convened with the goal of ensuring clean infrastructure projects are maximizing state and federal funding opportunities, and accelerating projects.

### **State Regulatory Update**

#### **Water Quality**

No update this month.

#### **Water Use Efficiency**

**Long-term Water Conservation Standards Rulemaking** – The SWRCB staff is now evaluating comments they received during and after their March 22 workshop. Staff had indicated that they could release a proposed regulation and begin formal rulemaking by late May but as of the writing of this report, mid-June, nothing has been made public. The statewide water associations continue to discuss our concerns with the SWRCB’s preliminary proposal, and on-going efforts to work in coalition on the rulemaking.

**Commercial, Industrial, and Institutional -Landscape Area Measurement and Land Use Classification Dataset (CII-LAM-LUCD)** – The DWR has announced it is partnering with NV5 Geospatial to develop landscape measurement datasets for commercial, industrial, and institutional parcels. The datasets will be provided to all urban retail water suppliers to assist them in implementing the CII performance measures in AB 1668 and SB 606 of 2018 and with complying with the Drought Emergency Regulation banning the use of potable water for irrigating non-functional turf in CII landscapes. DWR’s CII-LAM-LUCD study will use remote sensing and developed analytical processes to both map the detailed arrangement of irrigated features and further the landscape classification of urban retail water suppliers’ CII landscape features, including a delineation of functional and non-functional turf. Portions of the mapped CII-LAM-LUCD dataset are expected to be delivered to DWR starting in the fall of 2023. The analysis of additional portions of the mapped CII-LAM-LUCD will be delivered on a monthly basis with data being released through the summer of 2026.

## Olivenhain Legislative Report as of 6/9/2023

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### Concerns/Amend

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**AB 1637 (Irwin D) Local government: internet websites and email addresses.**

**Last Amend:** 5/18/2023

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** The California Constitution authorizes cities and counties to make and enforce within their limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws and further authorizes cities organized under a charter to make and enforce all ordinances and regulations in respect to municipal affairs, which supersede inconsistent general laws. This bill, no later than January 1, 2027, would require a local agency, as defined, that maintains an internet website for use by the public to ensure that the internet website utilizes a ".gov" top-level domain or a ".ca.gov" second-level domain and would require a local agency that maintains an internet website that is noncompliant with that requirement to redirect that internet website to a domain name that does utilize a ".gov" or ".ca.gov" domain. This bill, no later than January 1, 2027, would also require a local agency that maintains public email addresses to ensure that each email address provided to its employees utilizes a ".gov" domain name or a ".ca.gov" domain name. By adding to the duties of local officials, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Position**

Concerns/Amend

**Notes:** Concern/ amend letter sent to ASM Appropriations and author 5/3/23.

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### Oppose

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**AB 755 (Papan D) Water: public entity: cost-of-service analysis.**

**Last Amend:** 5/18/2023

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** Current law authorizes a public entity that supplies water at retail or wholesale within its service area to adopt, in accordance with specified procedures, and enforce a water conservation program. This bill would require a public entity, as defined, that conducts a cost-of-service analysis, as defined, to identify the total incremental costs incurred by all the major water users, as described, in the single-family residential class and the total incremental costs that would be avoided if major water users met a specified efficiency goal. The bill would also require both of those costs to be made publicly available by posting the information in the public entity's cost-of-service analysis.

**Position**

Oppose

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### Oppose Unless Amended

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**AB 1572 (Friedman D) Potable water: nonfunctional turf.**

**Last Amend:** 5/18/2023

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** (1)Existing law establishes various state water policies, including the policy that the use of water for domestic purposes is the highest use of water. This bill would make legislative findings and declarations concerning water use, including that the use of potable water to irrigate nonfunctional turf is wasteful and incompatible with state policy relating to climate change, water conservation, and reduced reliance on the Sacramento-San Joaquin Delta ecosystem. The bill would direct all appropriate state agencies to encourage and support the elimination of irrigation of nonfunctional turf with potable water. This bill contains other related provisions and other existing laws.

**Position**

Oppose Unless  
Amended

**Notes:** ACWA close watch- define nonfunctional turf and create a program within the State Board for regulation of nonfunctional turf and prohibit the use of potable water for the irrigation of nonfunctional turf.

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**Support**

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**AB 30 (Ward D) Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program.**

**Status:** 6/7/2023-In committee: Hearing postponed by committee.

**Location:** 5/31/2023-S. N.R. & W.

**Calendar:** 6/22/2023 Upon adjournment of Session - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, MIN, DAVE, Chair

**Summary:** Current law establishes the Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program in the Department of Water Resources. Current law requires the department, upon an appropriation for purposes of the program, to research climate forecasting and the causes and impacts that climate change has on atmospheric rivers, to operate reservoirs in a manner that improves flood protection, and to reoperate flood control and water storage facilities to capture water generated by atmospheric rivers. This bill would rename that program the Atmospheric Rivers Research and Forecast Improvement Program: Enabling Climate Adaptation Through Forecast-Informed Reservoir Operations and Hazard Resiliency (AR/FIRO) Program. The bill would require the department to research, develop, and implement new observations, prediction models, novel forecasting methods, and tailored decision support systems to improve predictions of atmospheric rivers and their impacts on water supply, flooding, post-wildfire debris flows, and environmental conditions.

**Position**

Support

**Notes:** ACWA recommends a support position as of 1.17.23.

**AB 1594 (Garcia D) Medium- and heavy-duty zero-emission vehicles: public agency utilities.**

**Last Amend:** 5/18/2023

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** Executive Order No. N-79-20 establishes the goal of transitioning medium- and heavy-duty vehicles in California to zero-emission vehicles by 2045 for all operations where feasible and by 2035 for drayage trucks, and requires the State Air Resources Board to develop and propose medium- and heavy-duty vehicle regulations to meet that goal. This bill would require any state regulation that seeks to require, or otherwise compel, the procurement of medium- and heavy-duty zero-emission vehicles by a public agency utility to ensure that those vehicles can support a public agency utility's ability to maintain reliable water and electric services, respond to disasters in an emergency capacity, and provide mutual aid assistance

statewide and nationwide, among other requirements. The bill would define a public agency utility to include a local publicly owned electric utility, a community water system, and a wastewater treatment provider, as specified. This bill contains other existing laws.

**Position**

Support

**Notes:** AB 1594 (E. Garcia) support letter from Olivenhain to author on 3.29.23.

**SB 366**

**(Caballero D) The California Water Plan: long-term supply targets.**

**Last Amend:** 5/23/2023

**Status:** 6/8/2023-Referred to Com. on W., P., & W.

**Location:** 6/8/2023-A. W.,P. & W.

**Summary:** Current law requires the Department of Water Resources to update every 5 years the plan for the orderly and coordinated control, protection, conservation, development, and use of the water resources of the state, which is known as "The California Water Plan." Current law requires the department to include a discussion of various strategies in the plan update, including, but not limited to, strategies relating to the development of new water storage facilities, water conservation, water recycling, desalination, conjunctive use, water transfers, and alternative pricing policies that may be pursued in order to meet the future needs of the state. Current law requires the department to establish an advisory committee to assist the department in updating the plan. This bill would revise and recast certain provisions regarding The California Water Plan to, among other things, require the department to instead establish a stakeholder advisory committee and to expand the membership of the committee to include tribes, labor, and environmental justice interests. The bill would require the department, in coordination with the California Water Commission, the State Water Resources Control Board, other state and federal agencies as appropriate, and the stakeholder advisory committee to develop a comprehensive plan for addressing the state's water needs and meeting specified long-term water supply targets established by the bill for purposes of "The California Water Plan."

**Position**

Support

**Notes:** OMWD has signed a support letter 2.15.23.

**SB 411**

**(Portantino D) Open meetings: teleconferences: neighborhood councils.**

**Last Amend:** 4/24/2023

**Status:** 5/26/2023-Referred to Com. on L. GOV.

**Location:** 5/26/2023-A. L. GOV.

**Summary:** The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. The act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Current law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. This bill, until January 1, 2028, would authorize an eligible legislative body to use alternate teleconferencing provisions related to notice, agenda, and public participation, as prescribed, if the city council has adopted an authorizing resolution and 2/3 of an eligible legislative body votes to use the alternate teleconferencing provisions. The bill would define "eligible legislative body" for this purpose to mean a neighborhood council that is an advisory body with the purpose to promote more citizen participation in government and make government more responsive to local needs that is established pursuant to the charter of a city with a population of more than 3,000,000 people that is subject to the act.

**Position**

Support

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**Close Watch**

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**AB 520**    **(Santiago D) Employment: public entities.**

**Last Amend:** 4/18/2023

**Status:** 6/1/2023-Read third time. Passed. Ordered to the Senate. (Ayes 66. Noes 13.) In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** Current law authorizes the Labor Commissioner to investigate employee complaints and to provide for a hearing in any action to recover wages, penalties, and other demands for compensation. Under current law, any individual or business entity that contracts for services in the property services or long-term care industries is jointly and severally liable for any unpaid wages, including interest, where the individual or business entity has been provided notice, by any party, of any proceeding or investigation by the Labor Commissioner in which the employer is found liable for those unpaid wages, to the extent the amounts are for services performed under that contract, as provided, and except as specified. This bill would additionally provide that any public entity, defined as the state, a city, county, city and county, district, public authority, public agency, and any other political subdivision or public corporation in the state, is jointly and severally liable for any unpaid wages, as provided in the above paragraph. This bill would, if property services labor is performed within a building a public entity owns or leases by any individual who is not an employee of the public entity, require the public entity to allow, and include as a stipulation in a contract for property services work, work awarded on or after January 1, 2024, representatives from a recognized or certified collective bargaining agent, as specified, to have access to the workers within that building during the workers' normal workday to conduct specified training.

**Position**

Close Watch

**AB 530**    **(Boerner D) County Water Authority Act: exclusion of territory: procedure.**

**Last Amend:** 5/15/2023

**Status:** 6/8/2023-Re-referred to Com. on RLS. pursuant to Assembly Rule 96.

**Location:** 6/8/2023-A. RLS.

**Summary:** The County Water Authority Act provides for the formation of county water authorities and grants to those authorities specified powers with regards to providing water service. The act provides 2 methods of excluding territory from any county water authority, one of which is that a public agency whose corporate area as a unit is part of a county water authority may obtain exclusion of the area by submitting to the electors within the public agency, at any general or special election, the proposition of excluding the public agency's corporate area from the county water authority. Current law requires that, if a majority of the electors approve the proposition, specified actions take place to implement the exclusion. This bill would additionally require the public entity to submit the proposition of excluding the public agency's corporate area from the county water authority to the electors within the territory of the county water authority. The bill would require the 2 elections to be separate; however, the bill authorizes both elections to run concurrently.

**Position**

Close Watch

**AB 1573**    **(Friedman D) Water conservation: landscape design: model ordinance.**

**Last Amend:** 5/18/2023

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** The Water Conservation in Landscaping Act provides for a model water efficient landscape ordinance that is adopted and updated at least every 3 years by the Department of Water Resources, unless the department makes a specified finding. Existing law requires a local agency to adopt the model ordinance or to adopt a water efficient landscape ordinance that is at least as effective in conserving water as the updated model ordinance, except as specified. Existing law specifies the provisions of the updated model ordinance, as provided. Existing law includes a related statement of legislative findings and declarations. This bill would require the updated model ordinance to include provisions that require that plants included in a landscape design plan be selected based on their adaptability to climatic, geological, and topographical conditions of the project site, as specified. The bill would also exempt landscaping that is part of ecological restoration projects that do not require a permanent irrigation system, mined-land reclamation projects that do not require a permanent irrigation system, and existing plant

collections, as part of botanical gardens and arboretums open to the public, from the model ordinance. The bill would require the updated model ordinance to include provisions that require that all new or renovated nonresidential areas install plants that meet specified criteria, and that prohibit the inclusion of nonfunctional turf in nonresidential landscape projects after January 1, 2026. The bill would also revise the legislative findings and declarations to state that the model ordinance furthers the state's goal to conserve biodiversity and provide for climate resilience consistent with state drought efforts to eliminate the use of irrigation of nonfunctional turf. This bill contains other related provisions and other existing laws.

**Position**

Close Watch

**Notes:** ACWA concerns- AB 1573 instead only defines nonfunctional turf.

**AB 1627 (Lee D) California Safe Drinking Water Act.**

**Last Amend:** 5/16/2023

**Status:** 6/7/2023-From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 0.) (June 7). Re-referred to Com. on APPR.

**Location:** 6/7/2023-S. APPR.

**Summary:** The California Safe Drinking Water Act requires the State Water Resources Control Board to regulate specified water systems and maintain specified primary drinking water standards. The act defines a public water system as a system for the provision of water for human consumption through pipes or other constructed conveyances that has 15 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year. Current law applies the provisions of the act to a food facility that is regulated pursuant to the California Retail Food Code only if the human consumption includes drinking of water. In regard to the number of individuals served, this bill would revise the definition of a public water system to apply to a system that regularly serves an average of at least 25 individuals daily at least 60 days out of the year. To the extent that this bill would expand the scope of coverage of the act by applying its provisions to more public water systems, thereby expanding the application of a crime, this bill would impose a state-mandated local program. This bill would repeal the provision applying the act to a food facility that is regulated pursuant to the California Retail Food Code only if the human consumption includes drinking of water.

**Position**

Close Watch

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**Concerns**

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**AB 1713 (Gipson D) State and local agencies: federal funds: reports.**

**Last Amend:** 5/18/2023

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** (1)Existing law generally imposes various reporting duties on entities that receive state and federal funds, including, among others, requiring each state agency, department, and entity to provide its employer identification number to the Treasurer. This bill would require a state or local agency that receives federal funds that are subject to an expiration date to submit a written report to the Legislature or the local agency's legislative body, respectively, no later than one year before the funding expiration date with a summary of how funds have been expended and a plan for the remaining funds to be expended if, at that time, at least 50% of federal funds have yet to be expended. The bill would require the local agency's legislative body to include the report on the agenda of a public meeting. By imposing additional duties on local agencies, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Position**

Concerns

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## Two Year Bill

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**[SB 737](#) (Hurtado D) Groundwater: recharge.**

**Status:** 3/1/2023-Referred to Com. on RLS.

**Location:** 2/17/2023-S. RLS.

**Summary:** Would state the intent of the Legislature to enact subsequent legislation to capture floodwater to recharge groundwater basins and to require the Department of Water Resources and the State Water Resources Control Board to work together to expedite the regulatory steps necessary to store significant rainfall and excess water underground, while still ensuring protections for the environment and other water users as required by state law.

**Position**

Two Year Bill

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## Watch

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**[AB 305](#) (Villapudua D) California Flood Protection Bond Act of 2024.**

**Last Amend:** 4/25/2023

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** Would enact the California Flood Protection Bond Act of 2024 which, if approved by the voters, would authorize the issuance of bonds in the amount of \$4,500,000,000 pursuant to the State General Obligation Bond Law for flood protection projects, as specified. The bill would provide for the submission of these provisions to the voters at the November 5, 2024, statewide general election.

**Position**

Watch

**[AB 345](#) (Wilson D) Habitat restoration: flood control: advance payments.**

**Last Amend:** 3/20/2023

**Status:** 6/7/2023-Referred to Com. on N.R. & W.

**Location:** 6/7/2023-S. N.R. & W.

**Calendar:** 6/22/2023 Upon adjournment of Session - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, MIN, DAVE, Chair

**Summary:** Current law authorizes the Department of Water Resources to make examinations of lands subject to inundation and overflow by floodwaters and of the waters causing the inundation or overflow and to make plans and estimates of the cost of works to regulate and control the floodwaters. Current law also vests in the department charge of all expenditures unless otherwise provided by law for all public works relating to general river and harbor improvements, including reclamation and drainage of lands. Current law authorizes the department to cooperate and contract with any agency of the state or of the United States in order to carry out its powers and purposes. Current law establishes the Central Valley Flood Protection Board and authorizes the board to engage in various flood control activities along the Sacramento River, the San Joaquin River, their tributaries, and related areas. This bill would authorize the department or the board to provide advance payments, as defined, to local agencies for projects that restore habitat for threatened and endangered species under state or federal law or improve flood protection, as provided. The bill would prohibit the amount of funds advanced by the department or the board to the local agency at any one time from exceeding 25% of the entire amount authorized to be provided under the funding agreement.

**Position**

Watch

**[AB 460](#) (Bauer-Kahan D) State Water Resources Control Board: water rights and usage: interim relief: procedures.**

**Last Amend:** 5/18/2023

**Status:** 6/7/2023-Referred to Coms. on N.R. & W. and JUD.

**Location:** 6/7/2023-S. N.R. & W.

**Summary:** Current law authorizes the State Water Resources Control Board to investigate all streams, stream systems, lakes, or other bodies of water, take testimony relating to the rights to water or the use of water, and ascertain whether water filed upon or attempted to be appropriated is appropriated under the laws of the state. Current law requires the board to take appropriate actions to prevent waste or the unreasonable use of water. This bill would authorize the board, in conducting specified investigations or proceedings to inspect the property or facilities of a person or entity, as specified. The bill would authorize the board, if consent is denied for an inspection, to obtain an inspection warrant, as specified, or in the event of an emergency affecting public health and safety, to conduct an inspection without consent or a warrant.

**Position**

Watch

**AB 541 (Wood D) California Safe Drinking Water Act: wildfire aftermath: benzene testing.**

**Last Amend:** 6/8/2023

**Status:** 6/8/2023-Read second time and amended. Re-referred to Com. on APPR.

**Location:** 6/7/2023-S. APPR.

**Summary:** Would direct the State Water Resources Control Board to require a public water system that has experienced a wildfire event meeting specified criteria to perform sample collection and analysis of its source waters, treatment facilities, conveyance facilities, distribution systems, or a combination thereof, for the presence of benzene as soon as it is safe to do so.

**Position**

Watch

**AB 560 (Bennett D) Sustainable Groundwater Management Act: groundwater adjudication.**

**Last Amend:** 5/18/2023

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** Current law prohibits a court from approving entry of judgment in certain adjudication actions for a basin required to have a groundwater sustainability plan under the Sustainable Groundwater Management Act, unless the court finds that the judgment would not substantially impair the ability of a groundwater sustainability agency, the State Water Resources Control Board, or the Department of Water Resources to comply with the act and to achieve sustainable groundwater management. This bill would require the court to refer a proposed settlement determining rights to water to the board for a nonbinding advisory determination as to whether the proposed judgment will substantially impair the ability of a groundwater sustainability agency, the board, or the department to achieve sustainable groundwater management, as provided. The bill would require the board to consult with the department before making its determination.

**Position**

Watch

**AB 590 (Hart D) State-funded assistance grants and contracts: advance payments.**

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** Would declare the intent of the Legislature to improve and expand the state's existing advance payment practices for state grants and contracts with nonprofits. The bill would authorize an administering state agency to advance a payment to a recipient entity, defined to mean a private, nonprofit organization qualified under federal law, subject to meeting specified requirements. The bill would require the administering state agency to prioritize recipient entities and projects serving disadvantaged, low-income, and under-resourced communities, and to ensure an advance payment to the recipient entity does not exceed 25% of the total grant or contract amount. The bill would require the recipient entity to satisfy certain minimum requirements, including providing an itemized budget and submitting documentation, as required by the administering state agency, to support the need for advance payment.

**Position**

Watch

**AB 648 (Valencia D) Common interest developments: procedures: meetings by teleconference.**

**Last Amend:** 4/20/2023

**Status:** 6/6/2023-From committee: Do pass and re-refer to Com. on JUD. (Ayes 11. Noes 0.) (June 6). Re-referred to Com. on JUD.

**Location:** 6/6/2023-S. JUD.

**Calendar:** 6/20/2023 1:30 p.m. - 1021 O Street, Room 2100 SENATE JUDICIARY, UMBERG, THOMAS, Chair

**Summary:** Current law, the Davis-Stirling Common Interest Development Act, governs the management and operation of common interest developments. Current law defines a board meeting as a congregation or a teleconference, as provided. Current law requires, among other things, a board meeting held by teleconference to identify at least one physical location so that members of the association may attend, except as provided. Current law also establishes alternative teleconferencing procedures for a board meeting or a meeting of the members if gathering in person is unsafe or impossible because the common interest development is in an area affected by a federal, state, or local emergency. This bill would authorize a board meeting or a meeting of the members to be conducted entirely by teleconference if specified conditions are satisfied.

**Position**

Watch

**AB 664 (Lee D) California Safe Drinking Water Act.**

**Last Amend:** 5/24/2023

**Status:** 6/7/2023-From committee: Do pass and re-refer to Com. on APPR. (Ayes 4. Noes 2.) (June 7). Re-referred to Com. on APPR.

**Location:** 6/7/2023-S. APPR.

**Summary:** The California Safe Drinking Water Act provides for the operation of public water systems and imposes on the State Water Resources Control Board various duties and responsibilities for the regulation and control of drinking water in the state. Current law imposes certain responsibilities on public water systems and authorizes the state board to issue a citation to a public water system if the state board determines that the public water system is in violation of the act, or any regulation, permit, standard, or order issued or adopted under the act. Current law requires a public water system to reimburse the state board for actual costs incurred by the state board for specified enforcement activities related to that water system, as provided. This bill would authorize the state board to issue a citation to any person if the state board determines that the person is in violation of the act, or any regulation, permit, standard, or order issued or adopted under the act. The bill would also require persons to reimburse the state board for actual costs incurred by the state water board for specified enforcement activities related to that person, as provided.

**Position**

Watch

**AB 676 (Bennett D) Water: general state policy.**

**Last Amend:** 5/4/2023

**Status:** 5/31/2023-Referred to Com. on N.R. & W.

**Location:** 5/31/2023-S. N.R. & W.

**Calendar:** 6/22/2023 Upon adjournment of Session - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, MIN, DAVE, Chair

**Summary:** Current law establishes various state water policies, including the policy that the use of water for domestic purposes is the highest use of water and that the next highest use is for irrigation. This bill would provide specific examples of the use of water for domestic purposes, including, but not limited to, sustenance of human beings and household conveniences.

**Position**

Watch

**AB 682 (Mathis R) State Water Resources Control Board: online search tool: funding applications.**

**Last Amend:** 3/20/2023

**Status:** 6/7/2023-From committee: Do pass and re-refer to Com. on N.R. & W. with recommendation: To Consent Calendar. (Ayes 7. Noes 0.) (June 7). Re-referred to Com. on N.R. & W.

**Location:** 6/7/2023-S. N.R. & W.

**Calendar:** 6/22/2023 Upon adjournment of Session - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, MIN, DAVE, Chair

**Summary:** Current law establishes the State Water Resources Control Board (state board) to exercise the adjudicatory and regulatory functions of the state in the field of water resources. Current law establishes the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and long terms. This bill would require, by January 1, 2025, the state board to update the state board's online search tool for funding applications to include a description of the additional information the state board needs from a water system to continue processing the water system's application and a description of the typical steps that must be completed before a funding agreement can be executed after receipt of a complete application, among other information, as specified.

**Position**

Watch

**AB 753 (Papan D) State Water Pollution Cleanup and Abatement Account: annual proceed transfers.**

**Status:** 6/7/2023-Referred to Com. on E.Q.

**Location:** 6/7/2023-S. E.Q.

**Summary:** Would create within the Waste Discharge Permit Fund the Waterway Recovery Account, and would annually transfer from the State Water Pollution Cleanup and Abatement Account, excluding administratively imposed civil liabilities that include a supplemental environmental project in connection with a monetary penalty, 50% of the annual proceeds to the Waterway Recovery Account. The bill would provide that moneys in the account created by the bill are continuously appropriated to the state board without regard to fiscal years to expend for the following purposes: for restoration projects that improve water quality standards, as specified; for the Clean Water Team Citizen Monitoring Program, to increase water quality monitoring; and to create and fund a community capacity program to increase disadvantaged and tribal community participation in state board and regional board outreach and regulatory processes, as specified.

**Position**

Watch

**AB 754 (Papan D) Water management planning: water shortages.**

**Last Amend:** 5/18/2023

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** The Urban Water Management Planning Act requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan. Current law requires an urban water management plan to quantify past, current, and projected water use, identifying the uses among water use sectors, including, among others, commercial, agricultural, and industrial. Current law requires an urban water management plan to identify and quantify, to the extent practicable, the existing and planned sources of water available to the supplier over a specified period of time, providing supporting and related information, including, among other things, a description of the management of each supply in correlation with the other identified supplies when multiple sources of water supply are identified. Current law requires an urban water management plan to include a narrative relating to water demand management measures implemented over the prior 5 years. This bill would require an urban water management plan to include in that narrative any demand management measures that have a significant impact on water used by downstream water rights holders.

**Position**

Watch

**AB 779** (Wilson D) Groundwater: adjudication.

**Last Amend:** 5/26/2023

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** Current law establishes various methods and procedures for a comprehensive adjudication of groundwater rights in civil court. This bill would require the court to appoint one party to forward all case management orders, judgments, and interlocutory orders to the Department of Water Resources within 10 business days of issuance. The bill would require the department to post the documents on its internet website in the interest of transparency and accessibility within 20 business days of receipt from a party, as specified. The bill would encourage the court to invite a representative from the department or the State Water Resources Control Board to a hearing where they may provide technical assistance or expert testimony on equitable and sustainable pumping allocations for the basin, sustainable groundwater management best practices and recommendations, and the water use of small farmers and disadvantaged communities and potential impacts on their needs. The bill would require the court to consider the water use of small farmers and disadvantaged communities, as those terms are defined, before entering a judgment.

**Position**

Watch

**AB 830** (Soria D) Lake and streambed alteration agreements: exemptions.

**Last Amend:** 5/18/2023

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** Current law prohibits a person, a state or local governmental agency, or a public utility from substantially diverting or obstructing the natural flow of, or substantially changing or using any material from the bed, channel, or bank of, any river, stream, or lake, or depositing or disposing of debris, waste, or other material containing crumbled, flaked, or ground pavement where it may pass into any river, stream, or lake, unless prescribed requirements are met, including written notification to the Department of Fish and Wildlife regarding the activity. Current law requires the department to determine whether the activity may substantially adversely affect an existing fish and wildlife resource and, if so, to provide a draft lake or streambed alteration agreement to the person, agency, or utility. Current law prescribes various requirements for lake and streambed alteration agreements. Current law also establishes various exemptions from these provisions, including exemptions for specified emergency work. This bill would additionally exempt from these provisions the temporary operation of existing infrastructure or temporary pumps being used to divert flood stage and monitor stage flows, as identified by the California Nevada River Forecast Center or the State Water Resources Control Board, to beneficial groundwater recharge as long as certain conditions are met.

**Position**

Watch

**AB 939** (Pellerin D) Santa Clara Valley Water District.

**Last Amend:** 4/13/2023

**Status:** 6/8/2023-Read second time. Ordered to third reading.

**Location:** 6/8/2023-S. THIRD READING

**Calendar:** 6/12/2023 #34 SENATE ASSEMBLY BILLS - THIRD READING FILE

**Summary:** The Santa Clara Valley Water District Act creates the Santa Clara Valley Water District and authorizes the district to levy ad valorem taxes or assessments in the district to pay the general administrative costs and expenses of the district, to carry out the act's objects or purposes, and to pay the costs and expenses of constructing or extending works within the district. The act additionally authorizes the district to levy taxes or assessments upon all property or all real property within a portion of the district for specified purposes. The act authorizes the district to issue bonds for specified purposes, and requires that the bonds be paid by revenue derived from those tax levies and assessments, except the ad valorem taxes or assessments. This bill would additionally authorize the district to use the revenues from the ad valorem taxes or assessments to pay for the bonds.

**Position**

Watch

**AB 1024 (Aquiar-Curry D) Water rights: small irrigation use: lake or streambed alteration agreements.**

**Last Amend:** 5/18/2023

**Status:** 6/7/2023-Referred to Com. on N.R. & W.

**Location:** 6/7/2023-S. N.R. & W.

**Summary:** The Water Rights Permitting Reform Act of 1988 authorizes a person to obtain a right to appropriate water for a small domestic use, small irrigation use, or livestock stockpond use upon first registering the use, as those uses are defined by the act, with the State Water Resources Control Board and thereafter applying the water to reasonable and beneficial use with due diligence. The act requires the registration of water use to be made upon a form prescribed by the board that requires, among other things, a certification that the registrant has contacted a representative of the Department of Fish and Wildlife and has agreed to comply with conditions set forth by the department. The act requires the board to establish reasonable general conditions to which all appropriations made pursuant to the act are required to be subject, including, among other things, that all conditions lawfully required by the department are conditions upon the appropriations. The act provides that the board is not required to adopt general conditions for small irrigation use until the board determines that funds are available for that purpose, and that a registration for small irrigation use pursuant to the act is not authorized until the board establishes general conditions for small irrigation use to protect instream beneficial uses, as specified. This bill would require the board to give priority to adopting, on or before June 30, 2027, except as provided, general conditions that permit specified registrants to store water for small irrigation use during times of high streamflow in exchange for those registrants reducing diversions during periods of low streamflow, as specified.

**Position**

Watch

**AB 1205 (Bauer-Kahan D) Water rights: sale, transfer, or lease: agricultural lands.**

**Last Amend:** 5/8/2023

**Status:** 5/31/2023-Referred to Com. on N.R. & W.

**Location:** 5/31/2023-S. N.R. & W.

**Summary:** Would find and declare that speculation or profiteering by an investment fund in the sale, transfer, or lease of an interest in any surface water right or groundwater water right previously put to beneficial use on agricultural lands within the state is a waste or an unreasonable use of water.

**Position**

Watch

**AB 1211 (Mathis R) Safe Drinking Water State Revolving Fund: internet website information: updates.**

**Status:** 5/26/2023-In committee: Set, first hearing. Hearing canceled at the request of author.

**Location:** 5/10/2023-S. E.Q.

**Summary:** The Safe Drinking Water State Revolving Fund Law of 1997, administered by the State Water Resources Control Board, establishes the Safe Drinking Water State Revolving Fund to provide grants or revolving fund loans for the design and construction of projects for public water systems that will enable those systems to meet safe drinking water standards. Current law requires the board, at least once every 2 years, to post information on its internet website regarding implementation of the Safe Drinking Water State Revolving Fund Law and expenditures from the Safe Drinking Water State Revolving Fund, as specified This bill would require the board to post the information at least annually.

**Position**

Watch

**AB 1216 (Muratsuchi D) Wastewater treatment plants: monitoring of air pollutants.**

**Last Amend:** 4/26/2023

**Status:** 5/31/2023-Referred to Com. on E.Q.

**Location:** 5/31/2023-S. E.Q.

**Calendar:** 6/21/2023 9 a.m. - 1021 O Street, Room 1200 SENATE ENVIRONMENTAL QUALITY, ALLEN, BENJAMIN, Chair

**Summary:** Would require, on or before January 1, 2025, the owner or operator of a wastewater treatment facility that is located within 1,500 feet of a residential area and has an original design capacity of 425,000,000 gallons or more per day to develop, install, operate, and maintain a wastewater treatment-related fence-line monitoring system in accordance with guidance developed by the appropriate air quality management district. The bill would require the wastewater treatment-related fence-line monitoring system to include equipment capable of measuring pollutants of concern, including hydrogen sulfide, nitrogen oxides, and volatile organic compounds emitted to the atmosphere from wastewater treatment or reclamation processes that the appropriate district deems appropriate for monitoring. The bill would also require the owner or operator of a wastewater treatment facility to collect real-time data from the wastewater treatment-related fence-line monitoring system, to maintain records of that data, and to transmit the data to the appropriate air quality management district in accordance with the district's guidance. In addition, the bill would require, to the extent feasible, the data generated by these systems to be provided to the public as quickly as possible in a publicly accessible format.

**Position**  
Watch

**AB 1272 (Wood D) State Water Resources Control Board: drought planning.**

**Status:** 6/7/2023-Referred to Com. on N.R. & W.

**Location:** 6/7/2023-S. N.R. & W.

**Calendar:** 6/22/2023 Upon adjournment of Session - 1021 O Street, Room 2100 SENATE NATURAL RESOURCES AND WATER, MIN, DAVE, Chair

**Summary:** Would require the State Water Resources Control Board to establish a program, in consultation with the Department of Fish and Wildlife, to adopt principles and guidelines for diversion and use of water in coastal watersheds, as specified, during times of water shortage for drought preparedness and climate resiliency. The bill would require that the principles and guidelines provide for the development of watershed-level plans to support public trust uses, public health and safety, and the human right to water in times of water shortage, among other things. The bill also would require the state board, prior to adopting those principles and guidelines, to allow for public comment and hearing, as provided.

**Position**  
Watch

**AB 1337 (Wicks D) State Water Resources Control Board: water diversion curtailment.**

**Last Amend:** 5/18/2023

**Status:** 6/7/2023-Referred to Com. on N.R. & W.

**Location:** 6/7/2023-S. N.R. & W.

**Summary:** Under existing law, the diversion or use of water other than as authorized by specified provisions of law is a trespass, subject to specified civil liability. This bill would expand the instances when the diversion or use of water is considered a trespass. This bill contains other related provisions and other existing laws.

**Position**  
Watch

**AB 1567 (Garcia D) Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024.**

**Last Amend:** 5/26/2023

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** Would enact the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy, and Workforce Development Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,995,000,000 pursuant to the State General Obligation Bond Law to finance projects for safe drinking water, wildfire prevention, drought preparation, flood protection, extreme heat mitigation, clean energy, and workforce development programs.

**Position**

Watch

**AB 1597 (Alvarez D) Water quality: California-Mexico cross-border rivers.**

**Last Amend:** 5/18/2023

**Status:** 6/1/2023-In Senate. Read first time. To Com. on RLS. for assignment.

**Location:** 6/1/2023-S. RLS.

**Summary:** Would authorize, upon appropriation by the Legislature in the annual Budget Act or another statute, funds to be made available to the North American Development Bank (NADBank) for loans, grants, and direct expenditures to address water quality problems arising in the California-Mexico cross-border rivers. The bill would require the funding to be available for specified purposes, as provided, including water quality projects for the Tijuana River, and would make 10% of the funding available for the administrative costs of implementing these provisions. The bill would authorize funding provided for activities or projects in the State of Baja California to be provided through direct expenditures and for grants to an eligible funding recipient authorized to work in Mexico under a specified circumstance. The bill would authorize grant funding to be conditioned on enforceability and accountability mechanisms agreed upon by the State Water Resources Control Board and the recipient. The bill would require the California Environmental Protection Agency to notify the leadership office in each house of the Legislature on cross-border collaboration and the expenditure of the funding, as provided.

**Position**

Watch

**AB 1631 (Schiavo D) Water resources: permit to appropriate: application procedure: mining use.**

**Status:** 6/7/2023-Referred to Com. on N.R. & W.

**Location:** 6/7/2023-S. N.R. & W.

**Summary:** Under existing law, the State Water Resources Control Board administers a water rights program pursuant to which the board grants permits and licenses to appropriate water. Existing law requires an application for a permit to appropriate water to include, among other things, sufficient information to demonstrate a reasonable likelihood that unappropriated water is available for the proposed appropriation. Existing law requires the board to issue and deliver a notice of an application as soon as practicable after the receipt of an application for a permit to appropriate water that conforms to the law. Existing law allows interested persons to file a written protest with regard to an application to appropriate water and requires the protestant to set forth the objections to the application. Existing law declares that no hearing is necessary to issue a permit in connection with an unprotested application, or if the undisputed facts support the issuance of the permit and there is no disputed issue of material fact, unless the board elects to hold a hearing. This bill, if the board has not rendered a final determination on an application for a permit to appropriate water for a beneficial use or uses that include mining use within 30 years from the date the application was filed, would require the board to issue a new notice and provide an opportunity for protests before rendering a final determination, with specified exceptions.

**Position**

Watch

**AB 1684 (Maienschein D) Local ordinances: fines and penalties: cannabis.**

**Last Amend:** 3/9/2023

**Status:** 5/17/2023-Referred to Coms. on GOV. & F. and JUD.

**Location:** 5/17/2023-S. GOV. & F.

**Calendar:** 6/14/2023 1:30 p.m. - 1021 O Street, Room 2100 SENATE GOVERNANCE AND FINANCE, CABALLERO, ANNA, Chair

**Summary:** Current law authorizes the legislative body of a local agency, as defined, to make, by ordinance, any violation of an ordinance subject to an administrative fine or penalty, as specified. Current law requires the ordinance adopted by the local agency to provide for a reasonable period of time, as specified in the ordinance, for a person responsible for a continuing violation to correct or otherwise remedy the violation prior to the imposition of administrative fines or penalties, when the violation pertains to building, plumbing, electrical, or other similar structural or zoning issues that do not create an immediate danger to health or safety. Current law authorizes the ordinance to provide for the immediate imposition of administrative fines or

penalties for the violation of building, plumbing, electrical, or other similar structural, health and safety, or zoning requirements if the violation exists as a result of, or to facilitate, the illegal cultivation of cannabis, except as specified. This bill would expand the authorization for an ordinance providing for the immediate imposition of administrative fines or penalties to include all unlicensed commercial cannabis activity, including cultivation, manufacturing, processing, distribution, or retail sale and would authorize the ordinance to declare unlicensed commercial cannabis activity a public nuisance.

**Position**

Watch

**ACA 2 (Alanis R) Public resources: Water and Wildfire Resiliency Act of 2023.**

**Status:** 4/20/2023-Referred to Coms. on W., P., & W. and NAT. RES.

**Location:** 4/20/2023-A. W.,P. & W.

**Summary:** Would establish the Water and Wildfire Resiliency Fund within the State Treasury, and would require the Treasurer to annually transfer an amount equal to 3% of all state revenues that may be appropriated as described from the General Fund to the Water and Wildfire Resiliency Fund. The measure would require the moneys in the fund to be appropriated by the Legislature and would require that 50% of the moneys in the fund be used for water projects, as specified, and that the other 50% of the moneys in the fund be used for forest maintenance and health projects, as specified.

**Position**

Watch

**SB 3 (Dodd D) Discontinuation of residential water service: community water system.**

**Last Amend:** 5/23/2023

**Status:** 6/1/2023-In Assembly. Read first time. Held at Desk.

**Location:** 5/31/2023-A. DESK

**Summary:** Current law authorizes the State Water Resources Control Board to provide for the deposit into the Safe and Affordable Drinking Water Fund of certain moneys and continuously appropriates the moneys in the fund to the state board for grants, loans, contracts, or services to assist eligible recipients. This bill would require the board to, upon appropriation by the Legislature, expend moneys to provide training statewide to community water systems with between 15 and 200 service connections to meet compliance with the Water Shutoff Protection Act.

**Position**

Watch

**SB 231 (Hurtado D) Water measurement.**

**Last Amend:** 4/20/2023

**Status:** 6/8/2023-Referred to Com. on W., P., & W.

**Location:** 6/8/2023-A. W.,P. & W.

**Summary:** Current law requires the Department of Water Resources, the State Water Resources Control Board, and the State Department of Public Health to coordinate the collection, management, and use of agricultural and urban water measurement information provided to each agency. Current law requires the board, in collaboration with the Department of Water Resources, the California Bay-Delta Authority or its successor agency, and the State Department of Public Health, to prepare and submit a report to the Legislature by January 1, 2009, evaluating the feasibility, estimated costs, and potential means of financing a coordinated water measurement database. This bill would require the board, in collaboration with the Department of Water Resources and the Delta Stewardship Council or its successor agency, to prepare and submit an update to the report to the Legislature by January 1, 2025, evaluating the feasibility, estimated costs, and potential means of financing a coordinated water measurement database, as specified.

**Position**

Watch

**SB 389 (Allen D) State Water Resources Control Board: determination of water right.**

**Last Amend:** 4/27/2023

**Status:** 5/31/2023-In Assembly. Read first time. Held at Desk.

**Location:** 5/30/2023-A. DESK

**Summary:** Would, upon specified findings, authorize the State Water Resources Control Board to investigate the diversion and use of water from a stream system to determine whether the diversion and use are based upon appropriation, riparian right, or other basis of right, as specified.

**Position**

Watch

**SB 537**

**(Becker D) Open meetings: multijurisdictional, cross-county agencies: teleconferences.**

**Last Amend:** 4/24/2023

**Status:** 5/31/2023-In Assembly. Read first time. Held at Desk.

**Location:** 5/30/2023-A. DESK

**Summary:** Current law, under the Ralph M. Brown Act, requires that, during a teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. Current law, until January 1, 2024, authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency or in other situations related to public health that exempt a legislative body from the general requirements (emergency provisions) and impose different requirements for notice, agenda, and public participation, as prescribed. The emergency provisions specify that they do not require a legislative body to provide a physical location from which the public may attend or comment. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in certain circumstances related to the particular member if at least a quorum of its members participate from a singular physical location that is open to the public and situated within the agency's jurisdiction and other requirements are met, including restrictions on remote participation by a member of the legislative body. These circumstances include if a member shows "just cause," including for a childcare or caregiving need of a relative that requires the member to participate remotely. This bill would expand the circumstances of "just cause" to apply to the situation in which an immunocompromised child, parent, grandparent, or other specified relative requires the member to participate remotely.

**Position**

Watch

**SB 597**

**(Glazer D) Building standards: rainwater catchment systems.**

**Last Amend:** 3/21/2023

**Status:** 6/1/2023-Referred to Com. on H. & C.D.

**Location:** 6/1/2023-A. H. & C.D.

**Calendar:** 6/21/2023 9:30 a.m. - State Capitol, Room 447 ASSEMBLY HOUSING AND COMMUNITY DEVELOPMENT, WICKS, BUFFY, Chair

**Summary:** The California Building Standards Law requires a state agency that adopts or proposes adoption of a building standard to submit the building standard to the California Building Standards Commission for approval and adoption. Current law makes the commission responsible for the publication of an updated edition of the California Building Standards Code every 3 years. Current law requires the Department of Housing and Community Development to propose to the commission the adoption, amendment, or repeal of building standards for, among other things, the installation of recycled water systems for newly constructed single-family residential and multifamily residential buildings, as specified. This bill would require the department to conduct research, as specified, to assist in the development of mandatory building standards for the installation of rainwater catchment systems in newly constructed residential dwellings. The bill would require the department to submit those mandatory building standards to the commission for adoption and for consideration during the next regularly scheduled triennial code adoption cycle.

**Position**

Watch

**SB 756**

**(Laird D) Water: inspection: administrative procedure: notice: service.**

**Last Amend:** 5/15/2023

**Status:** 6/1/2023-Referred to Coms. on W., P., & W. and JUD.

**Location:** 6/1/2023-A. W.,P. & W.

**Calendar:** 6/20/2023 9 a.m. - State Capitol, Room 444 ASSEMBLY WATER, PARKS AND WILDLIFE, BAUER-KAHAN, REBECCA, Chair

**Summary:** Current law authorizes the State Water Resources Control Board to investigate all streams, stream systems, lakes, or other bodies of water, take testimony relating to the rights to water or the use of water, and ascertain whether water filed upon or attempted to be appropriated is appropriated under the laws of the state. Current law requires the board to take all appropriate proceedings or actions to prevent waste, unreasonable use, unreasonable method of use, or unreasonable method of diversion of water in this state. This bill would authorize the board, in conducting an investigation or proceeding for these purposes, to inspect the property or facilities of any person or entity to ascertain certain purposes are being met or compliance with specified requirements. The bill would authorize the board, if consent is denied for an inspection, to obtain an inspection warrant, as specified, or in the event of an emergency affecting public health and safety pertaining to the particular site under which the inspection is being sought, to conduct an inspection without consent or a warrant.

**Position**

Watch

**SB 867 (Allen D) Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024.**

**Last Amend:** 5/18/2023

**Status:** 6/1/2023-In Assembly. Read first time. Held at Desk.

**Location:** 5/31/2023-A. DESK

**Summary:** Would enact the Drought, Flood, and Water Resilience, Wildfire and Forest Resilience, Coastal Resilience, Extreme Heat Mitigation, Biodiversity and Nature-Based Climate Solutions, Climate Smart Agriculture, Park Creation and Outdoor Access, and Clean Energy Bond Act of 2024, which, if approved by the voters, would authorize the issuance of bonds in the amount of \$15,500,000,000 pursuant to the State General Obligation Bond Law to finance projects for drought, flood, and water resilience, wildfire and forest resilience, coastal resilience, extreme heat mitigation, biodiversity and nature-based climate solutions, climate smart agriculture, park creation and outdoor access, and clean energy programs.

**Position**

Watch

**Total Measures: 46**

**Total Tracking Forms: 46**

# Memo

G, H

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

TWELVE MONTH CALENDAR / OTHER MEETINGS /

REPORTS / BOARD COMMENTS

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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 6/14/23)**

Date(s)	Event	Time	Location	Attending Board Member(s)	Additional Information (Speakers' Topic, Cohosts, etc.)
<b><u>MAY 2023</u></b>					
23-May	Conference Call with the General Manager RE: CWA Finance Issues			Meyers	
24-May	National Public Works Week Luncheon	11:30 AM - 12:30 PM	4S Ranch Water Reclamation Facility	Hahn, Meyers	
24-May	Safety Committee Meeting	2:30 PM	Boardroom	Hahn, Meyers	
26-May	Encina Wastewater Tour	9:00 AM		Hahn, San Antonio	
31-May	<b>Special Board Meeting RE: Groundwater Project</b>	4:00 PM			
<b><u>JUNE 2023</u></b>					
5-Jun	Conference Call with the General Manager RE: Detachment Senator			Meyers	
10-Jun	Blakespear's Open House Event	1:00-3:00pm	169 Saxony Rd. Encinitas, 92024	Meyers	
13-Jun	Conference Call with the General Manager RE: General Counsel Review			Guerin	
13-Jun	Meeting with the General Manager RE: CWA Rates			Meyers	
14-Jun	Seperate Conference Calls RE: Public Policy Committee			Guerin, Watt	
20-Jun	Board Meeting Prep.	1:30 PM		Guerin	
21-Jun	SFID 100 Year Anniversary Event	10:00 AM	San Dieguito Reservoir		
21-Jun	<b>OMWD Board Meeting</b>	4:00 PM			

# Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: INFORMATIONAL REPORTS

CORRESPONDENCE

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Any correspondence is attached.

**Board of Directors**

Christy Guerin, President  
Matthew R. Hahn, Vice President  
Neal Meyers, Treasurer  
Lawrence A. Watt, Secretary  
Marco San Antonio, Director

**General Manager**

Kimberly A. Thorner, Esq.

**General Counsel**

Alfred Smith, Esq.

May 19, 2023

US Environmental Protection Agency  
Attn: EPA Docket Center, mail code 28221T  
1200 Pennsylvania Avenue NW  
Washington, DC 20460  
VIA EMAIL: [OW-Docket@epa.gov](mailto:OW-Docket@epa.gov)

**Re: Comment Letter – Consumer Confidence Report- Docket ID No. EPA-HQ– OW–2022–0260**

On behalf of Olivenhain Municipal Water District, thank you for the opportunity to provide US Environmental Protection Agency Office of Water with input on the National Primary Drinking Water Regulations: Consumer Confidence Report Rule Revisions. OMWD provides 87,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services.

OMWD advocates for full transparency in reporting to our ratepayers on the health and safety of the drinking water we supply. However, requiring water retailers to provide two comprehensive Consumer Confidence Reports annually would burden suppliers with additional costs and ultimately puts upward pressure on water rates. Furthermore, additional reporting would not add value or a genuine benefit to customers of those agencies that have met all state and federal water quality standards. Please consider a simple six-month update or resubmission of the original report as an alternative to developing a full incremental comprehensive report for water agencies who have not received a violation or an Action Level Exceedance.

The current required submission date of July 1 is preferred for OMWD. As a water retail agency, we are dependent on wholesale entities to produce annual water quality reports to complete our own annual CCR. Moving the dates forward to April 1 would only be permissible if our water wholesalers were able to provide their annual water quality reports much sooner. As this does not seem feasible, please consider the July 1 submission date as the earliest option with a six-month update required by December 31.

If you or your staff should need any additional details pertaining to this assessment, please do not hesitate to contact me at 760-753-6466 or [kthorner@olivenhain.com](mailto:kthorner@olivenhain.com).

Regards,

Kimberly A. Thorner  
General Manager

CC: Representative Darrell Issa  
Representative Mike Levin  
Representative Scott Peters  
Senator Dianne Feinstein  
Senator Alex Padilla



**Board of Directors**  
Christy Guerin, President  
Matthew R. Hahn, Vice President  
Neal Meyers, Treasurer  
Lawrence A. Watt, Secretary  
Marco San Antonio, Director



**General Manager**  
Kimberly A. Thorner, Esq.  
**General Counsel**  
Alfred Smith, Esq.

May 22, 2023

Board of Directors  
San Diego County Water Authority  
4677 Overland Avenue  
San Diego, CA 92123

Re: ***Olivenhain Municipal Water District's Objections to the Proposed 13% increase to Wholesale Cost of Untreated Water effective January 1, 2024***

Dear Board of Directors:

Olivenhain Municipal Water District's (OMWD) Board of Directors would like to officially be entered into the public record of the San Diego County Water Authority (Water Authority) as objecting to the proposed 13% increase to Total Cost of Untreated Water effective January 1, 2024 presented by Water Authority's staff in April 2023 and included in the Water Authority's Fiscal Years 2024 and 2025 Draft Recommended Budget (Budget).

OMWD relies on the Water Authority to provide water supply to meet our customers' potable water demand. Rising wholesale water costs from Water Authority will create downstream impacts to all member agencies, and ultimately all ratepayers. While we appreciate Water Authority's staff efforts to minimize the cost burden on its member agencies and the public as mentioned in the Budget, such as actively pursuing state and federal grants to reduce regional water infrastructure costs, a 13% increase to total untreated water cost is considered a spike. Therefore, on behalf of the 86,000 ratepayers that we serve, OMWD is respectfully requesting that increases to the purchased water wholesale cost be kept at a single digit for affordability, especially in the high inflation environment that we are all experiencing.

Based on our review of the Budget, we believe that the proposed spike in rates can be mitigated by:

- (1) **Additional utilization of Water Authority's existing reserve funds.** While the Water Authority target debt coverage ratio is 1.6, the actual requirement is a 1.2 ratio. With new debt not anticipated for several years, a small temporary dip in the debt coverage ratio by utilizing reserves can be recovered in subsequent years. Using reserves to smooth out spikes in rate increases is the entire reason that reserves and rate stabilization funds exist.
- (2) **A re-prioritization of Water Authority's Capital Improvement Program (CIP) projects through a delay of non-critical CIP and/or reducing the assumed completion rate for CIP.**



- (3) **A reduction in the proposed additional 8.0 new positions included in the budget.** If CIPs are delayed and/or the assumed completion rates are reduced, the staffing proposed can also be delayed.
- (4) **Leverage the Water Authority's fixed take or pay supplies.** This was requested by the Water Authority board with the last approved budget and should be a priority for completion this year to avoid future rate spikes. Further, the Water Authority should undertake a comprehensive study on the local supplies being developed by its member agencies and whether or not those local supplies could effectively be joined into a larger package that could also be leveraged for greater impact for the region as a whole.
- (5) **Evaluate available capacity at all treated water facilities in the region and the current under-utilization of the Twin Oaks Water Treatment Plant which is causing an additional rate-spike.**
- (6) **Update the 5 Year Financial Forecast based on the most recent information available and include all reserve funds and in the 5 Year Financial Forecast.**

We believe that it is critical that the Water Authority considers the perspectives and needs of its member agencies which are directly accountable to the public. A 13% increase in water wholesale costs would not only impact OMWD rate payers but also other member agencies' rate payers by providing to the public the impression that water industry has core problems with making decisions that affect basic service to so many people.

Finally, OMWD understands that the Water Authority is underway with a comprehensive review of its rate structure through a process with the General Managers, Finance Officers and the Finance Planning Working Group. We believe that this process is of vital importance to the sustainability of the Water Authority and look forward to options being brought to the full Water Authority board for consideration in the near future.

Respectfully submitted,

On Behalf of Olivenhain Municipal Water District Board of Directors

A handwritten signature in black ink, reading "Kimberly A. Thorner". The signature is written in a cursive, flowing style.

Kimberly A. Thorner  
General Manager

Copy To: OMWD Board Members

**Board of Directors**

Christy Guerin, President  
Matthew R. Hahn, Vice President  
Neal Meyers, Treasurer  
Lawrence A. Watt, Secretary  
Marco San Antonio, Director

**General Manager**

Kimberly A. Thorner, Esq.

**General Counsel**

Alfred Smith, Esq.

May 22, 2023

San Diego Local Agency Formation Commission  
Chair Jim Desmond  
2550 5th Avenue, Suite 725  
San Diego, CA 92103

Via email: [priscilla.mumpower@sdcounty.ca.gov](mailto:priscilla.mumpower@sdcounty.ca.gov)

***Subject: Comment Letter from Olivenhain Municipal Water District on the Proposed "Rainbow Municipal Water District and Fallbrook Public Utility District Reorganizations: Wholesale Water Services" for the June 5th Public Hearing***

Dear Chair and Commissioners,

On behalf of Olivenhain Municipal Water District (OMWD), I am writing to express our agency's support for Option Three in the agenda report for the Proposed "Rainbow Municipal Water District (RMWD) and Fallbrook Public Utility (FPUD) District Reorganizations: Wholesale Water Services", which is to administratively hold consideration of the reorganization proposals until the San Diego Local Agency Formation Commission (SDLAFCO) completes the currently scheduled municipal service review (MSR) covering the San Diego County Water Authority (SDCWA).

Specifically, OMWD opposes any action by SDLAFCO that would increase its costs in either the near or far term. While detachment can be mitigated in the near term with an exit fee, the long-term consequence of detachment when combined with the impending member agency roll-offs are of great concern. Consequently, an administrative hold (and deep dive into these cumulative issues) is the most prudent path forward for the entire region.

Option Three allows for a comprehensive analysis into the unknowns of the long-term ratepayer impacts, not just of detachment, but also roll-offs. By way of example, the projected annual potable reuse roll-off in the region is anticipated to be 50,000 acre-feet by 2029 and does not include the future Encina One Water project, recycled water development, or brackish groundwater development in the region. The projected loss of sales from the detachment of both agencies is approximately 22,000 acre feet. The detachment of RMWD and FPUD should not be examined independently of all the other impending roll-offs. The combined financial



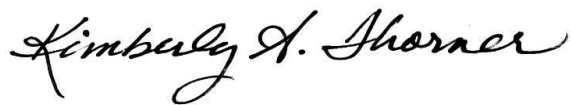
impact of detachments and roll-offs should be analyzed collectively, as they both result in a reduced demand on SDCWA that currently has fixed take-or-pay supplies that may soon exceed the demand of the region. The true elephant in the room is that, unless SDCWA leverages its fixed take-or-pay supplies, it will have more fixed take-or-pay supplies than it will have demand in the next ten years if its member agencies fully develop all of their planned local supply projects. Detachment would further exacerbate this problem. SDCWA water sales have declined from a peak of 670,000 acre-feet per year in 2007 to projected water sales in 2024 of only 362,000 acre-feet. This is before any roll-offs reduce water sales further.

Option Three would allow the comprehensive review of SDCWA with respect to current and planned service levels, community needs, and financial standing before taking any potential actions on the detachments.

Of note, the OMWD Board of Directors considered and discussed its position at its May 2023 Board Meeting and believes that Option Three is the best path forward for the entire region. However, if the SDLAFCO commissioners do not ultimately support Option Three at the June 5th hearing, OMWD's default position would be Option Four, which would be to disapprove the proposals without prejudice.

Thank you for the opportunity to comment on the record with OMWD's position on this matter.

Sincerely,

A handwritten signature in black ink, reading "Kimberly A. Thorner". The signature is written in a cursive, flowing style.

Kimberly A. Thorner, Esq.  
General Manager

cc: OMWD Board of Directors

**Board of Directors**

Christy Guerin, President  
Matthew R. Hahn, Vice President  
Neal Meyers, Treasurer  
Lawrence A. Watt, Secretary  
Marco San Antonio, Director



**General Manager**  
Kimberly A. Thorner, Esq.

**General Counsel**  
Alfred Smith, Esq.

May 23, 2023

The Honorable Chris Holden  
Chair, Assembly Appropriations Committee  
1021 O Street, Suite 8220  
Sacramento, CA 95814

**Re: AB 1573 (Friedman) - OPPOSE Unless Amended**

Dear Chair Holden:

On behalf of Olivenhain Municipal Water District, I am writing to respectfully express our position of oppose unless amended on Assembly Bill 1573, which seeks to amend the Model Water Efficient Landscape Ordinance (MWELO). OMWD provides 87,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services. MWELO serves as a model ordinance for local land use agencies (cities and counties) to enforce minimum standards in landscape design, construction, and management. Each local land use agency, no later than January 1, 2010, must have adopted MWELO or a water-efficient landscape ordinance that is at least as effective as MWELO. Cities and counties can, by mutual agreement with another agency, such as a local water agency, collaborate on implementation of MWELO requirements; therefore, while land use agencies are responsible under state law, many local water agencies have a role in implementing these provisions. MWELO requires specific design construction documents, an irrigation audit, and post-completion documents for each new or rehabilitated landscape project and applies to residential, commercial, industrial, and institutional projects that require a permit, plan check, or design review. OMWD has concerns with provisions in AB 1573 that will significantly limit landscape options; each of our specific concerns is addressed below.

**Native Plant Requirements**

AB 1573 would delete language stating that the model ordinance should not prohibit or require specific plant species, and instead requires the model ordinance to include provisions that require local native plants. The bill also specifically requires any landscapes subject to MWELO to have at least 75 percent of all plants installed be local native plants. While OMWD strongly encourages and supports the use of native plants, it is not appropriate to require their use or set specific thresholds. OMWD supports an approach of climate-appropriate landscaping, rather than dictating specific plant species. Requiring native plants comes with a host of complications. For example, it may be very difficult to find a sufficient selection of appropriate native plants in nearby nurseries. Further, some native plants are sold only at boutique nurseries and the plants are significantly more expensive than larger commercial purveyors, making their use cost-prohibitive. Native plants and landscapes also require proper care, irrigation, and developed soils, and without a familiarity with native plant requirements, landscapes



can begin to look sparse and woody. OMWD supports those that elect to utilize local native plants but is more concerned that landscapes are climate-appropriate to the region. OMWD requests language that encourages the use of native plants in MWELo, but does not set a threshold. Further, existing law providing that the model ordinance should not prohibit specific species should be added back to the statute.

#### Labeling Requirements

This bill would require that each plant, or a representative number of each type of plant, be identifiable at the time of inspection. This is an onerous requirement for property owners, and OMWD does not have the resources to appropriately identify each type of plant throughout OMWD's 48-square-mile service territory. OMWD requests that this requirement instead be encouraged and limit the scope of this language to apply only to landscapes open to the public.

#### Plant Factor Requirement

The Water Use Classification of Landscape Species, published by the University of California Cooperative Extension and DWR, categorizes plants into one of four categories based on their water use and provides them with a corresponding Plant Factor number: Very low (0 to 0.1), Low (0.1 to 0.3), Moderate (0.4 to 0.6), and High (0.7 to 1.0). The Draft Staff Framework for Making Conservation a California Way of Life Regulation recently released by the State Water Resources Control Board proposes a landscape efficiency factor of 0.45 for new construction. MWELo requires a plant factor of 0.55 for residential areas and 0.45 for nonresidential. AB 1573 would reduce that standard even further to 0.3 for MWELo compliance. The standard of 0.45 is already very restrictive and difficult to achieve. Dropping down to 0.3 would only allow the use of low and very low-water-use plants. OMWD is concerned with this reduction and believes that the standard should not be lowered. Further, this is a standard that should remain in the purview of the regulatory experts that set these standards, rather than be set in statute. OMWD requests removing any statutory language requiring specific plant factors.

#### Nonfunctional Turf

It can be argued that MWELo already effectively limits how much turf can be installed. MWELo prohibits street medians from having high water use plants with plant factors of 0.7 to 1.0 and prohibits slopes greater than 25 percent to prevent irrigation runoff. If Assemblymember Friedman's other bill, AB 1572, which seeks to ban irrigation of nonfunctional turf with potable water, is signed into law, it makes sense for MWELo to actively prevent the planting of new nonfunctional turf. Both this bill and AB 1572 have different definitions of nonfunctional turf; it is OMWD's understanding that this definition is a work in progress and that both bills will have the same definition when consensus on a definition is reached. At this time, OMWD is not proposing specific language for the definition for nonfunctional turf but will continue to weigh in as the bills evolve.

AB 1573 creates many new requirements for MWELo that are overly restrictive and may be very difficult or impossible to successfully implement. While OMWD is supportive of climate appropriate landscaping, the provisions outlined in AB 1573 go much further than that goal, and several amendments are necessary to ensure the landscaping requirements under MWELo can be achievable and will result in beneficial water savings, while also avoiding unintended consequences.

For the reasons stated above, OMWD has an oppose unless amended position on AB 1573. If you or your staff should need any additional details, please do not hesitate to contact me at 760-753-6466 or [kthorner@olivenhain.com](mailto:kthorner@olivenhain.com).

Regards,



Kimberly A. Thorner  
General Manager

CC: The Honorable Laura Friedman  
Members, Assembly Appropriations Committee  
Assemblymember Tasha Boerner  
Assemblymember Brian Maienschein  
Ashley Walker, Nossaman, LLP ([awalker@nossaman.com](mailto:awalker@nossaman.com))



June 1, 2023

To the Board of Directors  
of the Olivenhain Municipal Water District  
Rancho Santa Fe, California

We are engaged to audit the financial statements of the Olivenhain Municipal Water District, California (the “District”) as of and for the year ended June 30, 2023. Professional standards require that we provide you with the following information related to our audit. We would also appreciate the opportunity to meet with you to discuss this information further since a two-way dialogue can provide valuable information for the audit process.

Our Responsibilities under U.S. Generally Accepted Auditing Standards and *Government Auditing Standards*

As stated in our engagement letter dated June 1, 2023, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we will consider the internal control of the District. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will also perform tests of the District's compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit.

Generally accepted accounting principles provide for certain required supplementary information (“RSI”) to supplement the basic financial statements. Our responsibility with respect to the Management’s Discussion and Analysis (“MD&A”), the Modified Approach for Steel Water Storage Tanks Infrastructure Capital Assets, the Schedule of Contributions – Defined Benefit Pension Plans, and the Schedule of Proportionate Share of the Net Pension Liability, which supplement the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, the RSI was not audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we do not express an opinion or provide any assurance on the RSI.

We have been engaged to report on the schedule of expenditures of federal awards, which accompanies the financial statements but is not RSI. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We have not been engaged to report on the Introductory and Statistical Sections, which accompany the financial statements but are not RSI. Our responsibility with respect to this other information in documents containing the audited financial statements and auditor’s report does not extend beyond the financial information identified in this report. We have no responsibilities for determining whether this other information is properly stated. This other information is not audited and we do not express an opinion or provide any assurance on it.

Planned Scope, Timing of the Audit, and Other

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

According to GAAS, significant risks include management override of controls, and GAAS presumes that revenue recognition is a significant risk. Accordingly, we have considered these as significant risks. We have also identified management override of controls as a significant risk of material misstatement.

We expect to begin our audit on approximately June 1, 2023 and issue our report no later than November 30, 2023. Coley S. Delaney is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This information is intended solely for the use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in blue ink that reads "The PwC Group, LLP".

San Diego, California

A handwritten signature in blue ink that reads "Coley Delaney".

Coley Delaney, CPA  
CPA Number: 115598

**Board of Directors**

Christy Guerin, President  
Matthew R. Hahn, Vice President  
Neal Meyers, Treasurer  
Lawrence A. Watt, Secretary  
Marco San Antonio, Director



**General Manager**  
Kimberly A. Thorner, Esq.  
**General Counsel**  
Alfred Smith, Esq.

June 6, 2023

The Honorable Brian Maienschein  
Chair, Assembly Judiciary Committee  
1020 N Street, Room 104  
Sacramento, CA 95814

The Honorable Luz Rivas  
Chair, Assembly Natural Resources Committee  
1020 N Street, Room 164  
Sacramento, CA 95814

**Re: Newsom Administration Infrastructure Package: Build California's Clean Future, Faster - SUPPORT**

Dear Chair Maienschein and Chair Rivas:

On behalf of Olivenhain Municipal Water District, I am writing to express strong support for the Newsom Administration's proposed infrastructure package to accelerate critical clean infrastructure projects that meet state social, climate, and economic goals. OMWD provides 87,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services. These proposals maintain the integrity of appropriate environmental review, government transparency, and community engagement.

Extreme events caused by climate change, including heatwaves, wildfires, flooding, and drought, pose unprecedented challenges to California's infrastructure. Tackling this climate crisis and advancing California's equity goals necessitate urgent action and deployment of clean projects to meet our world-leading climate goals, build a clean and resilient electric grid, strengthen California's water resiliency, and modernize California's clean transportation infrastructure.

Streamlined regulatory processes are crucial for projects like OMWD's San Dieguito Valley Brackish Groundwater Desalination Project. This project aims to address water supply challenges caused by drought and climate change. By diversifying OMWD's water supply portfolio, this project provides local control, reliability, and affordability. It also benefits the broader region by improving groundwater quality and reducing demands on the State Water Project. The Newsom Administration Infrastructure Package offers several benefits to this project, including accelerated implementation, potential cost savings as a result of less burdensome administrative processes within the regulatory framework, enhanced planning and flexibility, and increased collaboration and engagement in the region and communities served by OMWD.

California has a once-in-a-generation opportunity to leverage federal funding to invest in California's clean infrastructure, grow the state's economy, and create thousands of good-paying jobs. Yet major infrastructure projects are too often bogged down in overly onerous regulatory processes and a siloed approach to permitting approvals, which increases overall costs and delays critical projects. In order to streamline permitting and build infrastructure responsibly and expeditiously, the Administration is



1966 Olivenhain Road • Encinitas, CA 92024 • 760-753-6466 • [www.olivenhain.com](http://www.olivenhain.com)

A Public Agency Providing Water Wastewater Services Recycled Water Hydroelectricity Elfin Forest Recreational Reserve



proposing thoughtful, common-sense reform measures to streamline regulatory and review processes so projects can be planned, permitted, and built faster while protecting the environment. Importantly, these proposals provide unique streamlining benefits under the California Environmental Quality Act (CEQA) to advance climate-friendly projects without reducing the environmental and government transparency benefits of the environmental review process.

For the reasons stated above, OMWD is in strong support of the Administration's infrastructure package to build California's clean future, faster. If you or your staff should need any additional details, please do not hesitate to contact me at 760-753-6466 or [kthorner@olivenhain.com](mailto:kthorner@olivenhain.com).

Regards,



Kimberly A. Thorner  
General Manager

CC: Assembly Transportation Chair, Assemblymember Laura Friedman  
Assembly Water, Parks, Wildlife Chair, Assemblymember Rebecca Bauer-Kahan  
Assembly Natural Resources Chair, Assemblymember Luz Rivas  
Assembly Judiciary Chair, Assemblymember Brian Maienschein  
Senate Natural Resources and Water Chair, Senator Dave Min  
Senate Judiciary Chair, Senator Tom Umberg  
Senate Transportation, Senator Lena Gonzalez

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**General Manager**  
Kimberly A. Thorner, Esq.  
**General Counsel**  
Alfred Smith, Esq.

June 6, 2023

The Honorable Rebecca Bauer-Kahan  
Chair, Assembly Water, Parks, Wildlife Committee  
1021 O Street, Suite 6320  
Sacramento, CA 95814

**Re: Newsom Administration Infrastructure Package: Build California's Clean Future, Faster -  
SUPPORT**

Dear Chair Bauer-Kahan:

On behalf of Olivenhain Municipal Water District, I am writing to express strong support for the Newsom Administration's proposed infrastructure package to accelerate critical clean infrastructure projects that meet state social, climate, and economic goals. OMWD provides 87,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services. These proposals maintain the integrity of appropriate environmental review, government transparency, and community engagement.

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Kimberly A. Thorner  
General Manager

CC: Assembly Transportation Chair, Assemblymember Laura Friedman  
Assembly Water, Parks, Wildlife Chair, Assemblymember Rebecca Bauer-Kahan  
Assembly Natural Resources Chair, Assemblymember Luz Rivas  
Assembly Judiciary Chair, Assemblymember Brian Maienschein  
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Marco San Antonio, Director



**General Manager**  
Kimberly A. Thorner, Esq.  
**General Counsel**  
Alfred Smith, Esq.

June 6, 2023

The Honorable David Min  
Chair, Senate Natural Resources and Water Committee  
1021 O Street, Room 2100  
Sacramento, CA 95814

**Re: Newsom Administration Infrastructure Package: Build California's Clean Future, Faster -  
SUPPORT**

Dear Chair Min:

On behalf of Olivenhain Municipal Water District, I am writing to express strong support for the Newsom Administration's proposed infrastructure package to accelerate critical clean infrastructure projects that meet state social, climate, and economic goals. OMWD provides 87,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services. These proposals maintain the integrity of appropriate environmental review, government transparency, and community engagement.

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Regards,



Kimberly A. Thorner  
General Manager

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**General Manager**  
Kimberly A. Thorner, Esq.  
**General Counsel**  
Alfred Smith, Esq.

June 8, 2023

The Honorable Dave Min, Chair  
Senate Natural Resources and Water Committee  
1021 O Street, Room 3220  
Sacramento, CA 95814

**Re: AB 30 (Ward) Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program-SUPPORT**

Dear Chairman Min:

On behalf of Olivenhain Municipal Water District, I am writing in support of your measure Assembly Bill 30. This bill would update and expand the Atmospheric River Research and Forecast Improvement Program: Enabling climate adaptation through Forecast-Informed Reservoir Operations (FIRO) and the Hazard Resiliency Program (AR Program) within the Department of Water Resources (DWR). The AR Program will integrate FIRO into DWR water supply operations, flood, and hazard risk mitigation efforts. OMWD provides 87,000 customers in northern San Diego County with water, wastewater, recycled water, hydroelectric, and recreational services.

Atmospheric rivers produce up to 50% of the annual precipitation over parts of California and cause over 90% of insured flood losses in the state. The unpredictability of atmospheric rivers can lead to devastating outcomes that result in extreme flooding, post-wildfire debris flow, mudslides, and loss of water for agricultural, residential, and hydroelectric use.

Extreme atmospheric rivers are projected to become more frequent. Over the past 15 years, a growing body of research has identified the benefits and risks of atmospheric rivers and led to increased skill in forecasting these events. Funding from the existing AR Program has supported much of this research and innovation. Enhanced predictive capability improves public safety and the development of tools supporting water supply management, groundwater recharge, and hydroelectricity production. The deployment of innovative approaches such as FIRO will improve forecast times and help us to better understand the environmental implications of atmospheric river systems.

It is necessary to update the existing program in order to align investments in atmospheric river forecast development, support FIRO implementation, and enhance California's ability to leverage federal agency support and funding. AB 30 will update and broaden the AR Program to include research, development, and implementation of new observations, prediction models, and novel forecasting methods to continue improving atmospheric river prediction capabilities.



For the reasons stated above, OMWD supports your measure AB 30. If you or your staff should need any additional details, please do not hesitate to contact me at 760-753-6466 or [kthorner@olivenhain.com](mailto:kthorner@olivenhain.com).

Regards,



Kimberly A. Thorner  
General Manager

CC: Assemblymember Chris Ward, Author  
Senate Natural Resources and Water, Committee Members  
Senate Natural Resources and Water, Committee Consultant  
Senator Toni Atkins  
Senator Catherine Blakespear  
Senator Brian Jones  
Assemblymember Tasha Boerner  
Assemblymember Brian Maienschein  
Ashley Walker, Nossaman, LLP ([awalker@nossaman.com](mailto:awalker@nossaman.com))

# Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: AUTHORIZATION TO ATTEND UPCOMING MEETINGS /  
CONFERENCES / SEMINARS

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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

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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

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There may be public comments before the Board meeting is adjourned.

# Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: CLOSED SESSION

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It may be necessary to go into Closed Session.

# Memo

To: Olivenhain Municipal Water District Board of Directors

Subject: ADJOURNMENT

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We are adjourned.

# Welcome to the Board: Neal Meyers, Olivenhain Municipal Water District

[waternewsnetwork.com/welcome-to-the-board-neal-meyers-olivenhain-municipal-water-district/](https://waternewsnetwork.com/welcome-to-the-board-neal-meyers-olivenhain-municipal-water-district/)

Ed Joyce

May 15, 2023



*(Editor's Note: This feature highlights new members of the San Diego County Water Authority's 36-member Board of Directors. Each of the Water Authority's 24 member agencies appoints at least one representative to the Board, which sets policy for the Water Authority.)*

**Who:** Neal Meyers was seated on the San Diego County Water Authority Board of Directors on March 20, 2023, representing the Olivenhain Municipal Water District. Meyers serves on the Administrative and Finance and Imported Water committees for the Water Authority.

**Background/Education:** Meyers, a resident of Carlsbad, earned a bachelor's degree in political science with a concentration in local government administration from Cal Poly, San Luis Obispo, where he earned Highest Honors and a J.D. from the University of San Diego School of Law. He represents District 5 on the Olivenhain Municipal Water District Board of Directors and is also the Board treasurer. In addition to his duties as Treasurer, Meyers serves on OMWD's Finance, Safety, and Ad Hoc Insurance committees. He holds a certificate from the Special District Leadership Academy, and he was awarded a Certificate in Special District Governance from the California Special Districts Association. Member: The State Bar of California and Carlsbad Chamber of Commerce.

**Water Industry Affiliations:** Director, CalDesal Association, AdHoc Insurance Committee Association of California Water Agencies (ACWA).

## **Q & A**

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### **Q: How did you get interested in water issues?**

A: My first interest in water issues was from the severe drought in the mid-1970s while growing up in the San Francisco Bay Area and then from the Proposition 9 peripheral canal vote while I studied local government as an undergraduate. After starting my professional career in San Diego County, I was privileged to represent many water agencies, where I gained a great appreciation of their many challenges, now exacerbated by severe periods of water shortages. I am very appreciative of the opportunity I now have to assist my local community and the region to work on those issues in a policy-making role.

### **Q: What are your priorities or interests as a Board member?**

A: Maintaining a safe and reliable water supply at affordable rates. We must find ways to leverage San Diego County's forward-thinking investments in water infrastructure into a workable long-term business model that keeps water rates under control. Higher rates are not good for anyone, and we must especially must keep in mind the disproportionate burden higher rates have on low-income ratepayers and the underserved. We should also spend more time looking at developing greater coordination and sharing of resources between our many county public utility agencies.

### **Q: Besides maintaining safe and reliable water supplies, what do you see as the top three issues facing the San Diego region?**

A: Removing barriers to affordable housing, appropriately allocating transportation infrastructure resources, and maintaining high-quality, affordable education at all levels throughout our region.

### **Q: What do you like to do when you are not working?**

A: Family, friends, exercise, and travel. I figure if I can keep that all in balance, I will be around for a while to think about water.

*The Water Authority's [Board of Directors](http://www.sdcwa.org/board-directors) typically meets on the fourth Thursday of each month. The Board invites the public to attend its monthly meetings and to comment on agenda items or other matters before the Board. For meeting times, agendas and documents, go to [www.sdcwa.org/board-directors](http://www.sdcwa.org/board-directors)*

## OMWD Recognizes Winners of the Annual Water Awareness Poster Contest

Ed Joyce :: 5/18/2023

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Encinitas, Calif. — At its May 17 meeting, Olivenhain Municipal Water District's Board of Directors recognized the top three entries in the 2023 North County Water Agencies Water Awareness Poster Contest. Nearly 100 fourth graders who live or attend schools in OMWD's service area participated in this year's competition.

The recognized entries were submitted by Lillian Cook from El Camino Creek Elementary School, Leo W. from Olivenhain Pioneer Elementary School, and Talia Elizabeth Abordo from Stone Ranch Elementary School. Lillian's poster depicts her creative interpretation of a sunset on an ocean horizon. Leo's poster featured an ocean wave cresting over planet Earth as it floats on the ocean, and Talia's artwork showcases an otter holding a sign advocating to "save water, save one of us!" next to a smiling planet Earth.

"This contest is a wonderful way to showcase the creativity and talent of students throughout the communities OMWD serves," said OMWD Board Vice President Matthew Hahn. "By highlighting the importance of water use efficiency, elementary school children illustrate through their artwork the importance of protecting this finite natural resource."

This year marks the 30<sup>th</sup> year of the annual Water Awareness Poster Contest. The theme for this year's contest was "Love Water, Save Water." The contest teaches students the value of [water](#) as a limited resource and the importance of using it wisely, while providing [OMWD](#) with locally produced artwork to reinforce this message to its customers.

The recognized [posters](#) will be featured in a 2024 Water Awareness Calendar.

