DESERT WATER AGENCY
NOVEMBER 19, 2019

BOARD OF DIRECTORS
REGULAR MEETING AGENDA

REGULAR MEETING 8:00 A.M. OPERATIONS CENTER - 1200 SOUTH GENE AUTRY TRAIL – PALM SPRINGS – CALIFORNIA

Desert Water Agency operates independently of any other local government. Its autonomous elected board members are directly accountable to the people they serve. The Agency is one of the desert's two State Water Contractors and provides water and resource management, including recycling, for a 325-square-mile area of Western Riverside County, encompassing parts of Cathedral City, Desert Hot Springs, outlying Riverside County and Palm Springs.

1. PLEDGE OF ALLEGIANCE

2. APPROVAL OF MINUTES November 5, 2019 **STUART**

3. GENERAL MANAGER'S REPORT **KRAUSE**

4. COMMITTEE REPORT
A. Human Resources – November 12, 2019 **BLOOMER**
B. Executive – November 14, 2019 **STUART**

5. SECRETARY-TREASURER'S REPORT – October 2019 **EWING**

6. PUBLIC COMMENT: Members of the public may comment on any item not listed on the agenda, but within the jurisdiction of the Agency. In addition, members of the public may speak on any item listed on the agenda as that item comes up for consideration. Speakers are requested to keep their comments to no more than three (3) minutes. As provided in the Brown Act, the Board is prohibited from acting on items not listed on the agenda.

7. ACTION ITEMS
A. Request Authorization for General Manager to Execute Professional Services Agreement with Water Systems Consulting for the Coachella Valley Urban Water Management Plan **METZGER**
B. Request Approval of Public Events Compensation Policy and Adoption of Resolution No. 1224 **METZGER**
C. Request Board Action Regarding Claim Filed by Driscoll & Omens on Behalf of Karen Persson **KRAUSE**
D. Request Board Authorization to Execute Exchange Agreement (MWD) **KRAUSE**
E. Request Approval of Eighth Amendment to Tolling & Waiver Agreement with DWR **KRAUSE**
F. Request Board Approval of Desert Water Agency Position Classification Schedule Change (To be considered after discussion on Item 10-F) **HOPPING**
G. Action on Closed Session Item 10-F **HOPPING**

8. DISCUSSION ITEM
A. October Water Use Reduction Figures **METZGER**
B. Legislative Report **REEB**

9. DIRECTORS COMMENTS AND REQUESTS

10. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al

B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Mission Springs Water District vs. Desert Water Agency

C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Albrecht et al vs. County of Riverside

D. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Government Code Section 54956.9 (d) (1)
Name of Case: Abbey et al vs. County of Riverside

E. CONFERENCE WITH LEGAL COUNSEL – EXPOSURE TO LITIGATION
Pursuant to Government Code Section 54956.9 (d) (2)
Alan Neil Freiman, et al vs. Safari Park, Inc.
Riverside County Superior Court Case No. PSC1806308

F. CONFERENCE WITH LABOR NEGOTIATORS
Pursuant to Government Code Section 54957.6
Agency Designated Representatives: General Manager Krause, Assistant General Manager Johnson, Finance Director Saenz, Human Resources Manager Hopping
Employee Organization: DWA Employees' Association

11. RECONVENE INTO OPEN SESSION – REPORT FROM CLOSED SESSION

12. ADJOURN

2

MINUTES
OF THE REGULAR MEETING
OF THE
DESERT WATER AGENCY
BOARD OF DIRECTORS

November 5, 2019

DWA Board:	Joseph K. Stuart, President	)
	Kristin Bloomer, Vice President	)
	Patricia G. Oygar, Director	)
Absent:	Craig Ewing, Secretary-Treasurer	)
	James Cioffi, Director	)
DWA Staff:	Mark S. Krause, General Manager	)
	Steve Johnson, Assistant General Manager	)
	Esther Saenz, Finance Director	)
	Sylvia Baca, Asst. Secretary of the Board	)
	Ashley Metzger, Outreach & Cons. Manager	)
	Kris Hopping, Human Resources Manager	)
	Dylan Newton, Water Service Worker I	)
Consultant:	Michael T. Riddell, Best Best & Krieger	)
Public:	David Freedman, P.S. Sustainability Commission	)
	Dr. Lani Miller, P.S. Sustainability Commission	)
	Brian Macy, Mission Springs Water District	)

Pledge of Allegiance

18571. President Stuart opened the meeting at 8:00 a.m. and asked everyone to join Director Oygar in the Pledge of Allegiance.

Employee Introduction

18572. General Manager Krause introduced newly hired employee Dylan Newton (Water Service Worker I).

Approval of 10/15/19 Regular Board Mtg. Minutes

18573. President Stuart called for approval of the October 15, 2019 Regular Board Meeting Minutes.

Director Oygar moved for approval. After a second by Vice President Bloomer, the minutes were approved by the following vote:

AYES:	Oygar, Bloomer, Stuart
NOES:	None
ABSENT:	Ewing, Cioffi
ABSTAIN:	None

General Manager's Report

18574. President Stuart called upon General Manager Krause to provide an update on Agency operations.

Mr. Krause provided an update on Agency operations and noted his meetings and activities for the past several weeks.

Committee Reports – Conservation & Public Affairs 10/10/19

18575. President Stuart noted the minutes for the October 10, 2019 Conservation & Public Affairs Committee meeting were provided in the Board's packet.

Executive 10/31/19

18576. President Stuart noted the minutes for the October 31, 2019 Executive Committee meeting were provided in the Board's packet.

Secretary-Treasurer's Report (September)

18577. President Stuart called upon Finance Director Saenz to present an overview of financial activities for the month of September 2019.

Operating Fund

Mrs. Saenz reported that the Operating Fund received $3,785,691 in Water Sales Revenue, $137,471 in Reclamation Sales Revenue and $8,067 from Construction Deposits ($6,267 from City of Palm Springs and $1,800 from Pinkerton). $1,527,128 was paid out in Accounts Payable. Year-to-date Water Sales are 8% under budget, Year-to-date Total Revenues are 6% under budget and Year-to-date Total Expenses are 15% under budget. There were 23,241 active services as of September 30, 2019 compared to 23,258 active services as of August 31, 2019.

General Fund

Reporting on the General Fund, Mrs. Saenz stated that $232,210 was received in Groundwater Assessments, $61,892 was received from SCE for Whitewater Hydro Power Sales for the month of August 2019. $1,166,696 was paid in State Water Project charges (YTD $4,918,158) and $140,241 was paid to Sites Project JPA for Sites Reservoir Committee participation.

Wastewater Fund

Reporting on the Wastewater Fund, Mrs. Saenz reported $1,261 was received in Sewer Contract payments. There are a total of 32 contracts with total delinquents of 8 (25%). $218,464 was paid out in Accounts Payable.

Public Comment

18578. President Stuart opened the meeting for public comment.

There being no one from the public wishing to address the Board, President Stuart closed the public comment period.

Items for Action: Request Adoption of Resolution No. 1223 – 2020 Benefit Plan for Pre-Tax Payment of Employee Share of Medical Premiums

18579. President Stuart called upon Human Resources Manager Mrs. Hopping to present staff's request to adopt Resolution 1223, 2020 Benefit Plan for Pre-Tax Payment of Employee Share of Medical Premiums.

Items for Action: (Cont.)
Request Adoption of Resolution No. 1223 – 2020 Benefit Plan for Pre-Tax Payment of Employee Share of Medical Premiums

Mrs. Hopping reported that Desert Water Agency employees are currently paying their portion of the medical, dental, and vision premiums on a post-tax basis. This results in the employee paying taxes on their portion of the premiums. It also causes Desert Water Agency to pay Social Security and Medicare taxes on the employee's share of the premiums. She explained creating a 125 Plan would allow employees to have their medical, dental, and vision premiums taken out on a pre-tax basis. This will reduce the employee's tax burden and reduce the amount Desert Water Agency pays in Social Security and Medicare taxes. Staff is requesting that the Board of Directors adopt Resolution No. 1223.

Director Oygar moved to approve staff's request. After a second by Vice President Bloomer, the motion carried by the following vote:

AYES:	Oygar, Bloomer, Stuart
NOES:	None
ABSENT:	Ewing, Cioffi
ABSTAIN:	None

Resolution No. 1223 Adopted

RESOLUTION 1223
RESOLUTION OF THE BOARD OF DIRECTORS OF DESERT WATER AGENCY ADOPTING THE DESERT WATER AGENCY FLEXIBLE BENEFITS PLAN

Request Authorization for GM to Execute Utility Agreement with City of Palm Springs for So. Palm Canyon Bridge Project

18580. President Stuart called upon Assistant General Manager Johnson to present staff's request to authorize the General Manager to Execute a Utility Agreement with the City of Palm Springs for the South Palm Canyon Dr. Bridge Project.

Mr. Johnson reported that the City of Palm Springs is proposing to replace the existing South Palm Canyon bridge over Tahquitz Creek Channel with a wider bridge. As part of this project, the Agency is proposing to install a new 16" pipeline within a cell of the bridge structure. The pipeline will be included with the City's bridge contract and to be installed by the City's contractor. He noted that currently the budget for this project is $450,000, but during the design phase of the work, the bridge and street improvements on the south side changed adding approximately 160 feet of additional pipeline. Mr. Johnson noted upon completion of the pipeline design, a revised construction estimate of $592,000 was calculated by Krieger and Stewart. This estimate was used for the proposed utility agreement. Mr. Johnson explained to date, the Agency has spent approximately $44,000 on design costs. The City will be advertising the project in early 2020, with an anticipated construction start in October 2020. It is anticipated that a budget augmentation will be required after the City receives bids and awards the contract.

Items for Action: (Cont.)
Request Authorization for GM to Execute Utility Agreement with City of Palm Springs for So. Palm Canyon Bridge Project

Mr. Johnson indicated that at this time, staff requests Board authorization for the General Manager to execute the Utility Agreement with the City of Palm Springs for this project, to include a cost of $592,000 for pipeline installation. If, after receiving bids, the construction costs surpasses $592,000, staff requests Board authorization to allow the General Manager to execute an amended agreement not to exceed 20% above $592,000.

Director Oygar moved to approve staff's request. After a second by Vice President Bloomer, the motion carried by the following vote:

AYES:	Oygar, Bloomer, Stuart
NOES:	None
ABSENT:	Ewing, Cioffi
ABSTAIN:	None

Request Authorization for GM to Execute Land Lease Agreement Amendment and Memorandum of Land Lease Agreement with Wildcat I Energy Storage, LLC

18581. President Stuart called upon Assistant General Manager Johnson to present staff's request to authorize the General Manager to Execute Land Lease Agreement Amendment and Memorandum of Land Lease Agreement with Wildcat I Energy Storage, LLC.

Mr. Johnson noted in May 2018, the Board authorized the General Manager to execute a Land Lease Agreement with Wildcat I Energy Storage LLC (Wildcat) over a 100' X 100' portion of Desert Water Agency's Dinah Shore property. Since that time, Wildcat has been working with the City of Palm Springs on project approval requirements. As part of the City's requirements, Wildcat must install parking and must include landscaping elements in their design. As a result of the City requirements, Mr. Johnson noted Wildcat has submitted a lease amendment for Agency approval. The proposed amendment defines a larger lease area, increasing the annual rental amount from $34,800 to $39,800 and outlines a new lease option allowing the lessee to expand the lease area if approved by the Agency, and proposes a temporary Construction Laydown License that will allow the lessee to utilize a portion of Agency land for staging, fabrication, and storage during the construction of the project.

Mr. Johnson then explained that Wildcat has also prepared a Memorandum of Lease Land Agreement that summarizes the lease and the proposed amendment. This document will be recorded by Wildcat when executed. Staff requests Board authorization for the General Manager to execute both the Lease Agreement Amendment and the Memorandum of Land Lease.

Items for Action: (Cont.) Request Authorization for GM to Execute Land Lease Agreement Amendment and Memorandum of Land Lease Agreement with Wildcat I Energy Storage, LLC

Director Oygar moved to approve staff's request. After a second by Vice President Bloomer, the motion carried by the following vote:

AYES:	Oygar, Bloomer, Stuart
NOES:	None
ABSENT:	Ewing, Cioffi
ABSTAIN:	None

Discussion Item:

09/19/19 SWC Mtg.

18582. President Stuart called upon Agency Counsel Riddell to provide a report on the September 19, 2019 Board of Directors of the State Water Contractors meeting.

Mr. Riddell provided a report on the following items: 1) Closed Session, 2) Secretary Treasurer nominated, 3) Science Objectives Update, 4) Financial Reporting Update, 5) Action Items, (6) Water Operations and Quality Reports, and 7) General Manager's Report.

10/17/19 SWC Mtg.

18583. President Stuart called upon Agency Counsel Riddell to provide a report on the October 17, 2019 Board of Directors of the State Water Contractors meeting.

Mr. Riddell provided a report on the following items: 1) Closed Session, 2) Water Supply Objective Update, 3) Water Operations Update, 4) Board Action Items, 5) Water Operations Report, and 6) General Manager's Report.

Palm Springs Surf Club

18584. President Stuart called upon Outreach & Conservation Manager Metzger to provide a report on the Palm Springs Surf Club.

Mrs. Metzger reported that on October 23, the Palm Springs Planning Commission gave conditional approval to Pono Acquisition Partners for their plans to rehabilitate the 21-acre waterpark adjacent to Desert Water Agency as a surf park. The developers of the project will next go to the Architectural Advisory Committee for formal review and approval of landscaping. The surf park, called Palm Springs Surf Club, will have a different water footprint than the waterpark given the larger surf pool (3 MG versus a 1 MG wave pool) and year-round operations. She noted at the hearing the developer Eric Munoz, also asserted that the park would use less water since several of the slides will be removed and there would be new irrigation and efficient fixtures. She pointed out that Mr. Munoz indicated that they are attempting to get a specialized sustainability certification.

Mrs. Metzger noted DWA staff reviewed the planning documents that were part of the City review process and did not find any analysis of water use.

Discussion Item: (Cont.)

Palm Springs Surf Club

Mrs. Metzger then explained the conditional approval requires that the Planning Commission hold another hearing to review operation within six months of opening date. Desert Water Agency will have an opportunity to review actual water use and make comments. She pointed out that Mr. Munoz acknowledged that water conservation could be examined at that point. She then explained the Developers will request that Desert Water Agency provide a "will-serve letter" declaring that it will provide water to the address. This is part of the restaurant permitting with the health department. This step is generally taken very close to the opening of a restaurant/facility. She pointed out at this stage, Desert Water Agency will have an opportunity to discuss outstanding issues or concerns.

Concluding her report Mrs. Metzger noted Staff will keep the Board informed of major milestones and opportunities for Desert Water Agency's involvement in the process.

In response to President Stuart, Mrs. Metzger stated it will be potable water billed at the potable water rate.

Outreach & Conservation – October 2019

18585. President Stuart noted that Board packets included Outreach & Conservation reports for October 2019.

In response to President Stuart regarding the washer rebate program, Outreach & Conservation Manager Metzger explained DWA will honor Energy Star washers.

Director's Comments/Requests
President Stuart

18586. President Stuart reported he will be attending the 8:00 a.m. DWA facility tour on November 13.

Closed Session:
A. Existing Litigation – ACBCI vs. CVWD, et al.
B. Existing Litigation – MSWD vs. DWA
C. Existing Litigation – Albrecht et al vs. Riverside County
D. Existing Litigation – Abbey et al vs. Riverside County
E. Exposure to Litigation – Alan Neil Freiman, et al vs. Safari Park, Inc.

18587. At 9:12 a.m., President Stuart convened into Closed Session for the purpose of Conference with Legal Counsel, (A) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Agua Caliente Band of Cahuilla Indians vs. Coachella Valley Water District, et al; (B) Existing Litigation, pursuant to Government Code Section 54956.9 (d) (1), Mission Springs Water District vs. Desert Water Agency; (C) Existing Litigation, pursuant to Government Code Section 54959.9 (d) (1), Albrecht et al vs. County of Riverside; (D) Existing Litigation, pursuant to Government Code Section 54959.9 (d) (1), Abbey et al vs. County of Riverside; (E) Exposure to Litigation, pursuant to Government Code Section 54956.9 (d) (2), Alan Neil Freiman et al vs. Safari Park, Inc.

Reconvene – No Reportable Action

18588. At 10:34 a.m., President Stuart reconvened the meeting into open session and announced there was no reportable action taken.

Adjournment

18589. In the absence of any further business, President Stuart adjourned the meeting at 10:35 a.m.

_____
Joseph K. Stuart, President

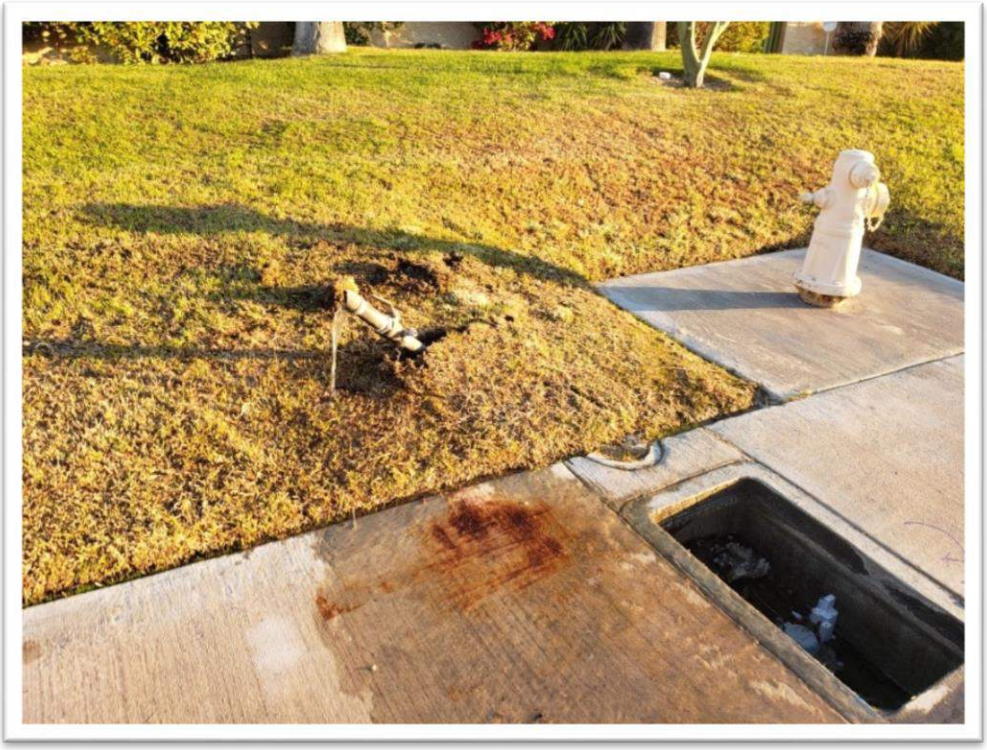
ATTEST:

_____
Craig Ewing, Secretary-Treasurer

GENERAL MANAGER'S REPORT
NOVEMBER 19, 2019

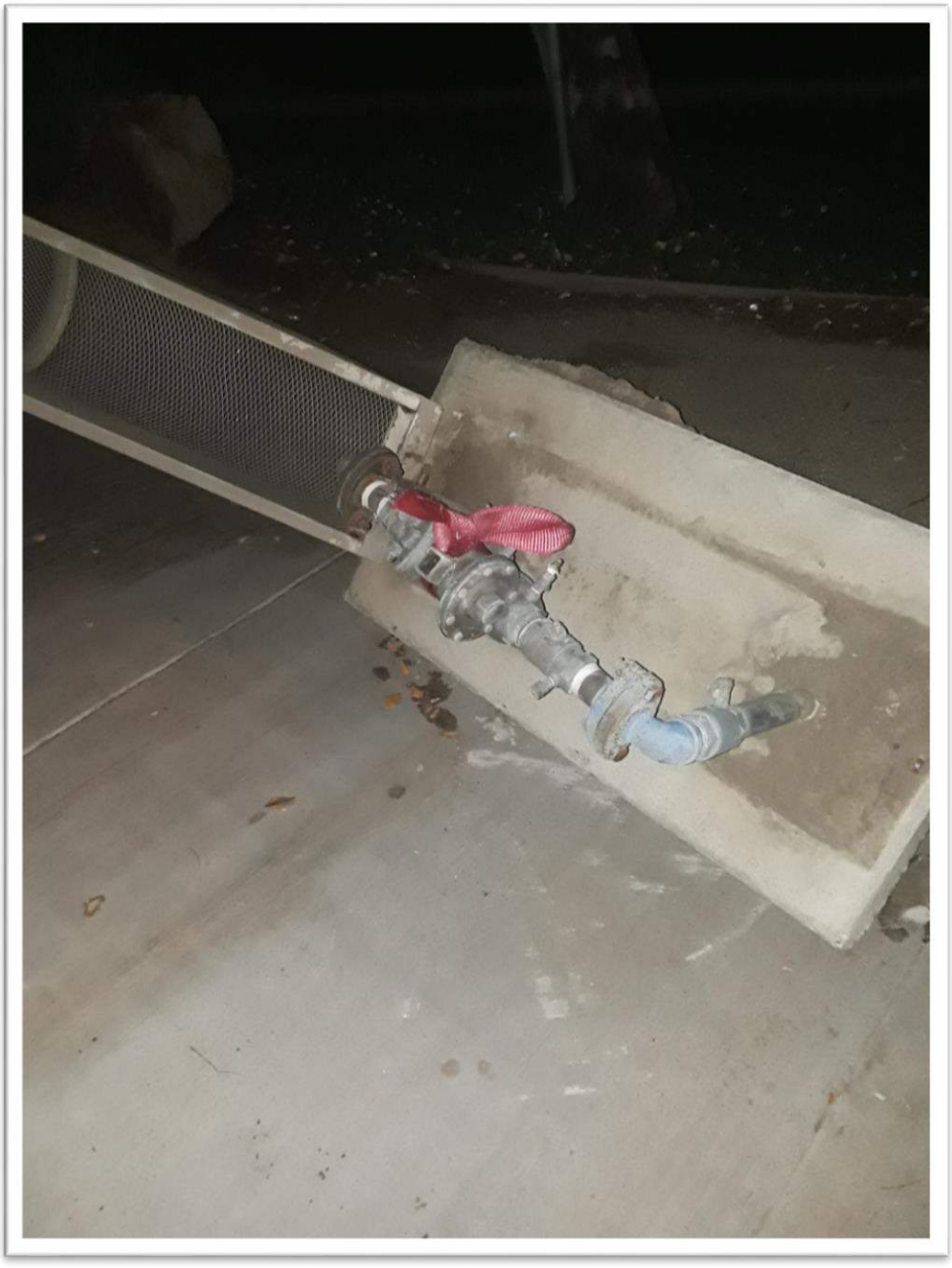
Stolen Backflow – Andreas Rd.

On November 6 at 1:30 a.m., Construction stand-by received a call about a stolen backflow (1 ½ inch device) at 1470 E. Andreas Rd. The property management authorized DWA to replace the backflow. It has been replaced and placed back into service. DWA advised them to file a police report. The water loss was metered.



Backflow Attempted Theft – Amado Rd.

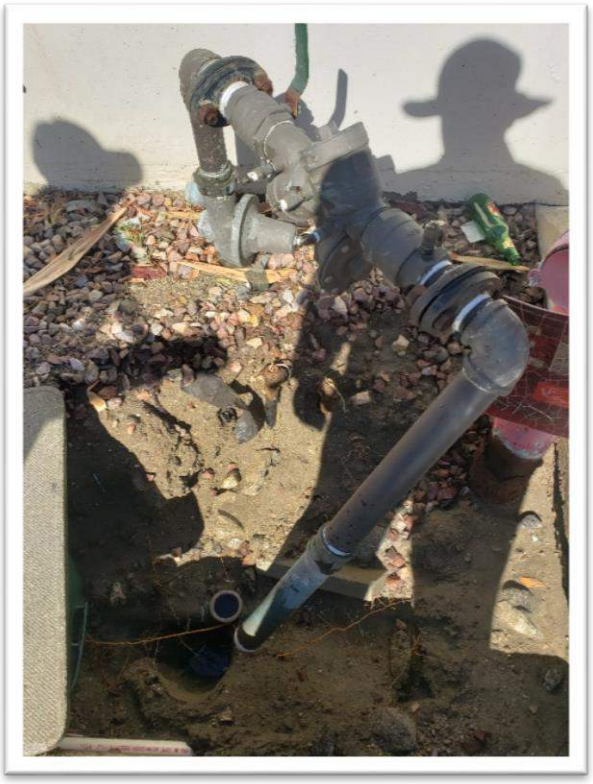
On November 8 at approximately 8:00 p.m., Construction stand-by personnel responded to an attempted theft of a backflow at 500 E. Amado Rd., The property owner authorized DWA to make the necessary repairs and it has been placed back into service. The water loss was metered and one of the tenants filed a police report.

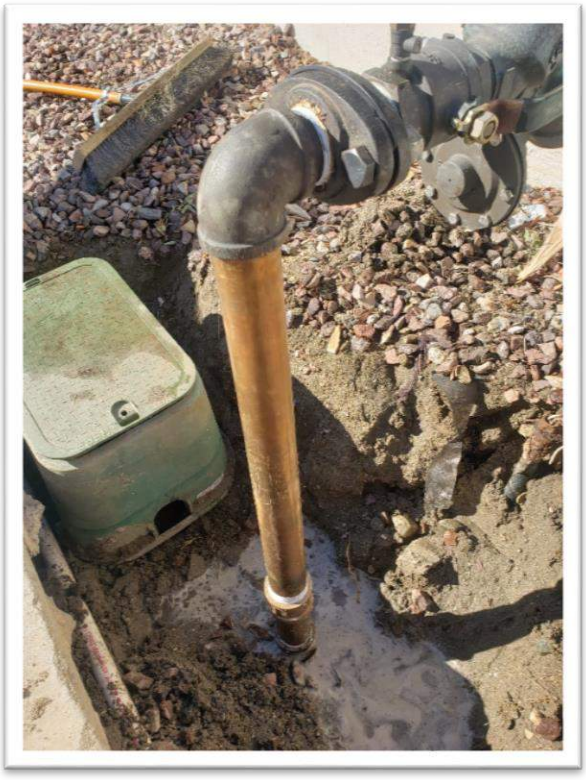


Backflow Attempted Theft – Amado Rd.
(Cont'd)

Damaged Backflow – South Palm Canyon Drive

On Tuesday November 12 at approximately 11:30 a.m. Construction staff responded to a report of a damaged backflow at 499 South Palm Canyon Dr. It is unknown what struck the backflow. Staff received authorization to make the repair and put the backflow back into service. The business did not make a police report and the water loss was metered.





Facilities Fall Tour

The fall tour hosted approximately 90 residents during a morning and afternoon tour on November 13. A bus transported our guests from our office to a well site, a reservoir site, our reclamation plant and lab, and our solar field.

Human Resources Meetings and Activities

Meetings:

10/16/19	United Way Board Meeting	UWD Offices
10/24/19	DWA Safety Meeting	DWA
10/28/19	Weekly Staff Meeting	DWA
11/04/19	Weekly Staff Meeting	DWA
11/04/19	New Employee Orientation – new Account Clerk III	DWA
11/05/19	DWA Board Meeting	DWA
11/06/19	United Way Executive Board Meeting	UWD Offices
11/07/19	Meeting with CalPERS Auditor	DWA
11/12/19	DWA Safety Meeting	DWA
11/12/19	HR Committee Meeting	DWA
11/18/19	Weekly Staff Meeting	DWA
11/19/19	DWA Board Meeting	DWA

Activities:

1) 10/23/19 Webinar– Creating the Water Workforce of the Future
2) 10/24/19 Active Shooter Training
3) 10/29/19 Aflac Representative Visit
4) 11/05/19 College of the Desert Career Panel Speaker
5) 11/14/19 HR Virtual Summit
6) 11/19/19 Lincoln Representative Visit

SYSTEM LEAK DATA

(PERIOD BEGINNING OCTOBER 30, 2019 THRU NOVEMBER 10, 2019)

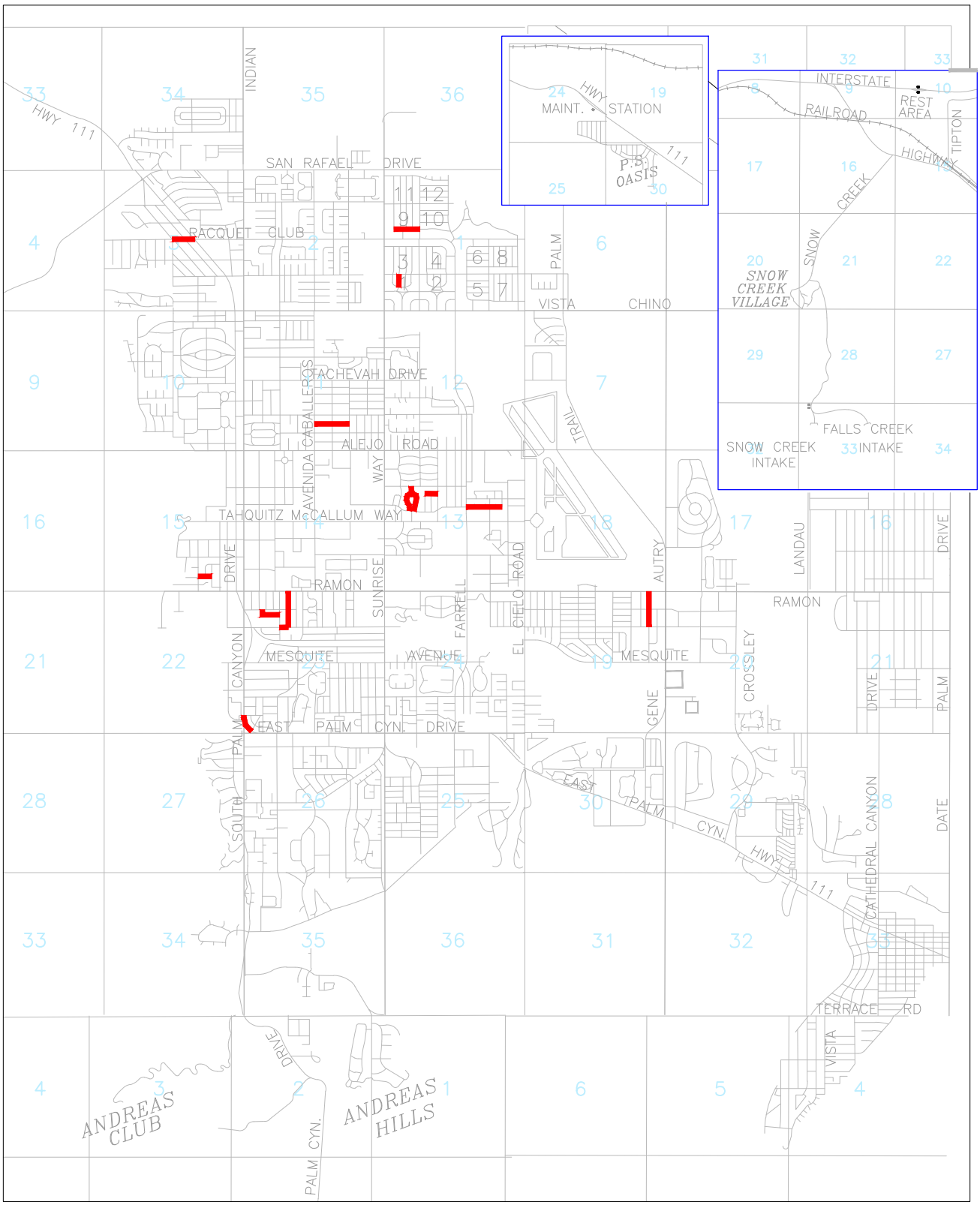
STREET NAME	NUMBER OF LEAKS	PIPE DIAMETER (INCHES)	YEAR INSTALLED	PIPE MATERIAL	PIPE CONSTRUCTION
CALLE CHIA	3	4	1954	STEEL	BARE/UNLINED
ANDREAS RD	3	4	1958	STEEL	BARE/UNLINED
RACQUET CLUB RD	2	10	1962	STEEL	CML
DEL LAGO RD	2	6	1957	STEEL	BARE/UNLINED
TERRY LN	2	4	1956	STEEL	BARE/UNLINED
VIA ALTAMIRA	2	4	1954	STEEL	BARE/UNLINED
SUNNY DUNES RD	1	10	1952	STEEL	BARE/UNLINED
S PALM CANYON DR	1	6	1952	STEEL	BARE/UNLINED
WILLIAMS RD	1	6	1958	STEEL	BARE/UNLINED
CERRITOS RD	1	4	1946	STEEL	BARE/UNLINED
SANTA ROSA DR	1	4	1936	STEEL	BARE/UNLINED
DEBORAH RD	1	4	1955	STEEL	BARE/UNLINED
INDIAN TR	1	3	1936	STEEL	BARE/UNLINED
TOTAL LEAKS IN SYSTEM:	**21**				

Streets highlighted in blue are being proposed as part of the
2019/2020 Replacement Pipeline Project

SYSTEM INFORMATION:	
*OLDEST PIPE IN THE SYSTEM (YEAR OF INSTALLATION):	1935
AVERAGE YEAR OF INSTALLATION OF UNLINED STEEL PIPE (SYSTEMWIDE):	1952
AVERAGE AGE OF UNLINED STEEL PIPE (SYSTEMWIDE):	66 YEARS
AVERAGE AGE OF PIPELINE AT THE TIME OF REPLACEMENT:	68 YEARS
TOTAL LENGTH OF PIPE IN SYSTEM OLDER THAN 68 YEARS (LINEAR FEET):	**142,113**
TOTAL LENGTH OF UNLINED PIPE SYSTEMWIDE (LINEAR FEET):	303,391
**AVERAGE LENGTH OF PIPE REPLACED ANNUALLY (LINEAR FEET):	14,500
PROJECTED TIME FRAME FOR 100% REPLACEMENT OF UNLINED STEEL PIPE:	21 YEARS
PROJECTED TIME FRAME FOR 100% REPLACEMENT OF PIPE OLDER THAN 68 YEARS:	**10 YEARS**
YEAR AGENCY TRANSITIONED TO CEMENT LINED STEEL PIPE:	1960

*** THIS PIPELINE IS BEING REPLACED AS PART OF THE 2018/2019 REPLACEMENT PIPELINES PROJECT.**

**** PLEASE NOTE THIS FIGURE REPRESENTS THE AVERAGE LINEAR FOOTAGE OF PIPELINE REPLACED ANNUALLY GIVEN AN AVERAGE ANNUAL BUDGET OF $3 MILLION.**



SYSTEM LEAKS

(Period beginning October 30, 2019 thru November 10, 2019)

DESERT WATER AGENCY

PALM SPRINGS, CALIFORNIA

LEGEND

- LEAK(S) RECORDED
- LEAK(S) RECORDED; INCLUDED IN PROPOSED LIST OF STREETS FOR 2019/2020 REPLACEMENT PIPELINES

DWG. BY	DATE	SCALE
SR	11/19	NTS

EXHIBIT "A"

General Manager's Meetings and Activities

Meetings:

11/05/19	DWA Bi-Monthly Board Meeting	DWA
11/05/19	BLM R/W Cooperating Agencies Bi-Weekly Meeting	Conf. Call
11/06/19	Delta Conveyance Contractors Caucus	Conf. Call
11/07/19	Delta Conveyance DWR Negotiations	Conf. Call
11/07/19	Oroville Dam Comprehensive Needs Assessment	Conf. Call
11/08/19	CVWD WTA Groundwater Management Workshop	CVWD
11/12/19	DWA Weekly Staff Meetings	DWA
11/12/19	DWA HR Committee Meeting	DWA
11/12/19	Mission Creek/Garnet Hill Quarterly GM Meeting	MSWD
11/12/19	Snow Creek Filtration Construction Progress Meeting	DWA
11/13/19	Delta Conveyance Contractors Caucus	Conf. Call
11/13/19	Delta Conveyance DWR Negotiations	Conf. Call
11/13/19	SWP East Branch Enlargement Cost Allocation Meeting	Conf. Call
11/14/19	DWA Executive Committee Meeting	DWA
11/15/19	Sites Reservoir Committee Monthly Board Meeting	Conf. Call
11/18/19	DWA Staff Meetings	DWA
11/18/19	SWP Operations Workshop	Conf. Call
11/19/19	DWA Bi-Monthly Board Meeting	DWA
11/19/19	DWA Weekly Staff Meetings	DWA
11/19/19	SWP Audit-Finance Committee Meeting	Conf. Call
11/19/19	SWP Operations Workshop	Conf. Call
11/19/19	BLM R/W Grant Cooperating Agencies Bi-Weekly Meeting	Conf. Call

Activities:

1) SWP – CWF Voluntary Settlement Agreement Framework
2) SWP Contract Extension Amendment
3) DWA Remote Meter Reading Fixed Network
4) Whitewater Hydro – Automatic Re-start
5) State and Federal Contractors Water Authority and Delta Specific Project Committee (Standing)
6) Whitewater River Surface Water Recharge
7) ACBCI Section 14 Facilities & Easements
8) Lake Oroville Spillway Damage
9) Replacement Pipelines 2019-2020
10) DC Project – Finance JPA Committee (Standing)
11) DWA/CVWD/MWD Operations Coordination/Article 21/Pool A/Pool B/Yuba Water
12) DWA/CVWD/MWD Agreements Meetings (Meeting #8)
13) SWP 2019 Water Supply
14) ACBCI Water Rights Lawsuit
15) Whitewater Hydro Operations Coordination with Recharge Basin O&M
16) SGMA Tribal Stakeholder Meetings
17) Whitewater Spreading Basins – BLM Permits
18) Lake Perris Dam Seepage Recovery Project Participation
19) Delta Conveyance Project Cost Allocation

Activities:
(Cont.)

20) DWA Surface Water Filtration Feasibility Snow Creek Village/Palm Oasis
21) MCSB Delivery Updates
22) Well 6 Meaders Cleaners RWQB Meetings
23) SGMA – Indio Subbasin Classification
24) SGMA – San Gorgonio Pass Subbasin
25) UWMP Population Calculation Update/Valley-Wide UWMP
26) RWQCB Update to the SNMP

DWA offices will be closed on Thursday and Friday, November 28 and 29 for the Thanksgiving holiday. We wish everyone a:

Minutes
Human Resources Committee Meeting
November 12, 2019

Directors Present: Kristin Bloomer, James Cioffi
Staff Present: Mark Krause, Steve Johnson, Esther Saenz, Kris Hopping

1. Discussion Items

A. Review Salary Survey Data
The committee discussed the methodology that was used to complete the 2019 Salary Survey. The committee then discussed the results and the recommended changes to the salary classification listings. It was agreed that the adjustments would bring the DWA position classifications to match those at the other surveyed agencies.

B. Review Staff Recommendations for Salary Range Adjustments
After discussion, the Committee directed the General Manager to present the survey results to DWAEA and authorized the proposed changes to the salary classification listings for current employees.

2. Other

None

3. Adjourn

Minutes
Executive Committee Meeting
November 14, 2019

Directors Present: Joe Stuart, Kristin Bloomer
Staff Present: Mark Krause, Steve Johnson

1. Discussion Items

A. Review Agenda for November 19, 2019 Regular Board Meeting
The proposed agenda for the November 19, 2019 meeting was reviewed.

B. Cancellation of December 3, 2019 Board meeting
Due to the Board and staff's attendance at the ACWA Fall Conference, the December 3 meeting will be cancelled.

2. Other

None

3. Adjourn

DESERT WATER AGENCY
STATEMENT OF CASH RECEIPTS AND EXPENDITURES

OPERATING ACCOUNT

OCTOBER 2019

				INVESTED RESERVE FUNDS
BALANCE	OCTOBER 1, 2019		($535,153.40)	$27,268,495.19
	WATER SALES	$3,304,638.48		
	RECLAMATION SALES	176,651.42		
	WASTEWATER RECEIPTS	87,414.33		
	POWER SALES	4,267.91		
	METERS, SERVICES, ETC.	384,923.00		
	REIMBURSEMENT – GENERAL FUND	46,530.86		
	REIMBURSEMENT – WASTEWATER FUND	4,470.00		
	ACCOUNTS RECEIVABLE – OTHER	17,841.73		
	CUSTOMER DEPOSITS – SURETY	10,234.00		
	CUSTOMER DEPOSITS – CONST.	88,326.00		
	LEASE REVENUE	3,727.53		
	INTEREST RECEIVED ON INV. FDS.	121,451.78		
	FRONT FOOTAGE FEES	0.00		
	BOND SERVICE & RESERVE FUND INT	0.00		
	MISCELLANEOUS	58,526.56		
	TOTAL RECEIPTS		$4,309,003.60	
PAYMENTS				
	PAYROLL CHECKS	$507,237.47		
	PAYROLL TAXES	215,650.05		
	ELECTRONIC TRANSFERS	146,211.31		
	CHECKS UNDER $10,000.00	331,031.66		
	CHECKS OVER $10,000.00 – SCH. #1	5,712,933.70		
	CANCELLED CHECKS AND FEES	5,746.16		
	TOTAL PAYMENTS		$6,918,810.35	
NET INCOME			($2,609,806.75)	
BOND SERVICE ACCOUNT				
	MONTHLY WATER SALES	$0.00		
	EXCESS RETURNED BY B/A	$0.00		
	BOND SERVICE FUND		$0.00	
INVESTED RESERVE FUNDS				
	FUNDS MATURED	$6,781,000.00		
	FUNDS INVESTED – SCH. #3	4,761,941.95		
	NET TRANSFER		$2,019,058.05	($2,019,058.05)
BALANCE	OCTOBER 31, 2019		($1,125,902.10)	$25,249,437.14

OCTOBER 2019 DESERT WATER AGENCY

OPERATING ACCOUNT

SCHEDULE #1-CHECKS OVER $10,000

CHECK #	NAME	DESCRIPTION	AMOUNT
123833	BORDEN EXCAVATING INC	PAYMENT #2 CONSTRUCTION OF 2018/2019 REPLACEMENT PIPELINES (W/O # 18-160)	$1,719,006.69
123867	SOUTHERN CALIFORNIA EDISON CO	POWER	$274,967.52
123894	ACWA-JPIA	WORKERS COMPENSATION PREMIUM / 1ST QTR 2019/20	$65,324.43
123895	ACWA-JPIA	HEALTH,DENTAL & VISION INSURANCE PREMIUMS - OCTOBER 2019	$209,869.49
123913	DESERT WATER AGENCY - GENERAL FUND	1ST QTR 2019-20 GROUND WATER BILLING	$1,457,313.50
123916	DESERT WATER AGENCY - GENERAL FUND	GENERAL FUND REIMBURSEMENT 2019/2020	$545,128.96
123917	DESERT WATER AGENCY - WASTEWATER	WASTEWATER FUND REIMBURSEMENT 2019/2020	$42,463.62
123918	DESERT WATER AGENCY - WASTEWATER	WASTEWATER FUND REVENUE BILLING SEPTEMBER 2019	$94,336.38
123933	LAKOTA III	REFUND W/O # 18-809-F-04 1251 MONTALVO WAY	$10,264.56
123934	GHA COMPANIES INC.	REFUND W/O # 15-715-M VALVE DEPOSIT	$74,397.96
123944	ENCLAVE AR BARISTO LLC	REFUND W/O # 18-804-08 ENCLAVE/BARISTO	$25,805.29
123945	FAR WEST INDUSTRIES	REFUND W/O # 17-704-M ICON TRACT	$24,048.30
123946	THE VANDALAY GROUP INC.	REFUND W/O # 17-706-M VIBE TRACT	$68,670.11
123947	RREF II DC CAMERON LLC	REFUND W/O # 15-706-M CAMERON	$182,867.07
123949	ACWA-JPIA	INSURANCE AUTHORITY LIABILITY PROGRAM 10/01/2019 - 09/30/2020	$182,595.97
123962	BADGER METER INC.	WATER SERVICE SUPPLIES	$41,323.82
123964	BEST BEST & KRIEGER LLP	LEGAL FEES	$49,639.64
123980	DOWN TO EARTH LANDSCAPING	LANDSCAPE MAINTENANCE	$48,156.45
123981	D&R SELECT CONSTRUCTION INC	REPAIR ROOF MEMBRANE	$20,662.11
123992	FERGUSON WATERWORKS	WATER SERVICE SUPPLIES	$25,954.04
124002	HUNTER JOHNSEN INC	CONSULTING SERVICES FOR CV WATER COUNTS	$17,622.06
124005	INLAND WATER WORKS SUPPLY CO	WATER SERVICE SUPPLIES	$51,600.70
124009	KRIEGER & STEWART INC	ENGINEERING	$176,991.04
124010	LANDMARK CONSULTANTS INC	PIPELINE REPLACEMENT 10/03/19 - 10/16/19	$13,684.50
124011	LIBERTY CRANE & RIGGING	NCCCO MOBILE CRANE PREP COURSE	$15,349.48
124025	OUTFLOW TECHNOLOGIES	PROGRAMMING - MODERNIZATION PROJECT (W/O # 18-179-M)	$33,875.00
124040	QUINN COMPANY	BACKHOE LOADER W/ATTACHMENTS (W/O # 19-117-M)	$113,984.07
124056	THATCHER COMPANY OF CALIFORNIA	WATER SERVICE SUPPLIES	$31,967.42
124058	UNITED WATER WORKS INC	WATER SERVICE SUPPLIES	$26,441.02
124067	Z&L PAVING, INC	PAVING	$24,646.50
124068	SUNRISE PALMS HOA	TURF BUY BACK REBATE	$19,376.00
124070	ESPRIT PALM SPRINGS	TURF BUY BACK REBATE	$24,600.00
		** TOTAL	$5,712,933.70

DESERT WATER AGENCY
OPERATING FUND - LISTING OF INVESTMENTS
October 31, 2019

PURCH DATE	NAME	DESCRIPTION	CALLABLE	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS
	Local Agency Investment Fund								
06-30-83	State of California	LAIF		Open	$ 19,248,727.14	$ 19,248,727.14	$ 19,248,727.14	2.160%	-
	Certificates of Deposit								
				Total Certificates of Deposit	$ -	$ -	$ -		
	Commercial Paper								
10-04-19	Union Bank	Wells Fargo	08-09-22	09-09-22	$ 1,000,710.00	$ 1,000,000.00	$ 1,000,720.00	2.044%	Continuous
				Total Commerical Paper	$ 1,000,710.00	$ 1,000,000.00	$ 1,000,720.00		
	Government Agency								
09-29-17	Union Bank	FHLMC	12-29-19	09-29-20	$ 500,000.00	$ 500,000.00	$ 500,025.00	1.700%	Quarterly
07-15-19	Union Bank	FHLMC	01-15-20	01-15-21	$ 500,000.00	$ 500,000.00	$ 500,175.00	2.100%	1 Time
08-26-19	Union Bank	FHLMC	02-26-20	08-26-22	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,410.00	2.050%	Quarterly
09-13-19	Union Bank	FHLB	03-13-20	03-13-24	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,310.00	2.100%	Quarterly
09-13-19	Union Bank	FHLMC	03-13-20	09-13-24	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,120.00	2.200%	Quarterly
10-17-19	Union Bank	FHLMC	01-17-19	10-17-22	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,060.00	2.000%	Quarterly
				Total Government Agency	$ 5,000,000.00	$ 5,000,000.00	$ 5,001,100.00		
							Weighted Mean YTM	2.134%	
				TOTAL INVESTED @ 10/31/19	$ 25,249,437.14	$ 25,248,727.14	$ 25,250,547.14		
				BALANCE @ 06/30/19	$ 23,936,118.14				
				INCREASE (DECREASE)	$1,313,319.00				

DESERT WATER AGENCY
STATEMENT OF CASH RECEIPTS AND EXPENDITURES

GENERAL ACCOUNT

OCTOBER 2019

			INVESTED RESERVE FUNDS
BALANCE	OCTOBER 1, 2019	($1,147,274.50)	$142,969,287.28
* TAXES - RIVERSIDE COUNTY		558,984.46	
* INTEREST EARNED - INV. FUNDS		474,077.21	
GROUNDWATER REPLEN. ASSESSMENT		1,908,429.67	
REIMBURSEMENT - OPERATING FUND		545,128.96	
REIMBURSEMENT - CVWD MGMT		0.00	
STATE WATER PROJECT REFUNDS		375,215.00	
REIMB - CVWD - WHITEWATER HYDRO		0.00	
POWER SALES - WHITEWATER		45,248.55	
MISCELLANEOUS		1,110.52	
TOTAL RECEIPTS		$3,908,194.37	
PAYMENTS			
CHECKS UNDER $10,000.00		30,993.92	
CHECKS OVER $10,000.00 - SCH. #1		554,642.00	
CANCELLED CHECKS AND FEES		325,206.51	
TOTAL PAYMENTS		$910,842.43	
NET INCOME		$2,997,351.94	
INVESTED RESERVE FUNDS			
FUNDS MATURED	42,109,244.00		
FUNDS INVESTED – SCH. #2	42,506,508.53		
NET TRANSFER		$397,264.53	($397,264.53)
BALANCE	OCTOBER 31, 2019	$1,452,812.94	$142,572,022.75

* INCLUSIVE TO DATE	TAXES	INTEREST
RECEIPTS IN FISCAL YEAR	$1,472,155.08	$1,287,977.63
RECEIPTS IN CALENDAR YEAR	$259,362,591.39	$3,230,929.57

OCTOBER 2019

DESERT WATER AGENCY

GENERAL ACCOUNT

SCHEDULE #1-CHECKS OVER $10,000

CHECK #	NAME	DESCRIPTION	AMOUNT
9303	STATE OF CA. DEPT. OF WATER RESOURCES	STATE WATER PROJECT - OCTOBER 2019	$554,642.00
		** TOTAL	$554,642.00

DESERT WATER AGENCY
GENERAL FUND - LISTING OF INVESTMENTS
October 31, 2019

PURCHASE DATE	NAME	DESCRIPTION	CALLABLE	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS
	Local Agency Investment Fund								
06-30-83	State of California	LAIF	Bullet	Open	$ 43,823,085.81	$ 43,823,085.81	$ 43,823,085.81	2.160%	-
	Certificates of Deposit								
06-14-17	RBC Wealth Mgmt	Capital One Bullet	Bullet	06-15-20	$ 250,000.00	$ 250,000.00	$ 250,510.00	1.900%	Bullet
06-14-17	RBC Wealth Mgmt	Capital One Bank USA	Bullet	06-15-20	$ 250,000.00	$ 250,000.00	$ 250,510.00	1.900%	Bullet
06-19-17	RBC Wealth Mgmt	First Priority Bank	Bullet	06-19-20	$ 250,000.00	$ 250,000.00	$ 250,287.50	1.750%	Bullet
05-29-19	Ladenburg Thalmann	Sallie Mae Bank	Bullet	05-31-22	$ 245,000.00	$ 245,000.00	$ 249,030.25	2.500%	Bullet
05-30-19	Ladenburg Thalmann	Ally bank	Bullet	05-31-22	$ 245,000.00	$ 245,000.00	$ 249,025.35	2.500%	Bullet
06-05-19	Ladenburg Thalmann	Goldman Sachs	Bullet	06-05-22	$ 245,000.00	$ 245,000.00	$ 249,037.60	2.500%	Bullet
06-06-19	Ladenburg Thalmann	Morgan Stanley Bank	Bullet	06-06-22	$ 245,000.00	$ 245,000.00	$ 249,346.30	2.550%	Bullet
06-06-19	Ladenburg Thalmann	Morgan Stanley Private Bank	Bullet	06-06-22	$ 245,000.00	$ 245,000.00	$ 249,346.30	2.550%	Bullet
06-07-19	Ladenburg Thalmann	Synchrony Bank (GE)	Bullet	06-07-22	$ 245,000.00	$ 245,000.00	$ 248,420.20	2.400%	Bullet
			Total Certificates of Deposit		$ 2,220,000.00	$ 2,220,000.00	$ 2,245,513.50		
	Medium Term Notes								
09-19-18	Stifel	Wells Fargo MTN Step	12-19-20	09-19-21	$ 1,000,000.00	$ 1,000,000.00	$ 994,440.00	3.250%	Quarterly
02-19-19	Alamo Capital	Toyota Motor Corp MTN	Bullet	07-13-22	$ 1,399,076.00	$1,400,000.00	$ 1,436,372.00	2.800%	Bullet
03-04-19	Alamo Capital	Apple Inc. MTN	Bullet	05-11-20	$ 991,160.00	$1,000,000.00	$ 1,000,040.00	2.560%	Bullet
04-04-19	Alamo Capital	Toyota Motor Corp MTN	Bullet	04-17-20	$ 994,400.00	$1,000,000.00	$ 1,000,500.00	2.500%	Bullet
07-18-19	Alamo Capital	Toyota Motor Corp MTN	Bullet	09-08-22	$ 1,000,000.00	$1,000,000.00	$ 1,009,610.00	2.150%	Bullet
09-16-19	Alamo Capital	Apple Inc. MTN	08-11-24	09-11-24	$ 990,552.00	$1,000,000.00	$ 996,900.00	2.000%	1 Time
10-04-19	Union Bank	Wells Fargo Bank NA	08-09-22	09-09-22	$ 2,001,420.00	$2,000,000.00	$ 2,001,440.00	2.044%	Continuous
10-21-19	Alamo Capital	Toyota Motor Corp MTN	Bullet	10-07-24	$ 1,499,994.00	$1,500,000.00	$ 1,502,805.00	2.000%	Bullet
10-23-19	Alamo Capital	American Honda Finance	Bullet	09-10-24	$ 2,004,594.00	$2,000,000.00	$ 2,010,400.00	2.000%	Bullet
			Total Commercial Paper		$ 11,881,196.00	$ 11,900,000.00	$ 11,952,507.00		
	Government Agency								
11-25-15	Stifel	FNMA	Bullet	11-25-19	$ 1,000,000.00	$ 1,000,000.00	$ 999,870.00	1.500%	Qrtrly
03-23-16	Ladenburg Thalmann	FNMA	12-23-19	03-23-20	$ 1,000,000.00	$ 1,000,000.00	$ 999,700.00	1.500%	Qrtrly
04-26-16	Ladenburg Thalmann	FHLB	Continuous	10-26-20	$ 999,500.00	$ 1,000,000.00	$ 998,710.00	1.550%	Continuous
05-26-16	Union Bank	FNMA	Bullet	11-26-19	$ 1,000,000.00	$ 1,000,000.00	$ 999,780.00	1.300%	Bullet
06-16-16	Stifel	FFCB	Continuous	03-16-20	$ 1,000,000.00	$ 1,000,000.00	$ 999,430.00	1.400%	Continuous
06-21-16	Stifel	FHLMC STEP	12-21-19	06-21-21	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,160.00	2.000%	Qrtrly
07-13-16	Union Bank	FFCB	Continuous	01-13-20	$ 1,000,000.00	$ 1,000,000.00	$ 999,310.00	1.240%	Continuous
07-27-16	Stifel	FNMA STEP	01-27-20	07-27-21	$ 1,000,000.00	$ 1,000,000.00	$ 997,110.00	1.500%	Qrtrly
08-10-16	Ladenburg Thalmann	FHLMC	11-10-19	08-10-20	$ 1,000,000.00	$ 1,000,000.00	$ 998,630.00	1.450%	Qrtrly
08-30-16	Ladenburg Thalmann	FNMA	Bullet	11-27-19	$ 1,000,000.00	$ 1,000,000.00	$ 999,740.00	1.250%	Qrtrly
10-06-16	Ladenburg Thalmann	FHLMC	01-06-20	07-06-20	$ 1,000,000.00	$ 1,000,000.00	$ 998,310.00	1.375%	Qrtrly
10-17-16	Stifel	FNMA	Bullet	04-17-20	$ 1,000,000.00	$ 1,000,000.00	$ 998,190.00	1.250%	1 Time
11-03-16	Ladenburg Thalmann	FFCB	Continuous	05-03-21	$ 999,250.00	$ 1,000,000.00	$ 995,100.00	1.490%	Continuous
11-15-16	Stifel	FHLMC STEP	Bullet	11-15-19	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,150.00	2.000%	Qrtrly
11-20-16	Ladenburg Thalmann	FHLMC	11-20-19	11-20-20	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,020.00	2.000%	Qrtrly
12-14-16	Ladenburg Thalmann	FHLMC	12-14-19	12-14-20	$ 1,000,000.00	$ 1,000,000.00	$ 999,750.00	1.750%	Qrtrly
12-29-16	Ladenburg Thalmann	FNMA	12-29-19	06-29-20	$ 1,000,000.00	$ 1,000,000.00	$ 999,330.00	1.750%	Qrtrly
12-30-16	Ladenburg Thalmann	FHLMC	Bullet	12-30-19	$ 998,000.00	$ 1,000,000.00	$ 999,700.00	1.500%	Qrtrly
01-27-17	Ladenburg Thalmann	FNMA	01-27-20	01-27-20	$ 1,000,000.00	$ 1,000,000.00	$ 999,800.00	1.650%	Qrtrly
01-30-17	Union Bank	FHLB	01-30-20	04-30-20	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,150.00	1.750%	Qrtrly

DESERT WATER AGENCY
GENERAL FUND - LISTING OF INVESTMENTS
October 31, 2019

PURCHASE DATE	NAME	DESCRIPTION	CALLABLE	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS
04-20-17	Stifel	FHLMC STEP	Bullet	04-20-20	$ 1,000,000.00	$ 1,000,000.00	$ 1,003,070.00	2.250%	Bullet
06-29-17	Ladenburg Thalmann	FHLMC	12-29-19	09-29-20	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,310.00	1.750%	Qrtrly
07-11-17	Ladenburg Thalmann	FHLMC	01-11-20	01-11-21	$ 1,000,000.00	$ 1,000,000.00	$ 998,110.00	1.800%	Qrtrly
08-07-17	Ladenburg Thalmann	FFCB	Continuous	11-23-20	$ 999,850.00	$ 1,000,000.00	$ 997,790.00	1.770%	Continuous
08-09-17	Stifel	FHLB STEP	11-09-19	02-09-22	$ 2,000,000.00	$ 2,000,000.00	$ 2,000,200.00	1.850%	Qrtrly
09-28-17	Ladenburg Thalmann	FHLMC STEP	12-28-19	09-28-20	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,820.00	1.744%	Qrtrly
09-29-17	Union Bank	FHLMC	12-29-19	09-29-20	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,050.00	1.700%	Qrtrly
09-29-17	Stifel	FHLMC STEP	12-29-19	09-29-22	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,780.00	1.750%	Qrtrly
10-26-17	Ladenburg Thalmann	FNMA	01-26-20	07-26-21	$ 1,000,000.00	$ 1,000,000.00	$ 999,830.00	2.000%	Qrtrly
11-20-18	Stifel	FHLMC	11-20-19	11-20-20	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,620.00	3.000%	1 Time
02-26-19	Stifel	FHLMC	02-26-20	08-26-22	$ 1,000,000.00	$ 1,000,000.00	$ 1,002,290.00	2.750%	Qrtrly
05-13-19	Ladenburg Thalmann	FHLMC	11-13-19	05-13-22	$ 500,000.00	$ 500,000.00	$ 500,120.00	2.650%	Qrtrly
06-24-19	Alamo Capital	FHLMC	12-24-19	06-24-24	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,270.00	2.500%	Qrtrly
07-08-19	Union Bank	FHLMC	01-08-20	01-08-21	$ 1,000,000.00	$ 1,000,000.00	$ 999,310.00	2.000%	1 Time
07-15-19	Ladenburg Thalmann	FHLMC STEP	01-15-20	07-15-24	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,490.00	3.223%	Qrtrly
07-15-19	Union Bank	FHLMC	01-15-20	01-15-21	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,350.00	2.100%	1 Time
07-22-19	Union Bank	FHLMC	01-22-20	07-22-21	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,430.00	2.080%	1 Time
07-26-19	Alamo Capital	FHLMC	01-24-20	01-24-22	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,500.00	2.125%	Qrtrly
07-29-19	Stifel	FHLB	01-29-20	04-29-21	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,530.00	2.100%	Qrtrly
07-29-19	Union Bank	FHLMC	01-29-20	07-29-21	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,160.00	2.150%	Qrtrly
08-01-19	Alamo Capital	FHLMC	11-01-19	08-01-24	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,000.00	2.450%	Qrtrly
08-05-19	Stifel	FHLB	11-05-19	08-05-22	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,000.00	2.220%	Continuous
08-05-19	Alamo Capital	FHLB	11-05-19	08-05-24	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,030.00	2.400%	Continuous
08-06-19	Stifel	FHLMC	02-06-20	02-06-23	$ 1,000,000.00	$ 1,000,000.00	$ 1,001,110.00	2.250%	Qrtrly
08-08-19	Alamo Capital	FHLMC	11-08-19	08-08-24	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,060.00	2.500%	Qrtrly
08-12-19	Alamo Capital	FHLMC	02-12-20	08-12-24	$ 1,000,000.00	$ 1,000,000.00	$ 994,220.00	2.200%	Qrtrly
08-12-19	Union Bank	FFCB	08-12-20	08-12-24	$ 1,000,000.00	$ 1,000,000.00	$ 996,620.00	2.120%	Continuous
08-12-19	Stifel	FHLMC STEP	11-12-19	08-12-24	$ 1,000,000.00	$ 1,000,000.00	$ 999,320.00	2.790%	Qrtrly
08-12-19	Ladenburg Thalmann	FHLB	11-12-19	08-12-22	$ 999,850.00	$ 1,000,000.00	$ 999,190.00	2.150%	Continuous
08-19-19	Alamo Capital	FHLB	02-19-20	08-19-22	$ 999,500.00	$ 1,000,000.00	$ 1,000,040.00	2.030%	Continuous
08-15-19	Union Bank	FHLMC	11-15-19	08-15-23	$ 1,000,000.00	$ 1,000,000.00	$ 994,210.00	2.200%	Qrtrly
08-27-19	Stifel	FHLMC	11-27-19	08-27-21	$ 1,000,000.00	$ 1,000,000.00	$ 997,970.00	1.875%	Qrtrly
08-28-19	Union Bank	FHLB	02-26-20	08-26-22	$ 1,000,000.00	$ 1,000,000.00	$ 998,520.00	2.000%	Qrtrly
09-04-19	Alamo Capital	FFCB	12-04-19	03-04-24	$ 1,000,000.00	$ 1,000,000.00	$ 993,630.00	2.220%	Continuous
09-04-19	Ladenburg Thalmann	FHLMC STEP	12-04-19	09-04-24	$ 1,000,000.00	$ 1,000,000.00	$ 999,120.00	2.694%	Qrtrly
09-06-19	Union Bank	FHLMC	12-06-19	09-06-22	$ 2,000,000.00	$ 2,000,000.00	$ 1,991,320.00	2.150%	Qrtrly
09-09-19	Alamo Capital	FHLMC	03-09-20	03-09-23	$ 2,000,000.00	$ 2,000,000.00	$ 2,000,060.00	1.950%	Qrtrly
09-06-19	Alamo Capital	FNMA	Bullet	09-06-22	$ 996,520.00	$ 1,000,000.00	$ 994,500.00	1.494%	Bullet
09-10-19	Stifel	FHLMC	03-10-20	09-10-24	$ 2,000,000.00	$ 2,000,000.00	$ 2,000,720.00	2.100%	Qrtrly
09-11-19	Ladenburg Thalmann	FFCB	12-06-19	09-06-22	$ 999,800.00	$ 1,000,000.00	$ 1,000,000.00	2.037%	Continuous
09-11-19	Stifel	FFCB	09-11-20	09-11-23	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,040.00	1.900%	Continuous
09-17-19	Alamo Capital	FAMC	12-17-19	09-17-24	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,120.00	2.250%	Qrtrly
09-13-19	Ladenburg Thalmann	FFCB	09-23-20	09-23-22	$ 1,000,000.00	$ 1,000,000.00	$ 1,000,740.00	2.000%	Continuous
09-27-19	Alamo Capital	FHLB	03-27-20	09-27-23	$ 2,000,000.00	$ 2,000,000.00	$ 2,000,960.00	2.125%	Continuous
09-30-19	Ladenburg Thalmann	FHLB	02-26-20	08-26-22	$ 1,950,000.00	$ 1,950,000.00	$ 1,947,114.00	2.000%	Qrtrly
10-15-19	Stifel	FFCB	10-15-20	10-15-24	$ 3,000,000.00	$ 3,000,000.00	$ 3,000,240.00	1.920%	Continuous
10-15-19	Piper Jaffray	FHLMC	10-15-20	10-15-24	$ 3,000,000.00	$ 3,000,000.00	$ 2,999,250.00	1.875%	Quarterly
10-16-19	Stifel	FHLB	10-16-20	10-16-24	$ 3,000,000.00	$ 3,000,000.00	$ 3,001,830.00	2.000%	Annual
10-17-19	Ladenburg Thalmann	FFCB	04-17-20	04-17-23	$ 3,000,000.00	$ 3,000,000.00	$ 3,000,060.00	1.980%	Quarterly
10-17-19	Union Bank	FHLMC	01-17-20	10-17-22	$ 3,000,000.00	$ 3,000,000.00	$ 3,000,180.00	2.000%	Quarterly
			Total Government Agency		$ 85,442,270.00	$ 85,450,000.00	$ 85,400,144.00		

Weighted Mean YTM 2.064%

DESERT WATER AGENCY
GENERAL FUND - LISTING OF INVESTMENTS
October 31, 2019

PURCHASE DATE	NAME	DESCRIPTION	CALLABLE	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY	CALLABLE STATUS

TOTAL INVESTED @ 10/31/19	$ 143,366,551.81	$ 143,393,085.81	$ 143,421,250.31
BALANCE @ 06/30/19	$ 143,271,503.26		
INCREASE OR (DECREASE)	$ 95,048.55		

DESERT WATER AGENCY
STATEMENT OF CASH RECEIPTS AND EXPENDITURES

WASTEWATER ACCOUNT

OCTOBER 2019

				INVESTED RESERVE FUNDS
BALANCE	OCTOBER 1, 2019	($123,900.78)		$1,422,780.29
ACCOUNTS RECEIVABLE - OTHER		$42,494.17		
CUSTOMER DEPOSITS - CONSTRUCTION		0.00		
INTEREST EARNED - INVESTED FUNDS		8,774.37		
WASTEWATER REVENUE		94,336.38		
SEWER CAPACITY CHARGES		2,825.34		
MISCELLANEOUS		0.00		
TOTAL RECEIPTS		$148,430.26		
PAYMENTS				
CHECKS UNDER $10,000.00		$6,167.19		
CHECKS OVER $10,000.00 - SCH. #1		71,239.25		
CANCELLED CHECKS AND FEES		30.55		
TOTAL PAYMENTS		$77,436.99		
NET INCOME			$70,993.27	
INVESTED RESERVE FUNDS				
FUNDS MATURED		$124,200.00		
FUNDS INVESTED ï SCH. #2		146,769.31		
NET TRANSFER			($22,569.31)	$22,569.31
BALANCE	OCTOBER 31, 2019		($75,476.82)	$1,445,349.60

OCTOBER 2019 DESERT WATER AGENCY

WASTEWATER ACCOUNT

SCHEDULE #1-CHECKS OVER $10,000

CHECK #	NAME	DESCRIPTION	AMOUNT
3316	COACHELLA VALLEY WATER DISTRICT	WASTEWATER REVENUE BILLING FOR SEPTEMBER 2019	$60,708.61
	CITY OF PALM SPRINGS	WASTEWATER REVENUE BILLING FOR SEPTEMBER 2019	$10,530.64
		** TOTAL	$71,239.25

DESERT WATER AGENCY
WASTEWATER FUND - LISTING OF INVESTMENTS
October 31, 2019

PURCH DATE	NAME	DESCRIPTION	MATURITY DATE	COST	PAR VALUE	MARKET VALUE	YIELD TO MATURITY
		Local Agency Invstment Fund					
06-30-83	State of California	LAIF	Open	$ 1,445,349.60	$ 1,445,349.60	$ 1,445,349.60	2.160%
		TOTAL INVESTED @ 10/31/19		$ 1,445,349.60	$ 1,445,349.60	$ 1,445,349.60	
		BALANCE @ 06/30/19		$ 1,400,362.63			
		INCREASE OR (DECREASE)		$ 44,986.97			

DESERT WATER AGENCY - OPERATING FUND
COMPARATIVE EARNINGS STATEMENT

MONTH 19-20 OCTOBER	THIS MONTH THIS YEAR	THIS MONTH LAST YEAR	THIS MONTH BUDGET	FISCAL YEAR TO DATE THIS YEAR	FISCAL YEAR TO DATE LAST YEAR	FISCAL YEAR TO DATE BUDGET	VARIANCE YTD	VARIANCE PCT
OPERATING REVENUES								
WATER SALES	3,052,051.16	2,749,534.39	3,176,400.00	13,533,787.47	12,609,435.01	14,621,200.00	1,087,412.53-	7-
RECLAMATION SALES	125,025.49	111,642.12	109,425.00	722,954.74	635,362.90	608,625.00	114,329.74	19
POWER SALES	4,267.91	1,172.18	1,800.00	24,037.94	3,864.62	5,400.00	18,637.94	345
OTHER OPER REVENUE	389,396.32	97,321.81	184,850.00	1,044,857.60	610,641.79	739,400.00	305,457.60	41
TOTAL OPER REVENUES	3,570,740.88	2,959,670.50	3,472,475.00	15,325,637.75	13,859,304.32	15,974,625.00	648,987.25-	4-
OPERATING EXPENSES								
SOURCE OF SUPPLY EXP	31,213.85	90,450.43	50,850.00	1,557,415.13	1,616,623.87	1,754,700.00	197,284.87-	11-
PUMPING EXPENSE	334,051.82	345,578.68	339,200.00	957,884.93	1,138,598.08	1,314,800.00	356,915.07-	27-
REGULATORY WATER TREAT	65,697.54	63,125.57	47,275.00	211,934.84	182,109.48	189,100.00	22,834.84	12
TRANS & DIST EXPENSE	260,457.11	281,510.33	408,975.00	1,056,992.42	1,183,272.79	1,635,900.00	578,907.58-	35-
CUSTOMER ACT EXPENSE	109,295.27	110,279.30	85,625.00	329,547.40	311,148.54	342,500.00	12,952.60-	4-
ADMIN & GEN EXPENSE	773,256.45	535,960.11	704,025.00	4,972,209.47	4,191,226.95	5,071,450.00	99,240.53-	2-
REGULATORY EXPENSE	53,632.07	6,690.30	39,700.00	124,137.14	28,332.92	158,800.00	34,662.86-	22-
SNOW CREEK HYDRO EXP	937.11	2,710.59	3,000.00	9,328.95	1,547.74	12,000.00	2,671.05-	22-
RECLAMATION PLNT EXP	91,488.79	100,956.58	128,800.00	400,170.09	399,312.28	517,550.00	117,379.91-	23-
SUB-TOTAL	1,720,030.01	1,537,261.89	1,807,450.00	9,619,620.37	9,052,172.65	10,996,800.00	1,377,179.63-	13-
OTHER OPER EXPENSES								
DEPRECIATION	501,442.24	495,265.27	508,550.00	2,027,550.47	1,941,907.09	2,034,200.00	6,649.53-	0
SERVICES RENDERED	9,472.49	11,502.50	15,000.00	40,889.20	51,215.20	60,000.00	19,110.80-	32-
DIR & INDIR CST FOR WO	179,761.67-	146,029.13-	183,200.00-	925,247.20-	826,730.97-	732,800.00-	192,447.20-	26
TOTAL OPER EXPENSES	2,051,183.07	1,898,000.53	2,147,800.00	10,762,812.84	10,218,563.97	12,358,200.00	1,595,387.16-	13-
NET INCOME FROM OPERATIONS	1,519,557.81	1,061,669.97	1,324,675.00	4,562,824.91	3,640,740.35	3,616,425.00	946,399.91	26
NON-OPERATING INCOME (NET)								
RENTS	3,727.53	3,415.91	6,100.00	14,637.36	45,449.64	24,400.00	9,762.64-	40-
INTEREST REVENUES	53,937.87	42,657.40	40,000.00	191,867.47	147,762.96	160,000.00	31,867.47	20
OTHER REVENUES	3,920.00	280.00	.00	5,076.72	31,230.00	.00	5,076.72	0
GAINS ON RETIREMENT	.00	.00	2,000.00	.00	.00	4,000.00	4,000.00-	100-
DISCOUNTS	51.16	6.78	100.00	157.23	32.73	400.00	242.77-	61-
OTHER EXPENSES	.00	.00	1,650.00-	20,000.00-	.00	6,600.00-	13,400.00-	203
LOSS ON RETIREMENTS	.00	6,260.71-	4,100.00-	12,123.84-	6,260.71-	16,400.00-	4,276.16	26-
TOTAL NON-OPER INCOME	61,636.56	55,915.63	42,450.00	179,614.94	284,750.87	165,800.00	13,814.94	8
TOTAL NET INCOME	1,581,194.37	1,117,585.60	1,367,125.00	4,742,439.85	3,925,491.22	3,782,225.00	960,214.85	25

STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS

NOVEMBER 19, 2019

RE: REQUEST AUTHORIZATION FOR GENERAL MANAGER TO EXECUTE PROFESSIONAL SERVICE AGREEMENT WITH WATER SYSTEMS CONSULTING FOR THE COACHELLA VALLEY URBAN WATER MANAGEMENT PLAN

The six local water agencies (Desert Water Agency, Coachella Valley Water District, Coachella Water Authority, Indio Water Authority, Mission Springs Water District and Myoma Dunes Water Company) plan to develop a regional Urban Water Management Plan to submit in 2021 per Department of Water Resource requirements.

Agencies are required to submit an Urban Water Management Plan every five years. Prior to this effort, all of the local agencies have submitted their own individual plans. This effort will streamline cost, staff time and data. It will also allow for a greater level of consistency, which will improve the value of the plans.

The group selected Water Systems Consulting (WSC) as the consultant to develop the regional plan. The Professional Services Agreement and proposal that reflects work in the amount of $179,373 are attached.

Desert Water Agency will be responsible for $25,927.77 or 14.5% of costs. This will achieve a savings for the Agency of more than $110,000 over the 2015 Urban Water Management Plan. Desert Water Agency will act as the contract manager for this project and will invoice its five partner agencies for their shares of the costs.

In order to document and enforce the cost-sharing agreement, staff developed a letter of agreement that the Board Authorized the General Manager to sign on October 15, 2019. All participating agencies have signed the letter of agreement which dictates cost share and decision-making protocol.

Staff requests authorization for the General Manager to sign the Professional Services Agreement with Water Systems Consulting for the Coachella Valley Urban Water Management Plan.

CONSULTING SERVICES AGREEMENT

This Consulting Services Agreement ("Agreement") is entered into to be effective as of November 19, 2019 ("Effective Date") by and between the following parties (sometimes referred to herein individually as "Party" and collectively as "Parties"): Desert Water Agency ("Agency") and Water Systems Consulting, Inc. ("Consultant"). Consultant agrees to furnish urban water management plan services to Agency, upon the following terms:

1. Term. The term ("Term") of this Agreement shall commence on the Effective Date and shall automatically terminate upon earlier of July 31, 2021, or the successful completion of Services, unless earlier terminated.

2. Consulting Services and Responsibilities. During the term of this Agreement, Consultant shall provide consulting services to the Agency, which shall include those services and activities specifically identified in the Consultant's proposal for the Project, or such other services requested by Agency, each of which is attached to this Agreement as Exhibit "A", and by this reference incorporated herein ("Services"). All Services provided under this Agreement shall be performed in a manner consistent with current industry standards by individuals who possess the proper skill and knowledge necessary to effectively complete the Services (the "Standard of Care"). Consultant shall exercise the Standard of Care to perform all Services and obligations hereunder shall be made in accordance with all federal, state and local laws, rules, regulations or ordinances applicable to the Services or obligations.

3. Additional Services. In the event additional services, which are not specifically included in Exhibit "A", are desired or needed, Consultant shall identify and describe such additional services, including costs, schedule for completion and seek the written approval of Agency ("Additional Services"). The compensation paid to Consultant for such Additional Services shall be mutually agreed upon in writing by the Parties prior to the performance of the Additional Services. Consultant shall be solely responsible for the costs and expenses associated with any Additional Services, including Additional Services already performed, that have not been specifically agreed upon in writing by Consultant and Agency. As used in this Agreement, the term "Services" shall include Additional Services.

4. Compensation and Expenses.

4.1 Compensation. As compensation for the Services to be rendered by Consultant, Agency shall pay Consultant an amount based on the time and materials incurred by Consultant, inclusive of sub-consultants and miscellaneous expenses ("Compensation"), which amount shall not exceed $179,373 ("Maximum Fee"). Consultant acknowledges and agrees that in no event shall Consultant receive or have a claim of any kind for any payment in excess of the Maximum Fee for any work, including Additional Services, performed under this Agreement, unless such amount exceeding the Maximum Fee is specifically approved in writing by Agency.

4.2 Invoices. Each month Services are rendered, Consultant shall deliver an

invoice to Agency, for work actually performed, which shall include, at a minimum: (i) the project name; (ii) Consultant's point of contact for billing questions; (iii) basis of billing; (iv) total contract value; (v) total billing to date; (vi) amount remaining in contract; and (vii) estimated percentage of completion at time of billing. Attached to each invoice, Consultant shall also include a monthly summary of work actually performed during the billing period. Provided there is no dispute with the invoice, Agency shall pay Consultant within thirty (345 days of receiving the invoice. In the event Agency disputes an invoice, Agency shall provide a written explanation of the dispute to Consultant within thirty (345 days of receiving the invoice. Agency and Consultant shall cooperate to resolve any disputed amount. Agency shall not be penalized for any reasonable dispute and shall not be obligated to pay any amount in dispute until a dispute has been resolved.

4.3 Expenses. Agency shall pre-approve each reasonable and necessary expense that Consultant intends to seek reimbursement for, which expenses are directly related to the performance of the Services. If pre-approved, such expenses for reasonable and necessary travel, lodging, or miscellaneous expenses incurred in the performance of this Agreement will be reimbursed to Consultant in accordance with Agency's general reimbursement policy. Consultant shall submit an invoice of all incurred expenses accompanied by adequate supporting documentation or transaction receipts. Invoices that fail to include reasonable supporting documentation or receipts will not be honored and Agency will have no obligation of any kind to reimburse Consultant for such expenses.

5. Project Data. Consultant shall be exclusively responsible for obtaining from the appropriate sources, persons or third parties, all data and information necessary for the proper, timely and complete performance and satisfaction of the Services.

6. Work Product; Confidential Information.

6.1 Work Product. Consultant shall provide to Agency, and such other consultants approved by Agency, all work product, works in progress or other deliverables developed from or associated with the Services or the Project. Upon completion of the Services, Consultant shall provide to each participating agency one reproducible physical copy and one electronic copy of all final work products described in Exhibit "A", in such forms acceptable to Agency. Consultant acknowledges that all work performed or prepared for Agency by Consultant hereunder, including without limitation all data, reports, models, working notes, drawings, designs, improvements, trademarks, patents, copyrights (whether or not registered or patentable) and specifications developed or prepared by Consultant in connection with, or related to such Services (the "Instruments of Service") shall become the sole and exclusive property of Agency, unless specifically otherwise agreed upon in writing by Agency and Consultant. Consultant hereby unconditionally assigns, transfers and conveys to Agency all rights, interests and claims of any kind related thereto, including copyright, provided Consultant has received all undisputed amounts owed for its services. Consultant shall promptly disclose such work product to Agency and, at the Agency's expense, perform all actions reasonably requested by Agency (whether during or after the Term) to establish and confirm such ownership (including, without limitation, executing any necessary assignments, consents, powers of attorney and other instruments).

6.2 Confidential Information. Consultant acknowledges that during the Term it may receive or have access to certain information, observations and data (including, but not limited to, trade secrets, designs, ideas, products, research, software, and financial data) concerning the business or affairs of Agency ("Confidential Information") which is, and shall remain the property of Agency. Consultant shall take all reasonably appropriate steps to safeguard Confidential Information and to protect it against disclosure, misuse, espionage, loss and theft. Consultant agrees that it shall not disclose to any unauthorized person or use for its own purposes any Confidential Information without the prior written consent of Agency, unless and to the extent that the Confidential Information becomes generally known to and available for use by the public other than as a result of Consultant's acts or omissions. Consultant shall deliver to Agency at the termination or expiration of the Term, or at any other time Agency may request, all memoranda, notes, plans, records, reports, and computer records, printouts and software and other documents and data (and copies thereof) embodying or relating to the Confidential Information, work product (as discussed in 6.1) or the business of Agency, which Consultant may then possess or have under its control. Neither party shall be liable for disclosure or use of Confidential Information which: (a) was known by the receiving party at the time of disclosure due to circumstances unrelated to this Agreement; (b) is generally available to the public without breach of this Agreement; (c) is disclosed with the prior written approval of the disclosing party; or (d) is required to be released by applicable law or court order (provided that Disclosing Party is given prompt written notice thereof and is allowed to exhaust all reasonable legal remedies to maintain the confidentiality of the information).

7. Records. All records, documents or other instruments evidencing all labor costs, payroll costs or other expenses incurred in connection with Consultant's performance of the Services shall be kept in a manner consistent with industry standards and practices and made available to Agency upon written request. Retention of the records contemplated by this Section 7 shall be retained for a period of no less than four (4) years from the date of final billing or termination of this Agreement, whichever shall first occur.

Consultant further agrees to maintain all design calculations and final work product on file in legible and readily accessible form. A copy of such material shall be available to Agency, at Agency's sole cost and expense, and the originals of such materials and items, including any additions, amendments or modification thereto shall not be destroyed by Consultant unless Agency fails to object to such destruction upon Consultant providing Agency with sixty (60) days advance written notice, indicating that such material is scheduled to be destroyed.

8. Independent Contractor.

8.1 Status. The Parties hereby acknowledge that in rendering the Services provided hereunder, Consultant shall be deemed to be an independent contractor and shall not be deemed in any way an agent, partner or joint venture of the Agency. Consultant acknowledges and agrees that, as an independent contractor, it is solely responsible for the payment of any and all taxes and/or assessments imposed on account of payment to Consultant or the performance of Services by Consultant pursuant to this Agreement.

8.2 Agency Restrictions. Consultant understands and agrees that Consultant shall not represent itself to third parties to be the agent, employee, partner or joint venturer of the Agency. Furthermore, Consultant shall not make any statements on behalf of or otherwise purporting to bind the Agency in any contract or otherwise related agreement. Consultant further agrees and acknowledges that Consultant does not have the authority to and shall not sign any contract on behalf of the Agency or any of its subsidiaries or affiliates. Consultant shall not obligate the Agency or any of its subsidiaries or affiliates to do any other act that would bind the Agency or any of its subsidiaries or affiliates in any manner.

9. Further Assurances. Consultant shall furnish Agency with any documents or records that the Agency reasonably believes necessary to properly and timely carry out the Consultant's Services. Agency shall first tender written notice to Consultant regarding any documents or records that it reasonably believes necessary to properly carry out Consultant's Services. Consultant shall then have ten (10) days from the receipt of such notice to provide the Agency with the requested documents or records.

10. Abandonment or Termination. Agreement may be terminated by either Party upon ten (10) days written notice. In the event the Project is terminated or abandoned before completion of the Services, all Services of Consultant shall immediately terminate. In the event of termination or abandonment, Consultant shall be compensated for the Services in proportion to the amount of work actually completed as of the termination date or date of abandonment. Notwithstanding the foregoing, in the event of telephone notification to stop work, no further work shall be performed on any portion of the Project pending receipt of the written notification. The continuation of work after telephone notification to stop work, shall be at Consultant's sole cost and expense, without the right to seek any form of reimbursement.

11. Indemnification. Consultant shall indemnify, defend and hold harmless the Agency and its officers, directors and assigns, from and against any and all claims, damages, loss and expense, including reasonable attorneys' fees, awards, fines, penalties, judgments or appeals arising out of third-party claims related to the performance of the Services, breach of this Agreement, any misrepresentations or any other claim arising out of or related to this Agreement to the extent caused by Consultant's negligence or willful misconduct. Consultant's indemnification obligations contained in this Section 11 shall extend to all acts or omissions of its officers, employees, agents or representatives. Consultant's defense obligation shall not extend to professional liability claims, however Consultant shall reimburse the indemnified party for reasonable attorneys' fees and defense costs to the extent the claim was caused by Consultant's negligence or willful misconduct.

The indemnification responsibility of Consultant, with respect to the Services shall exist and continue regardless of the extent to which Agency may have reviewed and approved the Services performed by Consultant, except that Consultant shall not be responsible for claims attributable to the Services in any case in which the claim is attributable to a decision made by Agency is contrary to the recommendations of the Consultant.

12. Liability and Insurance. Consultant shall assume responsibility and liability for any damage, loss or injury of any kind or nature whatsoever to any person or property, to the extent such damage, loss or injury was caused by or resulting from negligent error, omission or willful act caused by Consultant, its officers, directors, employees, agents or representatives in connection with the performance of the Services under this Agreement.

Consultant shall, at its sole cost and expense, maintain in effect at all times during the performance of the Services, the greater of: (i) the coverage and limits of insurance described herein; or (ii) such coverage and limits as is generally determined to be the general industry standards, which coverage shall be maintained with an insurance company licensed to do business in California and having a minimum A.M. Best rating of A-IX, or better, and under forms of policies satisfactory to Agency.

Consultant shall, at its sole cost and expense, procure and maintain in effect for the Term the following insurance policies, and to the extent permitted, naming Agency as an additional insured: (i) professional liability insurance, with policy limits of no less than $1,000,000 (combined single limit per claim and annual aggregate); (ii) workers' compensation insurance, in such amounts and coverage as required by law, and employer's liability insurance policy of at least $1,000,000 per occurrence; (iii) general liability insurance policy of at least $1,000,000 per occurrence, and in the aggregate $2,000,000; and (iv) automobile liability, or equivalent form, with a combined single limit of no less than $1,000,000 per occurrence; such insurance shall include coverage for non-owned and hired automobiles and owned. The workers' compensation policy must include a waiver of Consultant's right to recover from other endorsements.

Certificates evidencing such coverage and adding Agency as additional insured, where permitted, shall be delivered to Agency prior to the commencement of the Services by Consultant under this Agreement. Such insurance shall provide no cancellation unless thirty (30) days' prior notice of such cancellation is mailed to Agency. Consultant agrees to timely pay the premiums as required and use its best efforts to maintain said insurance in effect for a period of at least two (2) years after completion of the Services under this Agreement.

13. Representations and Warranties. Each Party individually represents and warrants the following:

a. Each Party is duly organized, validly existing and in good standing under the laws of the state of formation or incorporation and has all requisite power and authority to conduct the business with which it conducts and proposes to conduct;

b. All action on the part of each Party necessary for the authorization, execution, delivery, and performance of this Agreement, and the consummation of the transactions contemplated herein, has been properly taken and obtained in compliance with applicable law;

c. Each Party has not entered into nor will either enter into any agreement (whether written or oral) in conflict with this Agreement or which would prevent a Party from performing its obligations under this Agreement; and

d. Each Party has the contacts and expertise, and will reasonably allocate its financial and time resources on a reasonable best efforts basis to enable it to perform its obligations hereunder.

14. Miscellaneous.

14.1 Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they have related in any way to the subject matter hereof.

14.2 No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any person or entity other than the Parties and their respective successors and permitted assigns.

14.3 Succession. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns.

14.4 Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

14.5 Notices. All notices, requests, demands, claims, and other communications hereunder will be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given two (2) business days after it is sent by registered or certified mail, return receipt requested, postage prepaid, and addressed to the intended recipient as set forth below:

If to Agency: Desert Water Agency
1200 S Gene Autry Trail
Palm Springs, CA 92264
Attn: Ashley Metzger
Telephone: (760) 323-4971

If to Consultant: Water Systems Consulting, Inc.
805 Aerovista Place, Suite 201
San Luis Obispo CA 93401
Attn: Jeroen Olthof
Telephone: (805) 457-8833 x 301

14.6 Governing Law; Venue. This Agreement shall be governed by and construed in accordance with the domestic laws of the State of California without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other

jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of California. Venue for any suit, action or proceeding shall exist exclusively in the courts having jurisdiction over the County of Riverside.

14.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

14.8 Waivers. No waiver by any Party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent occurrence.

14.9 Amendment. Except as expressly provided otherwise herein, this Agreement may not be amended without the express written consent of both Parties.

14.10 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction.

14.11 Release of Information and Advertising. Consultant shall not, without the prior written consent of Agency, make any news release or other public disclosure regarding this Project.

14.12 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Any reference to any federal, state, local, or foreign statute or law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise. The word "including" shall mean including without limitation.

15. Attorneys' Fees. If any legal action is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, reasonable expert witness fees, costs, and necessary disbursements in addition to any other relief to which that party may be entitled. "Prevailing party" shall be defined (1) as a claimant that is awarded net 51 percent of its affirmative claim, after any offsets for claims or counterclaims by the other party, and (2) as a defendant/respondent against whom an award of less than 50 percent of a claimant's claim is granted. In claims for money damages, the total amount of recoverable attorney's fees and costs shall not exceed the net monetary award of the Prevailing Party.

IN WITNESS WHEREOF, the Parties hereby execute this Agreement on the date first written above.

Agency:

Desert Water Agency

By: _____

Name: _____
(type)

Its: _____
(type)

CONSULTANT:

Water Systems Consulting, Inc.

By: _____

Name: _____
(type)

Its: _____
(type)

EXHIBIT A

WSC Proposal

August 26, 2019

PROPOSAL FOR

COACHELLA VALLEY REGIONAL URBAN WATER MANAGEMENT PLAN

WSC

WATER SYSTEMS CONSULTING, INC.

August 26, 2019

Ashley Metzger
Outreach and Conservation Manager
Desert Water Agency
ashley@dwa.org

SUBJECT: PROPOSAL FOR THE PREPARATION OF A COACHELLA VALLEY REGIONAL URBAN WATER MANAGEMENT PLAN

Dear Ms. Metzger,

Water Systems Consulting, Inc. (WSC) is pleased to submit this proposal to prepare a Coachella Valley Regional Urban Water Management Plan (RUWMP) for the six local water providers (agencies) in the Coachella Valley. The agencies are looking for an experienced, responsive consultant to deliver a cost-effective RUWMP that meets the new California Department of Water Resources (DWR) requirements and builds off regional efforts like the Coachella Valley Integrated Regional Water Management and Stormwater Resources Plan (Integrated Plan).

WSC is a full-service engineering consulting firm that specializes in regional urban water management planning, sustainable solutions, and bringing value to our clients. Our team completed 28 UWMPs during the 2015 cycle, including RUWMPs, and has completed nearly 40 UMWPs since the 2005 cycle. WSC's approach is designed to:

- Prepare a RUWMP that meets the 2020 UWMP Guidebook requirements and is deemed complete by DWR.
- Build on previous regional planning efforts to provide regional consistency and efficient UWMP preparation.
- Provide consistent methodologies for population, demand, and supply projections across agencies and align water shortage contingency plans.
- Provide a set of tools that facilitate data collection and production of the report to economize efforts and enable RUWMP agencies to perform additional analysis and reporting.

WSC is excited for the opportunity to propose on this project. Please contact WSC's proposed Project Manager, Jeroen Olthof at (858) 397-2617, ext. 301, or Principal in Charge, Jeffery Szytel, at (805) 457-8833, ext. 101 with any questions. You can also email us at jolthof@wsc-inc.com or jszytel@wsc-inc.com. We are excited for the opportunity to partner with you on this project and look forward to collaborating with the Coachella Valley agencies.

Sincerely,
Water Systems Consulting, Inc.

Jeroen Olthof, PE, MS
Project Manager

Jeffery Szytel, PE, MS, MBA
Principal in Charge / President

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WHAT OUR CLIENTS SAY:

"WSC has worked seamlessly as an extension of our staff to assist us in many of our projects. Their involvement has improved our ability to stay on scope and on budget while meeting the ever-increasing number of stakeholder concerns."

Richard Svindland, PE, President, California American Water

"WSC effectively used GIS tools to perform spatial analysis of the raw data. The clear and competent presentation of the customer data allowed District policy makers to understand the information and act upon it."

Mr. Michael LeBrun, Former General Manager, Nipomo Community Services District

"The County has selected the WSC team for numerous water resource engineering projects, including the State Water Project Coastal Branch Capacity Assessment and the Paso Basin Supplemental Supply Options Study. For each of these projects, WSC supported the County in developing tailored solutions by providing strong technical competency, focused attention to detail and responsive service."

Ms. Courtney Howard, PE, Water Resources Division Manager, City of San Luis Obispo

Project Understanding

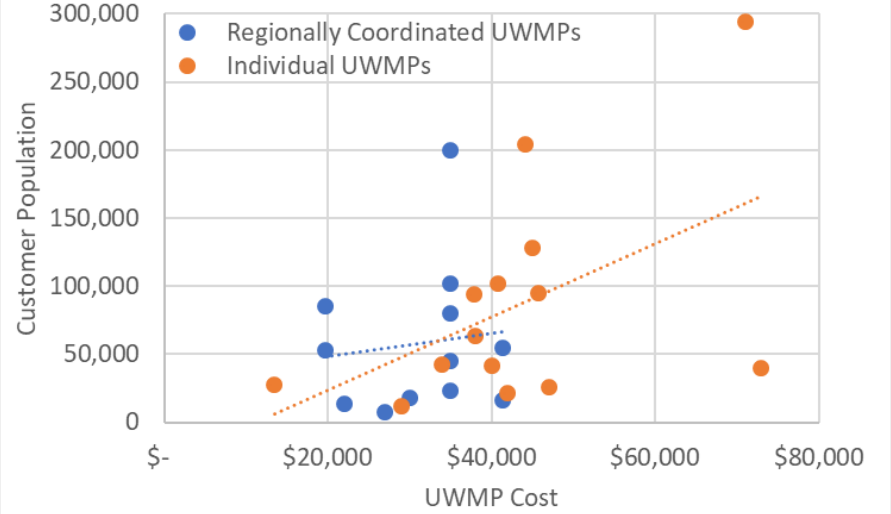
Regional UWMPs provide multiple benefits

The Coachella Valley Regional Water Management Group (CVRWMG) recently completed a comprehensive water resources plan – the Coachella Valley Integrated Regional Water Management and Stormwater Resources Plan (Coachella Valley IRWM/SWR Plan). The Coachella Valley RUWMP agencies – Coachella Valley Water District (CVWD), Coachella Valley Water Authority (CWA), Desert Water Agency (DWA), Indio Water Authority (IWA), Mission Springs Water District (MSWD), and Myoma Dunes Water Company (MDWC) – want to build on successful collaboration demonstrated in the Coachella Valley IRWM/SWR Plan and are seeking a consultant to prepare a 2020 RUWMP.

Each of the Coachella Valley RUWMP agencies prepared individual UWMPs in 2015 and now would like to participate in a 2020 RUWMP to leverage the benefits of regional planning while incorporating individual agency UWMP reporting requirements.

Regional UWMPs provide multiple benefits to participants:

1. Streamlined UWMP development for agencies with shared supplies by standardizing common UWMP elements.
2. Consistent methodologies for population, demand, and supply projections across agencies provides consistency in the UWMP and for use of data outside of the UWMP.
3. Alignment between agencies' water use efficiency programs and water shortage contingency plans avoids confusion between residents in different service areas.
4. A unified data collection and management process avoids duplication of work by individual agencies and provides economies of scale.
5. Enables incorporation of regional efforts, which provides consistent data and messaging between planning documents.
6. Encourages communication among local agencies to discuss issues outside the UWMP.
7. Single document that can be a valuable reference point for all agencies.



In 2015, Regional UWMPs and UWMPs that leverage regional planning resources by WSC were on average 30% less expensive to prepare than individual UWMPs.

Project Approach

Demonstrated Expertise and Proven UWMP Qualifications

WSC is a civil and environmental engineering firm that specializes in the planning, design, evaluation, and optimization of municipal water, wastewater, and recycled water systems. WSC is an industry leader at preparing UWMPs for agencies like those in the Coachella Valley. WSC staff completed 28 UWMPs during the 2015 cycle, including the San Bernardino Valley Municipal Water District Regional UWMP (RUWMP), and our team of UWMP experts continues to support several of these agencies in updating their analytical toolsets as new information becomes available about changes in supply and demand assumptions.

WSC serves special districts, cities, counties, investor owned utilities and regulatory agencies throughout California, and we have a strong understanding of the regulatory and political climate that our clients operate within. WSC works collaboratively with our clients, applying proven approaches, state-of-the-art tools, and expertise- driven innovation to deliver truly outstanding results. As DWR began preparation of their Guidebook for the 2015 UWMPs, they called on WSC to contribute to key areas as part of their Guidebook Advisory Committee (GAC). WSC was selected to participate in the DWR 2020 UWMP Guidebook Workgroup and is also a part of two other related DWR Workgroups developing guidance for implementation of Executive Order B-37-16 (EO), Senate Bill 606 (SB 606), and Assembly Bill 1668 (AB 1668). WSC's participation in these Workgroups, especially the UWMP Guidebook Workgroup, will directly supplement Coachella Valley agencies' representatives input from five other Workgroups to make sure the RUWMP is consistent with requirements and positioned for future reporting.

WSC's experience developing an RUWMP and other UWMPs leveraging regionally shared planning and resources provides unique experience necessary to cost-effectively prepare a RUWMP that meets each agency's needs and expectations. Based on State-level guidance development, previous statewide UWMP and RUWMP work, previous work in the Coachella Valley, and our discussions with the RUWMP agencies, WSC has identified four key success factors for this project. These success factors, along with an overview of WSC's approach to meet these objectives, are presented below.

Key Success Factor	WSC Approach
Prepare an RUWMP that meets the 2020 UWMP Guidebook requirements and is deemed complete by DWR	Apply WSC's RUWMP and UWMP experience, expertise, and insight gained from participating on DWR committees efficiently incorporate new requirements and avoid mis-steps

Build on previous regional planning efforts to provide consistency and efficient UWMP preparation	WSC will apply its regional planning experience to complement and build on previous Coachella Valley regional planning efforts
Provide consistent methodologies for population, demand, and supply projections and align water shortage contingency plans	Apply UWMP experience to select the most appropriate methodologies and work with agencies to identify appropriate water shortage stages and measures
Provide a set of tools that facilitate data collection and production of the report to economize efforts and enable RUWMP agencies to perform additional analysis and reporting	Apply established data management practices and output tools to provide consistency, save costs, and reduce the chances for error. In addition, the tools will set up subsequent UWMP-related reporting.

The following sections highlight some elements of WSC's plan for achieving these key success factors and making the 2020 RUWMP a model for coordinated regional planning.

WSC will apply RUWMP and UWMP experience, expertise, and insight to operate efficiently, incorporate new requirements, and avoid mis-steps

As detailed in the qualifications section of our proposal, WSC staff completed 28 UWMPs during the 2015 UWMP cycle, including an RUWMP and two regionally leveraged UWMPs. As noted above, WSC's proposed Primary Author, Spencer Waterman is serving on the 2020 UWMP Guidebook Workgroup and two other team members are participating in other DWR workgroups related to water use efficiency legislation implementation. Spencer will be involved in the process to update the Guidebook and he will use this knowledge to start the team down the right road the first time.

There have been some significant changes to the California Water Code (CWC) since the 2015 UWMP that will need to be addressed in the 2020 UWMP. WSC will proactively monitor and report back on changes to UWMP guideline requirements through WSC staff's participation on the DWR UWMP Guidebook Workgroup, enabling the team to bring the most up-to-date knowledge to this project. Two other WSC staff will supplement Coachella Valley agencies staff's input from five other Workgroups focusing on UWMP related reporting.

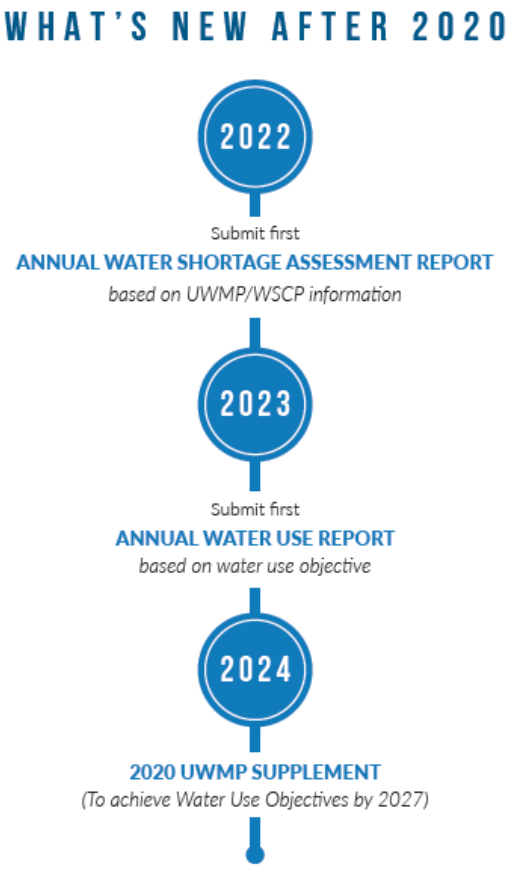
New UWMP Requirement	Implications for Coachella Valley RUWMP Agencies
Updated Water Shortage Contingency Plan (WSCP)	Adopt WSCP as part of the UWMP. WSCP guidance will be included in the forthcoming 2020 UWMP Guidebook. CWC includes requirements to: Describe the supply reliability, procedures for annual water supply and demand assessment, six water shortage levels, response actions, communications, enforcement, legal authority, financial consequence, monitoring procedures, and reevaluation procedures CWC §10620(d)(2) and §10632.
Drought Risk Assessment	Now evaluating 5-year supply reliability CWC §10635(b)).
Water Loss Standards Compliance	Provide additional information related to compliance with adopted water loss standards (CWC §10631(d)(3)(C).
Water Supply Reliability	Must describe conditions and strategy for meeting future water supply reliability needs (CWC §10630.5).
Sustainable Groundwater Management Act	Must include latest information regarding compliance with SGMA (CWC §10631(b)(4)), such as the recently approved Alternative GSPs for Indio Subbasin and Mission Creek Subbasin.

WSC's approach gets the agencies ready for post-2020 UWMP reporting and long-term water use efficiency legislation

Between submittal of the 2020 RUWMP and submittal for the 2025 RUWMP, water providers must submit three reports:

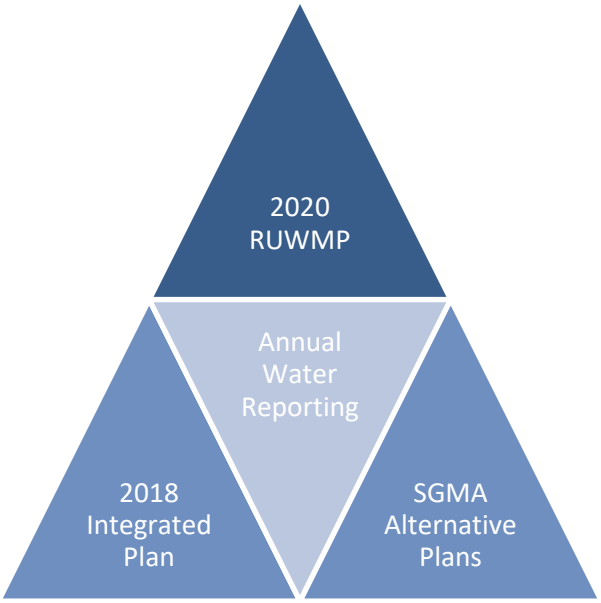
- Annual Water Shortage Assessment Report
- Annual Water Use Report
- 2020 UWMP Supplement

As noted previously, WSC will leverage knowledge from RUWMP agencies' staff and WSC staff from their participation in DWR's water conservation legislation Workgroups to position Coachella Valley agencies for post-2020 reporting. The data management discussion below includes considerations for using the data tools for these reports.



WSC will apply its regional planning experience to complement and build on previous Coachella Valley regional planning efforts

Potable water demand in the Coachella Valley is projected to nearly double from 2015 to 2035 as agricultural or vacant lands are converted to urban land uses, Tribal lands are developed, and cities grow through annexation or expanded spheres of influence. At the same time, Coachella Valley water supplies are stressed from over pumping of groundwater combined with reduced reliability and yield from imported water supplies. In addition, the region could face high costs to meet future chromium-6 MCL requirements, climate change will further stress supplies while increasing demands, and many Disadvantaged Communities (DACs) lack access to safe and affordable water supplies. These considerations require a holistic understanding of regional and statewide issues as they relate to demand and supply planning in the RUWMP.



Previous regional planning efforts will be the foundation of information for the 2020

The RUWMP agencies have completed several water resources planning efforts that will be the foundation of information incorporated into the 2020 RUWMP. The 2018 Coachella Valley Integrated Plan will provide the most regional information and will be supplemented with information from two Sustainable Groundwater Management Act (SGMA) Groundwater Sustainability Plan (GSP) Alternative Plans, individual agency annual reporting, and individual agency 2015 UWMPs.

WSC will augment the regional planning efforts with WSC's water resources experience in the Coachella Valley and across the state, including long-term State Water Project (SWP) planning and conjunctive use projects.

- Master planning reports and groundwater assessments have been prepared throughout the Coachella Valley for various RUWMP agencies. Our team members have already invested time to review existing reports and have also participated in the development of select studies, including the Indio Water Authority Recycled Water Feasibility Study. This study evaluated approaches to diversify IWA's water supply portfolio with the use of recycled water. With WSC's planning expertise and local knowledge of the water supply constraints within the region, our team will hit the ground running and collaboratively work with the CVRWMG to prepare the 2020 UWMP.

- While there are no physical facilities to deliver SWP water to the Coachella Valley, the use of exchanges and transfers makes the SWP an important consideration in long-term supply planning in the Valley. WSC has developed numerous planning studies and over 15 UWMPs for agencies that use SWP water directly and indirectly. WSC understands operations, issues, and the institutional framework for water management in California in consideration of the SWP. We have been working with existing SWP contractors to incorporate SWP operational changes associated with the Delta Conveyance Project to ensure that the contractors continue to maximize their yield from the project. Also, through our work on the SBVMWD 2015 RUWMP, we have gained insight on ways to effectively capture and convey complex SWP agreements and data into streamlined narrative, table and figures for a RUWMP. WSC will apply its SWP expertise to avoid complicated jargon and information, providing clear and usable information for retail agencies and outside users.

WSC will apply UWMP experience to select the most appropriate methodologies and work with agencies to identify appropriate water shortage stages and measures

The last ten years have been a dynamic period in the California water supply industry. Extended drought in the Colorado River Basin and northern California reduced the availability of imported supplies while new regulations and extensive education efforts have led to reductions in per-capita water consumption, but it is not clear how behaviors will change if the drought becomes less urgent. These and other factors have made the projection of water demands and supplies a challenging task.

When deciding what assumptions to make for the RUWMP, it is important to recognize how the document will be used. In water infrastructure planning, it is common to over-estimate future demands, so that infrastructure can be built ahead of growth. In financial planning, it is common to underestimate growth, so an agency does not experience actual revenues less than projected. For the UWMP, the report will be most valuable if it has the most realistic assessment of likely future conditions.

Any major capital investments will be supported by other, more focused studies; the RUWMP is intended to provide policy makers and the public with an accurate appraisal of how supplies compare to demands. To increase confidence in the results, WSC proposes to:

- Work with each retail agency to incorporate their growth projections or develop them using estimates prepared by the appropriate local government planning agency. DWR guidance regarding seasonal population fluctuations will be incorporated.

WSC will use Geographic Information Systems (GIS) to define the populations and demands being served by each agency, both to generate maps for the RUWMP and to help eliminate double counting or omissions.

- Analyze per-capita water use trends and work with the retail agencies to identify a defensible value for future forecasting based on DWR's four approved methodologies. DWR guidance regarding future water use objectives based on indoor and outdoor water use budgets should be considered.
- Incorporate the latest information on regional supply issues, including the IRWM process.

WSC's Expertise Includes Population Fluctuation Considerations

WSC staff successfully helped Big Bear Lake area agencies to prepare population projections that accounted for seasonal population fluctuations. WSC will leverage its methodologies to account for Coachella Valley winter tourism and agricultural worker population increase based on the best available data. WSC can represent the Coachella Valley as an example case in the UWMP Guidebook Workgroup meetings and to make sure that the needs of Coachella Valley agencies are considered during development of the demand forecasting methodologies.

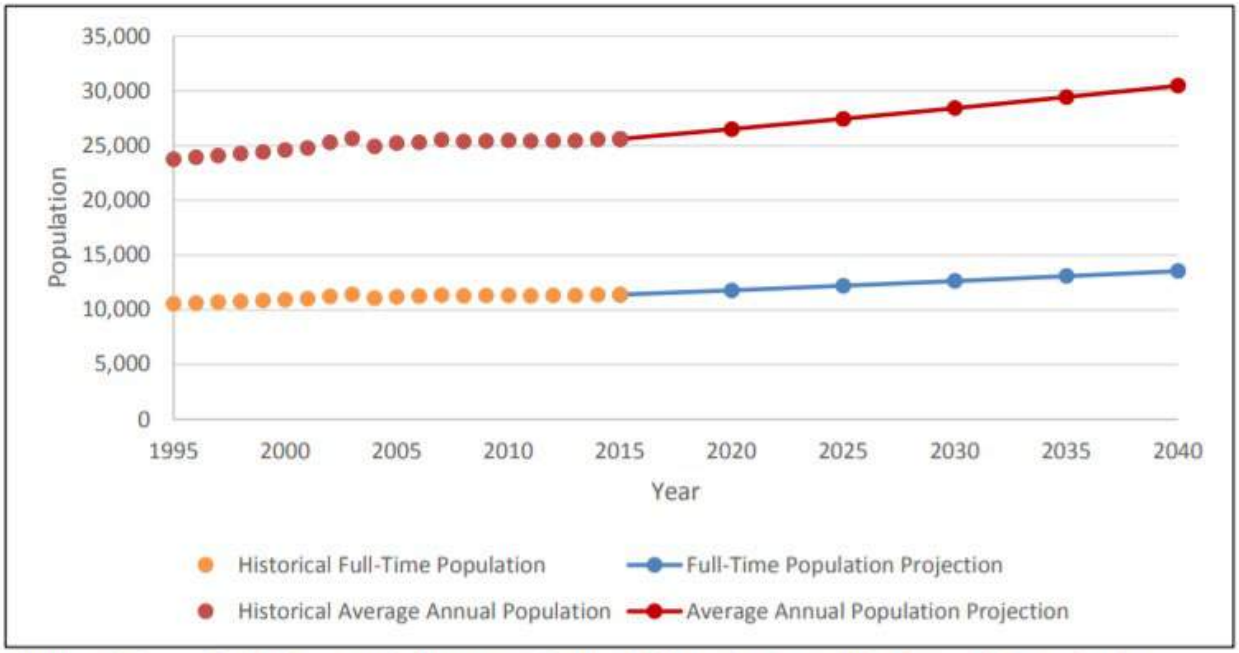


Figure 3.2 Full-Time and Average Annual Historical and Projected Population

WSC staff prepared population projections that included seasonal population estimates for Big Bear Lake agencies' and Pismo Beach's 2015 UWMPs.

WSC will recommend methodologies to comply with new Water Shortage Contingency Plan requirements

Each Coachella Valley agency has its own WSCP that will have to be updated according to forthcoming DWR guidance. It is likely that DWR's guidance will be similar to the AWWA Drought Preparedness and Response Manual (M60), which has recently been updated. Upon initial review of Coachella Valley agencies WSCPs, it appears that amendments need to be made to specifically

tie water shortage stages to a reduction in water supply conditions. The new WSCP requirements indicate that all agencies will need to incorporate consideration of six water shortage stages. WSC will provide insight from DWR UWMP Guidebook Workgroup participation to inform agencies of recommended methodologies to comply with the new water code.

WSC will apply established data management practices and output tools to provide consistency, save costs, and reduce the chances for error.

WSC will provide a set of tools that facilitate data collection and production of the report to economize efforts and enable RUWMP agencies to perform additional analysis and reporting. In addition, the tools will facilitate subsequent UWMP-related reporting.

Database approach to information storage and reporting saves costs and reduces the chances for error

Preparing a UWMP for a single agency requires a disciplined approach to data management to track the sources of information, ensure consistency with other reports, and prevent the double-counting of resources. For this project, with six inter-related agencies, data management is even more critical.

For the 2020 cycle, DWR will provide a standard set of Excel data tables to be completed by suppliers. The preliminary version from DWR has separate tabs for each chapter, with the basic structure of the required tables for each chapter on the tab. This format will facilitate uploading the information into the on-line submittal tool, and it provides a visual output that may be helpful for some users. However, for this project, the standard DWR spreadsheet does not provide the best mechanism for storing the information. If separate spreadsheets are prepared for each agency, the team will have to manage six spreadsheets with potential interconnections and duplication between each one. The same issues will remain:

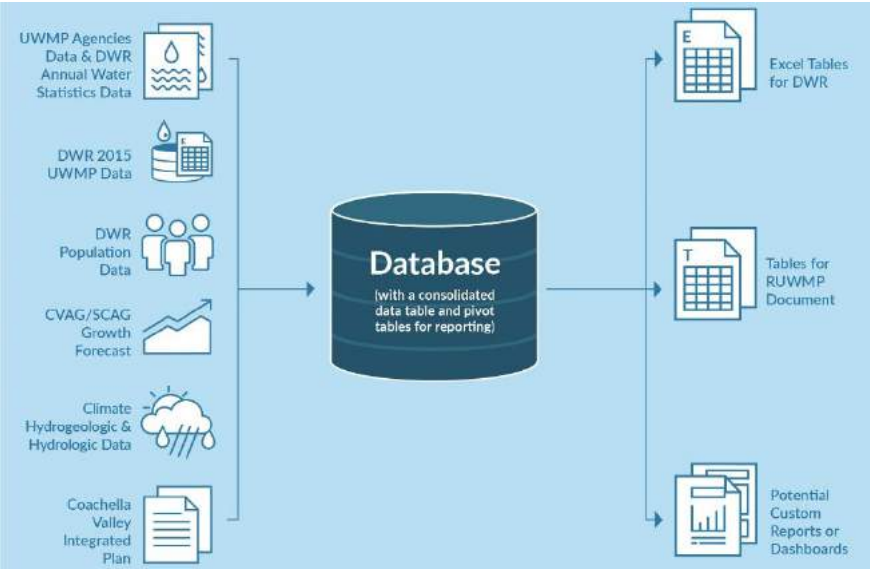
- Potential duplication or exclusion of demands or groundwater production values
- A tedious update process if information is updated during the review cycle
- An inability to easily aggregate the data for regional analysis

The RUWMP provides an opportunity to develop a more robust platform for storing regional water supply and demand information. WSC recommends compiling all information into a single database. WSC would build a data portal with information imported from the 2015 UWMPs and 2015-2020 data provided by all agencies.

WSC looks forward to working with the Coachella Valley agencies to optimize the data structure for long-term utility. Under the basic structure, each number in the RUWMP would become a single record in the database. Each record is one row in a table; each record has fields that correspond to the columns in a typical table view. The fields added by WSC are shown on the next page.

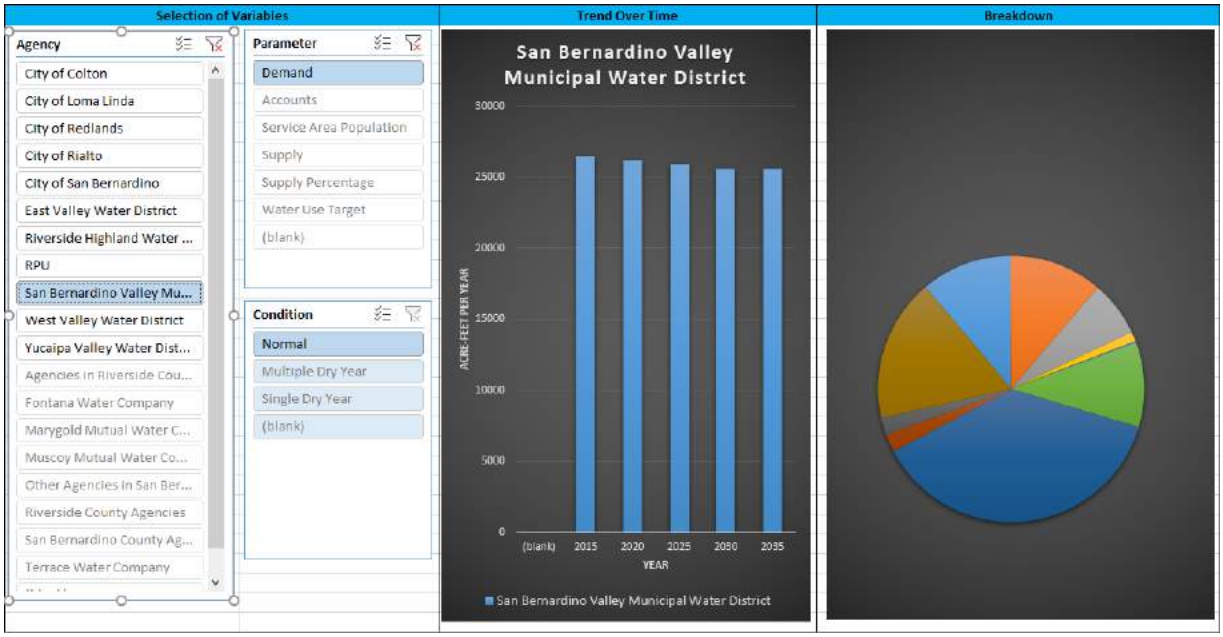
Field Name	Contents
Agency	Agency Name
Parameter	Service Area Population, Accounts, Demand, or Supply
Condition	Normal, Single Dry Year, or Multiple Dry Year
Category	For Demands: By Customer Type, By Household Income For Supplies: Groundwater, Surface Water, State Water Project, Recycled Water
Type and Sub-Type	For Demands: Customer type (single-family, multi-family, …) For Supplies: Groundwater basin, source of recycled water
Value	The number
Units	The units of measurement, typically acre-feet
Year	The relevant timeframe for the value
Source	Where the number came from

Most of these fields are auto-populated, so there is minimal additional effort to populate the data table. Once the information is in this format, it is much easier to generate output in whatever format is needed. For example, WSC would generate a version of the DWR Excel tables that referenced this consolidated database, so that the Excel tables could be re-generated whenever new information is entered. The database can also be sorted and queried to make sure that no duplicate or conflicting values are included. If conflicts are found, the sources of data can be noted and used to select the appropriate value and flag the other value for exclusion from analysis. In addition, each agency would have easy access to a consolidated view of demands and supplies in the entire service area or any sub-set of agencies. The database organization is shown conceptually in the figure below.



WSC's proposed approach includes a central database that efficiently consolidates input from various sources, enables more effective quality control of data, and provides a cohesive set of output reports.

Having information in a database format allows the rapid generation of graphs for one or more agency service areas. Dashboard-type reports could be generated for each agency and customized for their specific needs. The following page shows an example of a dashboard that could be used to communicate with retail agencies and other stakeholders.



Organizing regional water supply and demand information in a consolidated database will facilitate the development of reports and graphs for various uses, such as identifying trends over time.

WSC's proven project management approach keeps UWMP efforts on schedule and within budget.

During the 2015 cycle, WSC completed a total of 28 UWMPs. Each of these plans were completed on schedule and at or under budget. WSC was able to gain efficiencies through measures that included:

- **A collaborative internal working group for all staff working on UWMPs throughout the state.** This group shared news and ideas on updates from DWR, alternative approaches to development of key sections, innovative calculation tools, and lesson learned to avoid potential pitfalls.
- **Real-time budget progress reporting through WSC's web-based enterprise management system.** This system allows WSC's project manager to have real-time access to hours spent on each phase of each project. The system also facilitates planning of future workload to ensure that key staff are not over-scheduled and are available to meet project deadlines.
- **Regular project check-in meetings to monitor and review progress in meeting interim milestones.** The initial project schedule will accommodate adequate time for review of interim drafts by the agencies, as well as allowing for public review at the appropriate times.

Organizational Chart

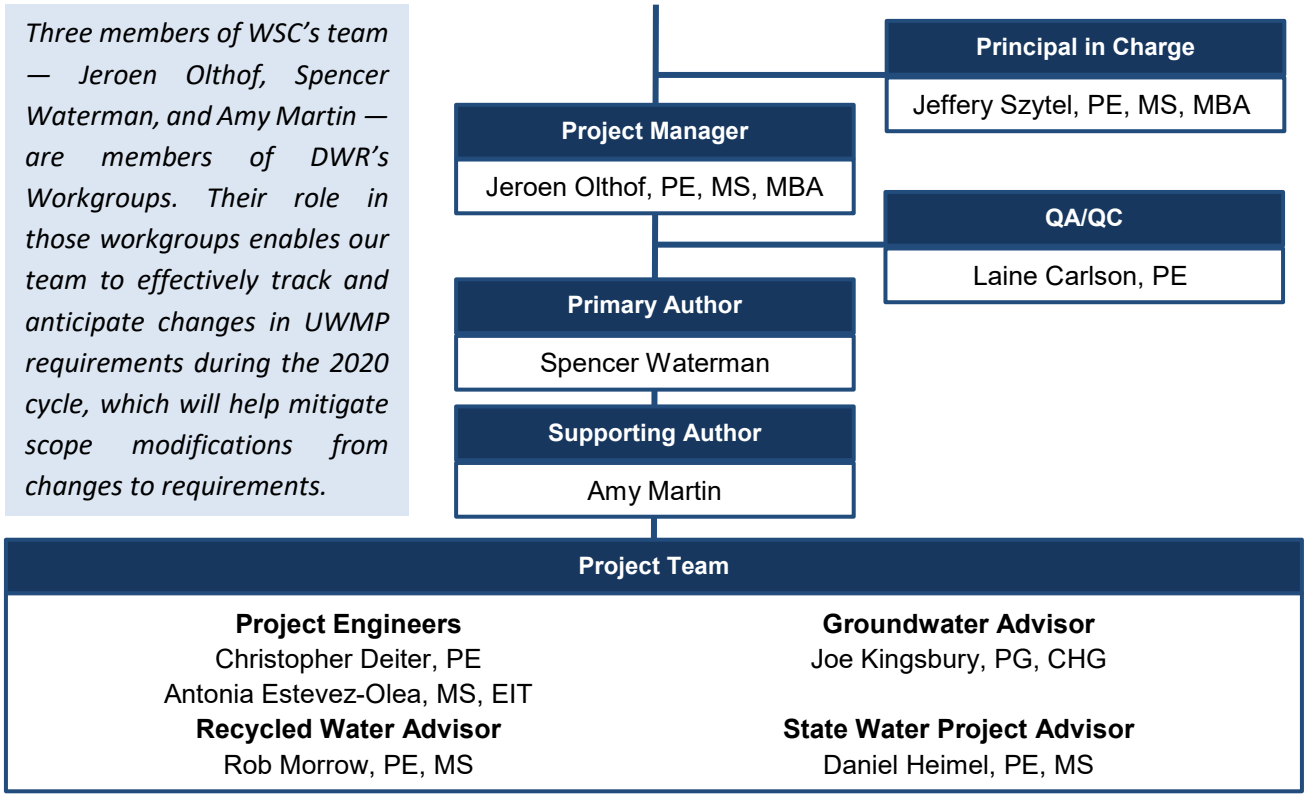
WSC is Your Premier UWMP Consulting Firm

WSC is a full-service water resources planning and engineering consulting firm that specializes in innovative and sustainable solutions, relationship building, and bringing value to our clients. We thrive and grow from the philosophy that people come first and that all water has value.

WSC's proposed Project Manager for the 2020 RUWMP is Jeroen Olthof. Mr. Olthof was the Project Manager for the 2015 RUWMP for the San Bernardino Valley Municipal Water District (SBVMWD) and its nine partner agencies. He will be supported by the experienced team that worked on 28 UWMPs during the 2015 cycle, including SBVMWD's RUWMP — which was worked on by proposed Principal in Charge, Jeffery Szytel, Primary Author, Spencer Waterman, and QA/QC, Laine Carlson.

The rest of WSC's team consists of subject matter experts and experienced engineers, planners, and hydrogeologists several of whom have relevant knowledge and experience with participating agencies and will support the development of an efficient, defensible, and compliant RUWMP document. Detailed resumes for WSC's proposed staff in the organizational chart below are included in **Appendix A**, and detailed descriptions of WSC's recent, similar projects are included in **Appendix B.**

Three members of WSC's team — Jeroen Olthof, Spencer Waterman, and Amy Martin — are members of DWR's Workgroups. Their role in those workgroups enables our team to effectively track and anticipate changes in UWMP requirements during the 2020 cycle, which will help mitigate scope modifications from changes to requirements.



Key Personnel Capabilities and Expertise

The following table includes a brief summary of the role, experience, address, phone number, and email address of each person on WSC's team. Detailed resumes are included in Appendix A.

Key Personnel

JEROEN OLTHOF, PE, MS, MBA – Project Manager

Mr. Olthof has more than 25 years of experience developing water resources planning studies, databases, and the integration of GIS with hydraulic models. He led the development of SBVMWD's 2015 RUWMP and has experience developing UWMPs for regionally-linked client groups. He has worked with the other members of WSC's team on previous UWMP cycles and will incorporate the efficiency and lessons learned from those efforts. He is currently participating in DWR's Data Streamlining Workgroup.

(858) 397-2617, ext. 301 | jolthof@wsc-inc.com | 9815 Carroll Canyon Road, Ste. 205, San Diego, CA 92131

JEFFERY SZYTEL, PE, MS, MBA – Principal in Charge

Mr. Szytel has more than 20 years of experience that includes leading or supporting the development of dozens of UWMPs. He will serve as WSC's Principal in Charge and is available to provide insight into the development of a collaborative document that all participating agencies gain benefit from. His extensive experience providing regional stakeholder facilitation support and detailed knowledge of regional water resources planning efforts helps to build consensus and buy-in.

(805) 457-8833, ext. 101 | jszytel@wsc-inc.com | 805 Aerovista Place, Ste. 201, San Luis Obispo, CA 93401

SPENCER WATERMAN – Primary Author

Mr. Waterman has 10 years of water resources planning experience which includes 38 UWMPs, including the SBVMWD 2015 RUWMP. He is a member of DWR's UWMP Guidebook Workgroup for the second consecutive cycle. He has developed tools to standardize data and efficiently produce UWMP chapters that are compliant with regulations and easy to update in future cycles. This efficient data collection and analysis bridges the information gap between agencies during regional planning efforts.

(805) 457-8833, ext. 102 | swaterman@wsc-inc.com | 805 Aerovista Place, Ste. 201, San Luis Obispo, CA 93401

AMY MARTIN – Supporting Author

Ms. Martin has more than 13 years of experience which includes engineering project management at a leading public agency in Southern California. She specializes in water resources planning and has led Integrated Water Resource Management Plans and UWMPs for public utilities throughout the Southern California. Her experience includes work for Indio Water Authority. She is currently participating in DWR's Annual Water Supply and Demand Assessment Workgroup.

(949) 528-0960, ext. 604 | amartin@wsc-inc.com | 23232 Peralta Drive, Ste. 215, Laguna Hills, CA 92653

LAINE CARLSON, PE – QA/QC

Ms. Carlson is an engineer with more than 15 years of experience specializing in water resources planning. She served in a similar QA/QC role on the SBVMWD 2015 RUWMP which included stakeholder coordination and detailed review of data, calculations, and the report. She is based in Rancho Cucamonga and has an extensive knowledge of the regional and statewide issues and regulations relating to water resources, water conservation, and urban water management planning.

(909) 483-3200, ext. 201 | lcarlson@wsc-inc.com | 9375 Archibald Avenue, Ste. 200, Rancho Cucamonga, CA 91730

CHRISTOPHER DEITER, PE – Project Engineer

Mr. Deiter is an engineer with more than 10 years of experience which includes developing supplemental supply and master plans for agencies in the Coachella Valley. His strong working relationships and local knowledge enables WSC's RUWMP team to efficiently gather and evaluate data to align efforts with the existing regional water resources efforts in the area. He is a versatile engineer based in WSC's Rancho Cucamonga office who is available to respond quickly to project needs.

(909) 483-3200, ext. 203 | cdeiter@wsc-inc.com | 9375 Archibald Avenue, Ste. 200, Rancho Cucamonga, CA 91730

ROB MORROW, PE, MS – Recycled Water Advisor

Mr. Morrow has 19 years of water resources engineering experience focused on the implementation of recycled water projects, from concept to operation, for applications ranging from agricultural irrigation to potable reuse. He has served as the Project Manager for multiple UWMPs and has a thorough understanding of the regulations and legislation relating to recycled water, water conservation, and urban water management planning.

(805) 457-8833, ext. 128 | rmorrow@wsc-inc.com | 805 Aerovista Place, Ste. 201, San Luis Obispo, CA 93401

JOE KINGSBURY, PG, CHG – Groundwater Advisor

Mr. Kingsbury is a professional geologist and certified hydrogeologist with more than 20 years of diversified experience with groundwater, geotechnical, and environmental projects. He has extensive experience in the Coachella Valley performing well siting and rehabilitation projects. His knowledge of the groundwater basin and existing working relationships with clients means he can translate the institutional framework for water management in Coachella Valley to the UWMP process.

(909) 483-3200, ext. 202 | jkingsbury@wsc-inc.com | 9375 Archibald Avenue, Ste. 200, Rancho Cucamonga, CA 91730

DANIEL HEIMEL, PE, MS – State Water Project Advisor

Mr. Heimel is a professional engineer with 17 years of experience focused on water resources, including State Water Project feasibility studies, water quality, and recycled water. He has performed capacity evaluations of State Water Project infrastructure to assist clients in diversifying their water supplies, transferring water, and more. He also has worked on UWMPs during previous cycles and is familiar with the guidance documents and plan preparation.

(805) 457-8833, ext. 104 | dheimel@wsc-inc.com | 805 Aerovista Place, Ste. 201, San Luis Obispo, CA 93401

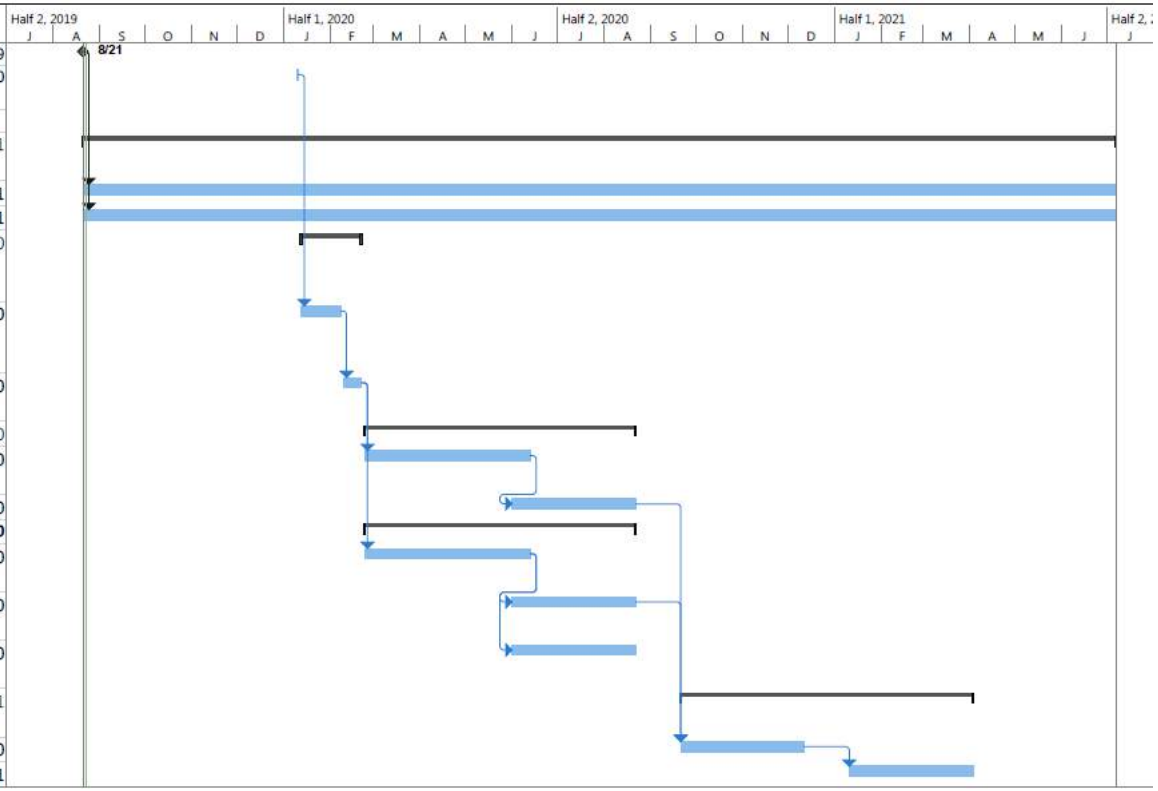
Project Schedule

WSC looks forward to working closely with the CVRUWMP agencies over the 20-month period from Notice to Proceed until the final deliverables. Over the course of this period, there will be a series of iterations and adjustments as new information becomes available. As of the anticipated notice to proceed:

- DWR's guidance documents will not be complete
- Complete consumption and production data for calendar year 2019 and 2020 will not be available

The Final Draft 2020 RUWMP will be submitted in December 2020 for review by each agency and a Final 2020 RUWMP will be submitted prior to the July 1, 2021 deadline.

ID	Task Name	Duration	Start	Finish
1	Contract Executed	0 days	Wed 8/21/19	Wed 8/21/19
2	Draft DWR UWMP Guidebook Available	1 day?	Fri 1/10/20	Fri 1/10/20
3				
4	Task 0.0 Project Management & Meetings	490 days	Wed 8/21/19	Tue 7/6/21
5	0.1 Project Administration	24.5 mons	Wed 8/21/19	Tue 7/6/21
6	0.2 Project Meetings	24.5 mons	Wed 8/21/19	Tue 7/6/21
7	Task 1.0 Legislative requirements and report format	30 days	Mon 1/13/20	Fri 2/21/20
8	1.1 Legislative Requirements Documentation	1 mon	Mon 1/13/20	Fri 2/7/20
9	1.2 Report Table of Contents	2 wks	Mon 2/10/20	Fri 2/21/20
10	Task 2.0 Regional Analysis	130 days	Mon 2/24/20	Fri 8/21/20
11	2.1 Data Collection and Analysis (Common)	4 mons	Mon 2/24/20	Fri 6/12/20
12	2.2 Common Chapters	3 mons	Mon 6/1/20	Fri 8/21/20
13	Task 3.0 Individual Analysis	**130 days**	**Mon 2/24/20**	**Fri 8/21/20**
14	3.3 Data Collection and Analysis (Individual)	4 mons	Mon 2/24/20	Fri 6/12/20
15	3.4 Individual Agency Chapters	3 mons	Mon 6/1/20	Fri 8/21/20
16	3.5 Water Shortage Contingency Plans	3 mons	Mon 6/1/20	Fri 8/21/20
17	Task 4.0 Prepare Regional Urban Water Management	140 days	Mon 9/21/20	Fri 4/2/21
18	4.1 Draft RUWMP	3 mons	Mon 9/21/20	Fri 12/11/20
19	4.2 Final RUWMP	3 mons	Mon 1/11/21	Fri 4/2/21



Fee Schedule

Task No.	Task Description	WSC														ALL FIRMS
		Principal-In-Charge	Project Manager	Technical Advisor	QA/QC	Technical Advisor	Technical Advisor	Project Engineer	Primary Author	Supporting Author	Staff Engineer	Project Admin	WSC Labor Hours	WSC Labor Fee	Expenses	WSC Fee	Total Fee
		Jeffery Szytel	Jeroen Olthof	Robert Morrow	Laine Carlson	Joseph Kingsbury	Daniel Heimel	Christopher Deiter	Spencer Waterman	Amy Martin	Antonia Estevez-Olea	Kay Merrill					
	Billing rates, $/hr	*$290*	*$265*	*$265*	*$245*	*$225*	*$225*	*$195*	*$185*	*$195*	*$155*	*$125*					
0	**Project Management & Meetings**																
0.1	Project Administration		38						59			33.5	130.5	$ 25,173	$ 1,000	$ 26,173	$ 26,173
0.2	Project Meetings	2	34.5						61.5				98	$ 21,100	$ 800	$ 21,900	$ 21,900
	SUBTOTAL	**2**	**72.5**	**0**	**0**	**0**	**0**	**0**	**120.5**	**0**	**0**	**33.5**	**228.5**	**$ 46,273**	**$ 1,800**	**$ 48,073**	**$ 48,073**
1	**Legislative Requirements and Report Format**																
1.1	Legislative Requirements Documentation		1						8				9	$ 1,745	$ 100	$ 1,845	$ 1,845
1.2	Report Table of Contents		1		1				6				8	$ 1,620	$ 100	$ 1,720	$ 1,720
	SUBTOTAL	**0**	**2**	**0**	**1**	**0**	**0**	**0**	**14**	**0**	**0**	**0**	**17**	**$ 3,365**	**$ 200**	**$ 3,565**	**$ 3,565**
2	**Regional Analysis**																
2.1	Data Collection and Analysis (Common)		6					6	24	6			42	$ 8,370	$ 300	$ 8,670	$ 8,670
2.2	Common Chapters	2	2	2	2	2	2	4	12	4			32	$ 6,810	$ 300	$ 7,110	$ 7,110
	SUBTOTAL	**2**	**8**	**2**	**2**	**2**	**2**	**10**	**36**	**10**	**0**	**0**	**74**	**$ 15,180**	**$ 600**	**$ 15,780**	**$ 15,780**
3	**Individual Water Agency Requirements**																
3.1	Data Collection and Analysis (Individual)		6	6	2	6	6	6	24	6	48		110	$ 20,590	$ 800	$ 21,390	$ 21,390
3.2	Individual Agency Chapters	2	24	6	6	6	6	6	24	12	48		140	$ 28,090	$ 1,100	$ 29,190	$ 29,190
3.3	Water Shortage Contingency Plans		6		4				36		48		94	$ 16,670	$ 700	$ 17,370	$ 17,370
	SUBTOTAL	**2**	**36**	**12**	**12**	**12**	**12**	**12**	**84**	**18**	**144**	**0**	**344**	**$ 65,350**	**$ 2,600**	**$ 67,950**	**$ 67,950**
4	**Prepare Regional Urban Water Management Plan**																
4.1	Draft RUWMP	2	16	6	8	6	6	6	32	6	56		144	$ 28,010	$ 1,100	$ 29,110	$ 29,110
4.2	Final RUWMP	2	8	3	4	3	3	3	16	3	28		73	$ 14,295	$ 600	$ 14,895	$ 14,895
	SUBTOTAL	**4**	**24**	**9**	**12**	**9**	**9**	**9**	**48**	**9**	**84**	**0**	**217**	**$ 42,305**	**$ 1,700**	**$ 44,005**	**$ 44,005**
	COLUMN TOTALS	**10**	**143**	**23**	**27**	**23**	**23**	**31**	**303**	**37**	**228**	**34**	**881**	**$172,473**	**$ 6,900**	**$179,373**	**$179,373**

Scope of Services

The following tasks represent the work that will be undertaken to complete the Coachella Valley 2020 Regional Urban Water Management Plan (RUWMP). Work includes the performance of the Scope of Services listed in the RFP and augmented tasks proposed in red text:

TASK 0.0 PROJECT MANAGEMENT & MEETINGS

0.1 Project Administration

Provide overall project administration services including:

- Develop and maintain a project schedule
- Prepare monthly progress reports for submittal with invoices
- Conduct monthly telephone conference calls to discuss project progress
- Provide Quality Control review of deliverables

Deliverable:

1. WSC will provide monthly progress reports with project invoices.

0.2 Project Meetings

Possible meetings may include:

1. Kickoff meeting. One two-hour meeting.
2. Meetings with staff. Quarterly one-hour in-person meetings as-needed (5).
3. Working sessions as required by the consultant. Two hours of conference calls with each agency as-needed.
4. Monthly progress conference calls. Monthly 1/2 -hour conference calls (15) coupled with quarterly in-person meetings.

~~5. Meetings with agencies participating in the RUWMP.~~

6. ~~1~~ 2 public meetings facilitated by the consultant. Two-hour meetings.

Deliverables:

1. WSC will provide agendas and action item summaries for each meeting.

2. WSC will provide presentations to facilitate the kickoff meeting, working sessions, and public meetings.

TASK 1.0 LEGISLATIVE REQUIREMENTS AND REPORT FORMAT

1.1 Legislative Requirements Documentation

Identify new legislative requirements (if any) and/or new requirements from the DWR guidebook for 2020 UWMPs subsequent to issuance of the RFP.

1.2 Report Table of Contents

Prepare a Table of Contents for the RUWMP. The overall format and organization of the document should:

- ✓ Facilitate easy exchange of information with agencies not participating in the RUWMP.
- ✓ Make it easy for DWR to evaluate each individual agency.

Deliverables:
1. Technical Memorandum, draft for review & final
2. Table of Contents, draft for review & final

TASK 2.0 REGIONAL ANALYSIS

2.1 Data Collection and Analysis (Common)

Some portions of the RUWMP are applicable to all agencies within the planning area (regional setting, climate, etc.). The Consultant can obtain much of this information from the Integrated Plan. Data will be summarized from each agency's data collected as part of Task 3.0. ~~During this task, Consultant will collect and compile the annual water statistics submitted to DWR from each water provider in the region. These annual filings include a summary of the quantity of water produced, number/type of service connections, etc. and will allow a variety of comparisons including, but not limited to, the number of residential connections by agency and calculation of the average quantity of water consumed per capita for each water provider.~~ ***This scope was moved to Task 3.1.*** The regional components of the RUWMP are anticipated to include the following:

- Overview
- Purpose
- Organization of the Plan
- Implementation of the Plan
- Water Agencies of the Coachella Valley
- Climate
- Regional Water Sources
  - (1) SGMA Compliance Summary ** New for 2020 UWMP**
- Regional Water Use
  - (1) Water Loss Standards Compliance**New for 2020 UWMP**
- Comparison of Regional Supplies and Demands
  - (1) Water Supply Reliability **New for 2020 UWMP**
  - (2) Drought Risk Assessment**New for 2020 UWMP**
- Regional Water Shortage Contingency Planning

Contact all of the water agencies within region to determine if there have been subsequent changes to their planning numbers. Hours for this effort are included in Task 0.2.

2.2 Common Chapters

Regional information analyzed during this task should be included in one, or more, "common" chapter(s) of the document.

Deliverables:
1. "Common" Chapter(s), draft for review & final

TASK 3.0 INDIVIDUAL WATER AGENCY REQUIREMENTS

3.1 Data Collection and Analysis (Individual)

During this task, Consultant will collect and compile the annual water statistics submitted to DWR from each water provider in the region. These annual filings include a summary of the quantity of water produced, number/type of service connections, etc. and will allow a variety of comparisons including, but not limited to, the number of residential connections by agency and calculation of the average quantity of water consumed per capita for each water provider.

3.2 Individual Agency Chapters

Each water agency participating in the RUWMP will have their own chapter of the document that will clearly address all of their individual urban water management planning requirements and Water Shortage Contingency Plans. The individual agencies components of the RUWMP are anticipated to include the following:

- Description of Agency
- Climate
- Historical Water Use
    (1) Water Loss Standards Compliance**New for 2020 UWMP**
- Existing and Targeted Per Capita Water Use
- Projected Water Use
- Demand Management Measures
- Water Resources
    (1) SGMA Compliance Summary ** New for 2020 UWMP**
- Supply and Demand Comparisons
    (1) Water Supply Reliability **New for 2020 UWMP**
    (2) Drought Risk Assessment**New for 2020 UWMP**

3.3 Water Shortage Contingency Plans

Development or amending individual Water Shortage Contingency Plans in accordance with each agency's process and efforts is beyond the scope of this proposal. However, WSC proposes to compare each agency's existing WSCP with the forthcoming WSCP requirements and guidance from DWR to identify areas for revision. In addition, WSC will include discussions with the RUWMP agencies to attempt to align WSCP content where possible (such as watering day restrictions). After each agency updates their WSCP, WSC will incorporate the appropriate content into the RUWMP.

Deliverables:
1. Individual chapters for each water agency
2. Data for each water agency (appendix~~2~~)
3. Water Shortage Contingency Plans

TASK 4.0 PREPARE REGIONAL URBAN WATER MANAGEMENT PLAN

4.1 Draft RUWMP

Consultant will assemble all of the approved documents into one cohesive Regional Urban Water Management Plan. The consultant will distribute the draft plan to the agencies for review and comment.

4.2 Final RUWMP

The consultant will review and incorporate changes and comments into the final version of the plan. Once finalized, all electronic files must be submitted to all of the agencies.

Deliverables:
1. Draft RUWMP
2. List of comments on the Draft RUWMP and proposed responses.
3. Final RUWMP
- **a. Two (2) hardcopies to each participating agency**
- **b. Electronic files (native file formats and a PDF version of the entire report)**

Appendix A: Qualifications and Resumes

Jeroen Olthof, MS, MBA, PE

Education
MBA, USC

MS, Civil Engineering, University of Washington

BS, Civil Engineering, University of Colorado Boulder

Professional Registrations
Professional Engineer - Civil, California, No. C58597

Professional Engineer – Civil, Oregon, No. C94671

Articles
San Diego's Recipe for Overflow Reduction, Public Works, June, 2004.

Capacity Assurance Sets Stage for CMOM Success, Waterscapes, Vol. 13, No. 2, May, 2002

Presentations
Management of Sewers in Environmentally Sensitive Areas, ASCE Pipelines Conference, San Diego, CA 2004

Lessons Learned in San Diego's Collection System Assessment Program, Water Environment Federation (WEF) Collection Systems Conference, Austin, TX, June, 2003

Automated Decision Tools for Sewer Collection System Assessment, California Water Environment Association Conference (CWEA), Ontario, CA, 2003

Improved Collection System Management Using GIS, Water Environment Federation Technology and Exposition Conference (WEFTEC), Chicago, IL, October, 2002

An Incremental Approach to GIS and Floodplain Mapping, Floodplain Management Association Conference, Sacramento, CA, September, 2000

A Hydrogen Sulfide Screening Tool Within GIS, WEFTEC

Professional Experience

Mr. Olthof has more than 25 years of experience developing water resources planning studies, databases, and the integration of GIS with hydraulic models. He led the development of SBVMWD's 2015 RUWMP and has experience developing UWMPs for regionally-linked client groups. He has worked with the other members of WSC's team on previous UWMP cycles and will incorporate the efficiency and lessons learned from those efforts. He is currently on DWR's Data Streamlining Workgroup. He has developed and maintained custom databases to track recycled water customers and generate reports for regulatory agencies and other stakeholders. He has also developed condition assessment programs and decision algorithms to support capital improvement planning and maintenance optimization. He has published several technical papers on hydraulic modeling and infrastructure condition assessment.

Representative Projects

San Bernardino Valley Municipal Water Distrct, 2015 Regional Urban Water Management Plan, San Bernardino, CA . Project Manager. Being developed with the participation of the following agencies: SBVMWD, East Valley Water District, Riverside-Highland Water Company, West Valley Water District, Yucaipa Valley Water District, the City of San Bernardino Municipal Water District, and the Cities of Colton, Loma Linda, Redlands, and Rialto. Collaborating and collecting data from the agencies listed above to update water supply and demand projections through 2035 based on changes since the 2010 UWMP and compliance with SB-7. New requirements will be addressed, such as distribution system losses reporting as part of demand and digital submittal through DWR's new templates and online submittal database. Voluntary analysis of energy intensity in water deliveries and climate change impacts will also be completed during the update.

California American Water Company, Los Angeles County, San Diego, Ventura, Monterey, and Sacramento District 2005, 2010, and 2015 Urban Water Management Plans, Monterey, CA . QA/QC. Prepared the UWMPs for all five of CAW's Districts during the past three UWMP cycles to fulfill the requirements of the Urban Water Management Planning Act. Tasks included developing 20 year per capita water use projections in accordance with California Senate Bill x 7-7; evaluating and updating supply, supply reliability, demand, supply and demand comparison, demand management measures; and the water shortage contingency plan components of the UWMP.

City of Victorville, 2015 Urban Water Management Plan, Victorville, CA . Technical Advisor. Preparing the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developing 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluating and updating supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

Riverside Public Utilities, 2015 Urban Water Management Plan, Riverside, CA. Project Manager. Updating water supply and demand projections through 2035 based on changes since the 2010 UWMP and compliance with SB-7. New requirements will be addressed, including: distribution losses reporting as part of the demand and digital submittal through DWR's templates and online submittal database.

Hi-Desert Water District, Urban Water Management Plan Update, Yucca Valley, CA. Technical Lead. Technical lead for update of the District's 2005 Urban Water Management Plan to address comments provided by the California Department of Water Resources. Updated the chapters related to water demands, water supply, water shortage contingency plan, recycled water, supply and demand comparisons, and demand management measures.

Soquel Creek Water District, 2015 Urban Water Management Plan, Soquel, CA . Technical Advisor. Updating water supply and demand projections through 2045 based on changes since the 2010 UWMP including shifting demand patterns and new supplemental supply opportunities. New requirements will be addressed, such as distribution system losses reporting as part of demand and digital submittal. Voluntary analysis of energy intensity in water deliveries and climate change impacts will also be completed.

Ricon del Diablo Municipal Water District, 2015, Urban Water Management Plan, Escondido, CA. Project Manager. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developing 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluating and updating supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

Otay Water District, 2005 UWMP, Spring Valley, CA. Project Manager. Prepared the 2005 UWMP to conform with the Urban Water Management Planning Act. Developed 25-year population and demand projections by customer sector, evaluated supply reliability, and prepared a recycled water plan. Otay Water District serves portions of the cities of Spring Valley, La Presa, Rancho San Diego, Jamul, eastern Chula Vista and eastern Otay Mesa including a population of more than 217,000 with local groundwater and imported water that is purchased from the San Diego County Water Authority, the Metropolitan Water District of Southern California, and the Helix Water District.

Nipomo Community Services District, 2010 Urban Water Management Plan, Nipomo, CA. Task Manager. Prepared a 2010 Urban Water Management Plan for the Nipomo Community Services District. The project includes the development of a parcel-level demand database. Five years of billing data for each account were compiled in a database, and each account was assigned to a geographic location. Estimates of future demand were based on allowable density, environmental constraints, and anticipated rates of population growth provided by San Luis Obispo County. In later phases of the project the team will evaluate potential water supplies including increased groundwater production, inter-ties with neighboring agencies, desalination, and the use of recycled water.

San Bernardino Valley Municipal Water District, Regional Recycled Water Concept Study & Grant Application, San Bernardino, CA. Senior Engineer. Collaborated with nine water and wastewater agencies to identify potential regional recycled water projects to improve local water supply reliability and sustainability. Applied a triple bottom line scoring process to evaluate alternatives on the basis of economic, social and environmental criteria. The process was integrated with the ongoing Upper Santa Ana River HCP, which is critical to achieving local habitat sustainability and permitting regional recycled water projects.

Walnut Valley Water District, Walnut Valley and Rowland Water Districts' Regional Water Supply Plan, Walnut, CA. Project Engineer. Worked with the Walnut Valley Water District and three related agencies on a water supply evaluation. The four agencies operate a jointly-owned pipeline that runs parallel to the Orange County Feeder. The study evaluated the use of local groundwater wells and water quality blending in the pipeline to provide a new source of supply that would reduce dependency on imported water.

Jeffery Mitchell Szytel, MS, MBA, PE

Education
MBA, UCLA Anderson School of Management

MS, Civil Engineering, University of California Los Angeles

BS, Civil and Environmental Engineering, University of California Davis

Professional Registrations
Professional Engineer - Civil, California, No. C63004

Professional Affiliations
American Water Works Association, Member

American Public Works Association, Member

American Society of Civil Engineers, Member

Association of California Water Agencies, Committee Member

Association of Clean Water Administrators

California Water Environment Association

Water Environment Federation

WateReuse

Dale Carnegie Training

Toastmasters International

Publications
Supply from the Sea: Exploring Ocean Desalination. Journal AWWA, February 2005, 97:2

The Business of Water. Contributing Author for *Supply from the Sea: Exploring Ocean Desalination*. AWWA. March, 2008.

Professional Experience

Mr. Szytel has more than 20 years of experience that includes leading or supporting the development of dozens of UWMPs. He will serve as WSC's Principal in Charge and is available to provide insight into the development of a collaborative document that all participating agencies gain benefit from. His extensive experience providing regional stakeholder facilitation support and detailed knowledge of regional water resources planning efforts helps to build consensus and buy-in.

Representative Projects

San Bernardino Valley Municipal Water District, 2015 Regional Urban Water Management Plan, San Bernardino, CA . Principal in Charge. Developed with the participation of the following agencies: SBVMWD, East Valley Water District, Riverside-Highland Water Company, West Valley Water District, Yucaipa Valley Water District, the City of San Bernardino Municipal Water District, and the Cities of Colton, Loma Linda, Redlands, and Rialto. Collaborated and collected data from the agencies listed above to update water supply and demand projections through 2035 based on changes since the 2010 UWMP and compliance with SB-7. New requirements were addressed, such as distribution system losses reporting as part of demand and digital submittal through DWR's new templates and online submittal database. Voluntary analysis of energy intensity in water deliveries and climate change impacts will also be completed during the update.

Big Bear City Community Services District, 2015 Urban Water Management Plan, Big Bear, CA . Principal in Charge. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developed 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluated and updated supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

City of Pismo Beach, 2015 Urban Water Management Plan, Pismo Beach, CA . Principal in Charge. Prepared the 2015 UWMP to fulfill the requirements of the UWMP Act. Developing 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluating and updating supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

City of Arroyo Grande, 2015 Urban Water Management Plan, Arroyo Grande, CA. Project Manager. Prepared the 2015 UWMP to fulfill the requirements of the UWMP Act. Developing 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluating and updating supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

City of Victorville, 2015 Urban Water Management Plan, Vicotville, CA . Principal in Charge. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developing 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluating and updating supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

California American Water Company, Monterey County District 2015 Urban Water Management Plan, Monterey, CA . Principal in Charge. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developed 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluated and updated supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

California American Water Company, Sacramento County District 2015 Urban Water Management Plan, Sacramento, CA . Principal in Charge. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developed 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluated and updated supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

California American Water Company, Ventura County District 2015 Urban Water Management Plan, Ventura, CA . Principal in Charge. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developed 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluated and updated supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

California American Water Company, Los Angeles County District 2015 Urban Water Management Plan, Los Angeles, CA . Principal in Charge. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developed 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluated and updated supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

California American Water Company, San Diego District 2015 Urban Water Management Plan, Coronado, CA . Principal in Charge. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developed 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluated and updated supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

Soquel Creek Water District, 2015 Urban Water Management Plan, Soquel, CA . Principal in Charge. Updated water supply and demand projections through 2045 based on changes since the 2010 UWMP including unprecedented shifting demand patterns and new supplemental supply opportunities. New requirements will be addressed, such as distribution system losses reporting as part of demand and digital submittal. Voluntary analysis of energy intensity in water deliveries and climate change impacts will also be completed.

Riverside Public Utilities, 2015 Urban Water Management Plan, Riverside, CA . Principal in Charge. Updatedwater supply and demand projections through 2035 based on changes since the 2010 UWMP and compliance with SB-7. New requirements were addressed, including: distribution losses reporting as part of the demand and digital submittal through DWR's templates and online submittal database.

Nipomo Community Services District, 2010 Urban Water Management Plan Update, Nipomo, CA. Project Manager. Prepared the 2010 UWMP which inlcudes an analysis of the District's historical and projected water demands, current and projected ground and surface water supplies, recycled water supply and demand, water conservation programs, water shortage contingency planning and per capita demand reductions to comply with SB7.

Spencer J. Waterman

Education
BS, City & Regional Planning, California Polytechnic State University, San Luis Obispo

Certifications
American Water Works Association, California-Nevada Section, Water Use Efficiency Practitioner Grade 1, Certificate # 1714

Professional Affiliations
American Water Works Association, Member

Professional Experience

Mr. Waterman has more than 10 years of water resources planning experience which includes 38 UWMPs, including the SBVMWD 2015 RUWMP. He is a member of DWR's UWMP Guidebook Workgroup for the second consecutive cycle. He has developed tools to standardize data and efficiently produce UWMP chapters that are compliant with regulations and easy to update in future cycles. This efficient data collection and analysis bridges the information gap between agencies during regional planning efforts.

Professional Project Experience

San Bernardino Valley Municipal Water Distrct, 2015 Regional Urban Water Management Plan, San Bernardino, CA . Staff Planner. Being developed with the participation of the following agencies: SBVMWD, East Valley Water District, Riverside-Highland Water Company, West Valley Water District, Yucaipa Valley Water District, the City of San Bernardino Municipal Water District, and the Cities of Colton, Loma Linda, Redlands, and Rialto. Collaborating and collecting data from the agencies listed above to update water supply and demand projections through 2035 based on changes since the 2010 UWMP and compliance with SB-7. New requirements will be addressed, such as distribution system losses reporting as part of demand and digital submittal through DWR's new templates and online submittal database. Voluntary analysis of energy intensity in water deliveries and climate change impacts will also be completed during the update.

City of Pismo Beach, 2015 Urban Water Management Plan, Pismo Beach, CA . Project Manager. Preparing the 2015 UWMP to fulfill the requirements of the UWMP Act. Developing 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluating and updating supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

City of Arroyo Grande, 2015 Urban Water Management Plan, Arroyo Grande, CA. Project Manager. Prepared the 2015 UWMP to fulfill the requirements of the UWMP Act. Developing 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluating and updating supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

California American Water Company, Los Angeles County District 2015 Urban Water Management Plan, Los Angeles, CA . Project Manager. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developed 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluated and updated supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

California American Water Company, San Diego County District 2015 Urban Water Management Plan, Coronado, CA . Project Manager. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developed 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluated and updated supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

California American Water Company, Monterey County District 2015 Urban Water Management Plan, Monterey, CA . Project Manager. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developed 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluated and updated supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

California American Water Company, Sacramento County District 2015 Urban Water Management Plan, Sacramento, CA . Project Manager. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developed 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluated and updated supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

California American Water Company, Ventura County District 2015 Urban Water Management Plan, Ventura, CA . Project Manager. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developed 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluated and updated supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

Big Bear City Community Services District, 2015 Urban Water Management Plan, Big Bear, CA . Project Manager. Preparing the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developing 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluating and updating supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

City of Victorville, 2015 Urban Water Management Plan, Victorville, CA . Project Manager. Preparing the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developing 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluating and updating supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

Soquel Creek Water District, 2015 Urban Water Management Plan, Soquel, CA . Project Manager. Updating water supply and demand projections through 2045 based on changes since the 2010 UWMP including unprecedented shifting demand patterns and new supplemental supply opportunities. New requirements will be addressed, such as distribution system losses reporting as part of demand and digital submittal. Voluntary analysis of energy intensity in water deliveries and climate change impacts will also be completed.

Nipomo Community Services District, 2010 Urban Water Management Plan, Nipomo, CA. Staff Planner. Primary author of the UWMP. Prepared the 2010 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developed 20 year per capita water use projections by census block within the NCSD boundary in accordance with California Senate Bill x 7-7. Evaluated supply, supply reliability, demand, supply and demand comparisons, demand management measures, developed a water shortage contingency plan, and a recycled water plan. NCSD serves the communities of Nipomo and Blacklake, as well as distributing water to Golden State Water Company.

California American Water Company, 2010 and 2005 Urban Water Management Plans, Multiple Districts, CA . Staff Planner. Prepared UWMPs for all five of CAW's Districts during the 2010 and 2005 UWMP cycles.

Amy Martin

Education
BS Civil Engineering, California State Polytechnic University, Pomona, 2007

Professional Affiliations
WateReuse Association
Water Environment Federation

Professional Experience

Ms. Martin has more than 13 years of experience which includes engineering project management at a leading public agency in Southern California. She specializes in water resources planning and has led Integrated Water Resource Management Plans and UWMPs for public utilities throughout the region. Her experience incudes work for Indio Water Authority. She is currently on DWR's Annual Water Supply and Demand Assessment Workgroup.

Representative Projects

Urban Water Management Plan, City of Big Bear Lake Water Department of Water and Power, Big Bear, CA. Project Manager. This project included the development of the 2015 UWMP. Some of the key challenges included coordination of the planning activities of the various municipal and unincorporated entities within CBBL DWP's service area, implementation of water conservation measures, a highly variable seasonal population, and an exclusive reliance on groundwater to meet all potable water demands.

2015 Recycled Water Feasibility Study, Indio Water Authority, Indio, CA. Project Engineer. This project involved the preparation of a feasibility study that conformed to the Bureau of Reclamation's Title XVI requirements, which would be utilized to obtain project authorization for future grant funding opportunities. As part of this study, project alternatives from the 2009 recycled water mater plan were refined, cost estimates were prepared, and a proposed project schedule was developed.

2018 Integrated Master Plan, City of Banning, Banning, CA. Project Engineer. The project includes an integrated approach to potable water, wastewater, and recycled water demand/flow forecasting, hydraulic model up-dates and model calibration for the potable water and wastewater systems, hydraulic model creation for the recycled water systems, and supply analysis. Infrastructure up-grades for the existing and future systems were evaluated. The documentation and demand projections prepared as part of the Plan will be used for the 2020 UWMP cycle.

One Water LA 2040 Plan, City of Los Angeles, Los Angeles, CA. Water Demand and Flow Forecasting Task Lead. The Plan is a collaborative effort of the LA Sanitation (LA-SAN) and LA Department of Water and Power (LADWP) that takes a holistic approach to consider all types of water as "One Water." The Plan is developed through a stakeholder driven process and will guide the City with strategic and multi-billion dollar decisions for water infrastructure projects to make LA a more water resilient and sustainable City. This task included the review and use of the 2015 UWMP data with LADWP staff.

2017 Water Master Plan Water, Cucamonga Valley Water District, Rancho Cucamonga, CA. Master Planning Lead. This project included potable water demand forecasting, InfoWater hydraulic modeling updates, hydraulic model calibration using SCADA and pressure logger data, and the development of customer specific diurnal curves. As part of the model calibration process and condition assessment activities, coordination with operations and engineering staff has been conducted. In addition, the infrastructure upgrades for the existing and future systems will be evaluated and the findings will be combined in a capital improvement program (CIP) and water master plan report. The documentation and demand projections prepared as part of the Master Plan were used for the 2015 UWMP cycle.

East Orange County Water District, Wholesale Zone and Retail Zone Master Plan. Technical Reviewer. This project included hydraulic modeling, supply analysis, system analysis, and the development of two master planning reports for EOCWD's Wholesale Zone and Retail Zone. As part of the CIP planning for this project, condition assessments were performed on the EOCWD's facilities. The results were included in a prioritized CIP, which has been effectively utilized by staff for project implementation.

Water Master Plan, City of Colton, Colton, CA. Technical Reviewer. This project included water demand forecasting, hydraulic model development and EPS calibration using field fire flow testing. Existing and future system analysis was conducted to develop a capital improvement program (CIP) including a rehabilitation and replacement program. The findings were presented in a comprehensive water master plan report. The documentation and demand projections prepared as part of the Master Plan will used for the 2020 UWMP cycle.

2015 Comprehensive Facilities Master Plan, Padre Dam Municipal Water District, Santee, CA. Master Planning Lead. This integrated master plan involves the District's water, wastewater, and recycled water infrastructure. This project includes (recycled) water demand/sewer flows forecasting, water supply analysis, hydraulic modeling updates for the water and recycled water systems, development and calibration of a new sewer model, and field condition assessment of key facilities with operations staff. In addition, the feasibility of the wastewater plant expansion for an indirect potable reuse project was evaluated. The documentation and demand projections prepared as part of the Master Plan were used for the 2015 UWMP cycle.

2015 Integrated Water, Wastewater, and Recycled Water Master Plans, City of Oceanside, Oceanside, CA. Master Plan Lead. This project includes (recycled) water demand/sewer flows forecasting, water supply analysis, hydraulic model updates for the water and wastewater systems, and development of a new recycled water system model. As part of the model calibration process, coordination with operations staff was conducted. In addition, the infrastructure needs of the development of the agricultural Morro Hills area, including soil percolation testing for feasibility analysis of septic tanks, were evaluated. Closed-circuit television of 60 sewer and 30 water pipeline segments were conducted. The documentation and demand projections prepared as part of the Master Plan were used for the 2015 UWMP cycle.

2016 Water Master Plan, City of Glendale, Glendale, CA. **Master Planning Lead.** This project includes potable and recycled water demand forecasting, water supply analysis, hydraulic model updates for the water and recycled water systems using H_2OMap. In addition, the infrastructure upgrades for the existing and future systems, including fire flow capacity upgrades, were evaluated. The findings were combined in a capital improvement program (CIP) and water master plan report. The documentation and demand projections prepared as part of the Master Plan were used for the 2015 UWMP cycle.

Recycled Water Master Plan, Moulton Niguel Water District, Laguna Niguel, CA. Project Engineer. This project includes recycled water de-mand forecasting, modeling, and alignment alternatives analysis to evaluate the most cost-effective system expansions. In addition, a turf replacement analysis tool was developed and a field condition assessment of existing recycled water system facilities was conducted.

Recycled Water System Model Update and Calibration, City of Santa Barbara, Santa Barbara, CA. Project Engineer. The project involved updating and recalibrating the existing recycled water hydraulic model with 2013 SCADA data, billing records, and facility controls. Various operational scenarios were evaluated and control strategies were developed to improve operational conditions to decrease pressure fluctuations throughout the system.

Phase 1 (2016) and Phase 2 (2018) Recycled Water Feasibility Study, Inland Empire Utilities Agency (IEUA), Pomona, CA. Project Planning Lead and Project Manager. The project's goal was to increase the region's water supply with the sustainable and reliable use of recycled water. Interconnection between the City of Pomona, Monte Vista Water District, and Inland Empire Utilities Agency were evaluated to develop water supply alternatives that would provide IEUA with regional water supply benefits.

Laine E. Carlson, PE

Education
BS, Civil Engineering, California State Polytechnic University, Pomona, CA

Professional Registrations
Professional Engineer - Civil, California, No. C72424

Certifications
SWRCB Registered T2 Water Operator #34907

SWRCB Registered D2 Water Operator #41981

Professional Affiliations
American Water Works Association, Member

California Water Environment Association, Member

Professional Experience

Mrs. Carlson is an engineer with more than 15 years of experience specializing in water resources planning. She served in a similar QA/QC role on the SBVMWD 2015 RUWMP which included stakeholder coordination and detailed review of data, calculations, and the report. She is based in Rancho Cucamonga and has an extensive knowledge of the regional and statewide issues and regulations relating to water resources, water conservation, and urban water management planning.

Representative Projects

San Bernardino Valley Municipal Water Distrct, 2015 Regional Urban Water Management Plan, San Bernardino, CA . Technical Advisor. Being developed with the participation of the following agencies: SBVMWD, East Valley Water District, Riverside-Highland Water Company, West Valley Water District, Yucaipa Valley Water District, the City of San Bernardino Municipal Water District, and the Cities of Colton, Loma Linda, Redlands, and Rialto. Collaborating and collecting data from the agencies listed above to update water supply and demand projections through 2035 based on changes since the 2010 UWMP and compliance with SB-7. New requirements will be addressed, such as distribution system losses reporting as part of demand and digital submittal through DWR's new templates and online submittal database. Voluntary analysis of energy intensity in water deliveries and climate change impacts will also be completed during the update.

City of Riverside Public Utilities, 2015 Urban Water Management Plan, Riverside, CA. Technical Advisor. Updated water supply and demand projections through 2035 based on changes since the 2010 UWMP and compliance with SB-7. New requirements were addressed, including: distribution losses reporting as part of the demand and digital submittal through DWR's templates and online submittal database.

City of Victorville, 2015 Urban Water Management Plan, Victorville, CA. Project Manager. Prepared the 2015 UWMP to fulfill the requirements of the Urban Water Management Planning Act. Developed 20-year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluated and updated supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

City of Pismo Beach, 2015 Urban Water Management Plan Update, Pismo Beach, CA. Deputy Project Manager. Prepared the 2015 UWMP to fulfill the requirements of the UWMP Act. Developed 20 year per capita water use projections in accordance with California Senate Bill x 7-7. Evaluated and updated supply, supply reliability, demand, supply and demand comparison, demand management measures and the water shortage contingency plan components of the UWMP.

Flair Spectrum Water Supply Assessment, El Monte, CA. Project Manager. Project Manager of the Water Supply Assessment (WSA) for the proposed Flair Spectrum project located in the City of El Monte within California American Water's (CAW) water service area. The proposed project includes a 220-room hotel, 500,000 sq. ft. of retail outlet, 50,000 sq. ft. of restaurant and 600 condominium units with a total estimated water demand of 202 acre-feet per year. In accordance with California Water Code Section 10910-10915 (SB 610), the size of the development requires a WSA to determine whether the projected water supplies are sufficient to satisfy the demands of the project, in addition to existing and planned future uses. The WSA requires evaluating and documenting potential supplemental water supplies since CAW's 2010 Urban Water Management Plan did not account for the increased water demand associated with this project.

City of Hope Water Supply Assessment, Duarte, CA. Project Manager. Managed the Water Supply Assessment (WSA) for the proposed City of Hope Specific Plan project located in the City of Duarte within California American Water's (CAW) water service area. The proposed project includes more than 1,428,000 square feet of additions to the existing outpatient, inpatient, research, office, industrial, warehouse and hospitality uses. In accordance with California Water Code Section 10910-10915 (SB 610), the size of the development requires a WSA to determine whether the projected water supplies are sufficient to satisfy the demands of the project, in addition to existing and planned future uses. The WSA requires evaluating and documenting potential supplemental water supplies since CAW's 2010 Urban Water Management Plan did not account for the increased water demand associated with this project.

San Bernardino Valley Municipal Water District, Regional Recycled Water Concept Study & Grant Application, San Bernardino, CA. Project Manager. The RRWCS was a collaboration with nine local agencies to identify potential regional recycled water projects to improve local water supply reliability and sustainability. A total of 11 conceptual projects were analyzed. This project was completed in collaboration with a large stakeholder group with complex relationships.

Big Bear Area Regional Wastewater Agency, Replenish Big Bear, Big Bear, CA. Project Manager. Evaluated conceptual recycled water use alternatives to retain treated water within Bear Valley and create a sustainable water resource to augment the region's potable water supply. Conceptual alternatives were analyzed based on treatment and regulatory requirements of use types, water supply yield, social and environmental benefits, and life cycle cost of the alternatives. WSC coordinated with several agencies in the region. WSC provided grant writing support and secured a $75,000 State Water Resources Control Board Water Recycling Facilities Planning Grant.

West Valley Water District, Cost Analysis for New Bunker Hill Groundwater Supply Alternatives, Rialto, CA. Project Manager. Provided project management and coordination to help the District assess the cost of leasing two unequipped wells from Inland Valley Development Agency on the site of the former Norton Air Force Base. The wells, known as IVDA Well 2A and IVDA Well 3, will require a capital investment by the District to develop as a new water supply. Tasked with developing a comparative cost analysis to lease the IVDA wells, or drill and equip a new well in the Bunker Hill Basin.

Santa Ana River Conservation and Conjunctive Use Project, Santa Ana Watershed Project Authority, Riverside, CA. Project Manager. Coordinated between five member agencies and individual stakeholders to maximize development and use of local water supplies. Project involved habitat improvement, improving efficient water use, groundwater banking, assessing groundwater supplies and quality, and provided additional decision-support modeling.

Park Water Company, Compton East Reservoir Study, Compton, CA. Project Manager. Prepared a report evaluating whether the addition of a storage reservoir and booster station in the Compton East system will help Park meet their level of service goals. Utilized Park's existing hydraulic model as well as SCADA, utility billing and production data to support the analysis of 4 alternatives, including: maintaining the existing operation; construct a reservoir and booster station; construct an additional well; and construct an interconnection with another water system. Developed life cycle costs for each alternative and evaluated the alternatives on the basis of cost and level of service goals and recommended a preferred alternative for the Compton East system. Performed a site screening to identify potential reservoir sites using GIS. Evaluated sites on the basis of: amenability of local planning and permitting jurisdictions, minimum site size, distance from existing infrastructure and underlying water quality since a well is to be co-located on the site.

Christopher Deiter, PE

Education
BS, Civil Engineering, California State Polytechnic University, Pomona, CA

Professional Registrations
Professional Engineer - Civil, California, No. 80618

Professional Affiliations
American Society of Civil Engineers, Member

Inland Counties Water Association, Member

American Water Works Association, Member

WateReuse, Member

Professional Experience

Mr. Deiter is an engineer with more than 10 years of experience which includes developing supplemental supply and master plans for agencies in the Coachella Valley. His strong working relationships and local knowledge enables WSC's RUWMP team to efficiently gather and evaluate data to align efforts with the existing regional water resources efforts in the area. He is a versatile engineer based in WSC's Rancho Cucamonga office who is available to respond quickly to project needs. Mr. Deiter's experience allows him to proficiently identify and analyze initial project concepts, analyze solutions, prepare construction documents, and provide construction support activities to clients.

Representative Projects

Coachella Water Authority, Water Master Plan, City of Coachella, CA. Mr. Deiter was in responsible charge of the project preparing all master planning calculations, growth projections, water system analysis, H20Net water modeling, and CIP preparation. The water modeling included development of existing water system model from scratch to identify possible system deficiencies along with projected growth of the City's water system which aids in future CIP planning.

Coachella Water Authority, Supplemental Water Supply Program and Fee Study, City of Coachella, CA. Mr. Deiter was in responsible charge of the study. The Study investigated population projections and historical annual consumption factors, reviewed CWA's water resources and CVWD agreements, calculated future annual consumption factors, and established the Supplemental Water Supply Charged based on land used for the City.

Mission Springs Water District, Hexavalent Chromium Compliance Investigation, City of Desert Hot Springs, CA. Mr. Deiter was responsible the District's compliance efforts with existing and pending MCL's for hexavalent chromium. These efforts involved research and analysis of various treatment technologies such as traditional reduction coagulation flocculation, weak base anion exchange, strong base anion exchange, pressurized RCF, and ART in situ remediation, and stannous chloride injection. These efforts also included the analysis of various compliance methods including wellhead treatment, centralized treatment, blending, and source substitution.

Mission Springs Water District, Willow Hole Groundwater Monitoring Well Project, City of Desert Hot Springs, CA. This project installed two monitoring wells in the Willow Hole area as part of MSWD's obligations and responsibilities in order to be accepted as a Permittee under the Coachella Valley Multiple Species Habitat Conservation Plan. Through this project Mr. Deiter was responsible for obtaining grant funding through the Coachella Valley Conservation Commission, maintaining grant compliance, design of the monitoring wells, preparation of the bidding documents, and management of the bidding process.

Mission Springs Water District, West Valley Water Reclamation Program Conveyance Technical Memorandum, City of Desert Hot Springs, CA. Mr. Deiter was in responsible charge of preparing a technical memorandum that determined appropriate sewer alignments, diameters, and depths along with the possible use of force mains and existing lift stations, if necessary, to deliver wastewater to the proposed WVWRF. This TM evaluated potential service areas, wastewater flow rates, trunk sewer alignments, analyzed existing lift station capacity, recommended existing lift station modifications of piping and pumping units, and considered other preliminary design criteria needed to identify the preferred solution for the proposed sewer conveyance system.

Agua Caliente Band of Cahuilla Indians, Andreas Pipeline Review and Analysis, Palm Springs, CA. This project was an investigation of the Andreas Pipeline System, which is diverts runoff flows from Andreas Creek to nearby agricultural users. The system was experiencing overflow and capacity restrictions below design criteria. Mr. Deiter was responsible for the investigation and analysis work which ultimately determined the cause of the system deficiencies. Mr. Deiter also was responsible for formulating the recommended solutions and co-authored the technical memorandum summarizing the investigation, analysis, and recommendation efforts.

Eastern Municipal Water District, Longview Water Storage Reservoir, Menifee, CA. Assisted in the plan preparation and CAD drafting for this project. Included appurtenance layout and design, site grading, site piping, and mechanical drawings.

Maywood Mutual Water Co. No. 1, Manganese Treatment Facility and New 0.5 MG Welded Steel Reservoir with well pump redesign, City of Huntington Park, CA. This project was a grant funded project through the California Department of Public Health (CDPH). Mr. Deiter coordinated the final design, including preparation of plans, specifications, and estimates, and coordinated the design review to facilitate State approval of the project. He created and maintained the Project Budget and Expenditure Summaries. Responsible for managing and obtaining all permitting with the City of Huntington Park and Southern California Edison. Mr. Deiter was in responsible charge of all construction management services during the construction phase of the project. Duties included all contract management, progress payments, scheduling, submittal review and approval, and coordination with inspectors. The project included the redesign of the on-site well pump assembly and motor to account for the additional head requirements of the proposed treatment equipment, Installation of two horizontal 1,500 gpm filtration vessels, backwash tank, full SCADA system control, sand separator, backup generator and transformer upgrade. Additionally, there was 70-foot tall welded steel reservoir replacement which included the removal of a structurally deficient steel reservoir and construction of the proposed welded steel reservoir. The proposed reservoirs included a ring wall footing with 45-foot deep 3-foot diameter caissons to combat liquefaction issues. The reservoir removal and replacement is located within fifteen feet of an existing 70-foot tall 2 million gallon steel reservoir that was to be protected during construction.

Big Bear Lake Department of Water and Power, Sawmill Well Pumping Plant, Big Bear, CA. Project includes well equipment and all related appurtenances for a 350 gpm well, including construction of a CMU building with a metal roof, all related site improvements, and installation of a 635 LF 6-inch water pipeline and electrical service connection. Mr. Deiter is in responsible charge of all construction management services including contract management, progress payments, scheduling, submittal review and approval, and coordination with BBLDWP Inspectors.

Crestline-Lake Arrowhead Water Agency, Mid-Agency Tank and Booster Analysis, Crestline, CA. Prepared concept plans, and preliminary calculations for the feasibility of a new reservoir and booster station to add additional fire flow and storage within CLAWA's system

Crestline Village Water District, Beacon Tank Site Improvements, Crestline, CA. Project involved the seismic retrofit and related site improvements to the existing Beacon Tank Site including the design and construction management for the project. The work included seismic and structural calculations, all civil design and CAD drawings, and specification preparation. Mr. Deiter was also responsible for the construction management of the project. Duties included all contract management, progress payments, scheduling, submittal review and approval, and coordination with inspectors.

Robert Morrow, MS, PE

Education
MS, Civil / Environmental Engineering, U.C. Berkeley

BS, Civil / Environmental Engineering, Vanderbilt University

Professional Registrations
Professional Engineer - Civil, California, No. C689916

Professional Associations

WateReuse Association, Central Coast Chapter Trustee

Water Environment Foundation, Member

American Society of Civil Engineers, Member

Professional Experience

Mr. Morrow has 19 years of water resources engineering experience focused on the implementation of recycled water projects, from concept to operation, for applications ranging from agricultural irrigation to potable reuse. He has served as the Project Manager for multiple UWMPs and has a thorough understanding of the regulations and legislation relating to recycled water, water conservation, and urban water management planning.

Representative Projects

Goleta Water District, CA - 2015 Urban Water Management Plan Update. Project Manager for an Urban Water Management Plan Update (UWMP) to meet the requirements set forth by the California Department of Water Resources 2015 UWMP Guidebook. Rob prepared baseline demand and gallons per capita per day targets (GPCD) in compliance with SBx7-7, supply projections, supply reliability, and coordinated with DWR.

Eastern Municipal Water District, CA - Recycled Water Strategic and Facilities Master Plan. Project Manager for preparation of the facilities master plan that evaluated options to achieve zero year-round discharge as WWTP flows from their four plants increase from 45,000 AFY to 80,000 AFY over 30 years. The plan focused on options to implement over 20,000 AFY of groundwater recharge via surface spreading, 10,000 AFY of large landscape irrigation, and 10,000 AFY of agricultural irrigation. The plan considered facility, policy, and phasing options to achieve the different end uses. The plan evaluated system delivery capacity in the nine service zones and recommended limiting new connections in two zones to avoid costly improvements while recommending new connections in three zones with surplus delivery capacity. The plan was successful in avoiding the need for new seasonal storage, limiting new distribution storage, and removing $70 million of projects from the previous CIP.

Yucaipa Valley Water District, CA - Wilson Creek Basins Indirect Potable Reuse Title 22 Engineering Report. Technical Review and oversight of the Title 22 Engineering Report for approval of the project by SWRCB DDW. The Wilson Creek Spreading Basins Groundwater Replenishment Reuse Project involves modified and new facilities to support up to 5,000 AFY of recharge with recycled water, which will serve to replenish a historically over-drafted groundwater basin and will offset water imports with a renewable local source.

San Gorgonio IRWM Region, CA - San Gorgonio Regional Recycled Water Study. Technical Review for the study, which evaluated non-potable and potable reuse options from existing wastewater treatment plants and new water reclamation plants from septic conversions. Identified potential customers and uses; treatment options to meet recycled water quality needs; distribution system needs; potential projects; and potential constraints to the implementation of projects and next steps to address constraints and advance projects.

Montecito Water District, CA - Montecito Recycled Water Facilities Plan. Project Manager for preparation of a study evaluating development of local and/or regional recycled water supplies to supplement the District's existing water supply portfolio. Recycled water alternatives include: Non-potable reuse system options from Montecito WWTP and Summerland WWTP; Potable reuse options from Montecito WWTP and Summerland WWTP; and Regional project options with City of Santa Barbara and Carpinteria Valley Water District. The District is also considering co-locating a new water reclamation plant with a desalination plant. The plan will ultimately include a recommend project or program with an implementation plan that includes a schedule, permitting, environmental documentation, design, institutional coordination, and funding / financing requirements.

Los Angeles County, CA - IRWM Implementation Grant Proposal. As Deputy Project Manager, led fast-track submission of a grant proposal that was one of seven $25-million grant recipients of 16 applicants. The project includes coordination among 10 agencies, 11 Woodard & Curran staff, and 2 subconsultants. As lead author, held workshops with agency staff to create draft text and relevant documentation and manage revisions of all submissions to emphasize key points and provide consistent writing style. Proposal required organization of extensive specific project details and management of this information from the agencies.

San Luis Obispo County Department of Public Works, CA - Regional Recycled Water Strategic Plan. Project Manager, while working at another firm, for the development of a recycled water strategic plan for San Luis Obispo County. The plan included evaluating potential projects for five areas across of the County. Projects considered included landscape irrigation, commercial irrigation, agricultural irrigation, industrial cooling towers, groundwater recharge via surface spreading and injection wells, streamflow augmentation, and reservoir augmentation. Project development required consideration of local opportunities and constraints that resulted in recommendation for next steps for the highest potential projects in each area. Recommendations included technical, regulatory, institutional, and policy elements. In particular, agricultural reuse has high potential so a long-term plan to implement large-scale reuse by the agricultural community was defined. The project was prepared in coordination with the IRWM Plan Update.

East Valley Water District, CA - Sterling Recycled Water Center / Groundwater Recharge Project. Project Manager leading the program, permitting/approvals, and funding aspects of the project, which includes construction of a new 10 mgd MBR plant with conveyance to recharge ponds. Rob is developing the Groundwater Recharge with Recycled Water Engineering Report to obtain SWRCB approval and RWQCB permit. Efforts include coordination with SWRCB DDW, RWQCB, USFWS, CDFW, and multiple local public agencies responsible for groundwater management, basin recharge, stormwater management, and habitat conservation. Funding efforts are focused on positioning for local, state, and federal grant funds and preparation of a SRF application for a low interest loan. In addition, Rob is supporting the legal team on the CWC 1211 Petition process, the consultant preparing a CEQA+ document, and the design-build entity.

City of Victorville, CA - Victorville Water Recycling Study. Technical Lead for recycled water alternatives development and evaluation for the study that evaluated wastewater treatment processes to reduce the TDS content of Victorville Industrial Wastewater Treatment Plant effluent to under 450 mg/L for use as cooling tower make-up water at a local power plant. The study evaluated alternative projects meet this TDS limit by treating MBR effluent for TDS removal via RO or similar technologies. A secondary RO process was considered to concentrate the RO reject to reduce the of brine sent off-site for disposal.

Los Angeles Department of Water and Power, CA - Valley Recycled Water System Analysis. Project Manager for an evaluation of LADWP's Valley non-potable system to address existing deficiencies, such as matching diurnal supply and demands to avoid the need for potable water supplement. Also, Rob evaluated potential system improvements to accommodate large recycled water flows to groundwater recharge basins to ensure continued service to the system's non-potable customers. The evaluation includes investigation of diurnal wastewater flows, wastewater treatment process capacities, recycled water pump station and wet well capacity, diurnal customer demands, system and customer storage, recharge delivery scenarios, and operational control schemes. The analysis includes a detailed evaluation of customer demand patterns, hydraulic modeling of existing and future scenarios, and evaluation of alternatives to address deficiencies. Ultimately, a phased approach was recommended to address immediate deficiencies while reserving space for future modifications as GWR flows increased.

Joseph Kingsbury, PG, CHG

Education
BA, Geology, The Ohio State University, Columbus, OH

Professional Registrations
Professional Geologist, California, No. 8680

Certified Hydrogeologist, California, No. 1019

Presentations/Publications
Well Rehabilitation Prioritization. AWWA CA-NV Section, Rancho Mirage, California, 2018.

Operators Role in Maximizing Sustainable Groundwater Production. AWWA CA-NV Section, San Diego, California, 2016

Estimating Groundwater Underflow as a Source of Diluent Water for Indirect Potable Reuse. AWWA CA-NV Section, San Diego, California, 2016

Professional Affiliations
American Water Works Association

American Ground Water Trust

Groundwater Resource Association

Professional Experience

Mr. Kingsbury is a professional geologist and certified hydrogeologist with more than 20 years of diversified experience with groundwater, geotechnical, and environmental projects. He has extensive experience in the Coachella Valley performing well siting and rehabilitation projects. His knowledge of groundwater basin and existing working relationships with clients means he can translate the institutional framework for water management in Coachella Valley to the UWMP process. Mr. Kingsbury has a keen ability to recognize how and when to initiate leadership and effective communication needed to maintain successful collaboration among groups consisting of technical and non-technical participants alike on water supply projects.

Representative Projects

Coachella Valley Water District, Well Rehabilitation Prioritization Plan, Coachella, CA. Led technical team to complete a large-scale condition and performance assessment of the District's 101 active municipal supply wells. A prioritized plan to rehabilitate and/or replace these wells was developed and implemented by the District to regain performance levels and production goals, and to update CPI program. Served as project manager during second phase which included technical support and inspection services during the rehabilitation of Wells 5624-1, 7803-1 and 7991-1 and servicing of Well 5673-1.

City of Coachella, Water Division, Well No. 20 Siting Study, Coachella, CA. Served as lead hydrogeologist to conduct a city-wide evaluation to locate potential sites suitable for a new municipal water supply well. Primary tasks included: (1) compiling and evaluating hydrogeologic data, well operational data, and background literature for the project area; (2) evaluating and ranking potential well sites using key criteria, and; (3) preparing draft and final technical letter reports.

Michael Baker/New West Communities, Well Siting Study, Coachella, CA. Served as project hydrogeologist and prepared a characterization study to identify sites within a specific area of a groundwater basin where new wells can be constructed and provide groundwater supplies for the proposed La Entrada master-planned community. The final report included a conceptual design for the proposed new wells and planning level costs.

Extension of Staff Support Services, Eastern Municipal Water District, Perris, CA. Hydrogeologist. WSC is providing extension of staff services to the District's Groundwater Development department on a variety of water resource projects. Tasks include overseeing inspection services during municipal supply production well installations, technical review of project deliverables and technical specifications, preparing RFPs, evaluating downhole surveys and pumping tests for new and existing production wells, and providing technical review support for groundwater modeling projects. Also, providing technical support for the development of a water quality pilot study which includes all aspects of planning, coordinating and conducting field demonstrations at two existing well sites.

San Bernardino Valley Municipal Water District – Cooperative Agreement to Protect Water Quality in the Santa Ana River Basin, San Bernardino, CA. Project hydrogeologist and supported lead modeler with collection and analysis of geohydrologic and water quality data. Participated in project meetings and prepared initial and secondary documents to report to Regional Water Quality Control Board compliance with salinity objectives for the Bunker Hill, Lytle Creek, Rialto, Colton, Yucaipa and San Timoteo Management Zones.

Rancho California Water District, Well Siting Evaluation and Preliminary Design Report, Temecula, CA. Mr. Kingsbury was assigned to assist the District with locating a site that was suitable for a new municipal production well. The purpose of the new well was to replace an existing production well which had been rendered inactive due to chronic bacteriological activity, dating back several years. Duties included collecting and reviewing historical hydrogeological, well construction, and operational data, field reconnaissance and evaluation of four potential well sites, and preparing a preliminary well design report for the selected site. The report included potential sources and pathways of coliform contamination in the existing well, and recommendations for well structure modifications.

Rancho California Water District, Municipal Well Replacement Program, Temecula, CA. Served as the project manager responsible for preparation of preliminary design reports, demolition/construction plans, technical specifications, technical letters, and engineer's estimates for the installation of five (5) new replacement production wells. Assisted District Engineer and Water Operations Manager by providing technical recommendations and solutions for addressing concerns.

Rancho California Water District, Lower VDC Pilot Recharge Testing Program, Temecula, CA. Lead hydrogeologist tasked with the development of a work plan to perform pilot artificial groundwater recharge testing. The conceptual design of the project was to recharge 3,000 AFY of recycled water at the District's existing (but unused) Lower Valle de los Caballos (VDC) recharge facility. Work plan included design and procedures for installing one nested monitoring well, four lysimeters (to monitor soil-aquifer treatment levels), design and construction of pilot recharge facilities, performing ground water tracer tests, a 6-month pilot recharge test, a 6-month soil-aquifer treatment pilot test, developing and refinement of an existing groundwater flow model, QA/QC program, data management, engineer's estimate, and reporting.

RMC/SBVMWD/EVWD, Sterling Natural Resource Center, San Bernardino, CA. Served as project manager and senior hydrogeologist for all groundwater aspects of a feasibility study conducted for a regional wastewater reclamation plant and groundwater recharge program (Sterling Natural Resource Center). Duties included use of an existing regional groundwater flow and solute transport model to evaluate various recycled water recharge scenarios. Performed analysis to determine groundwater characteristics (including amount of groundwater available as a source of diluent water) which was used by engineering team to identify needed level of source water treatment. Participated in meetings with the Regional Water Quality Control Board and Division of Drinking Water.

City of Pomona, Water Resources Department, Groundwater Well Evaluation and Rehabilitation Project, Pomona, CA. Provided geohydrologic services to evaluate the City's aging potable water supply wells and develop a long-term strategy to rehabilitate and replace wells. Duties included reviewing historical hydrogeologic and well data, supporting well rehabilitation contractor with by reviewing and commenting on recommended procedures, and evaluating post-rehabilitation results.

Chino Basin Program Preliminary Design Report, Inland Empire Utilities Agency, Chino, CA. Staff Hydrogeologist. During development of the preliminary design report for the Chino Basin Program, assisted with preliminary design and costs for proposed injection wells. Will continue to contribute to the development of the injection well portion of the PDR.

North Pleasant Valley Desalter Project, City of Camarillo, Camarillo, CA. Hydrogeologist. Provided technical support during the review of post-construction conditions of three nested monitoring wells installed for a new Desalter Facility in the Fox Groundwater Basin that will treat brackish groundwater water using RO technology.

Daniel Eric Heimel, MS, PE

Education
MS, Civil and Environmental Engineering, Cal Poly San Luis Obispo

BS, Environmental Science, California State University Chico

Professional Registrations
Professional Engineer – Civil, California, No. C80762

Operator Certifications
SWRCB Registered D4 Operator #28472

SWRCB Registered T2 Operator #26014

Professional Affiliations
American Water Works Association, Member

Air & Waste Management Association, Member

Professional Experience

Mr. Heimel is a professional engineer with 17 years of experience focused on water resources, including State Water Project feasibility studies, water quality, and recycled water. He has performed capacity evaluations of State Water Project infrastructure to assist clients in diversifying their water supplies, transferring water, and more. He also has worked on UWMPs during previous cycles and is familiar with the guidance documents and plan preparation.

Representative Projects

California American Water Company, Various Districts 2015 Urban Water Management Plan. Technical Advisor. Advisor of the UWMP for all five of CAW's District —Los Angeles, San Diego, Ventura, Monterey, and Sacramento. Developed 20 year per capita water use projections by census block within the CAW boundary in accordance with California Senate Bill x 7-7. Evaluated supply, supply reliabilty, demand, supply and demand comparisons, demand management measures, developed a water shortage contingency plan, and a recycled water plan.

Santa Barbara County Water Agency, Long Term Supplemental Water Supply Alternatives Report. Project Engineer. Identified and evaluated potential supplemental surface water supply alternatives for the Santa Barbara County Water Agency (SBCWA). Analyzed historical State Water Project (SWP) deliveries through the Coastal Branch pipeline to identify estimates of available capacity and underutilized SWP supplies. Investigated potential opportunities to increase surface water storage through expansion of existing dams or construction of new reservoirs. Evaluated sediment removal alternatives for existing reservoirs to increase capacity and yield. Developed planning level cost estimates for proposed supplemental water supply alternatives. Participated in inter-regional, regional, and intra-regional stakeholder meetings to identify, discuss, review, and receive feedback on potential supplemental water supply alternatives.

San Luis Obispo County Flood Control and Water Conservation District, Paso Basin Supply Options Study, Project Engineer. Identified potential supply options for the Paso Robles Groundwater Basin that could be delivered using existing SWP infrastructure. Developed updated buy-in cost estimates for purchasing additional capacity within the Coastal Branch pipeline. Identified capacity limitations for each section of the Coastal Branch pipeline and quantified unutilized capacity, based on analysis of historical delivery data. Completed a fatal flaw analysis to identify SWP supply options for further evaluation (i.e. rough screening). Further developed the identified SWP supply options and compared them against potential recycled water and Nacimiento supply options to identify preferred supplemental water supply options for the Paso Basin.

Central Coast Water Authority, Coastal Branch Pressure Class Evaluation. Project Engineer. Evaluated capacity of the Coastal Branch Pipeline through the development of a maximum operating HGL for Reaches 5A2, 5B, and 6. Developed maximum operating HGL by incorporating GIS shapefiles with pipeline elevation data from record drawings and pressure class information obtained from a structural evaluation of the pipepline. Compared pipeline HGL, under various scenarios, against the maximum operating HGL to determine maximum capacity of the pipeline to deliver SWP water to the Central Coast. Developed pipeline reinforcement recommendations for increasing the capacity of the pipeline.

Northern Cities Management Area, Water Supply, Production and Delivery Plan, Central Coast, CA. Project Manager. Prepared a water supply, production and delivery plan for Northern Cities Management Area agencies, which is comprised of the cities of Arroyo Grande, Grover Beach, Pismo Beach, and Oceano Community Services District. Developed spreadsheet model to identify the most reliable scenario for potable water supply and delivery while considering implications of contractual surface water allocations and declining groundwater basin yields. Evaluated intertie pipeline capacity between potable water distribution systems using a merged hydraulic model of the systems. Developed shared cost structure for implementation, operation and maintenance of the intertie pipeline.

Northern Cities, Lopez Pipeline Capacity Assessment. Project Engineer. Created and calibrated a GIS based hydraulic model of the Lopez pipeline to analyze the available capacity of the pipeline to deliver additional SWP deliveries to the Northern Cities. Evaluated delivery scenarios to determine the maximum delivery potential under exising conditions and potential deliveries with infrastructure improvements. Developed delivery schedules for future SWP deliveries based on historical demand data and pipeline capacity results.

County of San Luis Obispo, Coastal Branch Capacity Assessment. Project Engineer. Performed a capacity analysis on the Coastal Branch pipeline to determine the potential for additional State Water Project deliveries to the Central Coast. Coordinated a Scenario Development Workshop for SWP contractors to determine the specific modeling scenarios to be used in the capacity assessment. Oversaw monthly progress report meetings with the County of San Luis Obispo and the Central Coast Water Authority. Analyzed numerous demand/deliver scenarios to determine the pipeline's maximum capacity.

City of Arroyo Grande, Utilities Master Plan Update. Project Engineer. Updated water system GIS mapping using record drawings and information provided by City staff. Created a WaterGEMS hydraulic model for the water distribution system from updated GIS mapping. Utilized customer record data to spatially allocate water demands and develop updated land use water demand factors. Utilized the GIS tools and the hydraulic model to perform a condition based assessment of the City's water mains. Developed a comprehensive 20 year CIP plan to guide the City's infrastructure projects.

City of Santa Maria, 2012 Utilities Master Plan Update-Water. Project Engineer. Developed spatially allocated demands for current and future demands through buildout using GIS for incorporation into a hydraulic model. Calculated land use demand factors based on current development and projected future demands based on zoning. Created and calibrated the water system hydraulic model in InfoWater. Utilized the water model to perform a capacity assessment and develop an updated prioritized CIP.

City of Pismo Beach, Central Coast Blue, Pismo Beach, CA. Program Manager. Providing Program Management, Preliminary Design, Funding, and Environmental Document Support services for the Indirect Potable Reuse project that will recover secondary effluent from two wastewater treatment plants, a resource currently discharged to the Pacific Ocean. The advanced treatment facility will use microfiltration or ultrafiltration, reverse osmosis, and ultraviolet radiation and advanced oxidation process before being injected into the Santa Maria Groundwater Basin to supplement groundwater supplies and protect the basin from seawater intrusion.

Alameda County Water District, Groundwater Recharge Facilities Operations and Maintenance Management. Project Engineer. Developed groundwater recharge monitoring database to track all operations of the Alameda Creek diversion facilities and groundwater recharge ponds. Directed maintenance of meters and valves at the groundwater recharge facilities. Compiled data and created regulatory reports related to the groundwater recharge operations. Oversaw watershed water quality monitoring and used GIS to spatially analyze water quality data.

Antonia Estevez-Olea, MS, EIT

Education
MS, Environmental Management, University of San Francisco, San Francisco

BS, Environmental Engineering, California Polytechnic State University, San Luis Obispo

Professional Registrations
Engineer in Training, No 150536

PACP, MACP, & LACP, No. U-0818-0703001316

Professional Affiliations
WateReuse

Water Environment Research Federation (WERF)

Publications

Estevez-Olea, A. (2015). Life Cycle Assessment of Reclaimed Water for Potable and Nonpotable Reuse in California. (Master's Project). University of San Francisco, San Francisco.

Professional Experience

Ms. Estevez-Olea is an Engineering-in-Training with over three years of experience in water resources management, stormwater, wastewater, and recycled water. Her experience in water and wastewater asset management includes the master planning, local limits studies, and compliance documents. She has analyzed water quality data to evaluate NPDES permit compliance in accordance with the discharge prohibitions. Ms. Estevez-Olea has also prepared engineering reports and Notice of Intents (NOIs) for several recycled water programs in California. She also assessed the effectiveness of structural and nonstructural best management practices (BMPs) for stormwater and water reliability projects. Her experience in engineering, resource management, and water policy allows her to provide solutions that are socially, environmentally and economically just.

Professional Project Experience

California American Water Monterey County District, Comprehensive Planning Study (CPS) and Condition Based Assessment (CBA). Monterey, CA. Project Engineer. Assisting with the development of the CPS and CBA reports by managing/compiling assets inventories and assessing site conditions and analyzing large datasets to evaluate customer and water demands and water supplies reliability. Developed the 2018 buried assets Pipeline Prioritization Model to identify and prioritize water mains in need of replacement.

City and County of Los Angeles, Enhanced Watershed Management Plans (EWMP) Annual Reporting. Los Angeles CA. Project Engineer. Managed stormwater, receiving water, and TMDL water quality data for four watershed programs. Maintained, updated, and distributed data used in the annual reports.

Recycled Water Programs Throughout California. CA. Project Engineer. Prepared and reviewed engineering reports and notice of intents (NOIs) for the Cities of Calistoga, Davis, Healdsburg, Lompoc, Occidental, and Ukiah. Developed guidelines for recycled water application at hydraulic and agronomic rates for various agricultural uses (e.g., vineyard irrigation, frost protection), and for municipal (e.g., sewer cleaning, street sweeping) and constructions (e.g., soil compaction, dust control, concrete mixing) uses.

City of Benicia, Source Identification Study. Benicia, CA, Project Engineer. Evaluated the City's pretreatment program, water supplies, and wastewater water quality data to identify sources of TDS.

City of Los Angeles, TMDL Compliance Analysis. Los Angeles CA. Project Engineering. Analyzed water quality data to determine compliance with TDML milestones in the Ballona Creek Watershed and Los Angeles River.

City of Oceanside, Local Limits and Total Dissolved Solids (TDS) Study. Oceanside, CA. Project Engineer. Supporting the City with the development of a Technically-Based Local Limits (TBLL) report for their two wastewater treatment plants. Preparing a TDS Management Study to assist the City in evaluating potential impacts of future modifications to its water, wastewater and recycled water systems.

Monterey Regional Water Pollution Control Agency (MRWPCA), Local Limits Evaluation and Monitoring Plan. Monterey, CA. Project Engineer. Supported the Project Manager with data management for the 2016 Local Limits Evaluation by compiling and formatting local limits data (i.e., regulated and non-regulated dischargers, influent, treatment processes, effluent, and biosolids data). Reviewed the final local limits evaluation report and used the results to develop a monitoring plan for the new sources of influents that will enter the Regional Treatment Plant.

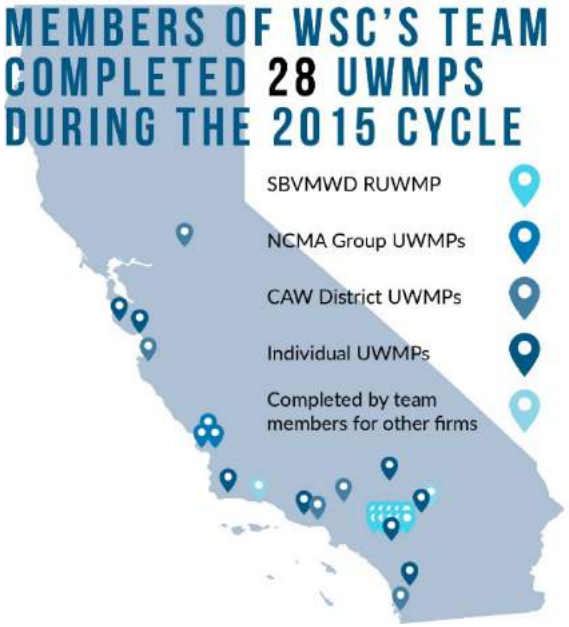
Appendix B: Similar Experience

WSC is an UWMP leader

WSC has developed UWMPs during each of the last three UWMP cycles and brings a wealth of knowledge and experience to the Coachella Valley area agencies. The tools and lessons learned during previous cycles enable WSC to prepare efficient, cost-effective, and useful UWMPs that integrate and build off other regional planning documents. We have successfully developed high-quality RUMWPs, and our team members are active participants in DWR's workgroup process for UWMPs. Our experience with regional urban water management planning and in the Coachella Valley area are described in this section.

WSC's UWMP experience includes:

- Members of our team completed 28 UWMPs during the 2015 cycle and have completed more than 40 UWMPs since the 2005 cycle.
- During the 2015 UWMP cycle, WSC led three regional efforts — one full RUWMP with 10 agencies and two other similar efforts.
- WSC has developed data gathering, data management, and data analysis tools to standardize and streamline UWMP development.
- Standard language for common sections and scenarios leads to efficient production of a compliant final UWMP.
- WSC's understands how to integrate UWMPs with other related planning efforts. During previous cycles, WSC has developed UWMPs alongside water master plans to take advantage of the efficiencies created by shared data, analysis, and policies.



WSC's participation in DWR's UWMP and water conservation Workgroups provides insight into potential requirement changes for the 2020 cycle.

Three members of WSC's team are participating in DWR's Workgroups which gives them insight into the new requirements and the regulatory structure that drives the documents this cycle. By participating in the DWR Workgroups, our team is able to effectively anticipate changes early so that we can work to mitigate increases in fee associated with the new requirements. WSC's proposed Primary Author, Spencer Waterman, participated in the Guidebook Advisory Committee during the 2015 cycle and contributed to key areas. His experience on the previous guidebook committee and current involvement in the UWMP Guidebook Workgroup mean he is an expert that the Coachella Valley area agencies can rely on for the most up to date information.

WSC brings local knowledge and responsiveness to the Coachella Valley

Members of WSC's team have worked on multiple projects in the Coachella Valley area and are familiar with the existing regional water resources planning efforts in the region. WSC understands the participating agencies are interested in the benefits of the regional urban water management planning process, such as cost-savings and data consistency between agencies. Our team members' local knowledge will drive efficiency, support data standardization, and promote collaboration between agencies. We will work with the participating agencies to identify ways to leverage other regional planning efforts, such as Integrated Regional Water Management Planning and implementation of the Sustainable Groundwater Management Act, to improve efficiency and maximize the benefit of the UWMP process.

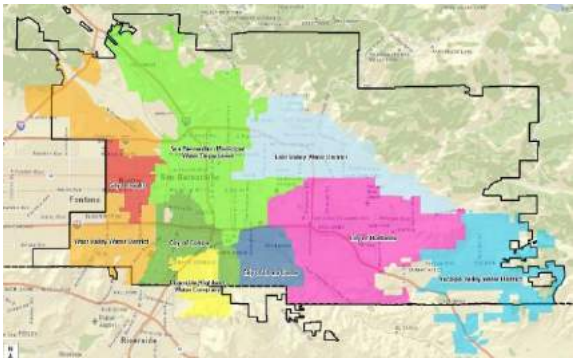
WSC's team members have worked on the following projects:

- Agua Caliente Band of Cahuilla Indians — Andreas Pipeline Review and Analysis
- Coachella Valley Water District — District-wide Well Rehabilitation Prioritization Plan
- Coachella Valley Water District — Rehabilitation or Servicing of Wells 5624-1, 7803-1, 7991-1, and 5673-1
- Coachella Water Authority — Supplemental Water Supply Program and Fee Study
- Coachella Water Authority — Water Master Plan
- City of Coachella Water Division — Well 20 Siting Study
- Indio Water Authority — Recycled Water Feasibility Study
- Michael Baker/New West Communities — Well Siting Study
- Mission Springs Water District — Hexavalent Chromium Compliance Investigation
- Mission Springs Water District — Willow Hole Groundwater Monitoring Well Project

WSC is committed to providing responsive service to the Coachella Valley agencies.

We know the importance of responsiveness to the participating agencies, and our team is available and committed to exceeding your expectations. WSC's team includes staff members from our Southern California offices in Rancho Cucamonga, Laguna Hills, and San Diego, and WSC has a company airplane that staff from our San Luis Obispo office can use to attend meetings, workshops, and site visits on short notice. WSC also has invested in state-of-the-art technology to seamlessly collaborate remotely on tasks that do not require in-person visits.

2015 Regional Urban Water Management Plan – *San Bernardino Valley Municipal Water District, San Bernardino, CA*



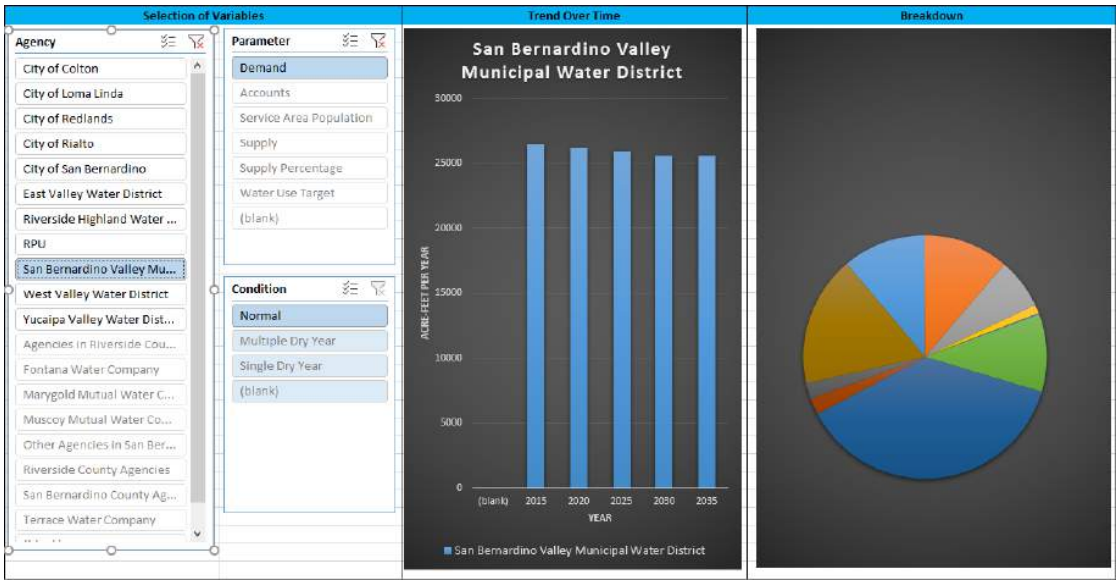
WSC led a collaborative group that included the San Bernardino Valley Municipal Water District and nine retail suppliers to develop a RUWMP during the 2015 cycle. These agencies use imported groundwater, State Water Project water, local surface water, and recycled water to meet the needs of approximately 700,000 people.

A coordinated database was used to consolidate and standardize water supply and demand data for each agency, ensuring that all usage was accounted for and supplies were not double-counted. This database enabled the simulation of future changes in each agency's water supply portfolio to visualize the impacts to the regional water balance.

The project included a series of stakeholder workshops to gather data, discuss alternative approaches to enhancing supply reliability, review the database and preliminary results, and discuss the project deliverables. Each agency tailored its Water Shortage Contingency Plan to the needs of its local service area, and as the wholesale supplier, Valley District outlined its plan for regional drought response.

Relevance to the Coachella Valley RUWMP

- By developing a RUWMP instead of an individual UWMP for each agency, the participating agencies realized cost savings.
- Data for each agency was standardized which will support other regional water resources planning projects and improve efficiency in subsequent UWMP cycles.
- WSC's shared database tool and customized dashboards made it easy to share information and coordinate efforts between agencies.



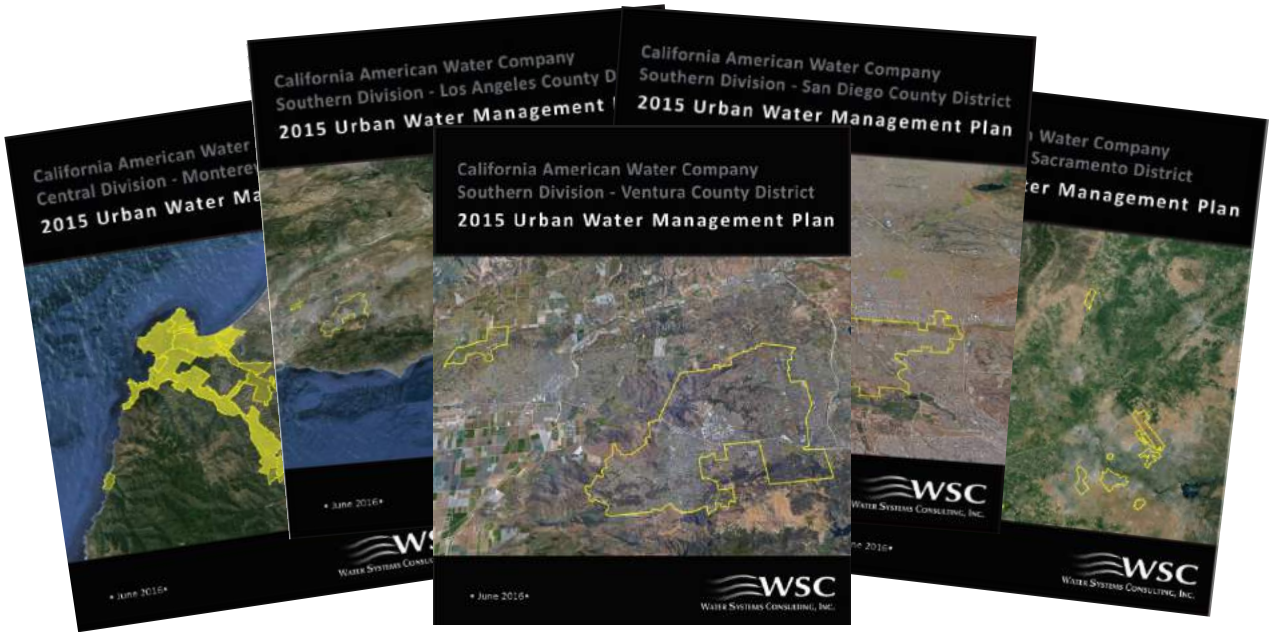
Urban Water Management Plans – *California American Water, Multiple Districts, CA*

WSC prepared California American Water's (CAW) 2005, 2010, and 2015 UWMPs for the Los Angeles County, Ventura, San Diego, Monterey, and Sacramento Districts. WSC worked across Districts to standardize data and coordinate report development. With each subsequent UWMP, WSC refined its tools and improved data consistency.

For each District, WSC developed 20-year per capita water use projections. WSC developed customized service area population data in GIS by intersecting block-level Census population data within the CAW service areas. Using the service area population, WSC calculated per capita water usage for each service area and used it to determine the baseline per capita water usage. WSC examined local water supplies to evaluate water availability for the next 20 years. WSC evaluated water supply reliability by reviewing historical water supply and demand data during multiple dry year periods. Voluntary analysis of energy intensity in water deliveries and climate change impacts were also completed for each District.

Relevance to the Coachella Valley RUWMP

- Even though CAW is one company, each of the Districts historically operated as separate entities which created issues with data quality and standardization.
- WSC built a framework for collecting and analyzing data in a uniform way to take advantage of an economy of scale for the five District UWMPs.
- After the 2005 UMWP cycle, CAW kept all its systems in a single data log, so the information was consistent across Districts which streamlined the process for future UWMPs.



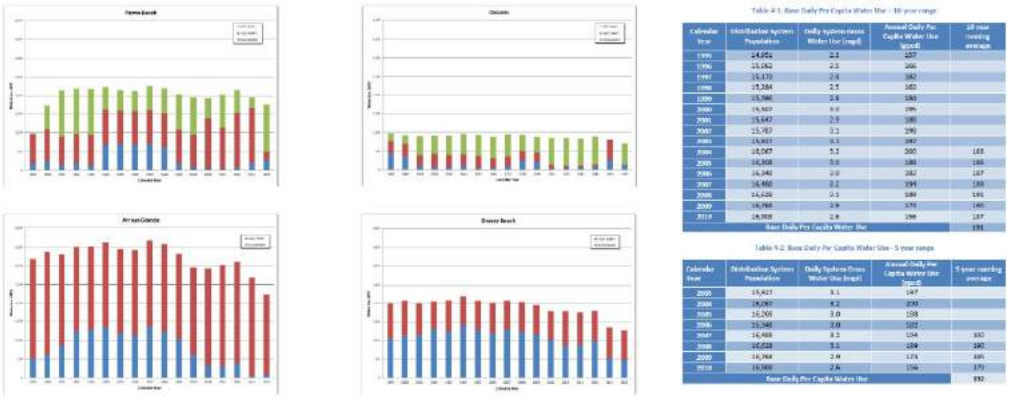
Urban Water Management Plans – *Northern Cities Management Area Stakeholders, South San Luis Obispo County, CA*

WSC prepared the 2015 UWMPs for three agencies that are part of the Northern Cities Management Area Technical Group. Although WSC wrote individual UWMPs for the three cities, Arroyo Grande, Pismo Beach, and Grover Beach, the documents were coordinated due to shared planning for water supplies, infrastructure, and issues. By coordinating regionally, the agencies were able to reduce costs, standardize data, and integrate the effort with other water resources planning efforts.

WSC prepared the 2015, 2010, and 2005 UWMP updates for the City of Arroyo Grande in parallel with its Water and Sewer Master Plan Updates, and the 2015 update for the City of Pismo Beach was developed in conjunction with the City's Water Master Plan. By developing the UWMPs at the same time as the master plans, the agencies were able to reduce the effort on shared components, such as water usage and demand projections. Other benefits of preparing the plans at the same time included cost savings and standardized data. WSC also developed the City of Grover Beach's 2015 UWMP which benefitted from tools and data developed for the Arroyo Grande and Pismo Beach UWMPs that were completed first. WSC worked with Arroyo Grande and Grover Beach to amend their Water Shortage Contingency Plans to be in compliance with DWR requirements.

Relevance to the Coachella Valley RUWMP

- WSC coordinated with local stakeholders to integrate with ongoing regional efforts, including with the nearby cities, the county, the Northern Cities Management Area, and the Nipomo Mesa Management Area Technical Group.
- The direct coordination with DWR staff as a member of the Guidebook Advisory Committee enabled WSC to anticipate changes and deliver 2015 UWMPs that DWR deemed complete.
- For two of the agencies, WSC developed their Water Master Plans in conjunction with the UWMPs to maximize the value of both documents through shared and consistent data.
- For two of the agencies, WSC provided WSCP amendment guidance to comply with DWR requirements.



WSC
WATER SYSTEMS CONSULTING, INC.

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Expectwsc.com

7-B

STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS

NOVEMBER 19, 2019

RE: REQUEST APPROVAL OF PUBLIC EVENT COMPENSATION POLICY AND ADOPTION OF RESOLUTION NO. 1224

Members of the Desert Water Agency Board of Directors do not currently receive compensation for representing the Agency at public events. Other local special districts (Coachella Valley Water District and Mission Springs Water District to name a few) do compensate Directors for their role in attending or staffing events on behalf of the Agency. When Board Members attend events it reduces Agency staff demand.

In order to offer compensation, the Agency must adopt a new resolution to outline the terms of that compensation pursuant to DWA Ordinance 62 and 64 that outline Board Member compensation.

The resolution outlines a policy for Board Members to receive one hundred dollars for each day of service representing the Agency at approved public events. The resolution outlines the requirements that must be met in order to receive compensation.

Attached as Exhibit A is the approved list of public events which can be updated by a vote of the Board at a public meeting.

Staff recommends approval of Resolution No. 1224.

EXHIBIT A
Public events list

DESERT WATER

Desert Water Agency
November 19, 2019

1. Groundbreaking ceremonies
    a. City of Palm Springs sites
    b. City of Cathedral City sites
    c. City of Desert Hot Springs sites
    d. Agua Caliente Band of Cahuilla Indians sites

2. Local Government functions
    a. State of the City - Palm Springs
    b. State of the City - Cathedral City
    c. State of the City - Desert Hot Springs
    d. All Valley Mayor and Tribal Chair Luncheon
    e. State of the County – Riverside
    f. Palm Springs City Council meetings
    g. Palm Springs Sustainability Commission meetings
    h. Desert Hot Springs City Council meetings
    i. Coachella Valley Water District Board meetings
    j. Mission Springs Water District Board meetings
    k. Agua Caliente Water Authority Board meetings
    l. Salton Sea Summit

3. Community events
    a. ONE-PS Community picnic
    b. Mayor's Race & Wellness Festival
    c. PSUSD Science Fair
    d. Family Fun Fest (City of Palm Springs)
    e. Fun Fair (City of Desert Hot Springs)
    f. Desert Garden Tour by Desert Horticultural Society
    g. Desert Garden Community Day by Desert Horticultural Society
    h. Desert AIDS Walk
    i. Mizell Senior Living Expo
    j. Desert Hot Springs Neighborhood Breakfast
    k. Desert Hot Springs Big Heart Awards
    l. National Night Out (Palm Springs, Cathedral City or Desert Hot Springs)
    m. Community events sponsored by Desert Water Agency

DESERT WATER

4. Business community functions
    a. DVBA Public Officials Lunches
    b. BIA Coachella Valley events
    c. Business Expo/Taste of Palm Springs

5. Desert Water Agency events
    a. Agency tours

RESOLUTION NO. 1224

RESOLUTION OF THE BOARD OF DIRECTORS OF DESERT WATER AGENCY ADOPTING A PUBLIC EVENTS COMPENSATION POLICY PURSUANT TO ORDINANCE NO. 62, AS AMENDED

WHEREAS, Ordinance No. 62 of the Desert Water Agency, as amended by Ordinance No. 64, identifies the service by Board members that shall qualify for compensation as provided by California law; and

WHEREAS, pursuant to Section No. 2 of Ordinance No. 62 this Board of Directors may designate additional service requested by the Board that shall also qualify for compensation as service on behalf of the Agency; and

WHEREAS, the Board wishes to identify those public events that Board members are encouraged to attend on behalf of the Agency that shall also constitute service on behalf of the Agency, to set forth guidelines for attendance at such events, and to further limit the amount of compensation to be paid for such service;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Desert Water Agency hereby adopts the following Public Events Compensation Policy establishing the terms upon which attendance at identified public events shall qualify as service at the request of the Board, and limiting the amount of compensation that may be paid for such service, as follows:

1. Qualified public events must be open to members of the public (even if payment of an entrance fee is required), and shall not be politically partisan in nature.

2. In order to qualify for payment of compensation for attendance, the Director who wishes or is asked to attend shall notify the Agency's Outreach & Conservation Staff and the Assistant Secretary to the Board prior to his or her attendance at the event. If attendance requires a ticket for admission, and if the Agency has only a limited number of tickets available, the tickets will be provided on a "first come, first served" basis.

3. The Director attending the event should wear an Agency name tag or clothing that has an Agency logo, so that the Director is clearly identified as a representative of the Agency.

4. Attendance will be deemed a day of service on behalf of the Agency, but compensation for attendance shall be limited to $100 per day of service. Such days of service shall be limited to the legal limitation on the maximum number of days of service in any month. If attendance at a public event authorized herein occurs on the same day as attendance at a meeting or other event already identified in Ordinance No. 62, it shall nonetheless constitute only a single day of service which shall be compensated at the stipend amount set forth in Ordinance No. 62, as amended.

5. Fees actually incurred for attendance at the event shall qualify for reimbursement in accordance with the Agency's policies and requirements for reimbursement of expenses. If a Director attends an event more than 20 miles from the Agency's main office, he or she shall be entitled to reimbursement for mileage as well.

6. Notwithstanding the above, a member of the Board shall not be compensated or reimbursed for expenses for attending a public event pursuant to this policy if the event occurs within 120 days prior to an election for a position on the Board in which that Board member is a candidate.

7. Directors who attend a qualified public event shall provide a brief report to the Board of Directors at the next Board meeting attended by that Director.

8. Attached hereto as Exhibit "A" is a list of the public events approved for attendance pursuant to this policy.

9. If three or more Directors attend an event, they shall avoid discussion of Agency business among themselves at the event in order to ensure compliance with the requirements and restrictions set forth in the Ralph M. Brown Act.

ADOPTED this 19th day of November, 2019.

_____
Joseph K. Sturt, President

ATTEST:

_____
Craig Ewing, Secretary-Treasurer

STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS

NOVEMBER 19, 2019

RE: REQUEST BOARD ACTION REGARDING A CLAIM FILED BY DRISCOLL & OMENS ON BEHALF OF KAREN PERSSON

On October 29, 2019, the Agency received a claim by certified mail from the law firm of Driscoll & Omens in Albany, CA submitted on behalf of Karen Persson who resides at 2323 N. Sandra Rd. in Palm Springs, seeking reimbursement of Agency charges for water service during 2018 and 2019 that allegedly exceeded the reasonable cost of providing service in violation of Proposition 218.

The claim does not explain the basis for alleging that the Agency's charges for water service exceeded the cost of providing service, nor does it specify the amount of the alleged over-charges. Furthermore, the applicable statute provides that claims must be submitted within one year of the injury or damage. Therefore, the law bars claims for alleged overcharges that allegedly occurred prior to October 29, 2018.

We understand that this same law firm has submitted substantially identical claims with a number of other public agencies that provide water service, on behalf of clients residing within their service areas, and that none of the claims explain the basis for the alleged overcharges.

Staff recommends that the Board deny the claim as untimely and for lack of merit and that staff be directed to send notice that the claim has been rejected.

Driscoll & Omens
P.O. Box 6596
Albany, CA 94706
(510) 527-4500
dond@driscollomens.com

October 18, 2019

cc: Mark Steve Esther BDD Bob Ashley

Desert Water Agency Board of Directors
1200 S Gene Autry Trail
Palm Springs, California, 92264

To Whom It May Concern:

This claim is presented pursuant to Government Code section 910 *et seq.*

(a) The name and post office address of the claimant.

This claim is made on behalf of Karen Persson (Claimant), 2323 N Sandra Rd, Palm Springs, CA 92262, and a class (Claimant Class) consisting of those customers of the Desert Water Agency (Water Provider) who obtain water service from Water Provider if that service is provided at the rates charged for service to a single-family residence or the rates charged to a multiple family residence. The post office addresses of the class members are those set forth on Water Provider's bills.

(b) The post office address where the person presenting the claim desires notices to be sent.

Donald P. Driscoll
Driscoll & Omens
P.O. Box 6596
Albany, CA 94706

(c) The date, place and other circumstances of the occurrence or transaction which gave rise to the claim asserted.

At all times in 2018 and 2019, at each location at which Water Provider delivered water to Claimant or someone in the Claimant Class, Water Provider charged rates in excess of those permitted by Proposition 218, and submitted bills and demanded payments in excess of the amounts permitted by Proposition 218.

(d) A general description of the indebtedness, obligation, injury, damage or loss incurred so far as it may be known at the time of presentation of the claim.

Water Provider is obligated to repay Claimant and the Claimant Class all amounts in excess of the charges permitted by Proposition 218 or, to the extent that those amounts have not been paid, to relinquish any claim to further payment.

(e) The name or names of the public employee or employees causing the injury, damage, or loss, if known.

Claimant does not know the identity of the public employees who caused the injury, damage, or loss.

(f) The amount claimed if it totals less than ten thousand dollars ($10,000) as of the date of presentation of the claim, including the estimated amount of any prospective injury, damage, or loss, insofar as it may be known at the time of the presentation of the claim, together with the basis of computation of the amount claimed. If the amount claimed exceeds ten thousand dollars ($10,000), no dollar amount shall be included in the claim. However, it shall indicate whether the claim would be a limited civil case.

The claim would not be a limited civil case.

Thank you for your attention to this matter.

Sincerely,

Donald Driscoll

Donald P. Driscoll

DESERT WATER

November 19, 2019

Donald P. Driscoll
Driscoll & Omens
P.O. Box 6596
Albany, CA 94706

Re: Claim for Payments in Excess of Allowable Prop. 218 Amounts on Behalf of Karen Persson & Class of Customers within Desert Water Agency

Dear Mr. Driscoll:

Notice is hereby given that the claim you presented to Desert Water Agency ("Agency") on behalf of Karen Persson and a class of customers within the Agency on October 29, 2019, was rejected by the Agency's Board of Director's on November 19, 2019, for failure to present the claim within the time prescribed by Government Code section 911.2, subdivision (a), and for lack of merit.

WARNING

Subject to certain exceptions, Ms. Persson and the class have only six (6) months from the date this notice was personally delivered or deposited in the mail to file a court action on this claim. (Gov. Code, § 945.6.) The time for filing in federal court may be less than six (6) months.

Ms. Persson and the class may seek the advice of an attorney of their choice in connection with this matter. If they desire to consult an attorney, they should do so immediately.

In the event Ms. Persson and the class choose to file a lawsuit in this matter which is determined to be in bad faith and without reasonable cause, please be advised that the Agency will attempt to recover all of its defense costs from them, as allowed by California Code of Civil Procedure sections 128.5 and 1038.

Sincerely,

Mark S. Krause
General Manager-Chief Engineer

7-D

STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS

NOVEMBER 19, 2019

RE: REQUEST BOARD AUTHORIZATION TO EXECUTE EXCHANGE AGREEMENT WITH METROPOLITAN WATER DISTRICT

The attached draft 2019 Amended and Restated Agreement for Exchange and Advance Delivery of Water (2019 Exchange Agreement) would amend, restate, and consolidate existing State Water Project (SWP) exchange and delivery agreements between Metropolitan Water District (MWD), Desert Water Agency (DWA), and Coachella Valley Water District (CVWD). Key elements of this agreement, which will terminate on December 31, 2035, include 1) ending MWD's right to call back 100,000 acre-feet (af) of Table A Amount, 2) enabling MWD's ability to continue to advance deliver water to CVWD and DWA when conditions allow, 3) providing the ability for MWD to conditionally defer Colorado River water deliveries during drier periods, 4) increasing reliability of supplemental State Water Project and non-State Water Project water deliveries, and 5) allowing access to MWD's water storage accounts and defining the cost-sharing structure.

Since joining the State Water Project as a State Water Contractor in 1961, water exchange agreements with MWD and CVWD have allowed DWA to exchange nearly 1.5 million af of DWA's State Project Water with MWD's Colorado River water delivered to the Whitewater and Mission Creek Groundwater Replenishment Facilities (Whitewater and Mission Creek Facilities). Without the exchange agreement with MWD, DWA would not be able to receive its State Water Project water without significant facility investments associated with building a conveyance system from the City of Redlands to the Coachella Valley (estimated cost at $1.6B).

This exchange agreement was made possible because of MWD's, DWA's and CVWD's ability to share the same imported source waters (Colorado River, or CR water and State Water Project, or SWP water). This has allowed MWD to receive CVWD's and DWA's SWP water and deliver a like amount of Colorado River water to DWA and CVWD in return. MWD takes delivery of CVWD's and DWA's SWP water at their points of delivery at Devil Canyon and Lake Perris. MWD delivers an equivalent amount of Colorado River water through the MWD-owned and operated Colorado River Aqueduct to turnouts on the Whitewater River located in the western Coachella Valley and adjacent to its crossing of the Mission Creek. The exchanged water is delivered to both the Mission Creek Facility and the

Whitewater Facility for direct groundwater recharge, helping to eliminate groundwater overdraft in the Indio and Mission Creek Subbasins.

The original agreement for the exchange of waters between the three agencies was executed in 1967, amended in 1972, replaced in 1983, and amended again in 2003. Additional documentation related to the exchange include Letters of Implementation in 2004 and 2007 (outlining long-term operating criteria) and an agreement detailing the conditions of advance delivery of CVWD and DWA exchanged SWP water was executed in 1984, allowing MWD to advance deliver up to 800,000 af of Colorado River Water in the Indio Subbasin at no cost with no losses (10% typically). To ensure consistency between the various documents and capture the changes that have occurred over time, the three agencies decided to amend, restate, and consolidate the various agreements into one updated agreement.

The purpose of this Board request is to replace the previously executed exchange and advance delivery agreements with the 2019 Exchange Agreement, which provides a more streamlined and efficient means of tracking and managing imported water supply deliveries to the western Coachella Valley. No changes to existing CVWD or DWA Table A Amounts or SWP Water Supply Contracts are proposed. There will be no change to the December 31, 2035 expiration date of the current exchange and advance delivery agreements, which is aligned with the original SWP contract terminating in 2035 (contract extension amendment approval is ongoing).

Although the prior exchange agreements have worked well, there are certain elements addressed in the proposed 2019 Exchange Agreement which provide more certainty of water supplies for DWA and CVWD, and more operational flexibility to MWD. The 2003 amendment to the exchange agreement temporarily transferred 100,000 af of MWD's Table A Amount (11,900 af to DWA and 88,100 af to CVWD), along with the proportionate share of annual fixed and variable costs through the year 2035. Because the transfer is temporary, DWA and CVWD did not incur the typical cost to acquire this transfer and the associated retrospective capital improvement costs as it would have had the transfer been permanent (11,900 af x $3,000/af = $35,700,000 in 2007 dollars + capital improvement costs). Currently MWD can "call back" that water in certain years and reimburses DWA and CVWD for the SWP costs. The call back option is defined for two consecutive time periods with different call back provisions assigned to each period. The first time period between years 2004 and 2015 requires MWD to make delivery at least 3 out of the first 12 years. This call back option was only exercised once, in 2005. The second time period is between the years 2016 and 2035. For this time period the call back option allows for a call back in 10 years out of 20 years or 50% of the time. Since there has not been a call back thus far during this period and as we approach 2026 not anticipating a call back, MWD theoretically could call back the water 100% of the time between the years 2026 and 2035 (all 10 years). This

creates uncertainty in the water supply portfolio. The 2019 Exchange Agreement eliminates MWD's call back option, which provides CVWD and DWA with 100% certainty that the temporary Table A transfer will be available all years through 2035 and allow greater certainty for planning efforts.

In consideration for eliminating the call back option, the 2019 Exchange Agreement provides MWD the ability to receive advance credit of DWA's and CVWD's SWP water of up to 200,000 af in drier years, to be made up in its entirety within five years after the first year of receiving this credit (excluding Mission Creek deliveries).

In consideration for MWD managing DWA's and CVWD's long-term water supply programs such as Glorious Lands (GLC)/Rosedale Rio Bravo, Sites Reservoir, Lake Perris Seepage Recovery, and Delta Conveyance with the same priority as their Table A water, DWA and CVWD will share in the water management costs incurred by MWD. The costs share is in line with the MWD's cost of putting water into storage ($155/af) when necessary.

Key elements of the 2019 Exchange Agreement compared to the existing agreements are as follows:

Increased certainty of long-term water supplies for DWA and CVWD

- Eliminates MWD's ability to "call-back" any portion of the 100,000 af described in the 2003 Exchange Agreement.
- Allows MWD, during drier periods, to receive up to 200,000 af of DWA's and CVWD's SWP exchange water in advance over five years, with a return of the entire volume by the end of year 5.
- Treats water supplies from long-term water supply programs such as Glorious Lands (GLC)/Rosedale Rio Bravo, Sites Reservoir, Lake Perris Seepage Recovery, and Delta Conveyance with the same priority as Table A water.

Better defines criteria for joint management of water

- Allows for joint management of single-year water supplies to create operational flexibility.
- Sets criteria for carryover and spill, to be shared in proportion to each agency's multiyear water amounts (90.4% [MWD], 7.0% [CVWD], and 2.6% [DWA]).
- Allow access to Article 21 supplies when available (in proportion to Table A Amounts).

- Provides for establishment of a Coordination Committee with representatives from each agency to work together on decisions regarding scheduling, deliveries, and storage.
- Allows access to MWD's water storage programs to minimize risks of spill. Recognizes the need to store water during wet years, DWA and CVWD pay a fee MWD when the SWP Table A allocation is 55% or greater (currently at $155/af, and escalated according to a schedule as outlined in Exhibit C). For example DWA's water management costs owed to MWD in the year 2019 (Table A allocation of 75%) would be $613,800.

The prior exchange agreements have been a foundational piece to DWA's water management strategy for elimination of groundwater overdraft in the Indio and Mission Creek Subbasins. Authorizing the General Manager to execute the 2019 Exchange Agreement will provide certainty and continuity for staff to meet DWA's water management goals until 2035.

DWA will incur the added cost for groundwater storage in years when Table A allocation exceed 55%. Funding of the MWD storage fee will be included in the fiscal year 2020 (FY20) Operating Budget.

Approval of the 2019 Agreement is not subject to CEQA because it does not constitute a "project," pursuant to State CEQA Guidelines §15378(a) and §15378 (b)(5). The action has no potential to result in a direct or reasonably foreseeable indirect physical change in the environment because the action will merely consolidate and reformat existing agreements, with only minor changes, merely consolidates existing agreements into a single agreement without any change to the previously approved entitlements, and constitutes an organizational or administrative activity that will not result in a direct or indirect physical adverse change in the environment not previously analyzed. Even if approval of the 2019 Agreement did constitute a "project" subject to CEQA, the action would be exempt from CEQA review pursuant to State CEQA Guidelines §15061(b)(3) because it can be seen with certainty that there is no possibility that approval of the 2019 Exchange Agreement may have a significant effect on the environment. A Notice of Exemption will be filed with the County Clerk.

After nearly two years of negotiations and discussions, staff is requesting that the Board authorize the General Manager to execute the completed 2019 Exchange Agreement between Desert Water Agency (DWA), Metropolitan Water District of Southern California (MWD), and Coachella Valley Water District (CVWD). Based on the environmental review process required under the California Environmental Quality Act (CEQA), it was determined that the amended and restated agreement is exempt under CEQA, and the reasons are provided under the Environmental Impact section of this memo.

AMENDED AND RESTATED AGREEMENT BETWEEN THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, COACHELLA VALLEY WATER DISTRICT AND DESERT WATER AGENCY FOR THE EXCHANGE AND ADVANCE DELIVERY OF WATER

This 2019 Amended and Restated Agreement for Exchange and Advance Delivery of Water (Agreement) is made this ___ day of _____, 2019 by THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (Metropolitan), COACHELLA VALLEY WATER DISTRICT (Coachella), and DESERT WATER AGENCY (Desert). Metropolitan, Coachella, and Desert are individually referred to as a "Party" and collectively as "Parties."

RECITALS

A. Metropolitan is a metropolitan water district organized under the Metropolitan Water District Act, codified at section 109-1, et seq. of West's Appendix to the California Water Code, and engaged in developing, storing, and distributing water in the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura. Metropolitan is a State Water Project (SWP) contractor and receives water through the SWP. Metropolitan also owns and operates the Colorado River Aqueduct through which Metropolitan receives Colorado River water.

B. Coachella is a county water district organized under the California County Water District Law, codified at section 30000, et seq. of the California Water Code, and utilizes Colorado River water in Riverside County for groundwater recharge as well as potable and irrigation purposes.

C. Desert is an independent special district organized under the Desert Water Agency Law, codified at section 100-1, et seq. of West's Appendix to the California Water Code, and also utilizes Colorado River water in Riverside County for groundwater recharge purposes.

D. Coachella and Desert are SWP contractors without physical connections to the SWP. Rather than construct physical connections to the SWP, Coachella and Desert entered into separate agreements in 1967 with Metropolitan (1967 Exchange Agreements) under which Coachella and Desert deliver their State Project Water to Metropolitan, and in exchange, Metropolitan delivers a like amount of Colorado River water to Coachella and Desert.

E. In 1983, Metropolitan entered into new separate exchange agreements with Coachella ("Agreement Between the Metropolitan Water District of Southern California and the Coachella Valley Water District for Exchange of Water") and Desert ("Agreement Between the Metropolitan Water District of Southern California and Desert Water Agency for Exchange of Water") (collectively, the "1983 Exchange Agreements") which continued the prior exchange arrangements with certain modifications and expressly superseded the 1967 Exchange Agreements.

F. In 1984, the Parties entered into the "Advance Delivery Agreement" which allowed Metropolitan to deliver Colorado River water to be credited against Metropolitan's future water exchange obligations under the 1983 Exchange Agreements.

G. In 2003, the Parties entered into "The 2003 Exchange Agreement" which amended the 1983 Exchange Agreements and the Advance Delivery Agreement. The 2003 Exchange Agreement also provided for: the transfer from Metropolitan to Coachella and Desert of 100,000 acre-feet per year of Metropolitan's Annual Table A Amount from the SWP along

with the associated annual fixed and variable charges and the corresponding exchange of a like quantity of Metropolitan's Colorado River water or credits pursuant to the Advance Delivery Agreement; an annual option for Metropolitan to call-back the 100,000 acre-foot transfer under certain conditions and to reimburse Coachella and Desert for those SWP charges in that year; and a process by which the Parties would agree to operating criteria in order to better coordinate delivery and financial transactions.

H. Also in 2003, the Parties entered into separate amendments to their respective SWP Agreements with the Department of Water Resources (DWR) which approved the Parties' Table A transfers pursuant to The 2003 Exchange Agreement. (Amendment No. 18 to the Water Supply Contract between DWR and Coachella dated October 10, 2003; Amendment No. 18 to the Water Supply Contract between DWR and Desert dated November 3, 2003; Amendment Nos. 27 and 28 to the Water Supply Contracts between DWR and Metropolitan dated October 24, 2003.)

I. In 2004 and 2007, the Parties entered into letter agreements that established operating criteria pursuant to the 2003 Exchange Agreement. (November 9, 2004 Letter Agreement Regarding Implementation of 2003 Exchange Agreement and November 19, 2007 Letter Agreement Regarding Implementation of 2003 Exchange Agreement – Establishment of Long-Term Operating Criteria, collectively the "2004 and 2007 Letter Agreements".) The 2004 and 2007 Letter Agreements included provisions for the Parties to consider adding water to the amounts of Table A SWP water agreed upon for exchange.

J. In 2012, Metropolitan and Coachella entered into a letter agreement pursuant to the 2004 and 2007 Letter Agreements which provided the terms and conditions for the annual

delivery and exchange of up to 16,500 acre-feet of non-Table A SWP water that Rosedale Rio Bravo Water Storage District provides to Coachella (2012 Rosedale Letter Agreement).

K. In administering the various agreements, the Parties have gained operational experience and thus desire through this Amendment to better manage their water supplies.

L. The purposes of this Agreement are to: amend and restate, and to consolidate into this agreement the provisions of the various agreements setting forth the manner in which the exchanges, advance deliveries, and credits in those agreements will be implemented; end Metropolitan's right to call back 100,000 acre-feet of Table A water; allow Metropolitan to defer certain Colorado River water deliveries to Coachella and Desert; more equitably share among the Parties the operational benefits and risks of available SWP supplies; provide for Coachella and Desert to participate with Metropolitan in sharing water management costs in wetter years; and simplify the payment structure.

M. Thus, in consideration of the mutual covenants of the Parties and for good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

AGREEMENT

1. Definitions

Article 21 Supplies – State Project Water made available to the Parties in any year pursuant to Article 21 of the State Water Contracts.

Carryover Supplies – State Project Water stored by a Party in State Water Project surface conservation facilities pursuant to the State Water Contracts.

Colorado River Aqueduct – The Aqueduct system owned and operated by Metropolitan, and used for the transport of water from Lake Havasu on the Colorado River to Lake Mathews in Riverside County.

Exchange Water – Colorado River water delivered to Coachella and Desert by Metropolitan from the Colorado River Aqueduct in exchange for Coachella's and Desert's State Project Water.

Multi-Year Supplies – Water resulting from the contracts and projects listed in Exhibit A of this Agreement, which may be modified by the Parties in writing.

Single-Year Supplies – Water resulting from the contracts and projects listed in Exhibit B of this Agreement, which may be modified by the Parties in writing.

State Project Water – All water which Coachella and Desert have rights to receive under their State Water Contracts including, but not limited to, water Coachella and Desert may acquire from other sources that is conveyed through the State Water Project.

State Water Contracts – The Contract between Coachella and the State of California, dated March 29, 1963, the Contract between Desert and the State of California, dated October 17, 1962, and the Contract between Metropolitan and the State of California, dated November 4, 1960, including all past and future amendments to each such contract, for an imported water supply from the State Water Project.

State Water Project (SWP) – Part of the State Water Resources Development System, authorized and constructed under Section 12930, et seq. of the Water Code, to deliver water to various public agencies throughout the State, including the Parties.

Table A Amount – Each Party's Table A Amount pursuant to its contract with DWR at the time of execution of this Agreement, which for Metropolitan is 1,911,500 acre-feet, for Coachella is 138,350 acre-feet, and for Desert is 55,750 acre-feet.

2. Prior Agreements Amended and Restated

This Agreement amends and restates the following prior agreements among the Parties:

A. Agreement Between The Metropolitan Water District of Southern California and the Coachella Valley Water District for Exchange of Water, dated July 7, 1983.

B. Agreement Between The Metropolitan Water District of Southern California and Desert Water Agency for Exchange of Water, dated July 7, 1983.

C. Advance Delivery Agreement, dated June 28, 1984.

D. The 2003 Exchange Agreement, dated October 24, 2003.

E. Letter Agreement Regarding Implementation of 2003 Exchange Agreement, dated November 9, 2004.

F. Letter Agreement Regarding Implementation of 2003 Exchange Agreement – Establishment of Long-Term Operating Criteria, dated November 9, 2004.

G. Letter Agreement Between The Metropolitan Water District of Southern California and the Coachella Valley Water District regarding Agreement to Deliver non-State Water Project Water in Exchange for Colorado River Water, dated November 13, 2012.

3. Coordination Committee

Each Party will designate one person to form a Coordination Committee. The purpose of the Coordination Committee is to provide an opportunity to share information among the Parties regarding water management, and to ensure that any current and potential actions taken are consistent with the goals of this Agreement. The person designated by Metropolitan to be on the

Coordination Committee will be the Chairperson until another Chairperson is selected by majority vote of the Coordination Committee. The Coordination Committee may elect a new Chairperson at any time. The Chairperson will schedule meetings (at least quarterly, and as conditions dictate) and record meeting minutes. Metropolitan will inform the Coordination Committee of potential capacity and other operational constraints as conditions change during the year.

4. Exchange of Water

A. Exchange of Table A Amounts and Multi-Year Supplies

1. Metropolitan will accept delivery of Coachella's and Desert's Table A Amounts and exchange them for equal quantities of Metropolitan's Exchange Water as provided by this Agreement.

2. Metropolitan will accept delivery of Coachella's and Desert's Multi-Year Supplies and exchange them for equal quantities of Metropolitan's Exchange Water as listed in Exhibit A to this Agreement. The Parties may agree in writing to include additional Multi-Year Supplies in Exhibit A, which will be exchanged in the same manner.

3. There may be limitations on Metropolitan's ability to take delivery of all available Table A Amounts and Multi-Year Supplies in any year. Such limitations include, but are not limited to, insufficient demands within Metropolitan's service area, capacity constraints on the East Branch of the SWP, and the Parties' storage program capacities. These limitations may result in unused Table A Amounts that cannot be scheduled with DWR for delivery within the calendar year. If Metropolitan determines that any such limitations exist, Metropolitan will consult with the Coordination

Committee and will attempt to leave Table A amounts unscheduled at the end of the calendar year for each Party in amounts proportional to the sum of the Parties' Table A Amounts and Multi-Year Supplies.

4. There may be limitations on Metropolitan's ability in a calendar year to take delivery of the Table A Amounts, Multi-Year Supplies, and any Table A Amounts and Multi-Year Supplies that were previously carried over of each Party proportionally by Table A Amounts and Multi-Year Supplies. Such limitations include, but are not limited to, the differential spill of each Party's Carryover Supplies under DWR's spill accounting methodology. In any calendar year that such limitations apply, Metropolitan may take delivery of a higher proportion of one Party's supplies than another Party's supplies, so as to minimize losses due to spills or other causes. Metropolitan will keep an annual record of the deliveries taken from each Party's supplies and will adjust future water orders as necessary in an attempt to make up any delivery imbalance when operational opportunities arise. To the extent that Metropolitan receives a higher percentage of Table A Amounts and Multi-Year Supplies than Coachella or Desert during a year, that amount of water will count against Metropolitan's right to 200,000 acre-feet of advance credit under Section 5.C. [Credit of Advance Deliveries Against Metropolitan's Exchange Obligations]. In the event that at the end of any year, the cumulative delivery balance to any Party exceeds 5,000 acre-feet, and if Metropolitan is unable within five years thereafter to make the necessary adjustments to restore the proportional delivery of Table A Amounts and Multi-Year Supplies, the Parties will reconcile the water delivery imbalance by adjusting deliveries of Exchange Water, and

will make any necessary financial adjustments to keep the Parties financially whole, as follows:

a. If at the end of five years, Metropolitan has received a disproportionately higher amount of Table A Amounts and Multi-Year Supplies than Coachella and Desert, then Metropolitan will increase the Exchange Water deliveries to Coachella and Desert by an amount equal to the disproportionate amount of water Metropolitan received, and Coachella and Desert will reimburse Metropolitan for the variable transportation charges that Metropolitan paid DWR to move the water through SWP facilities to Devil Canyon in the year Metropolitan increased Exchange Water deliveries.

b. If at the end of five years, Coachella and/or Desert has received a disproportionately higher amount of Table A Amounts and Multi-Year Supplies than Metropolitan, then Metropolitan will take delivery of Coachella and/or Desert's Table A Amounts and Multi-Year Supplies in an amount equal to the disproportionate amount of water they received, Metropolitan will reimburse them for the variable transportation charges that Coachella and/or Desert paid DWR to move the water through SWP facilities to Devil Canyon in the year Metropolitan takes delivery of the increased Table A Amounts and Multi-Year Supplies, and Metropolitan will not make the equivalent Exchange Water deliveries to Coachella and/or Desert.

c. Should a State Water Contract amendment be ratified that allows for single-year Table A Amount transfers, the Parties may agree to use single-year transfers to accomplish the goal of restoring proportionality in the delivery of Table A Amounts and Multi-Year Supplies.

d. Billing and payment for financial adjustments made under this section 4.A.4. will occur in the calendar year following the fifth year. If any Party asserts to the other Parties, in writing, prior to payment of a reimbursement required by subsections 4.A.4.a. or b. above, that such reimbursement would produce a substantially inequitable financial result due to differences in variable transportation charges by DWR between the year that the Exchange Water or Table A Amounts and Multi-Year Supplies would have been delivered, absent the disproportionate deliveries, and the year that the increased Exchange Water or increased Table A Amounts and Multi-Year Supplies were later delivered to correct the resulting disproportionality, and taking into consideration the inflation that occurred over that period, the General Managers of the Parties will meet in an attempt to mutually agree to the amount of reimbursement necessary to achieve an equitable financial adjustment.

B. Exchange of Single-Year Supplies

1. If sufficient capacity exists after accounting for Table A Amounts and Multi-Year Supplies, Metropolitan will exchange Coachella's and Desert's Single Year Supplies up to the amounts requested by Coachella and Desert for equal quantities of Metropolitan's Exchange Water as listed in Exhibit B to this Agreement. The Parties may agree in writing to include additional Single-Year Supplies in Exhibit B which will be exchanged in the same manner.

2. There may be limitations on Metropolitan's ability to take delivery of all Single-Year Supplies in any year. Such limitations include insufficient demands within Metropolitan's service area, capacity constraints on the East Branch of the SWP, and the Parties' storage program capacities. If Metropolitan determines that any such limitations

exist, Metropolitan will consult with the Coordination Committee and will reduce the amount of water exchanged accordingly.

C. Exchange of Article 21 Supplies

When Article 21 Supplies are available and when Metropolitan determines that it has capacity to take delivery of Article 21 Supplies, Metropolitan will request delivery of Article 21 Supplies for the Parties in proportion to their Table A Amounts to the extent that no Party is harmed by delivery of Article 21 Supplies. Metropolitan will exchange such water of Coachella and Desert for equal quantities of Metropolitan's Exchange Water.

D. Exchange of Carryover Supplies

Metropolitan will exchange Coachella's and Desert's available carryover each year in amounts requested by Coachella and Desert for equal quantities of Metropolitan's Exchange Water. Metropolitan will not exchange Coachella's and Desert's spilled carryover, but will account for it as provided in Section 4.A.4.

E. Coordination Regarding Potential Additional Supplies

Before a Party declines to exercise a right to obtain water under an existing agreement which could be conveyed through the SWP, that Party will consult with the Coordination Committee regarding the potential opportunity for the other Parties to instead obtain such water for themselves. Any terms for addressing such an opportunity will be addressed in a separate agreement among the participants.

F. Delivery Points

Metropolitan will deliver its Exchange Water to Coachella and Desert at the Whitewater service connections, Mission Creek service connections, or at other locations mutually agreed upon by Metropolitan and the Party whose connection is involved. DWR will deliver Coachella's

and Desert's State Project Water for exchange to Metropolitan at: Devil Canyon Afterbay, a connection downstream of Devil Canyon Afterbay, or other locations mutually agreed upon by Metropolitan and the Party whose connection is involved. Each Party must construct and operate its own facilities for the transportation of water subject to this Agreement from the delivery points to and within its own service area.

G. Scheduling of Deliveries

1. After consultation with the Coordinating Committee, Metropolitan will act as Coachella's and Desert's agent in scheduling delivery by DWR of Coachella's and Desert's State Project Water to Metropolitan.

2. Metropolitan will coordinate with Coachella and Desert to best accommodate the Parties' requests regarding delivery times, rates, and points of delivery.

3. To ensure that carryover rights are available to Metropolitan, Coachella and Desert will utilize, by exchange, their entire Table A Amounts within their respective service areas or in adjacent areas in a manner that will benefit use within their respective service areas.

H. Additional Table A Amounts, Multi-year Supplies, and Single-year Supplies

Notwithstanding anything to the contrary in this Agreement, each Party may include in this Agreement up to a combined total of an additional 10,000 acre-feet of Table A Amounts, Multi-year Supplies, and Single-year Supplies without prior written agreement of the other Parties.

5. Advance Delivery of Colorado River Water

A. Right to Deliver Colorado River in Advance

Metropolitan may make advance deliveries of Colorado River water to be credited to an advance delivery account provided that the total balance of advance deliveries at any time in the account does not exceed 800,000 acre-feet or such greater amount as may be mutually agreed upon by the Parties, after debiting the account for stored water utilized by Coachella and Desert pursuant to Section 5.C. [Credit of Advance Deliveries Against Metropolitan's Exchange Obligations]. Deliveries will be for spreading at the spreading grounds overlying the Whitewater River Sub-basin of the Upper Coachella Valley Groundwater Basin, spreading grounds overlying the Mission Creek Sub-basin, or such other location or purpose (such as in lieu recharge) as may be mutually agreed upon by the Parties. Such advance deliveries will not interfere with normal deliveries of Exchange Water, and any Colorado River water delivered by Metropolitan to Coachella and Desert in any year will first be credited to Metropolitan's obligation to deliver Exchange Water during that year, and the balance of such deliveries will be applied to offset Metropolitan's future Exchange Water delivery obligations as provided in Section 5.C. [Credit of Advance Deliveries Against Metropolitan's Exchange Obligations] or Metropolitan's obligations pursuant to the *Delivery and Exchange Agreement Between Metropolitan and Coachella for 35,000 Acre-feet*.

B. Ownership of Advance Deliveries

Advance deliveries of Colorado River water stored in the Whitewater River Sub-basin will be owned by Coachella and Desert in proportion to the amounts of water which they are required to deliver to Metropolitan pursuant to this Agreement. Title passes at the delivery structure.

C. Credit of Advance Deliveries Against Metropolitan's Exchange Obligations

1. At such times as Metropolitan may determine that its available Colorado River water supply is fully required to meet the needs of its member agencies, it will notify Coachella and Desert. Thereafter, and until Metropolitan determines that Exchange Water is again available, Colorado River water delivered in advance to the Whitewater River Sub-basin pursuant to this Agreement will be used by Coachella and Desert, and Metropolitan will be given credit for and will take deliveries of State Project Water made available to Coachella and Desert. So long as such water delivered in advance is available for such credits, Metropolitan will be entitled to continue to receive Coachella's and Desert's State Project Water.

2. Metropolitan will not have an annual call-back option for the 100,000 acre-feet per year of Metropolitan's Annual Table A Amount from the SWP transferred to Coachella and Desert pursuant to the 2003 Exchange Agreement.

3. In the event that Metropolitan has been credited with all of the Colorado River water it has delivered to its advance delivery account under Section 5.A. [Right to Deliver Colorado River Water in Advance], Metropolitan will be entitled to 200,000 acre-feet of advance credit which Metropolitan may use in the same manner as if it had delivered the Colorado River water in advance of an exchange. However, so long as a Metropolitan has advance credit available, Metropolitan will deliver to the Mission Creek service connection each year a quantity of Exchange Water equal to the proportionate share of deliveries which Coachella and Desert have committed to allocate to the Mission Creek Sub-basin (as indicated by Coachella and Desert to Metropolitan each July), subject to Metropolitan's delivery capability, so that Metropolitan's advance credit balance does not affect the timing of replenishment of the Mission Creek Sub-basin. At

the end of a calendar year, in the event that the advance credit that Metropolitan receives under this Section 5.C.3. exceeds 20,000 acre-feet, Metropolitan will deliver sufficient Colorado River water to Coachella and Desert so that the advance credit is eliminated by the end of the fifth calendar year thereafter. As an example, if Metropolitan receives more than 20,000 acre-feet of advance credit in 2020, then Metropolitan will deliver sufficient Colorado River water to Coachella and Desert to ensure that all advance credit is eliminated by December 31, 2025.

D. Scheduling of Advance Deliveries

Advance deliveries will be made according to a schedule established by the Parties. Such schedule may be amended from time to time as required for operation, maintenance, and repair, or by local groundwater conditions.

E. Responsibility for Spreading Grounds

Coachella is responsible for operating, maintaining, and repairing the spreading grounds overlying the Whitewater River Sub-basin of the Upper Coachella Valley Groundwater Basin. Desert is responsible for operating, maintaining, and repairing the spreading grounds overlying the Mission Creek Sub-basin.

F. Remaining Advance Delivery Credits

In the event that either Coachella or Desert cancels this Agreement, if any advance delivery credits remain in Metropolitan's advance delivery account, which have not been charged to Coachella's and Desert's delivery obligations to Metropolitan prior to the date the cancellation is effective, Coachella and Desert, consistent with their obligations under this Agreement, will cause DWR to make deliveries of State Project Water to Metropolitan until

Metropolitan has received all remaining advance delivery credit in the same manner as if this Agreement were still in effect.

6. Water Management Cost Sharing

Coachella and Desert will pay a portion of Metropolitan's average long-term costs to store water in Metropolitan's SWP groundwater storage programs in accordance with Exhibit C of this Agreement. Upon request by a Party and no later than 2026, the Parties will discuss whether to amend Exhibit C. Any amendment to Exhibit C must be in writing.

7. Responsibility for Service Connections

Metropolitan is responsible for operating, maintaining, and repairing the existing Whitewater and Mission Creek service connections, including any measuring devices. The existing connections include DWCV-1, DWCV-2, DWCV-2T, DWCV-3, DWCV-4, and DWCV-5. Coachella is responsible for the costs of any improvements it desires to make to the existing Whitewater service connections, including any measuring devices. Desert is responsible for the costs of any improvements it desires to make to the existing Mission Creek service connection, including any measuring devices.

8. Responsibility for Coachella's and Desert's Hydroelectric Plant

Coachella and Desert are responsible for any risk from loss of anticipated revenue from Coachella's and Desert's hydroelectric plant in any year caused by the scheduling and making of deliveries by Metropolitan; provided that Metropolitan will exercise reasonable efforts to schedule deliveries whenever possible so as to permit hydroelectric power generation.

9. Rights of Way

Metropolitan will grant to Coachella and/or Desert such easements in lands owned by Metropolitan as may be necessary for the operation, maintenance, removal, and repair of any

water conveyance facilities downstream from the Whitewater and Mission Creek service connections and through which Metropolitan's Exchange Water is delivered to Coachella and Desert. Coachella and Desert will grant to Metropolitan such easements in lands owned by Coachella and Desert as may be necessary for the operation, maintenance, removal, and repair of the Whitewater and Mission Creek service connections.

10. Proposed Deliveries Requiring a New Turnout from the Colorado River Aqueduct

Proposed deliveries of Colorado River water to a new turnout would require separate terms to be negotiated among the Parties at such time as when a new turnout is requested.

11. Noninterference with Other Water Deliveries

Either Metropolitan or Coachella may acquire Colorado River water from any other person or entity without objection by the other so long as such acquisition does not materially reduce the water available to the other. A breach of this section would cause irreparable injury and will be grounds for the immediate termination of this Agreement pursuant to Section 20 [Cancellation]. This Section will remain in effect for the term of this Agreement, notwithstanding any earlier termination of the Quantification Settlement Agreement dated October 10, 2003.

12. Measurement of Deliveries

All Exchange Water delivered by Metropolitan to Coachella and Desert will be measured by measuring devices and equipment installed at the delivery structures at which Exchange Water is delivered by Metropolitan to Coachella and Desert. The measuring devices may include meters or orifice plates. The costs for the original procurement and installation of measuring devices and equipment have been paid for by Coachella and Desert, and will be operated by Metropolitan. Metropolitan will be responsible for future, in-kind repair and replacement of the

measuring devices pursuant to Section 7 [Responsibility for Service Connections]. Metropolitan will give Coachella and Desert notice and, upon request, the opportunity to be present for any testing Metropolitan performs on the measuring devices and equipment. Metropolitan will share the results of any testing with Coachella and Desert. Coachella and Desert will have the right at any time to require that any such device or equipment be tested by Metropolitan, and Coachella and Desert will have the further right to be represented by a qualified observer during any such test. Should such test disclose a problem, Metropolitan will work with Coachella and Desert to resolve any resulting discrepancy and make adjustments in future deliveries of Exchange Water, if necessary. Such adjustments will cover the known or estimated period of duration of such discrepancy, but in no event will the period extend further back from the greater of either six months before the date of the test or January 1 of the year in which the test was conducted.

13. Payment of State Water Contract Charges

Coachella and Desert will pay all costs and charges due under their State Water Contracts incurred in connection with delivery of State Project Water to Metropolitan. When Metropolitan transferred the 100,000 acre-feet of Metropolitan's Annual Table A Amount to Coachella and Desert in 2003, Metropolitan also assigned the transportation rights to Coachella and Desert in Reaches 1 through 28J of the California Aqueduct. For the purposes of calculating the cost of these additional transportation rights in Reaches 19 through 28J it is assumed that the 100,000 acre-feet is conveyed through Basic East Branch capacity rather than East Branch Enlargement capacity, as described in Bulletin 132. The amounts transferred were 88,100 acre-feet to Coachella and 11,900 acre-feet to Desert, and capacity available to Coachella and Desert will be correspondingly adjusted pursuant to requirements of their State Water Contracts. Coachella and Desert are also responsible for paying DWR the Delta Water Charge, Water System Revenue

Bond Surcharge, and other charges attributable to the transferred amount. Any separate settlement agreed to by DWR and the Parties regarding East Branch Enlargement capacity and East Branch Allocation will apply to this Agreement.

14. Payment of Colorado River Aqueduct Costs

Metropolitan will pay all costs incurred in connection with the delivery of Exchange Water to Coachella and Desert.

15. Payment Directions

Payments required to be made to the Parties under this Agreement will be made to the order of Coachella, Desert, or Metropolitan, as the case may be, and paid by wire transfer as follows:

Coachella Valley Water District
Union Bank of California
445 S. Figueroa Street
Los Angeles, CA 90071
ABA No. 122000496
Contact Person: Donna Tredway
Credit to: Coachella Valley Water District
Account No. 2740013028

Desert Water Agency
Union Bank of California
ABA Routing #122000496
Account #322-0539198

The Metropolitan Water District of Southern California
Wire to: Bank of America
Credit to: Metropolitan Water District of Southern California
Account No. 1459350937
ABA No. 121000358

A Party may change these wire transfer instructions by giving a notice in accordance with Section 28.F. [General Provisions].

16. Delinquent Payments

Payment of any amount required under this Agreement will be delinquent if not received before the close of crediting activity on the date due. In the event that any Party is delinquent in the payment of any amount, that Party will pay interest on the amount due at an annual rate equal to that earned by the pooled money investment fund as provided in Government Code section 16480 et seq., calculated monthly on the amount of such delinquent payment from and after the date due until it is paid.

17. Water Rights

This Agreement will not be construed as: (a) a conveyance, abandonment, or waiver of any water right to the use of Table A Water which is held or owned by Coachella or Desert; (b) a conveyance, abandonment, or a waiver of any water right to the use of Colorado River water which is held or owned by Metropolitan; or (c) for purposes of Article 4 (Option for Continued Service) of Metropolitan's State Water Contract a reduction in the Maximum Annual Table A Amount of Metropolitan. Nor will it be construed as conferring any right whatsoever upon any person, firm, or other public or private entity not a party to this Agreement.

18. Records

Each Party will maintain and make available for inspection by the other Parties, during regular office hours, accurate records pertaining to the times and amounts of exchange deliveries and to the costs, disbursements, and receipts with respect to the construction, operation, and maintenance of structures for the delivery of State Project Water, Colorado River water, and Exchange Water.

19. Term of Agreement

A. This Agreement will terminate on December 31, 2035; unless extended pursuant to this Section 19 or terminated pursuant to Section 20 [Cancellation]; provided, however, if a

claim arising under this Agreement has not been resolved, such provisions of this Agreement will continue in full force and effect as are necessary for the purpose of resolving such claims to satisfy the rights and obligations of the Parties. No later than December 31, 2034, the Parties will meet in good faith to begin negotiations to extend this Agreement for a period of an additional 50 years on the same terms and conditions.

B. Upon the termination of this Agreement, at the expiration of the term, or any earlier cancellation:

1. all structures and facilities which have been used solely to enable Coachella and Desert to take Exchange Water will be removed at the election of Metropolitan, and all property of every kind belonging to Metropolitan which has been involved in such delivery of water will be returned to its original condition, as near may be. Such work will be done, at the option of Metropolitan, either by and at the expense of Coachella and Desert but subject to approval by Metropolitan, or by Metropolitan at the expense of Coachella and Desert.

2. the 100,000 acre-feet per year of Metropolitan's Annual Table A Amount from the SWP and transportation rights transferred to Coachella and Desert under the 2003 Exchange Agreement will be transferred back to Metropolitan.

3. Metropolitan will reassume responsibility for the resulting increase in SWP charges pursuant to the State Water Contracts for the return of the 100,000 acre-feet per year of Metropolitan's Annual Table A Amount. The Parties recognize that the State Water Contract provides for the annual redetermination and correction of past charges to Coachella and Desert associated with the 100,000 acre-feet. In the year prior the transfer back to Metropolitan of the 100,000 acre-feet, Metropolitan, Coachella, and Desert will

assemble a SWP charges technical workgroup to develop the processes and procedures necessary to identify annual redetermination, correction, and adjustment of prior year charges associated with the 100,000 acre-feet. Each year thereafter, the technical workgroup will meet after the annual charges are issued to review redetermination and adjustments to past charges for the Delta Capital and Minimum, Transportation Capital and Minimum, Water System Revenue Bond Surcharge, Off Aqueduct and Variable OMP&R charge, Conservation and Transportation Replacement charges, Tehachapi 2nd Afterbay, Devil Canyon and Castaic Contract charges, and any other SWP charges not mentioned. The workgroup will prepare an annual accounting of all the redeterminations and adjustments to SWP charges and the amount owing to or receivable from Metropolitan, Coachella, and Desert. No later than ninety days (90) after the completion of the annual accounting for redetermination of past charges and adjustments, but before June 30 each year, all amounts owing will be settled by check. The SWP charges technical workgroup will cease to meet when DWR is no longer making adjustments to past charges associated with the 100,000 acre-feet.

20. Cancellation

A. Conditions of Termination

This Agreement will terminate upon any of the following conditions:

1. At the expiration of ten years after service by a Party upon the other Parties of a written notice of election to terminate the Agreement, provided that if Coachella breaches Section 11 [Noninterference with Other Water Deliveries] of the Agreement, Metropolitan may, in its sole discretion, give notice to Coachella and Desert to immediately terminate this Agreement.

2. Upon completion of delivery facilities capable of transporting Coachella's and Desert's State Project Water from the East Branch to Coachella's and Desert's service areas.

3. Upon written notice by Metropolitan and upon the fact that it no longer has sufficient rights to Colorado River water to provide Coachella and Desert with Exchange Water required under this Agreement.

4. Upon written notice by Metropolitan that any new limitations exist on the right or ability of Coachella or Desert to accept Colorado River water from Metropolitan for spreading or storage.

21. Liability

A. Metropolitan

Metropolitan will not be liable to either Coachella or Desert for any damages or liability arising from a failure of Metropolitan to deliver Exchange Water, which failure results from a cessation or reduction of flow of water in the Colorado River Aqueduct below the quantities required from time to time for delivery to Coachella and Desert under this Agreement. Coachella and Desert will defend and indemnify Metropolitan, its directors, officers, employees, agents, and representatives from and against any and all claims and liabilities which may result in any manner or to any extent from such failure, or from any action or inaction by Coachella or Desert or its directors, officers, employees, agents, or representatives done or made with respect to the receipt and distribution by Coachella or Desert of Metropolitan's Exchange Water or Colorado River water, including but not limited to construction, reconstruction, operation, maintenance, removal, and repair of facilities necessary or used pursuant to this Agreement.

B. Coachella and Desert

Coachella and Desert will not be liable to Metropolitan for any damages or liability arising from a failure of DWR to deliver Coachella's or Desert's State Project Water to Metropolitan, which failure results from a cessation or reduction of flow of water in the State Water Project below the quantities required from time to time for delivery to Metropolitan under this Agreement. Metropolitan will defend and indemnify Coachella and Desert, their directors, officers, employees, agents, and representatives from and against any and all claims and liabilities which may result in any manner or to any extent from any such failure, or from any action or inaction by Metropolitan or its directors, officers, employees, agents, or representatives done or made with respect to the receipt and distribution by Metropolitan of Coachella's and Desert's State Project Water, including but not limited to construction, reconstruction, operation, maintenance, removal, and repair of facilities necessary or used pursuant to this Agreement.

22. Default

Each of the following constitutes an event of default by a Party under this Agreement:

A. A Party fails to pay a required amount by the date due. If a Party fails to pay a required amount by the date due, that delinquent payment will also bear interest as provided by Section 16 [Delinquent Payments].

B. A Party fails to perform or observe any term, covenant, or undertaking in this Agreement that it is required to perform or observe and such default continues for forty-five (45) days from a notice of default being sent in the manner provided in Section 26.F. [General Provisions].

23. Remedies

A. Each Party recognizes that the rights and obligations of the Parties under this Agreement are unique and of such a nature as to be inherently difficult or impossible to value

monetarily. If a Party does not perform in accordance with this Agreement, another Party will likely suffer harm curable only by the imposition of an injunction requiring specific performance. Thus, the Parties agree that any breach of this Agreement by any Party will entitle the non-breaching party to injunctive relief, including but not limited to, a decree of specific performance, in addition to any other remedies at law or in equity that may be available in the circumstances. If Coachella or Desert fails to comply with its obligations to DWR under its State Water Contract, and DWR makes demand that Metropolitan assume payment of costs and charges provided for by Section 13 [Payment of State Water Contract Charges], Metropolitan may, for purposes of Section 19 [Term of Agreement], specify the later of the (i) effective date of the demand by DWR or (ii) expiration of forty-five (45) day period referenced by Section 22.B. [Default] as the effective date of termination.

B. The Parties do not intend that any right or remedy given to a Party on the breach of any provisions of this Agreement be exclusive; each such right or remedy is cumulative and in addition to any other remedy provided in this Agreement or otherwise available at law or in equity. If a non-breaching Party fails to exercise or delays in exercising any right or remedy, the non-breaching Party does not thereby waive the right or remedy. In addition, no single or partial exercise of any right, power, or privilege precludes any other or further exercise of a right, power, or privilege granted by this Agreement, or otherwise.

24. <u>Resolution of Disputes</u>

Within thirty calendar days of the Parties identifying the existence of a dispute, the General Managers of Metropolitan, Coachella, and Desert, as the case may be, will meet and attempt to resolve the dispute to their mutual satisfaction. Any such resolution will be in writing and be binding on the Parties.

25. Force Majeure

If the performance, in whole or in part, of the obligations of a Party under this Agreement is hindered, interrupted or prevented by wars, strikes, lockouts, fire, acts of God or by other acts of military authority, or by any cause beyond the control of the Party, whether similar to the causes herein specified or not, such obligations of the Party under this Agreement will be suspended to the extent and for the time the performance thereof is affected by any such act. Upon the cessation of any such hindrance, interruption or prevention, the Parties will become obligated to resume and continue performance of their respective obligations under this Agreement. Notwithstanding any act described in this section, the Parties will diligently undertake all reasonable effort to perform this Agreement.

26. General Provisions

A. In the event that any term or condition of this Agreement is determined to be invalid, illegal, or otherwise unenforceable, such determination will have no effect on the other terms and conditions, which will continue to be binding upon the Parties. Lack of enforcement of any term or condition of this Agreement will not be construed as a waiver of any rights conferred by such term or condition. Unless otherwise agreed to in writing, the failure of any Party to require the performance by another Party of any provision of this Agreement will in no way affect the full right to require such performance at any time thereafter, nor will the waiver of any provision on one occasion be taken or held to be a waiver of the provision itself.

B. This Agreement will be binding on the Parties and their respective successors and assigns.

C. Any person signing this Agreement represents that he/she has full power and authority to do so and that his/her signature is legally sufficient to bind the Party on whose behalf he/she is signing.

D. This Agreement contains the entire understanding of the Parties with respect to its subject matter and supersedes any prior understanding between the Parties, except as set forth in this Agreement, whether written or oral. This Agreement can only be amended in writing signed by the Parties.

E. Time is of the essence in this Agreement.

F. Any communication, notice, or demand of any kind which any Party may be required or may desire to give to another Party will be in writing and delivered by personal service (including express or courier service) or by mail, addressed as follows:

Metropolitan

The Metropolitan Water District of Southern California
Attention: General Manager
P.O. Box 54153
Los Angeles, CA 90054-0153

For personal or overnight delivery:

The Metropolitan Water District of Southern California
Attention: General Manager
700 North Alameda Street.
Los Angeles, CA 90012
Phone: 213-217-6211

Copies to:

The Metropolitan Water District of Southern California
Attention: General Counsel
P.O. Box 54153
Los Angeles, CA 90054-0153

The Metropolitan Water District of Southern California
Attention: Water Resources Management Group

P.O. Box 54153
Los Angeles, CA 90054-0153

Coachella

Coachella Valley Water District
Attention: General Manager/Chief Engineer
P.O. Box 1058
Coachella, CA 92236

For personal or overnight delivery:

Coachella Valley Water District
Attention: General Manager/Chief Engineer
Avenue 52 and Highway 111
Coachella, CA 92236
Phone: 760-398-2651

Copy to:

Steven B. Abbott, Esq.
Redwine and Sherrill, LLP
3890 11th Street, Ste. 207
Riverside, CA 92501-3577
Phone: 951-684-2520

Desert

Desert Water Agency
Attention: General Manager
1200 Gene Autry Trail
P.O. Box 1710
Palm Springs, CA 92263-1710
Phone: 760-323-4961

Copy to:

Michael T. Riddell, Esq.
Best, Best & Krieger LLP
3750 University Ave., Suite 400
P.O. Box 1028
Riverside, CA 92502
Phone: 909-686-1450

A Party may change its address for notice by written notice given to the other Parties in the manner provide in this Section. Any communication pursuant this Section will be deemed to have been duly given or served on the date personally served, if by personal service, or three days after being placed in the U.S. mail, if mailed.

G. This Agreement is entered into in the Counties of Riverside and Los Angeles, California, and will be governed by and construed in accordance with the laws of the State of California.

H. The Parties will perform any further acts and to execute and deliver any documents which may be reasonably necessary to carry out the provisions of this Agreement.

I. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which, when taken together, will constitute one and the same instrument.

J. This Agreement is made solely for the benefit of the Parties and their respective successor and assigns. No other person or entity may have or acquire any right by virtue of this Agreement.

In WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives on _____, 2019.

[ADD SIGNATURE BLOCKS]

Exhibit A

Multi-Year Supplies

1. 9,500 acre-feet/year of Coachella's Rosedale Rio Bravo Water Storage District water.

Exhibit B

Single-Year Supplies

1. Yuba Accord water.

2. State Water Contractors' Dry Year Transfer Program water.

3. 6,500 acre-feet/year of Coachella's Rosedale Rio Bravo Water Storage District water.

Exhibit C

Water Management Cost Sharing

1. Annual Payment to Manage State Project Water

In years when the SWP Allocation (as defined below) is greater than 50%, Coachella and Desert will pay a portion of Metropolitan's average long-term costs to store water in Metropolitan's SWP groundwater storage programs. The amount Coachella and Desert will pay Metropolitan in such years, beginning in 2019, is $155/acre-foot (escalated annually by the prior year's Annual Percent Change series title "Consumer Price Index for All items in West Urban, all urban consumers, not seasonally adjusted") for 6.99% (for Coachella) and 2.64% (for Desert), of the volumes specified for Coachella and Desert in the following table:

SWP Allocation	Estimated Long-Term Average Deliveries to Storage (AF)	Desert Multi-Year Supply Share – 2.64% (AF)	Coachella Multi-Year Supply Share – 6.99% (AF)
0% - 50%	0	0	0
55%	30,000	792	2,097
60%	60,000	1,584	4,194
65%	90,000	2,376	6,291
70%	120,000	3,168	8,338
75%	150,000	3,960	10,485
80%	180,000	4,752	12,582
85%	210,000	5,544	14,679
90% - 100%	240,000	6,336	16,776

2. Table Explanation

A. SWP Allocation is the final South-of-Delta allocation.

B. Coachella's and Desert's Multi-Year Supply Shares are based on 1,911,500 acre-feet Table A for Metropolitan, 138,350 acre-feet Table A and 9,500 acre-feet of Rosedale Rio-Bravo Water Storage District water for Coachella, and 55,750 acre-feet of Table A

for Desert. If a Party's Table A or other Multi-Year Supply amounts in Exhibit B change in the future, the Parties will adjust the table accordingly.

3. Example Calculation

As an example, if the SWP Allocation in 2019 were 60%, Coachella would pay Metropolitan $650,070 (155 x 4,194) and Desert would pay Metropolitan $245,520 (155 x 1,584).

4. Payments under Exhibit C are due June 30 for operation in the prior calendar year.

STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS

NOVEMBER 19, 2019

RE: EIGHTH ADMENDMENT TO TOLLING AND WAIVER AGREEMENT

The current Tolling Agreement to suspend the deadline for challenging protested items on the statement of charges (SOC) received from the Department of Water Resources (DWR) under the Agency's water supply contract will expire on December 31, 2019. The State Water Contractors (SWC) staff are requesting adoption of an Eighth Amendment to the Tolling Agreement which would extend the Agreement for 2 years to December 31, 2021. Among other things, the Agreement, as currently amended through the Seventh Amendment, tolls the statute of limitations with regard to certain claims beginning with the effective date of the Agreement through and including December 31, 2019. The claims specified in the Agreement, as amended through the Seventh Amendment, include, with certain exceptions, DWR's bills to the Contractors for water deliveries through and including 2020, but do not include bills for deliveries in subsequent years. This proposed Eighth Amendment would extend the Tolling Agreement to include claims that will apply DWR's bills for water deliveries through Calendar Year 2022.

In accordance with contract requirements, formal protests concerning the annual SOC's are due no later than December 21st each year. DWR often sends out its revised SOC's in November or December leaving insufficient time for SWC's to file protests by the December 21st deadline. The Tolling Agreement provides the SWC's the time and the forum to lodge their protests and provides DWR the ability to address the protest items and potentially avoid legal action.

Prior to 2008, there was no alternative to dealing with protest issues other than that provided by the contract. The positive outcome of this process is that DWR has begun to address a significant number of these issues without requiring the contractors to take legal action. The Tolling Agreement is expected to continue into the future.

Staff requests authorization to execute the Eighth Amendment extending the Tolling Agreement for up to two years pending contractor consensus and legal counsel review.

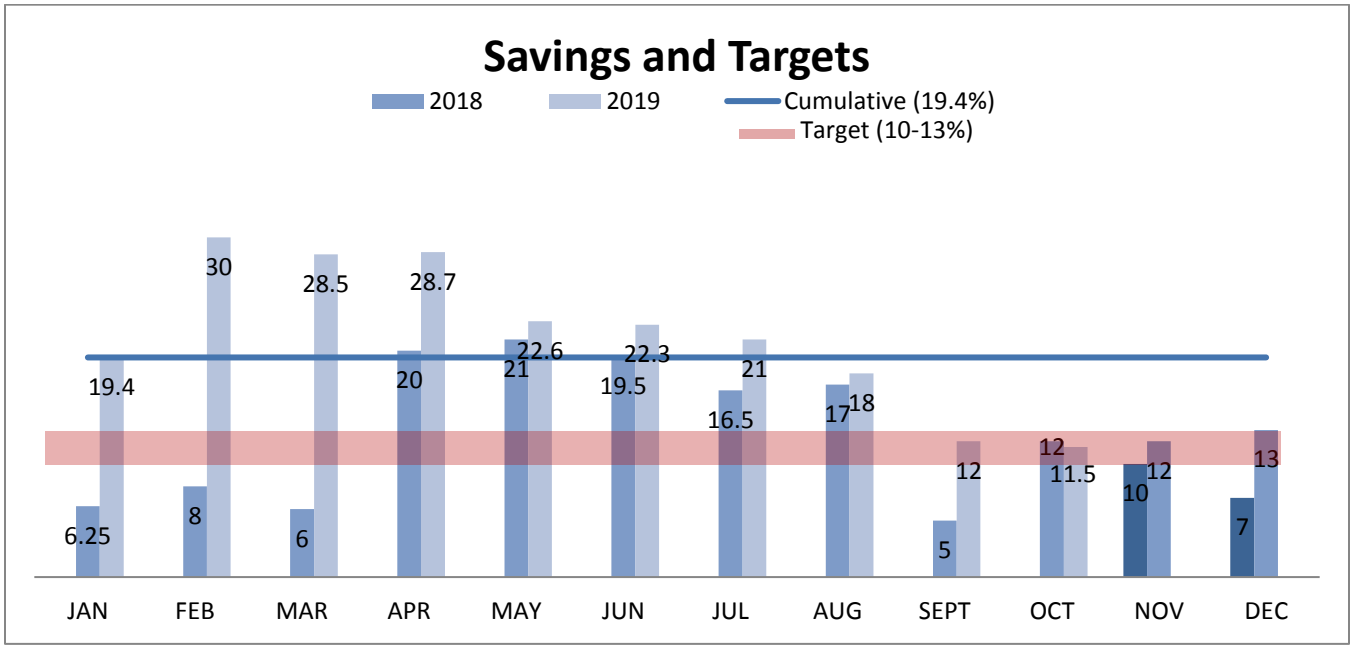
8-A

STAFF REPORT
TO
DESERT WATER AGENCY
BOARD OF DIRECTORS

NOVEMBER 19, 2019

RE: OCTOBER 2019 WATER USE REDUCTION FIGURES

Desert Water Agency and its customers achieved an 11.5% reduction in potable water production during October 2019 compared to the same month in 2013 – the baseline year used by the State Water Resources Control Board (State Water Board) to measure statewide conservation achievements. DWA continues to report its production to the state on a monthly basis, despite mandatory conservation ending in 2017.



DWA is asking its customers to save 10-13% compared to 2013 to help achieve long-term sustainability.

The cumulative savings over the last twelve-month period is 19.4%. The cumulative savings beginning in June of 2016 when we put our 10-13% target in place is 17.4%.

On the following page is additional information for this month.

October 2019 water production	2,486.31 AF
October 2013 water production	2,809.58 AF
Percent changed in this month per drought surcharge baseline (October 2015)	-10.06%
Quantity of potable water delivered for all commercial, industrial, and institutional users for the reporting month	766.77 AF
The percentage of the Total Monthly Potable Water Production going to residential use only for the reporting month	69.16%
Population (inclusive of seasonal residents)	107,386
Estimated R-GPCD	167.61
How many public complaints of water waste or violation of conservation rules were received during the reporting month?	19
How many contacts (written/ verbal) were made with customers for actual/ alleged water waste or for a violation of conservation rules?	15
How many formal warning actions (e.g.: written notifications, warning letters, door hangers) were issued for water waste or for a violation of conservation rules?	11
How many penalties were issued for water waste or for a violation of conservation rules?	4

Comments: The Agency's service area is highly seasonal making population analysis a complex task. The State Water Board analyzes data on a per capita basis.

Historically, DWA has submitted data based on the permanent population of the service area; however, that data does not accurately reflect water use in DWA's service area which has a highly seasonal population. We are currently submitting a calculation reviewed by the State Water Board. We plan to update our population figures once the Department of Water Resources accepts our technical memo on seasonal population.

Since Desert Water Agency began recycling water, the agency has reclaimed 102,769 acre feet. If our recycled water production for this month was taken into consideration against our potable production, the conservation achieved would have been several percentage points higher.

Reeb Government Relations, LLC

MEMORANDUM

November 7, 2019

TO: Mark S. Krause, General Manager/Chief Engineer
Desert Water Agency

FROM: Bob Reeb and Raquel Ayala
Reeb Government Relations, LLC

SUBJECT: 2019 Annual Report

This is the 15th year that Reeb Government Relations has had the honor and privilege to work with Desert Water Agency (DWA or Agency) to advance the interests of the Agency, its taxpayers and customers in the State Capitol. Together, the DWA Board of Directors, Agency management and staff, and Reeb Government Relations continue to be an effective voice in support of common sense legislation and regulations that enable, rather than detract from, pursuit of the Agency's mission.

State Budget

On Thursday, June 27, Governor Newsom signed a $214.8 billion state budget which dedicated significant new spending for K-12 schools and healthcare, while setting aside an unprecedented amount of tax revenue for future economic slow-downs by adding billions of dollars to state reserve funds. The state's total rainy fund is now $19 billion. The state avoided a return of surplus tax revenues to California taxpayers by creating and funding addition reserve funds for schools and social services.

The legislature and new governor continued the recent trend of focusing state budget appropriations on disadvantaged community water and wastewater systems. The FY 2019-20 budget allocated $1 million General Fund to the State Water Resources Control Board (State Water Board) for Interim Water Storage Tanks, Hauled Water, and Permanent Well Replacements/Repair, and $2 million General Fund to cover planning costs for recovery from 2017 and 2018 wildfires. The budget also included $10 million General Fund to provide emergency funding for water and wastewater service providers serving disadvantaged communities to (1) evaluate, address and repair the failure of critical components of a collection or treatment system; and (2) fund critical operation and maintenance

activities that are cost prohibitive considering the population and median household income of the community served by the system. The budget also provides a one-time $2.5 million in General Fund to continue funding replacement and filling of temporary water tanks for households that have lost their water supply due to a dry well, and a total of $12.5 million to address safe and clean drinking water in the San Joaquin Valley.

In terms of water supply and management, the budget appropriated $70 million in state general obligation bond proceeds toward projects identified in voluntary agreements, including habitat restoration and scientific research; $9.25 million to accelerate improvements in forecasting atmospheric rivers, the sporadic storms that account for up to half of California's total annual precipitation; and $235 million to implement the Wildfire and Recovery Legislative Package, which includes increasing the pace and scale of enhancing forest and watershed health.

The budget also appropriates $130 million to clean up drinking water in some parts of the state. The administration had initially pushed for a new tax to fund safe drinking water, but that plan was abandoned under the compromise. The majority of the money comes from a fund intended to reduce greenhouse gas emissions, while the remaining $30 million comes from the General Fund.

Water Tax

Governor Newsom's Department of Finance released a budget trailer bill in May that would create a Safe and Affordable Drinking Water Fund, which would receive revenues from a tax on customers of urban retail water suppliers and taxes and fees on nitrogen fertilizer, dairies and confined animal feeding operations. Together, the fund would receive about $130 million annually. The Newsom trailer bill was similar to a budget trailer bill offered by the former Brown Administration and legislation authored by Senator Bill Monning (D-Carmel). DWA opposed those particular proposals and has consistently opposed the imposition of a tax (fee or public goods charge) since 2005 (for example, SB 623 and SB 845 by Senator Monning during the 2017-18 Regular Session of the Legislature).

There was a flurry of legislative activity early in the year separate and apart from the Newsom Administration proposal. Assembly Member Richard Bloom (D-Santa Monica) introduced AB 134 to accomplish the same purposes as the budget trailer bill. Bloom chairs the budget subcommittee with jurisdiction over drinking water. Assembly Member Eduardo Garcia (D-Coachella), who chairs the Assembly Water, Parks and Wildlife Committee, later amended his AB 217 to address the gap in safe drinking water funding. AB 217 would establish the Safe and Affordable Drinking Water Fund in the State Treasury. Moneys in the fund would be available to the State Water Resources Control Board, upon appropriation by the Legislature, for the purposes of providing a stable source of funding to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. This legislation served as a placeholder for the imposition of a tax on urban retail water customers. The March 19, 2019 version of the Garcia bill included the creation of a trust fund being proposed by the Association of California Water Agencies (ACWA) as an alternative to the imposition of a tax on water.

In an effort to provide a better alternative to a water tax, ACWA and the California Municipal Utilities Association (CMUA) sponsored, and Senator Anna Caballero (D-Salinas) introduced, Senate Bill 669—The Safe Drinking Water Trust bill. SB 669 would be funded with an infusion of General Fund dollars during a budget surplus year. The state would invest the principal, and the net income would provide the needed ongoing revenue stream for drinking water solutions in disadvantaged communities. DWA joined the large coalition of supporters who believed the creation of a trust was a better approach than a statewide water tax—a tax on a resource that is essential to life that would work against water affordability.

DWA affirmed its opposition to a water tax and communicated its opposition directly to the Governor and its legislative delegation. The Agency also took an active role in supporting efforts by ACWA to pass SB 669 and oppose legislation that included a water tax. In its opposition to the water tax, the Agency clarified that it did not oppose the creation of a special fund to address the safe drinking water needs of communities served by public water systems that consistently fail to comply with safe drinking water laws and regulations, but rather opposed the imposition of a water tax to pay for the needed capital facilities and operations and maintenance costs for these failing systems. The loss of local water system revenue would negatively affect the Agency's ability to repair, rehabilitate and replace its own water system assets as well as to properly operate and maintain its water system. The Agency, along with the ACWA coalition in opposition to a tax on water, argued that "with a record state budget surplus for the 2019-20 fiscal year, it is the perfect time to create and fund a Safe Drinking Water Trust as a durable funding solution."

SB 669 was last considered in the Senate Appropriations Committee on May 16 where it ultimately was held in committee.

Finally, Senator Monning introduced a new bill—SB 200, that also would create a Safe and Affordable Drinking Water Fund. The bill would authorize the State Water Board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, and bequests.

Legislative review of the Governor's state budget occurred while the legislature was considering the various legislative proposals, which complicated advocacy efforts. The Senate, under the leadership of President pro Tem Toni Atkins (D-San Diego), was the first to signal opposition to the imposition of a water tax. The Governor's budget trailer bill was rejected by the Senate Budget Committee and instead, the Senate proposed to appropriate $100 million from the General Fund to pour into the Safe and Affordable Drinking Water Fund. This decision signaled the lack of a two-thirds majority in the Senate to approve a water tax. The Assembly, however, did not give up on the water tax and approved the Governor's budget trailer bill. The question of funding ended up in the two-house budget conference committee, where a compromise ultimately was reached on using proceeds from the Greenhouse Gas Reduction Fund to provide revenues annually to the Safe and Affordable Drinking Water Fund. SB 200 was amended following the June 27 enactment of the 2019-20 State Budget to provide the statutory framework for the expenditure of the drinking water fund.

In the first year, $100 million of the funding will come from the Greenhouse Gas Reduction Fund (GGRF) and $30 million from the General Fund. After the first year, SB 200 will provide that the funding will be 5 percent of the GGRF continuously appropriated – capped at $130 million per year. The agreement includes General Fund funding as a backstop if 5 percent of the GGRF is less than $130 million in any year. The funding will sunset in 2030.

Agency Successfully Fights Back Against Proposed New Mandates

Much of the Agency's advocacy effort each year is expended on opposing legislation that would impose new mandates on the Agency—mandates that would not improve the level of service provided by DWA, would not reduce the burden of regulation, and would not lower the cost of providing service. Instead, such legislation would add to the cost of operating the Agency and maintaining its assets without providing meaningful benefit to its customers and taxpayers. Three such bills introduced this year were AB 60 and AB 1415 by Assembly Member Laura Friedman (D-Glendale) and SB 166 by Senator Scott Wiener (D-San Francisco). All three were opposed by DWA and all three failed to be enacted into law.

AB 60 was a reintroduction of AB 3206 from 2018. Natural Resources Defense Council was the sponsor of the bill. The legislation would require the State Energy Resources Conservation and Development Commission to adopt regulations setting standards for the accuracy of residential water meters. The bill would prohibit any water meter manufactured on or after the effective date of those regulations from being sold or offered for sale in the state, or installed by a water purveyor, unless it is certified by the manufacturer to be in compliance with those standards. Notwithstanding these provisions, the bill would require the regulations to include an exception for purchase of a noncompliant water meter pursuant to a contract entered into before January 1, 2020, and the subsequent installation of that water meter. The bill would allow a water purveyor to maintain water meters that are installed as of the effective date of the regulations, or pursuant to that exception, until the end of their useful service, as determined by the water purveyor.

DWA opposed AB 60 arguing that here is no reason for legislation except to supplant sound industry practice for a bureaucratic exercise that is better focused on reducing the wasteful, uneconomic, inefficient and unnecessary consumption of energy. Urban retail water suppliers throughout California like the Agency rely on the American Water Works Association (AWWA) for standards and practices relating to water meters, other equipment and operating and maintaining a public water system. AB 60 was held on the Assembly Appropriations Committee Suspense File.

AB 1415 would require the Department of Water Resources to impose a civil penalty on an entity that fails to file with the department a specified report or plan by the deadline required for that particular report or plan. This civil penalty authority applied to: (1) A report that summarizes aggregated farm-gate delivery data; (2) A water loss audit report; (3) An urban water management plan or plan update; (4) An annual water shortage assessment report; (5) Any report or plan, including a groundwater sustainability plan, required to be provided to the department pursuant to the Sustainable Groundwater Management Act ; (6) An agricultural water management plan or plan update; and (7) A report on the implementation and enforcement of the model water efficient landscape ordinance. The bill would authorize the department to reduce or waive the civil penalty under certain circumstances. Natural Resources Defense Council was the sponsor of the bill. AB 1415 would require the department, not later than February 1, 2021, and not later than February 1 each year thereafter, to prepare and submit a report to the Speaker of the Assembly and the President pro Tempore of the Senate listing each entity that, during the preceding calendar year, failed to timely file a report or plan subject to the civil penalties imposed by this bill.

DWA opposed AB 1415, arguing against the imposition of new state civil penalties on political subdivisions of the state for what often amounts to a data reporting deadline. Certainly, the Agency argued, a more collaborative approach is warranted when an unfunded state mandated program is imposed on local agencies. The number of reports included in the bill was narrowed based on DWA opposition following passage of the bill in its first policy committee hearing. Ultimately, AB 1415 cleared the Assembly, but was held on the Senate Appropriations Committee Suspense File.

SB 166 would require the State Water Board, in consultation with the State Department of Public Health, Food and Drug Branch, to adopt regulations for microbiological, chemical, and physical water quality and treatment requirements for voluntary onsite treatment and reuse of process water in breweries. The bill would require, before beginning onsite process water reuse, a brewery engaging in onsite reuse using a process water treatment system to consult with the water and wastewater service providers in its service area that would potentially be impacted by operation of the system. The bill would authorize breweries to install and operate onsite process water treatment systems even if a local jurisdiction has not established a program for onsite treated nonpotable water systems.

DWA owns and operates recycled water production and distribution systems that were made possible by the expenditure of revenues derived from customer rates. Allowing a brewery—or any other significant industrial or commercial discharger—to adopt a program for onsite treated nonpotable water systems could reduce wastewater flows into the community sewer system and reduce the amount of recycled water that is produced. This would have the effect of reducing the revenues relied on to pay for the recycled water infrastructure, and potentially strand a percentage of the invested physical capacity of that infrastructure. A reduction in the quantity of recycled water produced would also require the Agency to substitute potable water for the reduction in recycled water, which is contrary to state law and policy. DWA was the sole opponent to SB 166. The Agency sought an amendment to the bill that mirrored the amendment added to SB 966 by the same author last year. SB 166 made its way to the Assembly Appropriations Committee—the same committee that adopted the Agency's SB 966 amendment last year. SB 166 was held on the Committee's Suspense File following a decision on the part of the author to reject DWA amendments.

Perfluoroalkyl and polyfluoroalkyl substances (PFAS)

In May 2016, the United States Environmental Protection Agency (U.S. EPA) issued a lifetime health advisory for perfluorooctanoic acid (PFOA) and perfluorooctanesulfonic acid (PFOS) for drinking water, advising municipalities that they should notify their customers of the presence of levels over 70 parts per trillion in community water supplies. PFOA and PFOS are two contaminants in the per- and poly-fluoroalkul substances (PFAS) family of synthetic chemicals that have recently received substantial and prominent public attention due to their potential impacts to public health through exposure in drinking water. In 2018, based on recommendation by the Office of Environmental Health Hazard Assessment (OEHHA), the Division of Drinking Water (DDW) established substantially stricter Notification Levels (NL) at concentrations of 13 parts per trillion (ppt) for PFOS and 14 ppt for PFOA.

In July of this year, the Agency was alerted about efforts by DDW to release stricter NL and RL requirements. Not much information was received about this effort, nor was there a transparent process by DDW in their formulation of new stricter requirements. DWA expressed concerns about the unintended consequences resulting from lowering the NLs and RLs and ensuring the public's confidence in the safety and quality of the state's drinking water sources.

Reeb Government Relations promptly met with the Agency's delegation to request that their offices reach out to the administration and urge the importance of more time and public input opportunities for the PFOA and PFOS RL process to ensure that the updates are based on the best scientific data available. While the Agency understands the need and value of providing safe and reliable water supply, the regulatory process in place to establish drinking water standards aims to balance quality, feasibility and affordability. A statewide RL acts as a de-facto regulation and it could have significant impacts on operations and cost for public agencies water system.

Despite these efforts, DDW released updated guidelines lowering the NLs from 14 ppt to 5.1 ppt for PFOA and from 13 ppt to 6.5 ppt for PFOS.

On the legislative side, Assembly Member Cristina Garcia (D-Bell Gardens) introduced this year Assembly Bill No. 756 which would authorize the State Water Board to order a public water system to monitor for PFAS. The bill require a notification to each customer via mail, email, internet posting, and some additional forms of public posting for each exceedance of a PFAS response level. While the bill vests the State Water Board with new authority to require water agencies to test and report on chemicals, the bill limits this authority by requiring the State Water Board to identify the testing methodology for each chemical.

Previous iterations of the bill would have required all water agencies to monitor for the entire family PFAS chemicals. DWA opposed this measure and joined ACWA in expressing serious concerns regarding AB 756, identifying significant costs that water systems would face in attempting to monitor for all PFAS chemicals. As a result, this language was stricken from the bill. Despite this amendment significantly improving AB 756, DWA maintained an "oppose unless amended" position on the legislation and submitted a veto request letter to the Governor's office.

AB 756 was signed into law on July 31. (Chapter 162, Statutes of 2019) The measure takes effect on January 1, 2020. As enacted, AB 756 would require water agencies to either report the exceedance of a PFAS response level to customer or take the impacted water source offline.

Agency Remains Active on the Legislative Front

The Agency actively monitored or engaged in direct lobbying on over 40 bills this year. The following highlights a handful of other bills in which the Agency was active.

Native American Water Supply Contracts

Assembly Member Marie Waldron (R-Escondido) introduced AB 1304 in late February that proposed to specifically authorize a water district that supplies potable water to enter into a contract with a Native American tribe to receive water deliveries from an infrastructure project located on tribal lands. Introduction of the legislation caused immediate concern on the part of the Agency, given current litigation between the Agency and Agua Caliente Band of Cahuilla Indians regarding rights to groundwater. Tangentially, there is concern among local agency groundwater managers in parts of California where reservation lands overlie groundwater in shared basins, given that the Sustainable Groundwater Management Act mandates the sustainable operation of those basins, yet relieves Indian tribes of any mandate to participate in the implementation of a groundwater sustainability plan or alternative.

Desert Water Agency was founded as a groundwater management agency in the western Coachella Valley in 1961 and started providing water service to customers in Palm Springs and Cathedral City in 1968. DWA is one of 29 state water contractors in California, which gives the agency the ability to import water to recharge the Indio groundwater basin (the main source of water in the desert). The Agency has about 23,000 domestic water connections that serve about 106,000 people (including seasonal population). The Agency's customers include lessees of land on the reservation of the Agua Caliente Band of Cahuilla Indians (Tribe), and the Tribe itself, all of which receive water deliveries from the Agency. The Tribe's reservation is located in and near the City of Palm Springs, California. The reservation consists of a checkerboard pattern, in that the reservation includes the odd-numbered sections but not the even-numbered sections in the area where it is located.

The Ninth Circuit recently held that the Tribe has a federally reserved water right in the groundwater underlying the Tribe's reservation. Agua Caliente Band of Cahuilla Indians v. Coachella Valley Water District, et al., 849 F.3d 1262 (9th Cir. 2017). Under the reserved rights doctrine, when Congress or the President reserves land for a federal reservation, such as an Indian reservation, Congress or the President impliedly reserves sufficient water to fulfill the purposes of the reservation, in the minimum amounts necessary to fulfill the reservation purposes. Winters v. United States, 207 U.S. 564 (1908); Cappaert v. United States, 426 U.S. 200 (1976). Since a federal reserved water right is based on federal law, the right is not subject to regulation or control under state law. The doctrinal basis for an Indian tribe's reserved water right is sometimes referred to as the "Winters doctrine."

Desert Water Agency believed the authority proposed by AB 1304 is contrary to Federal law. The Winters doctrine holds that when American Indian reservations were created by the United States government, they were created with the intention of allowing the American Indian settlements to become self-reliant and self-sufficient. Under the Winters doctrine, when Congress reserves land (i.e., for an Indian reservation), Congress also reserves water sufficient to fulfill the purpose of the reservation. As a matter of federal law, an Indian tribe does not have the right to market its federal reserved water right for off-reservation use. The logic of the reserved rights doctrine, as articulated by the Supreme Court in New Mexico and other cases, is that an Indian tribe has the right to use water on its reservation to the extent the water is needed to fulfill the reservation purposes, and the amount of the water thus reserved is the amount necessary to fulfill the reservation purposes. If an Indian tribe intends to sell its reserved water to a third party for use off the reservation, then the water, by definition, is beyond that necessary to use on the reservation to fulfill the reservation purposes, and the tribe does not have a reserved right for the water.

This presumption set forth by AB 1304 is contrary to the Winters doctrine and subsequent case law. Under Winters, reserved water rights are tied to the purpose or purposes of the reservation, as embodied in the particular law, treaty, agreement, or executive order that created the reservation. Under the primary purpose standard, reserved water rights may be applied only for the primary purposes of reservations, not for secondary purposes. If an Indian tribe attempts to market its water right for off-reservation use, the water is, by definition, not necessary to accomplish the primary reservation purposes.

Federal reserved water rights are governed by Federal law and cannot be changed by a State law. Desert Water Agency believes that AB 1304, if enacted, would result in expensive and time-consuming litigation should any water development project be proposed on a reservation that would supply water outside of the reservation lands.

The author responded to Agency opposition by amending AB 1304 to exclude water supply infrastructure projects that rely on groundwater. The Agency appreciated the author's intent to narrow the scope of the bill, but the amendments fail to mitigate the fundamental issue that confronts the bill. The bill cleared the Assembly Local Government Committee in its only policy committee hearing and passed the Assembly Floor 75-0 as the Agency was the lone opponent to the bill. Assembly Member Eduardo Garcia abstained from voting on the measure. Reeb Government Relations continued advocacy efforts to stop progress on AB 1304 as the bill moved to the Senate. The bill was referred to the Senate Natural Resources & Water Committee, but a hearing in that committee was not scheduled by the author. AB 1304 remains eligible for a hearing in 2020, although the author has not indicated an interest in pursuing the legislation.

<u>Accessory dwelling units: development fees</u>

Several bills were introduced this year relating to the construction of accessory dwelling units following the enactment of similar laws over the past four years. ACWA and its members have engaged in hours of negotiations with authors and housing proponents and had previously on more than one occasion reached agreement as to the manner in which accessory dwelling units (ADUs) will be addressed by utility service providers. ACWA and DWA reached a compromise with ADU advocates that property-related fees and charges would not be imposed on a unit that is contained within the existing space of a single-family residence or accessory structure. However existing law allows a local agency to require a new or separate utility connection directly between an ADU and the utility where the ADU is not within the existing space of a single-family residence or accessory structure. Consistent with Section 66013 of the Government Code, the connection may be subject to a connection fee or capacity charge that

shall be proportionate to the burden of the proposed accessory dwelling unit and reflect the reasonable cost of providing service, which reflects the requirements of Proposition 218.

Senate Bill 13, by Senator Bob Wieckowski (D-Fremont), sought to eviscerate the compromise reached in 2017 by prohibiting a local agency, special district, or water corporation from considering the ADU to be a new residential use for utilities, including water and sewer service. DWA opposed the measure reminding legislators that Proposition 218 prohibits a local agency from shifting costs that cannot be collected from ADUs to other customers and development projects. Stable and predictable revenues are relied on to build capacity in water and sewer systems and to operate, maintain, repair and replace water and sewer facilities. Relieving ADUs from paying their fair share of costs related to utility service will harm the financial position of local agency utility service providers.

The bill was amended on July 1 addressing the Agency's concerns with the bill by restoring the authority of utilities to charge connection fees and capacity charges. DWA removed its opposition to the bill based on this amendment.

Governor Newsom signed SB 13 into law on October 9. (Chapter No. 653, Statutes of 2019)

Accessory dwelling units: area designation

The Planning and Zoning Law provides for the creation of accessory dwelling units by local ordinance, or, if a local agency has not adopted an ordinance, by ministerial approval, in accordance with specified standards and conditions. Existing law requires the ordinance to designate areas where accessory dwelling units may be permitted and authorizes the designated areas to be based on *criteria that includes, but is not limited to,* the adequacy of water and sewer services and the impact of accessory dwelling units on traffic flow and public safety.

AB 881, by Assembly Member Richard Bloom (D-Santa Monica) would instead require a local agency to designate these areas based on the adequacy of water and sewer services and the impact of accessory dwelling units on traffic flow and public safety by deleting the phrase "criteria that includes, but is not limited to". This legislation also clarifies the phrase "within the existing space of a single family residence or accessory structure" so that the ADU would be within an existing structure, including, but not limited to, the primary residence, a studio, garage, pool house, or other similar structure. Reeb Government Relations, in reviewing the legislation, noted that existing law authorized cities and counties to change land use zoning to accommodate ADUs and determine whether adequate water and sewer capacity was present to support the zoning change. The lobbying firm developed a solution to those localities in which a special district provides the water and sewer services. DWA staff authorized a support if amended position on the bill if the bill was amended to include a sentence at the end of subparagraph (A) of paragraph (1) f subdivision (a) of Section 65852.2 of the Government Code to read:

> *"A local agency that does not provide water or sewer services shall consult with the local service provider regarding adequacy of service before designating an area where accessory dwelling units may be permitted."*

DWA understands the benefit zoning for accessory dwelling units (ADUs) may provide in the effort to ensure an adequate supply of affordable housing. In general, however, water pipelines, tanks, pump stations, pressure reducing stations and appurtenances have been sized to handle the demand on the system based on existing areas zoned to allow single-family or multifamily use. Water system capacity is based on peak hour demand, the maximum daily demand plus fire flow, and storage tank refill, if

required. The addition of a significant number of ADUs within an existing residential area could result in water system pressure loss and jeopardize the ability to fight structure fires.

The bill was amended on August 12 to include the language requested by the Agency. By adding this sentence to the bill, AB 881 ensures that cities and counties that do not provide water and wastewater services will have practical information when making ADU zoning designations.

Governor Newsom signed AB 881 into law on October 9. (Chapter No. 659, Statutes of 2019)

Public utilities: wildfires and employee protection

The California Constitution establishes the Public Utilities Commission (CPUC or Commission) and authorizes the commission to exercise ratemaking and rulemaking authority over all public utilities under its jurisdiction, subject to control by the Legislature. The Public Utilities Act authorizes the commission to supervise and regulate every public utility and to do all things that are necessary and convenient in the exercise of such power and jurisdiction. The Public Utilities Act defines "public utility" to include every common carrier, toll bridge corporation, pipeline corporation, gas corporation, electrical corporation, telephone corporation, telegraph corporation, water corporation, sewer system corporation, and heat corporation, where the service is performed for, or the commodity is delivered to, the public or any portion thereof, and "water corporation" to include every corporation or person owning, controlling, operating, or managing any water system for compensation within this State.

AB 1054, by Assembly Member Chris Holden (D-Pasadena), which as introduce sought to add specific qualifications that must be possessed by the chief internal auditor of the California Public Utilities Commission (CPUC) was gutted and amended on June 27 to expand the CPUC's jurisdiction over publicly owned water utilities and water districts. More specifically, Section 5, subdivision (f) of the June 27 amended bill version authorized the Wildfire Safety Division, which will be established within the CPUC, to "*review, as necessary, in coordination with the California Wildfire Safety Advisory Board and necessary commission staff, safety requirements for infrastructure operated by telephone corporations, water corporations, local public owned water utilities, and water districts, and provide recommendations to the commission to address the dynamic risk of climate change to mitigate wildfire risk.*"

DWA quickly voiced its opposition to the inclusion of publicly owned water utilities and water districts into subdivision (f) of Section 5 of the bill as the Agency does not support giving the CPUC oversight authority over their safety requirements. The Agency argued that under current law local agencies are overseen by a directly elected board of directors who are accountable to their local taxpayers and ratepayers. Local agencies are not regulated by CPUC and AB 1056 should not alter existing law regarding this fundamental separation between the regulation of water corporations and local agencies.

DWA removed its opposition to the bill based on the July 5, 2019 version that deleted from the bill references to local publicly owned water utilities and water districts.

AB 1054 passed the Senate on July 8 with a 31-7 vote, and the Assembly on a 63-10 vote on July 11. Governor Newsom signed AB 1054 into law on July 12. (Chapter No. 79, Statutes of 2019)

California Environmental, Public Health, and Workers Defense Act of 2019

Legislation that threatened water supply reliability for millions of Californians and jeopardized efforts to improve the environmental health of the Sacramento and San Joaquin River watersheds remained active in the final weeks of the legislative session.

SB 1, authored by Senate President pro Tem Toni Atkins (D-San Diego), sought to enact state law to codify not only federal statutes and regulations, but individual permit conditions and decade old biological opinions governing water project operations in the Sacramento-San Joaquin Delta. Opponents of the legislation, including Desert Water Agency, argued that SB 1, if enacted, would create chaos in California water management and could prevent the Newsom Administration from using the best available science to improve conditions for at-risk fish species in the Delta under the Porter-Cologne Water Quality Control Act, the California Endangered Species Act, and other state environmental laws.

DWA was concerned about a provision in SB 1 that threatened progress to implement voluntary agreements to provide additional river flows and fund new habitat and ecosystem restoration efforts. The California Natural Resources Agency is leading the effort to negotiate voluntary agreements among water agencies, state and federal agencies, and environmental groups. The goal of these agreements is to improve habitat and flows for fish in the Delta while maintaining water supply reliability for Southern California, the Bay Area, and Central Valley agriculture. The agreements are premised on using science to adaptively manage the watershed overtime, and require funds from the State Water Project and other water users to support the science and habitat activities. If successful, these agreements would be historic putting an end to conflict in the Delta and provide new funding and water to meet the watershed's environmental needs. DWA joined other organizations and individual water districts across California in opposing SB 1 unless the provision of the bill was removed.

Despite opposition efforts, SB 1 cleared both houses of the legislature on the final night of the legislative session. DWA and others asked the Governor to veto SB 1, and on September 27, Governor Newsom returned SB 1 to the Senate without his signature. In his veto message, the Governor stated:

> *"This bill would enact the California Environmental, Public Health, and Workers Defense Act of 2019 with the intent of ensuring that protections afforded under federal environmental and labor laws and regulations as of January 2017, could remain in place in the event of federal regulatory changes. California is a leader in the fight for resource, environmental, and worker protections. Since 2017, the federal government has repeatedly tried to override and invalidate those protections, and each time, the state has aggressively countered - taking immediate legal action and deploying every tool at the state's disposal to safeguard our natural resources, environmental protections and workers. No other state has fought harder to defeat Trump's environmental policies, and that will continue to be the case. While I disagree about the efficacy and necessity of Senate Bill 1, I look forward to working with the Legislature in our shared fight against the weakening of California's environmental and worker protections."*

<u>Recycled water: raw water and groundwater augmentation</u>

Existing law requires the State Water Board to adopt uniform water recycling criteria for direct potable reuse through raw water augmentation. Existing law defines "direct potable reuse" and "indirect potable reuse for groundwater recharge" for these purposes. Assembly Member Bill Quirk (D-Hayward) introduced Assembly Bill 292 to eliminate the definition of "direct potable reuse" and instead substitute the term "groundwater augmentation" for "indirect potable reuse for groundwater recharge" in these definitions. The bill would revise the definition of "treated drinking water augmentation." The bill would require, on or before December 31, 2023, the state board to adopt uniform water recycling criteria for raw water augmentation.

The Agency supported AB 292 as the provisions of the bill represent an important next step in moving California closer to recognition that the production and use of advance purified wastewater will play a crucial role in meeting future water supply demand while protecting public health and the environment.

AB 292 passed the Assembly, but was placed on the Senate Inactive File when the author and sponsor were unable to reach a final agreement on language with the State Water Board.

DWA an Effective Advocate on Behalf of its Taxpayers and Customers

This completes the 15th year of a commitment on the part of the DWA Board of Directors to aggressively pursue advocacy efforts in the State Capitol relying on Reeb Government Relations to be its voice.

The Agency remains active in battling legislation that would impose new costs on the Agency and its taxpayers and ratepayers without providing measurable benefits. The Agency alternatively supports legislation that will assist it in holding down costs, whether they may be new administrative or operational mandates. The Agency board and staff were very active in the legislative arena this year, participating with Reeb Government Relations in meetings with legislators and legislative staff, as well as communicating directly with the Agency's legislative delegation. Assembly Members Eduardo Garcia and Chad Mayes and Senator Jeff Stone were all very attentive to communications on behalf of the Agency and proved to vote according to Agency positions the vast majority of the time.

Senator Stone resigned his seat in the Senate to accept appointment to a position with the United States Department of Labor in the Trump Administration. He was eligible to remain in the Senate through 2026, assuming he was reelected in 2022. His resignation will trigger a call by the Governor for a special election next year. The Senate District is considered a 'safe' Republican seat and Assembly Member Melissa Melendez (R-Lake Elsinore) already has signaled her intent to run in the special election. Her Assembly District is located in western Riverside County. If elected, she would serve the remainder of Senator Stone's term of office and be eligible to seek election to a full term in November 2022. She otherwise would leave the Assembly (and legislative service) in 2024 under the state's term limit law.

The nearly three-fourths majority held by the Democratic Party has changed the political and policy dynamics in the California Legislature. While it remains possible with diligent effort to defeat contentious legislation, it falls to securing amendments more often than not to blunt the negative effects of legislation. Governor Newsom, a self-avowed progressive, demonstrated a willingness to push back against the Legislature on a number of bills this year, which provides some hope that common sense consideration and evaluation of the impact of legislation may be expected.

The Agency commits significant time and resources to policy engagement in Sacramento. Our firm continues to believe the level of commitment is not only warranted, but essential to protecting the Agency, its customers and taxpayers against the whims of legislators who believe in greater centralization of control over water supply and management.