Regular Board Meeting - July 24, 2019

1. Agenda Packet
   
   Documents:

   190724 AGENDA PACKET - POSTED ON 07192019.PDF

2. Related Agenda Items: Submitted At The Meeting
   
   Documents:

   PUBLIC COMMENT - POSTED 07252019.PDF
   AGENDA ITEM NO. 10 PRESENTATION - POSTED 07252019.PDF
   AGENDA ITEM NO. 15 - POSTED ON 07252019.PDF
AGENDA

Regular Meeting
Governing Board of Sweetwater Authority
Wednesday, July 24, 2019 – 6:00 p.m.

- Call Meeting to Order and Roll Call
- Pledge of Allegiance to the Flag
- Opportunity for Public Comment
  Opportunity for members of the public to address the Board (Government Code Section 54954.6)
- Chair's Presentation
  Southwest Membrane Operator Association Award for Best Tasting Membrane Water in the Southwest Region 2019: Richard A. Reynolds Groundwater Desalination Facility

ACTION CALENDAR AGENDA
The following items on the Action Agenda call for discussion and action by the Board. All items are placed on the Agenda so that the Board may discuss and take action on the item if the Board is so inclined, including items listed for information.

1. Items to be Added, Withdrawn, or Reordered on the Agenda
2. Approval of Minutes - Regular Meeting of July 10, 2019

Consent Calendar Items
Items to be acted upon without discussion, unless a request is made by a member of the Board, the Staff, or the Public to discuss a particular item, including items listed for information. All consent calendar items are approved by a single motion.

3. Approval of Demands and Warrants
4. Consideration of Award of Contracts for FY 2019-20 SCADA Design and Integration (Operations Committee Meeting of 7/9/19, Item 4)
  Recommendation: Award the following contracts: $398,920 for SCADA Design to Timberline Engineering, Albuquerque, NM; and $1,709,250 for SCADA Integration to Enterprise Automation, Irvine, CA.
5. Strategic Plan Reporting - FY 2018-19 Year-end Detailed Work Plan Status Report
   (Operations Committee Meeting of 7/9/19, Item 4; and Finance and Personnel Committee Meeting of 7/9/19, Item 4)
   
   Recommendation: No action is required by the Governing Board.

**Action and Discussion Items**

6. Old Business
   
   A. Consideration of Membership to the Water Conservation Garden Authority for FY 2020-21
   
   B. Consideration to Approve Board Policy 522, Citizens Advisory Committee

7. New Business
   
   Consideration of the Request for Qualifications (RFQ) for On-call SCADA System Integration Professional Services

8. Approval of Directors' Attendance at Meetings and Future Agenda Items
   
   A. Urban Water Institute's (UWI) Annual Water Conference, Hilton San Diego Resort – August 14 - 16, 2019
      (Notes: Conflict with August 14 Board meeting; early registration deadline is July 31)
   
   B. California Special Districts Association (CSDA) 2019 Annual Conference, Anaheim – September 25-28, 2019
      (Notes: Conflict with September 25 Board meeting; early registration deadline is August 23)

**REPORTS AND INFORMATIONAL ITEMS**

The following Agenda items are placed on the Agenda to allow the persons designated to provide information to the Board and the Public. There is no action called for in these items. The Board may engage in discussion on any report upon which specific subject matter is identified on the Agenda, but may not take any action other than to place the matter on a future Agenda.

9. Report on FY 2018-19 Strategic Plan Work Plan Objective CS3 - Task 01.00: Develop a Cost Analysis of Providing Payment Plans to Developers (No Enclosure)


    
    A. Report of Assistant General Manager
B. Report of General Manager

14. Report of Sweetwater Authority Director to the Water Conservation Garden Authority

15. Report of the South Bay Irrigation District Representative and the City of National City Representative to the San Diego County Water Authority
   Report by representatives for the purposes of briefing the Board on items of interest and importance that appear on the previous or future San Diego County Water Authority agendas and to receive direction from the Sweetwater Authority Governing Board in representing its interests at the San Diego County Water Authority.

16. Reports by Directors on Events Attended
   Reports and discussion relating to events attended by the Directors.
   A. San Diego County Water Authority Legislative Roundtable – July 15, 2019
   B. Council of Water Utilities – July 16, 2019

17. Directors' Comments
   Directors' comments are comments by Directors concerning Authority business that may be of interest to the Board. Directors' comments are placed on the Agenda to enable individual Board members to convey information to the Board and the Public. There is no discussion or action taken on comments made by Board members.

CLOSED SESSION
At any time during the regular session, the Governing Board may adjourn to closed session to consider litigation, personnel matters, or to discuss with legal counsel matters within the attorney-client privilege. Government Code Section 54954.5.

Conference with Legal Counsel – Existing Litigation pursuant to Government Code Section 54956.9 (d)(1):

18. Adjournment

This agenda was posted at least seventy-two (72) hours before the meeting in a location freely accessible to the Public on the exterior bulletin board at the main entrance to the Authority’s office and it is also posted on the Authority’s website at www.sweetwater.org. No action may be taken on any item not appearing on the posted agenda, except as provided by California Government Code Section 54954.2. Any writings or documents provided to a majority of the members of the Sweetwater Authority Governing Board regarding any item on this agenda will be made available for public inspection at the Authority Administration Office, located at 505 Garrett Avenue, Chula Vista, CA 91910, during normal business hours. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the Board Secretary at (619) 409-6703 at least forty-eight (48) hours before the meeting, if possible.
To e-subscribe to receive meeting agendas and other pertinent information, please visit www.sweetwater.org.

PUBLIC COMMENT PROCEDURES
Members of the general public may address the Board regarding items not appearing on the posted agenda, which are within the subject matter jurisdiction of the Governing Board. Speakers are asked to state name, address, and topic, and to observe a time limit of three (3) minutes each. Public comment on a single topic is limited to twenty (20) minutes. Anyone desiring to address the Governing Board regarding an item listed on the agenda is asked to fill out a speaker’s slip and present it to the Board Chair or the Secretary. Request to Speak forms are available at the Speaker’s podium and at www.sweetwater.org/speakerform.
The Governing Board of Sweetwater Authority held a Regular meeting on Wednesday, July 10, 2019, at the Sweetwater Authority Administrative Office, 505 Garrett Avenue, Chula Vista, California. Chair Castaneda called the meeting to order at 6:00 p.m.

- **Roll Call**
  Directors Present: Jerry Cano, Steve Castaneda, José F. Cerda, Hector Martinez, Jose Preciado, and Alejandra Sotelo-Solis

  Directors Absent: Josie Calderon-Scott

  Management, Staff and Others Present: General Manager Tish Berge, Assistant General Manager Jennifer Sabine, Legal Counsel Nicholas Norvell, and Board Secretary Ligia Perez. Staff Members: Director of Water Quality Justin Brazil, Administrative Assistant Michael Garcia, and Program Specialist Doug Roberts. Others present: Diane Hemry and Bruce Rothschild of Gentry Glen HOA, Robert Coleman and Coleen Wisniewski of the City of Chula Vista, and Dave Schlesinger.

- **Pledge of Allegiance to the Flag**

- **Opportunity for Public Comment** (Government Code Section 54954.3)
  There were no comments from the public.

- **Chair's Presentation**
  A. Presentation of Savings Through Efficiency Program (STEP) Grant to Gentry Glen HOA, 75 3rd Avenue, Chula Vista for Irrigation Improvements
  B. Presentation of Water Efficiency Education Program (WEEP) Grant to City of Chula Vista for the Relaunch of the NatureScape Program

**ACTION CALENDAR AGENDA**

   Chair Castaneda announced that the Governing Board of Sweetwater Authority is conducting a public hearing to receive public comments and consider amendments to the Sweetwater Authority 2019 Public Health Goals.

   At 6:09 p.m., Chair Castaneda opened the Public Hearing. Assistant General Manager Sabine provided an overview.
Chair Castaneda provided an opportunity for comments by the members of the Board. He then opened the opportunity for public comments, and stated that each speaker has three minutes to speak. There were no comments from the public.

At 6:19 p.m., Chair Castaneda closed the public hearing.

2. Consideration to Accept the Sweetwater Authority 2019 Public Health Goals Report

Director Sotelo-Solis made a motion, seconded by Director Cano, that the Governing Board accept the 2019 Public Health Goals Report. The motion carried unanimously, with Director Calderon-Scott absent.

3. Items to be Added, Withdrawn, or Reordered on the Agenda

There were none.

4. Approval of Minutes

A. Regular Meeting of June 26, 2019

B. Special Meeting of June 26, 2019

Director Preciado made a motion, seconded by Director Cano, that the Governing Board approve the minutes of the June 26, 2019 Regular meeting and the June 26, 2019 Special meeting. The motion carried unanimously, with Director Calderon-Scott absent.

Consent Calendar Items

Director Preciado made a motion, seconded by Director Sotelo-Solis, that the Governing Board approve consent item 5. Director Sotelo-Solis pulled item 6 for discussion. Director Castaneda recused himself from consideration of warrant numbers 151453 and 151531 due to his contract with Sempra Energy, parent company of SDG&E, which Director Castaneda disclosed on the record. The motion carried unanimously, with Director Calderon-Scott absent.

5. Approval of Demands and Warrants – Check numbers 151423 through 151541 and electronic fund transfers 28578 through 28844

Items Pulled from Consent Calendar for Discussion

6. Consideration of Membership to the Water Conservation Garden Authority for FY 2020-21 (Finance and Personnel Committee Meeting of 7/3/19, Item 4. A.)

Recommendation: Direct the General Manager to include funds to remain a member of the Water Conservation Garden Authority when preparing the FY 2020-21 Budget

Director Sotelo-Solis made a motion, seconded by Director Cano, that the Governing Board end membership to the Water Conservation Garden but reallocate funds for a conservation garden option in the Sweetwater Authority area. The motion
failed, with Directors Castaneda, Martinez, and Preciado opposing, and Director Calderon-Scott absent.

**Action and Discussion Items**

7. Consideration to Support Assembly Constitutional Amendment (ACA) 1 (Finance and Personnel Committee Meeting to 7/3/19, Item 4. B.)
   
   **Recommendation:** Request direction from the Board.

   **Director Preciado made a motion, seconded by Director Castaneda, that the Governing Board support Assembly Constitutional Amendment (ACA) 1. The motion carried unanimously, with Director Calderon-Scott absent.**

8. Old Business
   
   **Consideration to Approve Policy 522, Citizens Advisory Committee**

   Dave Schlesinger commented on water rates; his support of Policy 522; and submitted written comments for the record.

   **Director Preciado made a motion, seconded by Director Sotelo-Solis, that the Governing Board direct staff to make revisions and bring the policy back to its July 24, 2019 Board meeting. The motion carried unanimously, with Director Calderon-Scott absent.**

9. Approval of Directors' Attendance at Meetings and Future Agenda Items
   
   **A. Per diem approval for Directors' who wish to attend the Legislative Roundtable with Senator Brian Jones, San Diego – Monday, July 15, 2019 10:00 – 11:00 a.m.**

   **B. Council of Water Utilities, San Diego – The Butcher Shop Steakhouse – Tuesday, July 16, 2019, 8:00 a.m. – Presentation by Pat Mulroy**

   **C. Per diem approval for Directors who wish to attend the San Diego County’s Water Resilience Portfolio: Multi-Benefit Solutions for the Southwest, Carlsbad – July 19, 2019, 12:00 – 2:00 p.m.**

   **D. 2019 Third Avenue Village Association Lemon Festival – Sunday, August 4, 2019**

   **E. Chula Vista HarborFest – Saturday, August 17, 2019**

   **F. Per diem approval for Directors who wish to attend the South County Economic Development Council Annual Economic Summit, San Diego – September 13, 2019, 8:00 a.m. – 2:00 p.m.**

   **Director Sotelo-Solis made a motion, seconded by Director Cano, that the Governing Board approve per diem for directors who wish to attend the Legislative**

REPORTS AND INFORMATIONAL ITEMS

10. Report of Legal Counsel
   There was none.

11. Management Report
   A. Report of Assistant General Manager – There was none.
   B. Report of General Manager
   General Manager Berge reported on the recent tour of the Desal Facility for the Bureau of Reclamation and the Moroccan and African Delegation; scheduling a Special Board meeting on July 23, 2019; the Budget in Brief publication; and in partnership with Helix Water District, the Authority received a grant from Metropolitan Water District for Flume Home Water Monitoring System rebates.

12. Reports by Directors on Events Attended
   Western Coalition of Arid States (WESTCAS) Annual Conference – June 26-28, 2019
   Director Martinez provided a report.

13. Directors’ Comments
   Director Cerda commented on a leak in National City and stated he was impressed on how Authority staff handled the incident.

   Director Sotelo-Solis thanked staff for their handling of the water leak in National City; commented on her attendance at the U.S. Conference of Mayors and meeting the Mayor of Flint, MI; and the potential for the Authority’s involvement in the National Night Out.

   Director Martinez received kudos from neighbors on the Authority’s handling of street pavement and water laterals; he received negative comments on taste and odor and requested an update from staff; and commented on the replacement of offset fittings.

   Director Preciado commended staff on their social media efforts; and stated he would like the Communications Committee to review the Water Conservation Garden outreach efforts.
Director Cano thanked the General Manager for alerting him of the leak in National City.

CLOSED SESSION – There was none.

14. Adjournment

With no further business before the Board, Chair Castaneda adjourned the meeting at 7:46 p.m.

______________________________
Steve Castaneda, Chair

Attest:

______________________________
Ligia Perez, Board Secretary
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## SWEETWATER AUTHORITY
### REVENUE FUND
#### Disbursements

**July 19, 2019**

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## SWEETWATER AUTHORITY
### REVENUE FUND DISBURSEMENTS

**July 19, 2019**

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- **Operating supplies**
- **Engineering services - cathodic protection**
- **Maintenance supplies**
- **Construction supplies**
- **Reimbursement - expenses**
- **Developer refund**
- **Customer refund**
- **Reimbursement - expenses**
- **Customer refund**
- **Reimbursement - expenses**
- **Payroll**
- **Employer's contributions**
- **Employees' contributions**
- **Employees' contributions**
- **Payroll**
- **Paving repairs**
- **Quarterly workers’ compensation**
- **Annual property insurance premium**
- **Annual software warranty**
- **Use tax**
- **Pipeline replacement - capital projects**
- **36-in transmission main replacement**
- **Maintenance services**
- **Monthly onsite shredding service**
- **Reservations - Directors Castaneda, Cerda, Preciado, Martinez, and staff**
- **Excavation permits**
- **Annual financial audit**
- **Solar electric service**
- **SCADA - capital and expense projects**
- **Professional services - Central Wheeler Tank and SWR Wetlands Habitat Recovery**
- **Delivery services**
- **Professional services - final design of Sweetwater Dam and South Dike modifications**
- **Courier service**
- **Delivery services**
- **Customer Appreciation Day expense**
### SWEETWATER AUTHORITY
### REVENUE FUND DISBURSEMENTS

**July 19, 2019**

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<td>151644</td>
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<td>151645</td>
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<td>Sheryl Gooden</td>
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<td>151647</td>
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<td>Thomas Abraham Pina Gonzalez</td>
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**Electronic Transfer:**

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<tr>
<td>28845</td>
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<td>Hi-Tech Air Conditioning, Inc.</td>
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Annual maintenance agreement - InfraMap
Construction - OD Arnold fire flow pump station
Geotechnical services
Inspection and testing services
Water purchase
Monthly trust administrator service fee
Quarterly postage machine lease
Professional services - Strategic Communication Plan
Dump fees
Staff training
Gas and electric service
Trench paving
Membrane support services - Desal Facility
SCADA - capital and expense projects
Operating supplies
Employee assistance program fee
Employer's contributions
Settlement claim
Customer refund
Customer refund
Employees’ contribution
Customer credit card fees
Payroll
Welding supplies
Employee recognition event deposit
Safety shoes
Security system maintenance - Administration Building
Monthly backup data storage service
Monthly record storage
Monthly portable toilet rentals
Software subscription renewal
Plumbing services - Desal Facility
Laboratory supplies
Laboratory supplies
HVAC maintenance - Administration Building
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<td>29048</td>
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<td>Software services</td>
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<td>29049</td>
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<td>SWA Confidential Group</td>
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</table>

$3,432,720.40  Warrant Disbursements
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TO: Governing Board

FROM: Management

DATE: July 19, 2019

SUBJECT: Consideration of Award of Contracts for FY 2019-20 SCADA Design and Integration

SUMMARY
The FY 2019-20 Budget includes funding for annual System Control and Data Acquisition (SCADA) expense projects; annual Information Systems (IS) Department Support; SCADA Operating System Evolution Implementation; final design, bidding, and construction phase services for the Remote Terminal Unit (RTU) Evolution Program; and design, bidding, and construction phase services for the Central-Wheeler Tank Project. Most of the capital projects in this list are multi-year projects and are well on their way to being completed. The work items related to SCADA projects are listed below and, pending Board approval, would be performed by the on-call SCADA Design Consultant and on-call SCADA Integrator.

FISCAL IMPACT
The total contract amounts with the on-call SCADA Design Consultant and on-call SCADA Integrator for the above-listed projects (both expense and capital) would be $398,920 and $1,709,250, respectively. All of the above contract amounts are within budget and no additional funding is required at this time. Also, note that this is the final year of the "on call" contract for the SCADA Design Consultant and SCADA Integrator; both contracts are scheduled to be put out for competitive selection later this fiscal year.

Expense Projects
The expense-related projects include monthly report enhancements; live testing of Microsoft updates, general support, change requests, and training sessions in addition to standard recurring annual maintenance activities.

Expense Budget Allocated in FY 2019-20 Budget for SCADA Consultant and SCADA Integrator<sup>(1)</sup> $246,970
Less Annual General Support (Design Consultant) <30,900>
Less SCADA Plan Update (Design Consultant) <14,420>
Memo to: Governing Board  
Subject: Consideration of Award of Contracts for FY 2019-20 SCADA Design and Integration  
July 19, 2019  
Page 2 of 4

Less SCADA Reports Analysis Support (Design Consultant) $10,600  
Less Annual SCADA Change Requests (Integrator) $69,010  
Less Report Analysis/Support and Updates (Integrator) $32,960  
Less Annual SCADA Training (Integrator) $12,360  
Less Annual On-Call Support (Integrator) $24,720  
Less Annual IS Support (Integrator) $52,000  
Balance $0

Capital Projects
The Capital Projects include funding for final design, bidding, and construction of the Distribution System Remote Terminal Unit (RTU) Evolution Program as recommended in the Authority’s SCADA System Master Plan 2016; design and construction of the Central-Wheeler Tank Project; and implementation of the SCADA Operating System Evolution Program.

Capital Budget Allocated in FY 2019-20 Budget for SCADA Consultant and SCADA Integrator $1,867,400  
Less Distribution RTU Evolution Final Design, Bidding, and Construction Phase Services (Design Consultant) $283,000  
Less Central-Wheeler Tank Construction Phase Services (Design Consultant) $60,000  
Less Distribution RTU Evolution Construction (Integrator) $1,257,200  
Less Central-Wheeler Tank SCADA Panel Construction, Testing, and Commissioning (Integrator) $82,000  
Less SCADA Operating System Evolution Implementation (Integrator) $179,000  
Balance $6,200

(1) Includes RTU back panel fabrication for 42 RTUs at 41 sites in the Authority’s Water Distribution System. This work is a continuation of the work performed in FY 2018-19.

PAST BOARD ACTION(S)
June 12, 2019 Board Adopted Resolution 19-14: Adopting a Budget for the Fiscal Year 2019-20
December 10, 2014 Board approved a contract with Timberline Engineering and Enterprise Automation for a term of up to five years
Memo to: Governing Board
Subject: Consideration of Award of Contracts for FY 2019-20 SCADA Design and Integration
July 19, 2019
Page 3 of 4

POLICY
The requested authorizations exceed the General Manager's $75,000 authorization limit, thus requiring Governing Board approval.

Strategic Plan Goal 1: Water Quality (WQ) - Provide high quality water that meets regulatory requirements.

• Objective WQ6: Maintain and improve the Supervisory Control and Data Acquisition (SCADA) system for all treatment and distribution facilities as defined in the SCADA Master Plan.
  o 001.00 Replace Remote Terminal Units as recommended in study conducted in FY 2017-18 and designed in FY 2018-19
  o 004.00 Complete the SCADA Operating system evolution project as identified in the SCADA Master Plan to replace obsolete, unsupported SCADA operating systems

Strategic Plan Goal 2: System and Water Supply Reliability (SR) - Achieve an uninterrupted, long-term water supply through investment, maintenance, innovation and developing local water resources.

• Objective SR1: Implement the current Water Distribution Master Plan to include: pipeline replacements; new pipelines for capacity, reliability and redundancy; additional water storage capacity in deficient zones; and additional pumping capacity for Hydropneumatic Zones.
  o 004.00 Prepare design, environmental document, advertise for bids, and construct new Central-Wheeler Tank

ALTERNATIVES
1. Award the following contracts: $398,920 for SCADA Design to Timberline Engineering, Albuquerque, NM; and $1,709,250 for SCADA Integration to Enterprise Automation, Irvine, CA, for the FY 2019-20 System Control and Data Acquisition (SCADA) Expense and Capital Projects.

2. Wait until the end of the SCADA Integrator selection process identified in Strategic Plan Goal 1, Objective WQ6, and Task 002.01 is complete before completing the project.
STAFF RECOMMENDATION

Staff recommends that the Governing Board award the following contracts: $398,920 for SCADA Design to Timberline Engineering, Albuquerque, NM; and $1,709,250 to for SCADA Integration to Enterprise Automation, Irvine, CA, for the FY 2019-20 System Control and Data Acquisition (SCADA) Expense and Capital Projects.

COMMITTEE RECOMMENDATION

The Operations Committee concurs with Staff Recommendation.

ATTACHMENT

1. Historical Cost Information for SCADA Consultants
Historical Cost Information for SCADA Consultants

Includes both Capital and Annual Maintenance Projects
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TO: Governing Board
FROM: Management
DATE: July 19, 2019
SUBJECT: Strategic Plan Reporting – FY 2018-19 Year-end Detailed Work Plan Status Report

SUMMARY
On June 27, 2018, the Board adopted the FY 2018-19 Strategic Plan Detailed Work Plan in conjunction with the annual budget. Each year staff provides two status updates on the Detailed Work Plan – at the mid-point of the fiscal year (January 23, 2019), and at the end of the year. This item is the year-end report which summarizes the work effort of the Authority over the past fiscal year and the degree to which the Authority staff have progressed the goals and objectives set forth in the Strategic Plan. The Annual Report will be presented to the Board in fall 2019.

For purposes of Committee review, the Operations Committee reviews objectives pertaining to Water Quality, System Reliability, Administrative Effectiveness, and Environmental Stewardship. The Finance and Personnel Committee reviews objectives and performance measures pertaining to Financial Viability, Customer Service, and Staff Development, as summarized in the table below:

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<tr>
<th>Goal Areas</th>
<th>Operations Committee</th>
<th>Finance and Personnel Committee</th>
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<tbody>
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<td>Water Quality</td>
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<tr>
<td>System Reliability</td>
<td>X</td>
<td></td>
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<tr>
<td>Financial Viability</td>
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<td>X</td>
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<tr>
<td>Customer Service</td>
<td></td>
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<tr>
<td>Staff Development</td>
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<td>X</td>
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<tr>
<td>Administrative Effectiveness</td>
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<td>X</td>
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<tr>
<td>Environmental Stewardship</td>
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<td>X</td>
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The full Board will consider all goal areas at the July 24, 2019 Regular meeting.
Memo to: Governing Board  
Subject: Strategic Plan Reporting - FY 2018-19 Year end Detailed Work Plan Status Report  
July 19, 2019  
Page 2 of 2

FISCAL IMPACT
The Work Plan is implemented in accordance with the finance plan approved by the Board in the FY 2018-19 Budget.

STAFF RECOMMENDATION
The following report is for informational purposes only.

COMMITTEE RECOMMENDATION
No action is required by the Governing Board.

ATTACHMENT
Detailed Work Plan Status Report - Goal Areas: Water Quality, System Reliability, Administrative Effectiveness, and Environmental Stewardship
Sweetwater Authority Strategic Plan
FY 2018-19 DETAILED WORK PLAN

<table>
<thead>
<tr>
<th>Department/Topic</th>
<th>Action Steps</th>
<th>Goal</th>
<th>Start Term (0-2 Years)</th>
<th>Mid Term (2-5 Years)</th>
<th>Long Term (5+ Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
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<tbody>
<tr>
<td><strong>GOAL #1 Water Quality (WQ)</strong>&lt;br&gt;Provide high quality water that meets regulatory requirements.</td>
<td><strong>Objective WQ1:</strong> Meet identified Water Quality benchmarks for Taste and Odor, Turbidity, Color, and Chlorine residual (Source: EPA National Primary Drinking Water Regulation Secondary Standard)</td>
<td></td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Quarterly</td>
<td>100%</td>
<td>On target.</td>
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<tr>
<td></td>
<td>001.00 Minimize taste and odor events to less than 3.5 complaints per thousand acre-feet of water sold and report results</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>The Authority sold 16,737 AF of water and received a total of 15 taste and odor complaints in FY 2018-19. This equates to 0.9 complaints per 1,000 AF of water sold which meets the Water Quality Objective of less than 3.5 customer complaints per 1,000 AF of water sold.</td>
</tr>
<tr>
<td></td>
<td>002.00 Achieve a combined filter effluent turbidity goal of less than 0.3 Nephelometric Turbidity Units (NTU) at least 95 percent of the time and report results</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>100%</td>
<td>The Authority met the Division of Drinking Water (DDW) turbidity goal of less than 0.3 NTU 100 percent of the time during FY 2018-19.</td>
</tr>
<tr>
<td></td>
<td>003.00 Achieve a clearwell effluent chlorine residual SWA goal between 2.0 and 4.0 milligrams per liter (mg/L) and a Division of Drinking Water (DDW) goal between 0.2 and 4.0 mg/L, and report results</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>100%</td>
<td>The Authority met the Division of Drinking Water (DDW) chlorine residual goal 100 percent of the time, and the SWA goal 71%-100% in FY 2018-19.</td>
</tr>
<tr>
<td></td>
<td>004.00 Install a powdered activated carbon storage and feed system to reduce Taste and Odor complaints and reduce cyanotoxin concentrations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>June 2021-June 2025</td>
<td>N/A</td>
<td>The completion date of this project was revised to June 2025 in the FY 2019-20 work plan to allow for further study on efficacy and reallocation of funding to high priority projects (see WQ1.005.00). Based on Board direction, this project was funded in the five-year Capital Investment Plan and will commence in FY 2020-21.</td>
</tr>
<tr>
<td></td>
<td>005.00 Install iron and manganese removal system at the National City Wells</td>
<td></td>
<td></td>
<td></td>
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<td>TBD-June 2022</td>
<td>N/A</td>
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<tr>
<td><strong>Objective WQ2:</strong> Remove sediment and bacteria film build-up through unidirectional flushing of distribution pipelines (a three-year process) at 6-10 year intervals (Source: AWWA Partnership for Safe Drinking Water)</td>
<td></td>
<td></td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>On target.</td>
</tr>
<tr>
<td></td>
<td>001.00 Implement three-year program of unidirectional flushing of distribution system</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>June 2022</td>
<td>10%</td>
<td>Contractor selected through Competitive bid. Worked with Division of Drinking Water for approval process (approved). Final contract documents in legal review process.</td>
</tr>
<tr>
<td></td>
<td>002.00 Purchase a hydraulic valve exerciser to assist in the performance of the flushing program (PAYGO)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>June 2019</td>
<td>100%</td>
<td>Unit was delivered and fitted for use.</td>
</tr>
</tbody>
</table>
### GOAL #1 Water Quality (WQ)

*Provide high quality water that meets regulatory requirements.*

<table>
<thead>
<tr>
<th>Action Steps</th>
<th>Short Term (0-2 Years)</th>
<th>Mid Term (2.5 Years)</th>
<th>Long Term (3 Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective WQ3: Track development and manage watershed activities for the beneficial use of the Authority operations and protection of environmental resources</td>
<td></td>
<td></td>
<td></td>
<td>Dec. 2022</td>
<td>N/A</td>
<td>On target.</td>
</tr>
<tr>
<td>001.00 Complete Sweetwater River Watershed Sanitary Survey</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>This survey is required every five years. Last survey was completed in 2017.</td>
</tr>
</tbody>
</table>

**Admin Services/Customer Service - Cross Contamination and Backflow Prevention**

**Objective WQ4:** Administer the Authority's Standard Specifications Section 17 Cross-Connection and Backflow Prevention Ordinance to protect the public water supply from contamination (Source: Cal. Administrative Code, Title 17; Cal. Safe Drinking Water Act; AWWA)

<table>
<thead>
<tr>
<th>Action Steps</th>
<th>Short Term (0-2 Years)</th>
<th>Mid Term (2.5 Years)</th>
<th>Long Term (3 Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>001.00 Review San Diego County Environmental Health well permit list and inspect sites located within the Authority's service area</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>100%</td>
<td>On target.</td>
</tr>
<tr>
<td>002.00 Review San Diego County Environmental Health hazardous materials permit list and inspect sites located in the Authority's service area</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>25%</td>
<td>The hazardous materials permit list was been obtained and cross-referenced with the list of existing backflow devices in the service area. Facilities on the list currently without backflow devices will be sent an installation letter informing the property owners they will need to install a backflow device. The goal was not completed as staff efforts were focused on goal 003.00 after Board approval in April 2018.</td>
</tr>
<tr>
<td>003.00 Implement a plan to replace all existing single check valves on fire service lines with back-flow prevention devices required by current Authority standards</td>
<td>X</td>
<td>X</td>
<td></td>
<td>Dec. 2023</td>
<td>In process</td>
<td>The plan was approved by the Board in April 2018 and notices were mailed to consumers in October 2018 with a four year timeframe to upgrade the fire services. The second notice is scheduled to be mailed in October 2019.</td>
</tr>
<tr>
<td>Department/Topic</td>
<td>Action Steps</td>
<td>Short Term (1-2 Years)</td>
<td>Mid-Term (2-5 Years)</td>
<td>Long Term (5+ Years)</td>
<td>Completion (or Due) Date</td>
<td>% Complete</td>
</tr>
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</tr>
<tr>
<td><strong>GOAL #1 Water Quality (WQ)</strong></td>
<td>Provide high quality water that meets regulatory requirements.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Objective WQ5:</strong> Implement State-mandatory lead testing program at eligible K-12 schools, and preschools if required, in the Authority’s service area (Source: State Water Resources Control Board)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>On target.</td>
</tr>
<tr>
<td>001.00 Develop lead testing sampling plan for all eligible schools that request testing</td>
<td>X</td>
<td>Nov. 2019</td>
<td></td>
<td>100%</td>
<td>Complete.</td>
<td></td>
</tr>
<tr>
<td>002.00 Conduct testing in accordance with sampling plan; conduct any necessary follow up testing</td>
<td>X</td>
<td>Nov. 2019</td>
<td></td>
<td>100%</td>
<td>Complete.</td>
<td></td>
</tr>
<tr>
<td>003.00 Report results to school and State Water Resources Control Board</td>
<td>X</td>
<td>Nov. 2019</td>
<td></td>
<td>100%</td>
<td>Complete.</td>
<td></td>
</tr>
<tr>
<td><strong>Objective WQ6:</strong> Maintain and improve the Supervisory Control and Data Acquisition (SCADA) system for all treatment and distribution facilities as defined in the SCADA Master Plan</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>On target.</td>
<td></td>
</tr>
<tr>
<td>001.01 Conduct a study to analyze the replacement of all Remote Terminal Units (RTU) with the existing distribution system, URDS, and County sewer facilities that are connected to the URDS, as recommended in the SCADA System Master Plan</td>
<td>X</td>
<td>June 2019</td>
<td></td>
<td>100%</td>
<td>Complete.</td>
<td></td>
</tr>
<tr>
<td>001.02 Replace the RTUs as recommended in the study</td>
<td>X</td>
<td>June 2020</td>
<td></td>
<td>35%</td>
<td>Preliminary design phase completed. Final design to be completed early in FY 2019-20. Procurement of RTU cabinet components has started.</td>
<td></td>
</tr>
<tr>
<td>002.00 Issue a Request for Qualifications/Proposals for competitive selection of on-call consultants to design and construct improvements to the SCADA System</td>
<td>X</td>
<td>June-July 2019</td>
<td></td>
<td>50%</td>
<td>An RFQ is in the process of being developed and will be presented to the Board at the July 24, 2019 Board meeting.</td>
<td></td>
</tr>
<tr>
<td>003.00 Replace SCADA Historian Program (PAYGO)</td>
<td>X</td>
<td>July 2019</td>
<td></td>
<td>100%</td>
<td>Complete.</td>
<td></td>
</tr>
<tr>
<td><strong>Objective WQ7:</strong> Ensure long-term sustainable health of Sweetwater Reservoir</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>On target.</td>
<td></td>
</tr>
<tr>
<td>001.01 Participate in a study with the San Diego County Water Authority and Member Agencies to determine potential treatment facility solids handling requirements stipulated in future NPDES permits</td>
<td>X</td>
<td>Dec. 2018- March 2019</td>
<td></td>
<td>100%</td>
<td>White paper completed by consultant, Water Quality and Treatment Solutions. Findings are that treatment plant discharges are not a high priority of the SD RWQCB. Recommendations are to record discharges, monitor discharges, and investigate solids handling processes.</td>
<td></td>
</tr>
<tr>
<td>001.02 Depending on results from the 001.01 study, either extend waste washwater pipeline to the east, or install facility solids handling capabilities</td>
<td>X</td>
<td>Dec. 2023</td>
<td>N/A</td>
<td>This task is on hold per the recommendations of the white paper (see WQ7.001.03).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>001.03 Remove accumulated sludge from Sweetwater Reservoir</td>
<td>X</td>
<td>TBD</td>
<td>N/A</td>
<td>This is a proposed future project that is currently unfunded.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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## IMPLEMENTATION

**GOAL #2 System and Water Supply Reliability (SR)**

*Achieve an uninterrupted, long-term water supply through investment, maintenance, and innovation.*

<table>
<thead>
<tr>
<th>Objective SR1: Implement the current Water Distribution Master Plan to include: pipeline replacements; new pipelines for capacity, reliability and redundancy; additional water storage capacity in deficient zones; and additional pumping capacity for Hydro pneumatic Zones (Source: 2015 Water Distribution Master Plan).</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Engineering/Distribution - Pipelines</strong></td>
</tr>
<tr>
<td><strong>Objective SR1:</strong> Implement the current Water Distribution Master Plan to include: pipeline replacements; new pipelines for capacity, reliability and redundancy; additional water storage capacity in deficient zones; and additional pumping capacity for Hydro pneumatic Zones (Source: 2015 Water Distribution Master Plan).</td>
</tr>
<tr>
<td><strong>001.00</strong> Complete replacement of identified portions of the 36-inch transmission main and secondary mains (Bond funded)</td>
</tr>
<tr>
<td><strong>002.00</strong> Prepare designs, environmental documents, Work Orders/advertisement for bids, and construct main replacements in accordance with the Board-approved Capital Budget (See Capital Budget for list of approved projects) (PAYGO)</td>
</tr>
<tr>
<td><strong>003.00</strong> Prepare designs, environmental documents, Work Orders/advertisement for bids, and construct highest priority Master Plan pipelines in accordance with the Board-approved Capital Budget (see Capital Budget for list of approved projects) (PAYGO)</td>
</tr>
<tr>
<td><strong>004.00</strong> Prepare design, environmental document, advertise for bids, and construct new Central-Wheeler Tank (Bond funded)</td>
</tr>
<tr>
<td><strong>005.00</strong> Design, bid and construct additional pumps to meet fireflow requirements in accordance with the 2015 Water Distribution Master Plan, as needs dictate</td>
</tr>
<tr>
<td><strong>005.01</strong> Design, bid, and construct pump station at O.D. Arnold Hydro No. 17 (PAYGO)</td>
</tr>
</tbody>
</table>
**GOAL #2 System and Water Supply Reliability (SR)**

Achieve an uninterrupted, long-term water supply through investment, maintenance, and innovation.

<table>
<thead>
<tr>
<th>Action Steps</th>
<th>Short-Term (0-2 Years)</th>
<th>Mid-Term (2-5 Years)</th>
<th>Long-Term (5+ Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective SR2</strong>: Minimize corrosion and extend service life by providing appropriate cathodic protection for metallic mains and steel storage tanks (Source 2015 Water Distribution Master Plan)</td>
<td></td>
<td></td>
<td></td>
<td>X June 2019</td>
<td>100%</td>
<td>Complete.</td>
</tr>
<tr>
<td>001.00 Complete inspections of Cherry Hills Tank and the following Hydro pneumatic Tanks: O.D. Arnold, Robinhood, Sea View, Steeplechase A&amp;B (PAYGO)</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>On target.</td>
</tr>
<tr>
<td>002.00 Prepare Annual Cathodic Protection Survey to identify needed repairs and improvements</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>100%</td>
<td>Complete.</td>
</tr>
<tr>
<td>003.00 Complete the top three Cathodic Protection repairs/improvements based on the previous year's Annual Cathodic Protection Survey (PAYGO)</td>
<td>X</td>
<td></td>
<td></td>
<td>June 2019</td>
<td>100%</td>
<td>Replaced rectifier at Second Avenue and E Street in Chula Vista with new unit. Completed CP repairs on 42-inch transmission main in vicinity of Sweetwater Dam (near SDCWA aqueduct) and near Willow Street. Completed CP repairs at OD Arnold Reservoir outlet. Installed anodes for 20-inch OD Arnold PS supply pipeline.</td>
</tr>
<tr>
<td>004.00 Prepare a Steel Storage Tank Cathodic Protection Master Plan (see also AE2)</td>
<td>X</td>
<td></td>
<td></td>
<td>June Sept. 2019</td>
<td>90%</td>
<td>Draft Tank CP Master Plan was completed. Final master plan to be completed by September 2019.</td>
</tr>
</tbody>
</table>
**GOAL #2 System and Water Supply Reliability (SR)**

*Achieve an uninterrupted, long-term water supply through investment, maintenance, and innovation.*

<table>
<thead>
<tr>
<th>Action Steps</th>
<th>Short Term (0-2 Years)</th>
<th>Mid Term (2-5 Years)</th>
<th>Long Term (6+ Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective SR3: Develop and implement specific infrastructure preventive maintenance programs that ensure all transmission and distribution system appurtenances are functional and effective</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually (Feb./Mar.)</td>
<td>100%</td>
<td>Complete.</td>
</tr>
<tr>
<td>001.00 Maintain approximately 283 valves 14-inch and larger annually to comply with the Valve Maintenance and Replacement Program, and provide progress reports to the Board semi-annually (Source: AWWA M44 Distribution Valves)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>100%</td>
<td>2,658 valves were maintained this fiscal year.</td>
</tr>
<tr>
<td>002.00 Maintain approximately 1,964 valves smaller than 14-inch annually to comply with the Valve Maintenance and Replacement Program, and provide progress reports to the Board semi-annually</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>93%</td>
<td>28 valves were replaced.</td>
</tr>
<tr>
<td>003.00 Replace approximately 30 valves annually that meet the established replacement criteria identified in the Valve Maintenance and Replacement Program, and provide progress reports to the Board semi-annually</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>100%</td>
<td>1,211 fire hydrants were maintained this fiscal year.</td>
</tr>
<tr>
<td>004.00 Maintain approximately one third of the Authority's hydrants (approx. 862 hydrants) annually to comply with the Fire Hydrant Maintenance and Replacement Program, and provide progress reports to the Board semi-annually</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>100%</td>
<td>58 fire hydrants were identified and replaced based on established replacement criteria.</td>
</tr>
<tr>
<td>005.00 Replace hydrants that meet the established replacement criteria identified in the Fire Hydrant Maintenance and Replacement Program, and provide progress reports to the Board semi-annually</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>100%</td>
<td>58 fire hydrants were identified and replaced based on established replacement criteria.</td>
</tr>
<tr>
<td>006.00 Identify all transmission and distribution system air-valves (approx. 401) and develop a preventive maintenance program</td>
<td>X</td>
<td>June 2020</td>
<td>5%</td>
<td>Quantifying and establishing criteria. To be completed by June 2020.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>007.00 Identify all transmission and distribution system blow-offs (approx. 929) and develop a preventive maintenance program</td>
<td>X</td>
<td>June 2021</td>
<td>5%</td>
<td>Quantifying and establishing criteria. To be completed by June 2021.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>008.00 Identify all plastic service laterals within the transmission and distribution systems and develop a plastic lateral replacement program</td>
<td>X</td>
<td>June 2022</td>
<td>5%</td>
<td>Quantifying and establishing criteria. To be completed by June 2022.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goal #2 System and Water Supply Reliability (SR)</td>
<td>On target.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribution - Fleet Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Objective SR4: Maintain and replace fleet vehicles and equipment in accordance with manufacturers' recognized standards and practices, and the Authority's Fleet Maintenance and Replacement Program (Source: Vehicle and Equipment Manufacturers' service standards; Board-approved Vehicle Replacement Program)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>001.00 Service and maintain approximately 114 vehicles annually</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>100%</td>
<td>Ongoing monitoring of fleet and service schedules were conducted based on manufacturers' recommendations.</td>
</tr>
<tr>
<td>002.00 Evaluate individual vehicle and equipment costs annually, and identify minimum replacement schedules based on the following criteria (Age + 10 Years, Mileage + 100,000, and Repair Cost Ratio + 50 Percent)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>N/A</td>
<td>Per Board direction, the Authority will contract with a fleet consultant to review the Authority's current fleet replacement criteria and practices for lifecycle of the assets and compare the findings with current industry standards and practices; RFP advertised, consultant selected, contract in process. Report to be presented to the Board by December 2019.</td>
</tr>
<tr>
<td>003.00 Replace Fuel Management System due to software obsolescence</td>
<td>X</td>
<td>June 2019</td>
<td>100%</td>
<td>Fuel Island and software have been replaced. Fuel Rings cancelled due to issues with reliability. Project complete.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>004.00 Service and maintain approximately 60 pieces of small equipment in accordance with manufacturers' recognized standards and practices</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>100%</td>
<td>Ongoing monitoring and services for small equipment were conducted based on manufacturers' recommendations.</td>
</tr>
</tbody>
</table>

| Objective SRS: Address Division of Safety of Dams (DSOD) and maintenance requirements to accommodate Probable Maximum Flood (PMF) for Sweetwater Dam and stairs replacement at Loveland Dam (Source: Division of Safety of Dams and report titled, "Evaluation of Alternatives to Increase Spillway Capacity of Sweetwater Dam" GEI, July 2008) | Delayed by DSOD. |
| Engineering - Dams |  |
| 001.00 Design, bid, and construct replacement stairs at Loveland Dam (Bond funded) | X | June 2021 | 45% | GEI has completed the design. CEQA exemption to be issued in FY 2019-20, followed by bidding, award, and construction. |
| 002.00 Prepare design, environmental document, advertise for bids, and construct Sweetwater Dam PMF and South Spillway Improvements (Bond funded) | X | June 2021 | 50% | Project timeline delayed due to additional requirements imposed by DSOD to investigate subsurface conditions of the north and south spillways. GEI conducted field investigation in June 2019 and will analyze the data to determine condition of spillways. Report on investigation to be submitted to DSOD once complete. |
### GOAL #2 System and Water Supply Reliability (SR)

*Achieve an uninterrupted, long-term water supply through investment, maintenance, and innovation.*

<table>
<thead>
<tr>
<th>Action Steps</th>
<th>Short-Term (1-2 Year)</th>
<th>Mid-Term (2-5 Year)</th>
<th>Long-Term (5+ Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective SR6:</strong> Review plans submitted by Chula Vista, National City, and County of San Diego for street improvement projects to identify potential conflicts, then develop the most cost-effective facility modifications to avoid known or potential conflicts (Source: 1953 Agreement with City of Chula Vista; 1962 Agreement with County of SD; National City incorporated prior to Kimball Bros. Easement)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Semi-annually</td>
<td>N/A</td>
<td>On target.</td>
</tr>
<tr>
<td>001.00 Report the number of projects reviewed for each agency</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Semi-annually</td>
<td>N/A</td>
<td>23 for Chula Vista, 15 for National City, and 6 for County of San Diego (Bonita).</td>
</tr>
<tr>
<td>002.00 Submit comments on plans received from CV, NC, or County, within 2 weeks of receipt and report semi-annually on success rate</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Semi-annually</td>
<td>N/A</td>
<td>Plans/Plots and maps were reviewed and comments drafted onto formal response letters within two weeks for all jurisdictional submittals, except for four: (1) A NC project was delayed two weeks due to heavy Engr. Dept. workload at the time, (2) a CV project was delayed four weeks due to incorrect delivery method, (3) a NC project was delayed beyond two weeks because City waited five months to inform SWA that they had not received comments (comments resubmitted within one week), and (4) a NC project was delayed beyond two weeks because City announced it was deferring project for two years.</td>
</tr>
<tr>
<td>003.00 Report on number of water facility projects installed within pavement cutting moratorium (goal is zero)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Semi-annually</td>
<td>N/A</td>
<td>No water facilities were installed within a pavement moratorium.</td>
</tr>
<tr>
<td>004.00 Complete listing of proposed CIP projects, coordinate with CV, NC, and County by January, and resolve potential conflicts</td>
<td>X</td>
<td></td>
<td></td>
<td>June 2019</td>
<td>N/A</td>
<td>A five year listing of proposed CIP projects was previously submitted to CV, NC, and the County in an effort to resolve potential conflicts. This listing is updated annually; reviewed and revised when necessary during monthly Utility Coordination Committee (UCC) meetings.</td>
</tr>
<tr>
<td>Department/Topic</td>
<td>Action Steps</td>
<td>Completion (or Due) Date</td>
<td>% Complete</td>
<td>Status</td>
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<td></td>
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</tr>
<tr>
<td>GOAL #2 System and Water Supply Reliability (SR)</td>
<td></td>
<td></td>
<td></td>
<td>On target.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Objective SR7: Review proposed development plans and install necessary infrastructure to ensure the facilities meet the required demand, achieve code compliance, avoid cross-connections, and have minimal-to-zero financial impacts to the Authority's ratepayers (Authority Policies and Rates and Rules)</td>
<td>001.00 Report on the number of submittals received and facilities installed</td>
<td>X X X Annually N/A</td>
<td>235 total: 135 for Chula Vista, 71 for National City, and 29 for County of San Diego. 670 LF of 12” PVC Water Main, 412 LF of 8” PVC Water Main, 52 Water Service Laterals and 4 Fire Hydrants, 1 2” Blow-off, and 1 1” Air Relief installed.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineering - Private Development</td>
<td>002.00 Issue Fees &amp; Deposit letters to developer within six weeks of approved developer plans and track achievement rate</td>
<td>X X X Annually N/A</td>
<td>46 Fees and Deposit letters issued to developers; Seven letters were provided after the 6-week target, but all seven were due to the developer implementing project changes and their request to stop the letter.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>003.00 Complete construction of required water facilities within eight weeks of receiving developer funds and track achievement rate</td>
<td>X X X Annually N/A</td>
<td>8 of 31 projects were completed within 8 weeks of receiving developer funds. 23 projects were delayed due to the City of NC, City of CV, and County of SD permit processes.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Quality/Engineering - Security/Safety</td>
<td>Objective SR8: Provide adequate security to safeguard Authority property against theft, damage, illegal entry, vandalism, abuse, terrorism, and contamination; and to protect Authority personnel during the course of their duties (Source: Various projects as identified in Departmental Work Plans and annual budget)</td>
<td></td>
<td>On target.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>001.00 Expand master key control program by re-keying all facility doorlocks and assigning authorized levels of access</td>
<td>X June 2020 50%</td>
<td>Operations Center key project kickoff held Spring 2019.</td>
<td></td>
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</tr>
<tr>
<td>Department/Topic</td>
<td>Action Steps</td>
<td>IMPLEMENTATION</td>
<td>Status</td>
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</tr>
<tr>
<td>GOAL #2 System and Water Supply Reliability (SR)</td>
<td>Achieve an uninterrupted, long-term water supply through investment, maintenance, and innovation.</td>
<td></td>
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</tr>
<tr>
<td>Objective SR9: Cost-effectively maintain facilities and infrastructure to optimize their useful life and performance. (Source: Various projects as identified in Departmental Work Plans and annual budget)</td>
<td></td>
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</tr>
<tr>
<td>001.00 Replace motor control centers at five booster stations</td>
<td>X</td>
<td>June 2019</td>
<td>100%</td>
<td>Complete.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>002.00 Repair access road and parking lots around various Authority facilities (varies annually; see Capital Investment Budget)</td>
<td>X</td>
<td>June 2019</td>
<td>100%</td>
<td>Complete.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>003.00 Dispose of sediment from the URDS Gum Tree forebay and pond, Alacena forebays and pond, and Hansen’s pond (maintenance)</td>
<td>X</td>
<td>June 2019</td>
<td>100%</td>
<td>Complete.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>004.00 Replace suction valves and inefficient pumps and motors in the distribution system</td>
<td>X</td>
<td>June 2021</td>
<td>100%</td>
<td>To date, all suction valves with known problems have been replaced. Any additional valves that may need replacement will be identified during routine pump control valve maintenance.</td>
<td></td>
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</tr>
<tr>
<td>005.00 Replace ferrous chloride bulk tanks at the Perdue Water Treatment Plant</td>
<td>X</td>
<td>June 2019</td>
<td>30%</td>
<td>The Board awarded a contract to Belco Manufacturing on May 08, 2019. A NTP has been received with submittals pending. This project was carried over to the FY 2019-20 Budget and Work Plan with a completion date of June 2020. Preliminary design is complete. Work deferred to FY 2019-20.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>006.00 Relocate and upgrade the water capacity for the Otay Water District System Interconnection located at Douglas Street, Chula Vista</td>
<td>X</td>
<td>June 2020</td>
<td>20%</td>
<td>Preliminary design documents being developed. Work deferred to FY 2019-20.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>007.00 Replace the roof of the Control Building at the Bonita Valley Reservoir</td>
<td>X</td>
<td>June 2020</td>
<td>10%</td>
<td>Preliminary design documents being developed. Work deferred to FY 2019-20.</td>
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</tr>
</tbody>
</table>

<p>| Objective SR10: Maintain the Authority’s easements throughout the service area to ensure access and minimize negative impacts to water system facilities. | On target. |
| 001.00 Notify approximately 20 percent of property owners of existing easements | X | X | X | Annual Bi-Annually | Task to occur bi-annually rather than annually due to staff resource constraints and higher priorities. Notifications to be sent in FY 2019-20. |
| 002.00 Review Multiple Listing Service (MLS) listings (real estate for sale) and notify all owners of existing encroachments during transition of property ownership | X | X | X | Annual | All listings to date have been reviewed for potential conflicts. Encroachment resolved at 3672 Valley Rd, NC, as a result of the MLS reviews. |
| 003.00 Resolve two major easement encroachments per year | X | X | X | Annual | 100% Encroachments resolved at 1070 Fifth Avenue, CV; 3685 Valley Road, BN; and 123 Second Avenue, CV. |</p>
<table>
<thead>
<tr>
<th>Department/Topic</th>
<th>Action Steps</th>
<th>Short Term (0-2 Years)</th>
<th>Mid Term (2-3 Years)</th>
<th>Long Term (4-5 Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Objective SR11: Explore options for new water sources including but not limited to: conservation, recycled water, stormwater retention, groundwater/desalination, and Urban Runoff Diversion Systems</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>See ES2.</td>
</tr>
<tr>
<td></td>
<td>001.00 For increased water supplies through conservation, see Goal #7 Environmental Stewardship, Objective ES2</td>
<td>X</td>
<td>X</td>
<td>Annual</td>
<td>N/A</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>002.00 Implement the highest priority supplemental water supply option from the Water Resources Master Plan</td>
<td></td>
<td></td>
<td>X</td>
<td>Ongoing</td>
<td>N/A</td>
<td>The Board authorized and funded a study to occur in FY 2019-20 to evaluate options to expand local water. This is one of the Board's highest priorities and is included in the FY 2019-20 Work Plan.</td>
</tr>
</tbody>
</table>
## GOAL #3: Financial Viability (FV)

Ensure long-term financial viability of the agency.

<table>
<thead>
<tr>
<th>Action Steps</th>
<th>Start Term (0-2 Years)</th>
<th>Mid Term (2-5 Years)</th>
<th>Long Term (5+ Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective FV1</strong>: Develop an annual budget that determines yearly expenditures, incorporates a five-year projection to track fiscal stability, and guides rate-setting decision-making</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually - January</td>
<td>100%</td>
<td>Presented the FY 2019-20 Budget calendar to the Board on February 27, 2019.</td>
</tr>
<tr>
<td>001.00 Develop initial budget calendar and identify key budget issues for the upcoming fiscal year</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>002.00 Develop department expense and capital budget detail for the upcoming year</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually - March/April</td>
<td>100%</td>
<td>Staff developed budget detail and incorporated into draft budget.</td>
</tr>
<tr>
<td>003.00 Review draft Budget, Five-year Projection, and Water Rates with the Board and public and incorporate comments</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually - April</td>
<td>100%</td>
<td>Presented the draft FY 2019-20 Budget to the Board on May 20, 2019.</td>
</tr>
<tr>
<td>004.00 Adopt final budget and establish water rates based on current Board policy and legal requirements</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually - June</td>
<td>100%</td>
<td>The Board adopted the final FY 2019-20 Budget on June 12, 2019.</td>
</tr>
<tr>
<td>005.00 Review Rates and Rules and the Financial Policies for any needed changes and present to the Board of Directors for approval</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually - Sep./Dec.</td>
<td>100%</td>
<td>The Board adopted changes to the Rates and Rules in December 2018.</td>
</tr>
</tbody>
</table>

**Objective FV2**: Identify and pursue grant funds for high priority projects and programs including, but not limited to, legislative advocacy, Integrated Regional Water Management, BuRec Title XVI, and Proposition 50

<table>
<thead>
<tr>
<th>Action Steps</th>
<th>Start Term (0-2 Years)</th>
<th>Mid Term (2-5 Years)</th>
<th>Long Term (5+ Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>001.00 Management to work with federal lobbyist to develop annual legislative strategy</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>100%</td>
<td>Assistant General Manager and Director of Engineering met with Federal Lobbyist in Washington, DC in April 2019 to promote Sweetwater Authority and seek federal funding for Authority initiatives. Staff provided a report on the trip at the April 10, 2019 Board meeting.</td>
</tr>
<tr>
<td>002.00 Annually, provide local community governmental and non-governmental leaders with opportunities to educate, promote, and build relationships (tours, presentations, etc.)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>100%</td>
<td>Letters were sent to newly elected officials in the Authority’s service area in January 2019. A tour was provided to Councilmember Galvez.</td>
</tr>
<tr>
<td>Department/ Topic</td>
<td>Action Steps</td>
<td>IMPLEMENTATION</td>
<td>Status</td>
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</tr>
<tr>
<td><strong>GOAL #3 Financial Viability (FV)</strong></td>
<td>Ensure long-term financial viability of the agency.</td>
<td></td>
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</tr>
<tr>
<td><strong>Finance - Meters</strong></td>
<td>Objective FV3: Conduct a program to replace water meters at the point a meter becomes operationally inefficient based on industry standards. (Source: AWWA M6 Manual: Water Meters—Selection, Installation, Testing, and Maintenance)</td>
<td></td>
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<tr>
<td></td>
<td>001.00 Replace meters that have reached or will reach operational inefficiency to focus on replacement of 15-years of age or older</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually - June</td>
<td>80%</td>
</tr>
<tr>
<td></td>
<td>002.00 - Develop a statistically valid meter testing program to evaluate cost-effectiveness of Authority's current meter replacement criteria</td>
<td>X</td>
<td></td>
<td></td>
<td>December 2019</td>
<td>35%</td>
</tr>
<tr>
<td><strong>Administration - Nonrevenue Water</strong></td>
<td>Objective FV4: Implement nonrevenue water program to maximize beneficial and authorized use of water and minimize wasteful and unauthorized loss (Source: California Water Audits and Water Loss Control Reporting regulations)</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>001.00 Conduct an annual &quot;Top Down&quot; water loss audit as identified in AWWA M36 and the associated AWWA Free Water Audit Software</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually - October 1</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>002.00 - Implement recommendations of the Authority staff Nonrevenue Water Work Group and third party validator where feasible and report on outcomes annually</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually - October 1</td>
<td>50%</td>
</tr>
<tr>
<td><strong>Finance - Financial Stability</strong></td>
<td>Objective FV5: Conduct a study to develop options for leveraging Authority assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>001.00 Conduct a study to develop options for leveraging Authority assets</td>
<td>X</td>
<td></td>
<td></td>
<td>TBD August 2020</td>
<td>0%</td>
</tr>
</tbody>
</table>

Status:
- Replacement of aged meters is underway and slightly behind schedule due to staffing constraints.
- On target.
- Water loss audit for FY 2017-18 period was compiled, third party validated, and submitted to the State.
- Source meter testing conducted summer 2018 suggests that additional work is needed. Planned: Desal pitot install and possible meter relocation FY 2020-21. Perdue clearwell meter replacement FY 2021-22.
- Rescoped based on Board input. This is now identified as a study to maximize reservoir assets.
**GOAL #4 Customer Service (CS)**

*Provide high-quality customer service.*

<table>
<thead>
<tr>
<th>Objective CS1: Develop a customer outreach program that includes a multi-faceted approach to communications and customer outreach. Methods should include, but not be limited to, press releases, web-based communications, social media, community presentations, participating in community events, developing school programs, producing educational materials, and periodically surveying customer opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Action Steps</strong></td>
</tr>
<tr>
<td><strong>Short-Term (1-2 Years)</strong></td>
</tr>
<tr>
<td>Coordinate and participate in Board-approved community events, which may include a booth and water tanker; report post-event on number of promo items distributed</td>
</tr>
<tr>
<td>Distribute Customer Newsletter &quot;On Tap&quot; (bill insert-distribution for approximately 33,000 accounts) quarterly. May also further Objective ES2</td>
</tr>
<tr>
<td>Create alliances with school districts to develop educational opportunities that leverage existing programs</td>
</tr>
<tr>
<td>Develop a five-year Strategic Communications Plan (see also AE2.005.00)</td>
</tr>
<tr>
<td>Continue with website maintenance and e-notification and report on number of visitors monthly (via Management Dashboard); other pertinent stats will be provided semi-annually</td>
</tr>
<tr>
<td>Post and update the Authority’s Facebook and Twitter accounts, including use of videos, and report on stats semi-annually</td>
</tr>
</tbody>
</table>
**GOAL #4 Customer Service (CS)**
*Produce high-quality customer service.*

<table>
<thead>
<tr>
<th>Action Steps</th>
<th>Short-Term (0-2 Years)</th>
<th>Mid-Term (2-5 Years)</th>
<th>Long-Term (5+ Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Objective CS2</strong>: Re-evaluate the potential to implement automated meter reading and new tools for customer access to water use data, considering advancements in technology and financial feasibility</td>
<td>X</td>
<td></td>
<td></td>
<td>Dec 2019 June 2019</td>
<td>100%</td>
<td>On target.</td>
</tr>
<tr>
<td>001.00 Staff to attend technical workshops as they arise in order to develop an understanding of the current state of AMR and AMI technology</td>
<td>X</td>
<td></td>
<td></td>
<td>Dec 2019 June 2019</td>
<td>100%</td>
<td>Staff has kept up to date on the various systems and technologies by attending presentations and meeting with various vendors.</td>
</tr>
<tr>
<td>002.00 Staff to evaluate AMI or AMR projects implemented at water agencies similar in size to the Authority</td>
<td>X</td>
<td></td>
<td></td>
<td>Dec 2019 June 2019</td>
<td>100%</td>
<td>Staff attended a meeting at Olivenhain Water District and were provided information on the Orion System that Olivenhain implemented, which is compatible with the Meters used at the Authority. Staff also familiar with systems at Padre Dam and Rincon del Diablo.</td>
</tr>
<tr>
<td>003.00 Present recommendations to the Governing Board on conducting a pilot project or implementing AMI/AMI</td>
<td>X</td>
<td></td>
<td></td>
<td>TBD</td>
<td>N/A</td>
<td>This project has been rescoped based on Board input and is not in the five-year financial plan.</td>
</tr>
<tr>
<td>Department/Topic</td>
<td>Action Steps</td>
<td>Short Term (0-2 Years)</td>
<td>Mid Term (2-5 Years)</td>
<td>Long Term (5+ Years)</td>
<td>Completion (or Due Date)</td>
<td>% Complete</td>
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</tr>
<tr>
<td><strong>GOAL #4 Customer Service (CS)</strong></td>
<td><strong>Objective CS3:</strong> Explore and implement process improvements to better serve developer customers</td>
<td>X</td>
<td></td>
<td></td>
<td>June 2019</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td><strong>001.00 Develop a cost analysis of providing payment plans to developers</strong></td>
<td>X</td>
<td></td>
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</tr>
<tr>
<td></td>
<td><strong>002.00 Facilitate workshops with each of the three land use agencies (City of Chula Vista, City of National City, and the County of San Diego) to explore ways to improve coordination of development</strong></td>
<td>X</td>
<td></td>
<td></td>
<td>June 2019</td>
<td>100%</td>
</tr>
</tbody>
</table>
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### GOAL #5 Staff Development (SD)

**Objective SD1:** Achieve professional and regulatory certifications as required by job classifications to perform assigned duties (Source: OSHA, Division of Drinking Water, DMV, and others depending on certification)

<table>
<thead>
<tr>
<th>Action Steps</th>
<th>Short-Term (0-2 Years)</th>
<th>Mid-Term (2-5 Years)</th>
<th>Long-Term (5+ Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>001.00 Report to Board the number of professional certifications held by staff, and compliance with certification requirements</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Quarterly</td>
<td>100%</td>
<td>On target.</td>
</tr>
<tr>
<td>002.00 Provide appropriate continuing education opportunities to maintain certifications and meet safety training requirements. Report to the Board the number of employee sessions and training hours</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Quarterly</td>
<td>100%</td>
<td>On target.</td>
</tr>
</tbody>
</table>

**Objective SD2:** Implement a Leadership Development Program that engages eligible staff in Authority's needs for leadership capacity

<table>
<thead>
<tr>
<th>Action Steps</th>
<th>Short-Term (0-2 Years)</th>
<th>Mid-Term (2-5 Years)</th>
<th>Long-Term (5+ Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>001.00 Ensure all new employees are provided with DISC training and provide opportunities for refresher training to existing employees</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>100%</td>
<td>On target.</td>
</tr>
<tr>
<td>002.00 Provide all managers and supervisors with Effective Manager Tools training, and provide Authority staff leaders with management and executive leader training opportunities</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>100%</td>
<td>On target.</td>
</tr>
</tbody>
</table>

**Objective SD3:** Implement an employee performance monitoring and reporting program to: ensure individual employee work goals are aligned with the organization's strategic goals and work plan; provide performance feedback to employees; correct deficiencies in performance; and promote career development (Source: Memoranda of Understanding between Authority and Labor Groups)

<table>
<thead>
<tr>
<th>Action Steps</th>
<th>Short-Term (0-2 Years)</th>
<th>Mid-Term (2-5 Years)</th>
<th>Long-Term (5+ Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>001.00 Develop performance goals and conduct a performance review for each employee on an annual basis; report to Board on success rate as defined by number of reviews due/processed</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Semi-annually</td>
<td>84%</td>
<td>On target.</td>
</tr>
<tr>
<td>Department/Topic</td>
<td>Action Steps</td>
<td>IMPLEMENTATION</td>
<td>Status</td>
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</tr>
<tr>
<td>GOAL #5 Staff Development (SD)</td>
<td>Develop a highly skilled, adaptable workforce and a safe, properly equipped and effective work environment.</td>
<td>Technical expertise identified and measurable goals set for all staff.</td>
<td>On target.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative Services - Risk Management</td>
<td>Objective SD4: Identify and implement expanded risk management and safety protocols to reduce experience modification and incident rates at or below industry standards (Source: Joint Powers Insurance Agency; OSHA)</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>001.00 Evaluate training needs and develop a schedule to address identified needs</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually (August)</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>002.00 Report on the accident/injury rate quarterly (as measured by incidents reported to the Safety Committee)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Quarterly</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>003.00 Report annually on the selected ACWA-JPIA Commitment to Excellence program Best Management Practices</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually (June)</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>004.00 Implement Safety Incentive Program, with a benchmark goal of 90 percent of eligible employees annually qualifying for award. May also further Objective SD7</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually (October)</td>
<td>100%</td>
</tr>
<tr>
<td>All - Safety</td>
<td>Objective SD5: Properly equip staff to effectively, efficiently, and safely perform their assigned duties (Source: OSHA; Cal-OSHA)</td>
<td></td>
<td>On target.</td>
<td></td>
<td></td>
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</tr>
<tr>
<td></td>
<td>001.00 Perform or validate a minimum of four job hazard analysis annually to determine if hazards are present, or are likely to be present, which necessitate the use of personal protective equipment (PPE) and/or engineering or administrative controls</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually (June)</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>002.00 Replace outdated laboratory instruments</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually (June)</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>003.00 Install permanent shop and storage area at the Desal Facility to allow maintenance staff to store tools, equipment, and spare parts (PAYGO)</td>
<td>X</td>
<td>June 2019</td>
<td>100%</td>
<td>Complete.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>004.00 Purchase a heavy equipment trailer for the transportation of construction equipment (PAYGO)</td>
<td>X</td>
<td>June 2019</td>
<td>100%</td>
<td>Complete.</td>
<td></td>
</tr>
<tr>
<td>Management/ Administrative Services - Employee Recognition</td>
<td>Objective SD6: Cultivate employee performance and boost employee loyalty, morale, and productivity by implementing an employee recognition and wellness program.</td>
<td></td>
<td>On target.</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>001.00 Hold an Employee Recognition Event to recognize safety, health, and wellness teamwork and achievements</td>
<td>X</td>
<td>Nov. 2019</td>
<td>100%</td>
<td>Event held October 2018 included health flu shots and motivational guest speaker.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>002.00 Host an on-boarding lunch for all new employees within one-year of employment to enhance the new employee experience and to further strengthen the employees' understanding of their role in the organization and how it relates to the mission of the Authority</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>100%</td>
</tr>
<tr>
<td>Department/Topic</td>
<td>Action Steps</td>
<td>Completion (or Due) Date</td>
<td>% Complete</td>
<td>Status</td>
<td></td>
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</tr>
<tr>
<td><strong>GOAL #6 Administrative Effectiveness (AE)</strong></td>
<td><strong>Provide efficient and effective administrative systems and procedures in accordance with best management practices.</strong></td>
<td></td>
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</tr>
<tr>
<td><strong>Objective AE1:</strong> Maintain a ready state of Emergency preparedness, response, and recovery, capable of effectively responding to emergencies as they arise (Source: Public Health Security and Bioterrorism and Response Act)</td>
<td>001.00 Annually develop an emergency preparedness/response/recovery exercise schedule, and report activities semi-annually to the Board</td>
<td>June 2019</td>
<td>100%</td>
<td>Complete - eight exercises/drills completed for chemical release responses, EOC set up, fire extinguisher hands on, and radio system check.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>003.00 Review and update hazardous materials emergency response plans, Dam Emergency Action Plans, and other interagency emergency response and recovery plans</td>
<td>Annually</td>
<td>100%</td>
<td>Complete - 9 Hazardous materials business plans, Risk Management Plan/Process Safety Plan three-year Audit and five-year revalidation, and Spill Prevention Countermeasure Control plans. Preliminary Design progressing by SWA Engineering Department.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative Services - Emergency Preparedness</td>
<td>004.01 Add a fire suppression system at the Admin server room (Year 2 of 3)</td>
<td>June 2020</td>
<td>10%</td>
<td>Installation of equipment began by SWA staff in June 2019.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>004.02 Install space optimization at Operations server room (Year 3 of 3)</td>
<td>Oct. 2018</td>
<td>100%</td>
<td>Complete.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>004.03 Addition of storage area network at Desal Facility server room to allow for faster Disaster Recovery</td>
<td>March-2019-June 2019</td>
<td>100%</td>
<td>Installation of equipment began by SWA staff in June 2019.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Department/Topic</td>
<td>Action Steps</td>
<td>Short Term</td>
<td>Mid Term</td>
<td>Long Term</td>
<td>Completion (or Due) Date</td>
<td>% Complete</td>
</tr>
<tr>
<td>------------------</td>
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</tr>
<tr>
<td>GOAL #6 Administrative Effectiveness (AE)</td>
<td>Provide efficient and effective administrative systems and procedures in accordance with best management practices.</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Objective AE2: Conduct master planning of major infrastructure (including Information Systems) to promote innovation, ensure sustainability, and reliably and effectively plan and allocate Authority resources.</td>
<td>001.00 Update the Water Distribution System Master Plan, to include evaluation of standards applied in asset management</td>
<td>X</td>
<td>X</td>
<td></td>
<td>June 2021 and every five years thereafter</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>002.00 Update the Water Resources Master Plan</td>
<td>X</td>
<td>X</td>
<td></td>
<td>June 2021 and every five years thereafter</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>003.00 Update the Urban Water Management Plan</td>
<td>X</td>
<td>X</td>
<td></td>
<td>July 2021 and every five years thereafter</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>004.00 Update the Information Systems Master Plan</td>
<td></td>
<td></td>
<td></td>
<td>March 2019</td>
<td>75%</td>
</tr>
<tr>
<td></td>
<td>005.00 Develop the Strategic Communications Plan (see also CS1.004.00)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>June 2019 and every five years thereafter</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>006.00 Update Authority Strategic Plan to include public, employee and Board input</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>June 2022 and every five years thereafter</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>007.00 Prepare a Steel Storage Tank Cathodic Protection Master Plan (see also SR2)</td>
<td>X</td>
<td></td>
<td></td>
<td>June-September 2019</td>
<td>90%</td>
</tr>
<tr>
<td>Department/Topic</td>
<td>Action Steps</td>
<td>Short Term (0-2 Years)</td>
<td>Completion (or Due) Date</td>
<td>% Complete</td>
<td>Status</td>
<td></td>
</tr>
<tr>
<td>------------------</td>
<td>--------------</td>
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<td></td>
</tr>
<tr>
<td><strong>GOAL #7 Environmental Stewardship (ES)</strong> Provide core services while maintaining a balanced approach to human and environmental needs.</td>
<td><strong>Objective ES1</strong>: Revise and implement the water use efficiency plan to meet or exceed forthcoming revisions from the State for goals/reporting requirements (Source SBx7-7; State Water Resources Control Board Regulations)</td>
<td>X</td>
<td>June each year through 2035</td>
<td>100%</td>
<td>Complete.</td>
<td></td>
</tr>
<tr>
<td>Administrative Services - Water Efficiency</td>
<td><strong>001.00 Implement Demand Management Measures to meet or exceed water efficiency goals listed in the 2015 Urban Water Management Plan (UWMP)</strong></td>
<td>X</td>
<td></td>
<td></td>
<td>On target.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>002.00 Meet 2020 water use target of 115 GPCD</strong></td>
<td>X</td>
<td></td>
<td></td>
<td>Authority has met target.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>003.00 Incorporate State-adopted water efficiency targets into water use efficiency plans</strong></td>
<td>X</td>
<td></td>
<td></td>
<td>Pending state water efficiency target adoption.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>004.00 Incorporate State-adopted shortage contingency requirements into the Drought Response and Recovery plan</strong></td>
<td>X</td>
<td></td>
<td></td>
<td>Pending State rules.</td>
<td></td>
</tr>
</tbody>
</table>
## GOAL #7 Environmental Stewardship (ES)

Provide core services while maintaining a balanced approach to human and environmental needs.

### Objective ES2: Increase conserved water supplies through water efficiency education and assistance programs and outreach efforts, strategic partnerships with public and private agencies, and developing effective rate setting strategies (Source: State Water Resources Control Board Regulations)

1. **Objective ES2.01** Use a mix of outreach methods to raise customer awareness such as: "On Tap" customer newsletter, special bill inserts, advertising, Speakers’ Bureau, and social media; report on outreach methods quarterly
   - Status: On target.
   - Details: Outreach methods included: Authority Website updates, On Tap customer newsletter, Facebook, Twitter, Nextdoor, Nixel via City of Chula Vista (CV), Go Green and Clean CV newsletter, bill inserts, direct mail, envelope artwork, and Facebook ads. Reported to Board quarterly.

2. **Objective ES2.02** Host and/or partner to provide a minimum of four customer education events per year on water efficiency topics
   - Status: On track. 5 efficiency outreach events (Customer Appreciation Day, Fall Garden Festival, Landscape Design Class, Spring Garden Festival, and United Technologies Earth Day).

3. **Objective ES2.03** Report quarterly on the number of regional conservation rebates issued and participants in the Sustainable Landscapes Program (SLP) through the San Diego County Water Authority
   - Status: Reported quarterly to the Board. Tabulated from monthly reports. (75)

4. **Objective ES2.04** Implement an Authority conservation rebate program, and report quarterly on the number of applications received, devices rebated, and proposed program adjustments
   - Status: Reported quarterly to the Board. Tabulated from monthly reports. (75)

5. **Objective ES2.05** Annually provide a minimum of 20 customers with water efficiency audits
   - Status: 46 Site Visits.

6. **Objective ES2.06** Develop and administer a targeted water efficiency call-to action campaign during the annual EPA-sponsored Fix a Leak Week
   - Status: 32 accounts participated in the March 2019 campaign.

7. **Objective ES2.08** Expand the Water Efficiency and Education Grant Program and invite applications for a local water conservation demonstration garden
   - Status: Grants awarded: 1 WEEP for City of Chula Vista, 1 STEP for Glenn Autry HOA.

### Objective ES3: Perform a systematic audit of the energy usage at Authority facilities and pursue energy saving measures.

1. **Objective ES3.01** Audit energy usage at each facility against annual usage goals
   - Status: Delayed.
   - Details: Monthly monitoring of facility energy consumption. Preliminary feasibility assessment initiated in Q2 to identify new potential energy conservation measures.

2. **Objective ES3.02** Install at photovoltaic (i.e. solar) system at Loveland Reservoir
   - Status: Project to be implemented in FY 2019-20.
   - Details: Planning for the project has started with an initial feasibility assessment.
<table>
<thead>
<tr>
<th>Department/Topic</th>
<th>Action Steps</th>
<th>Short Term (0-2 Years)</th>
<th>Mid Term (2-5 Years)</th>
<th>Long Term (5-10 Years)</th>
<th>Completion (or Due) Date</th>
<th>% Complete</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distribution - Air Quality</td>
<td><strong>GOAL #7 Environmental Stewardship (ES)</strong> Provide core services while maintaining a balanced approach to human and environmental needs.</td>
<td></td>
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<td><strong>Objective ES4:</strong> Comply with Heavy Equipment Replacement policies from the regulatory agencies (EPA Emissions Standards; CalEPA Air Resources Board Diesel Truck Regulations)</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>On target.</td>
</tr>
<tr>
<td></td>
<td>001.00 Replace equipment beginning in FY 2012-13 and ending in FY 2024-2025 to meet requirements of CARB (Approximately one replacement every other year)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>June 2025</td>
<td>100%</td>
<td>Vermeer wood chipper and backhoe were ordered and delivered.</td>
</tr>
<tr>
<td></td>
<td>002.00 Replace equipment beginning in FY 2018-19 and ending in FY 2024-2025 to meet requirements of the Air Pollution Control District (Approximately one replacement every other year)</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>June 2025</td>
<td>N/A</td>
<td>No action required FY 2018-19.</td>
</tr>
<tr>
<td>Water Quality - Habitat Management Program</td>
<td><strong>Objective ES5:</strong> Continue to implement the Sweetwater Reservoir Habitat Management Plan (HMP), applying adaptive management recommendations and improvements of the Conceptual Plan for the Wetlands Habitat Recovery Project (HRP) and pursue other strategies to aid in the long-term management of the area (Source: Authority Habitat Management Plan and Wetland Habitat Recovery Plan)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>On target.</td>
</tr>
<tr>
<td></td>
<td>001.00 Complete Habitat Recovery Project</td>
<td></td>
<td></td>
<td></td>
<td>December 2023</td>
<td>25%</td>
<td>DWR approved the amended project in January 2019 and subsequently SDCWA executed an amended local sponsor agreement in May 2019.</td>
</tr>
<tr>
<td></td>
<td>001.01 Redesign HRP (Integrated Regional Water Management [IRWM] Grant)</td>
<td>X</td>
<td></td>
<td></td>
<td>June 2019</td>
<td>30%</td>
<td>Work is ongoing with ESA and River Partners.</td>
</tr>
<tr>
<td></td>
<td>001.02 Additional HRP Environmental Review and Permitting (IRWM Grant)</td>
<td></td>
<td>X</td>
<td></td>
<td>June 2020</td>
<td>10%</td>
<td>Work will commence pending completion of the redesign.</td>
</tr>
<tr>
<td></td>
<td>001.03 HRP Implementation (IRWM Grant)</td>
<td>X</td>
<td></td>
<td></td>
<td>July 2021</td>
<td>N/A</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td>001.04 HRP Maintenance and Monitoring (IRWM Grant)</td>
<td>X</td>
<td></td>
<td></td>
<td>August 2023</td>
<td>N/A</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td>002.00 Implement the updated HMP Management Plan to be prepared and permitted as part of the HRP.</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>Annually</td>
<td>N/A</td>
<td>Updated Management Plan to be prepared and approved in conjunction with the permit process (001.02).</td>
</tr>
<tr>
<td></td>
<td>003.00 Assess potential opportunities for developing mitigation banks within the HMP for future Authority projects.</td>
<td>X</td>
<td>X</td>
<td></td>
<td>July 2020</td>
<td>N/A</td>
<td>Staff will be proposing &quot;advanced permittee responsible mitigation&quot; (APRM) credit as part of the HRP project, and determining the course of action of approval during the HRMP permitting process. These APRM credits would be intended for future SWA projects only.</td>
</tr>
<tr>
<td>GOAL #7 Environmental Stewardship (ES)</td>
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<tr>
<td>Provide core services while maintaining a balanced approach to human and environmental needs.</td>
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<tr>
<td><strong>Objective ES6</strong>: Complete studies related to Groundwater Management, to include a Sustainable Groundwater Management Plan in coordination with City of San Diego (Source: Settlement Agreement between Authority and City of San Diego; Sustainable Groundwater Management Act)</td>
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<tr>
<td>001.00 Conduct groundwater studies by the U.S. Geological Survey to further understand the San Diego Formation and support development of the GSP</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>X</td>
<td>June 2021±9</td>
<td>70%</td>
<td>On target.</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>002.00 Prepare Groundwater Sustainability Plan (GSP)</td>
<td></td>
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<td></td>
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<tr>
<td>X</td>
<td>June 2020</td>
<td>50%</td>
<td>USGS continues to make progress on the development of this multi-year project. Journal articles expected by end of FY 2019-20.</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Objective ES7: Develop and Implement Comprehensive Operations and Maintenance Plan for Sweetwater and Loveland Reservoirs and other Authority properties and obtain permits from Regulating Agencies</th>
</tr>
</thead>
<tbody>
<tr>
<td>001.00 Prepare Operations and Maintenance Plan</td>
</tr>
<tr>
<td>X</td>
</tr>
<tr>
<td>002.00 Environmental Review and Permitting</td>
</tr>
<tr>
<td>X</td>
</tr>
<tr>
<td>003.00 Implement Plan according to permit requirements</td>
</tr>
<tr>
<td>X</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Objective ES8: Implement the Sustainability Action Plan (Source: Authority Sustainability Action Plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td>001.00 Engage Green Team to implement a minimum of five SAP initiatives annually</td>
</tr>
<tr>
<td>X</td>
</tr>
<tr>
<td>002.00 Continue to monitor waste streams to ensure recyclable and reusable resources are diverted to appropriate facilities and report quarterly on the quantity of generated waste</td>
</tr>
<tr>
<td>X</td>
</tr>
</tbody>
</table>

Water Quality/Engineering - Operational Regulatory Requirements
TO: Governing Board

FROM: Management

DATE: July 19, 2019

SUBJECT: Consideration of Membership to the Water Conservation Garden Authority for FY 2020-21

SUMMARY
Sweetwater Authority (Sweetwater) is currently a member of the Water Conservation Garden Authority (The Garden), a Joint Powers Authority (JPA). Membership with The Garden is on an annual basis. Any changes to the membership require a one-year notification by July 31, with the changes taking effect the following fiscal year.

Background
The Garden, located adjacent to Cuyamaca College, was founded in 1992 as a JPA between Otay Water District, Helix Water District, and Grossmont-Cuyamaca College District. In 2003, the JPA agreement was amended to add the City of San Diego and Padre Dam Water District as member agencies. In 2006, Sweetwater joined the JPA. The current members of the JPA are the City of San Diego, San Diego County Water Authority (CWA), Helix Water District, Otay Water District, Grossmont-Cuyamaca College District, and Sweetwater. In 2011, the operation of The Garden was transferred to the Friends of the Water Conservation Garden (Friends). The Garden staff includes an Executive Director who reports directly to the Friends Board, as well as various support, teaching, and maintenance staff members, and volunteers. The JPA continues to exist, meets on a quarterly basis unless otherwise needed, and has no direct responsibility to operate The Garden. Director Castaneda is currently the Sweetwater representative to the JPA, and Director Sotelo-Solis is Sweetwater’s alternate representative.

Membership Fees and JPA Agreement Obligations
Each JPA member is contractually required to pay an annual membership fee. The payment amount is set up on a tiered system, which is based on the geographic location relative to The Garden. CWA pays the highest proportion; the City of San Diego and Sweetwater pay a lower proportion. The FY 2018-19 membership payment made by Sweetwater was $71,243; the FY 2019-20 membership payment will be $67,680; and the FY 2020-21 payment would be $60,912 should the Board decide to stay with The Garden.
Memo to: Governing Board  
Subject: Consideration of Membership to the Water Conservation Garden Authority for FY 2020-21  
July 19, 2019  
Page 2 of 5

In accordance with the latest JPA Agreement, any member may withdraw its membership by providing a written notice of its intent to withdraw by the end of July of the fiscal year, with withdrawal occurring by the end of that fiscal year; however, membership payment for that fiscal year is still required.

**Sweetwater Authority Customer Attendance**

The Garden has nearly six acres of displays that showcase water conservation through a series of beautiful themed gardens, such as native plant vegetable gardens, as well as how-to displays such as mulch and irrigation exhibits. Most recent available information on attendance is provided in the following chart.

![Customer Attendance Chart]

Since 2016, Sweetwater has investigated opportunities to invest in a local demonstration garden within its service area. No viable projects have resulted from this effort.

**Sweetwater Authority Educational Involvement**

The Garden provides educational assemblies through its Ms. Smarty-Plants programs to both member agencies and others. In FY 2018-19, Sweetwater Authority had Ms. Smarty-Plants hold assemblies for more than 8,800 students, as presented in the following table.

<table>
<thead>
<tr>
<th>Date</th>
<th>School/ Event</th>
<th># of Students</th>
<th>Grade Level</th>
<th>School District/ Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 26</td>
<td>Rosebank Elementary</td>
<td>620</td>
<td>1st-6th</td>
<td>CVESD</td>
</tr>
<tr>
<td>November 27</td>
<td>Loma Verde Elementary</td>
<td>565</td>
<td>TK-6th</td>
<td>CVESD</td>
</tr>
<tr>
<td>January 22</td>
<td>Ella B. Allen School</td>
<td>200</td>
<td>K-6th</td>
<td>CVESD</td>
</tr>
<tr>
<td>January 31</td>
<td>Castle Park Elementary</td>
<td>398</td>
<td>K-6th</td>
<td>CVESD</td>
</tr>
<tr>
<td>February 19</td>
<td>Kimball Elementary</td>
<td>400</td>
<td>K-6th</td>
<td>Nsd</td>
</tr>
</tbody>
</table>
Memo to: Governing Board  
Subject: Consideration of Membership to the Water Conservation Garden Authority for FY 2020-21  
July 19, 2019  
Page 3 of 5

<table>
<thead>
<tr>
<th>Date</th>
<th>School/ Event</th>
<th># of Students</th>
<th>Grade Level</th>
<th>School District/ Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 20</td>
<td>Leonardo Da Vinci Health Sciences School</td>
<td>45</td>
<td>5th</td>
<td>CVESD</td>
</tr>
<tr>
<td>March 8</td>
<td>Chula Vista Learning Community Charter</td>
<td>889</td>
<td>TK-6</td>
<td>CVESD</td>
</tr>
<tr>
<td>March 13</td>
<td>Mueller Charter School</td>
<td>600</td>
<td>TK-6</td>
<td>CVESD</td>
</tr>
<tr>
<td>March 15</td>
<td>Glenner Towne Center Alzheimers Program</td>
<td>0</td>
<td>N/A</td>
<td>Chula Vista</td>
</tr>
<tr>
<td>April 6</td>
<td>South Bay Earth Day</td>
<td>1500</td>
<td>N/A</td>
<td>Memorial Park Chula Vista</td>
</tr>
<tr>
<td>April 19</td>
<td>Montgomery Elementary</td>
<td>350</td>
<td>TK-6</td>
<td>CVESD</td>
</tr>
<tr>
<td>April 23</td>
<td>Hilltop Drive Elementary</td>
<td>500</td>
<td>K-6</td>
<td>CVESD</td>
</tr>
<tr>
<td>April 24</td>
<td>Ira Harbison Elementary</td>
<td>520</td>
<td>TK-6</td>
<td>National School District</td>
</tr>
<tr>
<td>April 30</td>
<td>Palomar Elementary</td>
<td>200</td>
<td>K</td>
<td>National School District</td>
</tr>
<tr>
<td>May 29</td>
<td>Rancho De La Nacion</td>
<td>460</td>
<td>TK-6</td>
<td>National School District</td>
</tr>
<tr>
<td>May 30</td>
<td>Lincoln Acres</td>
<td>580</td>
<td>K-6</td>
<td>National School District</td>
</tr>
<tr>
<td>June 10</td>
<td>Harborside Elementary</td>
<td>300</td>
<td>TK-3</td>
<td>CVESD</td>
</tr>
<tr>
<td>June 11</td>
<td>Harborside Elementary</td>
<td>500</td>
<td>3-6</td>
<td>CVESD</td>
</tr>
<tr>
<td>June 19</td>
<td>South Chula Vista Branch Library</td>
<td>55</td>
<td>Prek-3</td>
<td>Chula Vista</td>
</tr>
<tr>
<td>June 20</td>
<td>Hilltop Drive Elementary</td>
<td>130</td>
<td>3-4</td>
<td>CVESD</td>
</tr>
<tr>
<td>July 11</td>
<td>National City Public Library</td>
<td>55</td>
<td>Prek-3</td>
<td>National City</td>
</tr>
<tr>
<td>TOTAL # STUDENTS:</td>
<td></td>
<td>8867</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sweetwater Authority only contracts for assemblies at this time, as opposed to field trips, as a more cost-effective means of educational outreach. The amount paid to the Friends of the Water Conservation Garden for assemblies in FY 2018-19 was $14,440.

PAST BOARD ACTION

Memo to: Governing Board  
Subject: Consideration of Membership to the Water Conservation Garden Authority for FY 2020-21  
July 19, 2019  
Page 4 of 5

FISCAL IMPACT

Should the Board decide to continue membership with the Garden, the fiscal impact includes staff time to promote and support The Garden and its events plus an annual fee, as presented below:

- $60,912 in FY 2020-21
- $54,821 in FY 2021-22
- $47,146 in FY 2022-23

POLICY

Strategic Plan Goal 7: Environmental Stewardship - Provide core services while maintaining a balanced approach to human and environmental needs.

- Objective ES2: Increase conserved water supplies through water efficiency education and assistance program and outreach efforts, strategic partnerships with public and private agencies, and developing effective rate setting strategies.

ALTERNATIVES

1. Maintain membership: Direct the General Manager to include funds to remain a member of the Water Conservation Garden Authority when preparing the FY 2020-21 Budget.

2. End membership: Direct the General Manager to provide notice to withdraw from the Water Conservation Garden Authority and not include membership funds when preparing the FY 2020-21 Budget.

3. End membership, but continue to provide some financial contribution: Direct the General Manager to provide notice to withdraw from the Water Conservation Garden Authority and to include funds of an amount directed by the Board when preparing the FY 2020-21 Budget.

4. Other direction as identified by the Governing Board.

STAFF RECOMMENDATION

Staff seeks the direction of the Governing Board.
Memo to: Governing Board  
Subject: Consideration of Membership to the Water Conservation Garden Authority for FY 2020-21  
July 19, 2019  
Page 5 of 5

COMMITTEE RECOMMENDATION
The Finance and Personnel Committee recommends that the Governing Board direct the General Manager to include funds to remain a member of the Water Conservation Garden Authority when preparing the FY 2020-21 Budget.

ATTACHMENT(S)
Water Conservation Garden Operation Agreement
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WATER CONSERVATION AUTHORITY

AMENDED AND RESTATED
WATER CONSERVATION GARDEN OPERATION AGREEMENT
(Cuyamaca College Water Conservation Garden)

THIS AMENDED AND RESTATED WATER CONSERVATION GARDEN OPERATION AGREEMENT (Cuyamaca College Water Conservation Garden) (this "Agreement") is dated as of January 12, 2018, for reference purposes only, and is entered into by and between the WATER CONSERVATION AUTHORITY, a Joint Powers Agency (the "Authority"), and FRIENDS OF THE WATER CONSERVATION GARDEN, a California nonprofit public benefit corporation (the "Operator") (collectively the "Parties"), with reference to the following recited facts:

RECITALS

A. The Grossmont-Cuyamaca Community College District ("GCCCD"), a California community college district and the Authority have entered into that certain License Agreement for Operation of a Water Conservation Garden, dated August 1, 2006 ("License Agreement"), attached hereto as Exhibit C and incorporated herein by reference, with respect to certain real property specifically described in the License Agreement for operation of a water conservation demonstration garden ("Garden"); and

B. The Authority and the Operator entered into that certain Water Conservation Garden Operation Agreement, dated October 13, 2010, to provide for the Operator to assume all responsibility for operation and maintenance of the Garden in accordance with the License Agreement and the terms and conditions of this Agreement.

C. The Authority and Operator now desire to amend and restate the Agreement to clarify responsibilities and obligations associated with the operation of the Garden including, but not limited to:

1. Committing that the Authority will continue and increase involvement with the Garden as specified within this Agreement;

2. Authority member dues shall decrease over time to the Base Contribution amount as defined herein;

3. Authority dues shall be based upon the maintenance of Core Exhibits, as that term is defined herein; and

4. Operator shall increase and improve communication with Authority member agencies, including clarifying the lines of communication between the constituent parties.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION AND THE PROMISES OF THE AUTHORITY AND THE OPERATOR SET FORTH IN THIS AGREEMENT, THE AUTHORITY AND THE OPERATOR AGREE, AS FOLLOWS:
DEFINITIONS. The following definitions apply in this Agreement:

1.1 "Application" means any agreement, application, certificate, document, or submission (or amendment of any of the foregoing): (a) necessary or appropriate for any activity regarding the Garden that this Agreement requires or allows, including any application for any building permit, certificate of occupancy, utility service or connection, easement, covenant, condition, restriction or such other instrument as the Operator may from time to time reasonably request in performing its obligations under this Agreement; (b) to enable the Operator from time to time to seek any Approval or to use or operate the Garden in accordance with this Agreement; or (c) otherwise reasonably necessary and appropriate to permit the Operator to perform its obligations under this Agreement.

1.2 "Approvals" means any and all licenses, permits, approvals, consents, certificates (including certificate(s) of occupancy), rulings, variances, authorizations, or amendments to any of the foregoing as shall be necessary or appropriate under any Law to commence, perform, or complete any use, maintenance, repair or operation of the Garden.

1.3 "Authority" means the Water Conservation Authority, a California joint powers authority.

1.4 "Authority Activity" shall have the meaning ascribed to the term in Section 5.13.

1.5 "Authority Parties" means, collectively, the Authority, its governing board, officers, employees, agents and legal representatives.

1.6 "Authority Party" means, individually, the Authority and each of its officers, employees, agents and legal representatives.

1.7 "Authority Representative" means an employee or agent of the Authority designated, from time to time by the Authority through Notice to the Operator. As of the Effective Date, the Authority Representative is the President of the Authority.

1.8 "Automobile Liability Insurance" means insurance coverage against claims of personal injury (including bodily injury and death) and property damage covering all owned, leased, hired and non-owned vehicles used by the Operator, with minimum limits for bodily injury and property damage of ONE MILLION DOLLARS ($1,000,000) each occurrence and TWO MILLION DOLLARS ($2,000,000) aggregate. Such insurance shall be provided by a business or commercial vehicle policy.

1.9 "Bankruptcy Law" means Title 11, United States Code, and any other or successor state or federal statute relating to assignment for the benefit of creditors, appointment of a receiver or trustee, bankruptcy, composition, insolvency, moratorium, reorganization, or similar matters.

1.10 "Bankruptcy Proceeding" means any proceeding, whether voluntary or involuntary, under any Bankruptcy Law.
1.11 “Casualty” means any damage or destruction of any kind or nature, ordinary or extraordinary, foreseen or unforeseen, affecting all or any part of the Garden Improvements, whether or not insured or insurable.

1.12 “Casualty Termination” means a termination of this Agreement because of a Substantial Casualty, when and as this Agreement expressly allows such a termination pursuant to Section 13.3.

1.13 “Construction” means any alteration, construction, demolition, development, expansion, reconstruction, redevelopment, repair, restoration, or other work affecting any Garden Improvements, including new construction.

1.14 “County” means the County of San Diego, California.

1.15 “Core Exhibits” means Irrigation Exhibit, Backyard Retrofit House, Turf Exhibit, Tree Exhibits and Care, Watershed/Water Capture, Soils, Erosion, California Water Story, Seven Steps of Xeriscape, and Water Supply Towers.

1.16 “Default” means any Monetary Default or Non-Monetary Default.

1.17 “Deferred Maintenance Projects” shall mean DG pathway stabilizer, irrigation upgrades, electrical upgrades, re-stucco/paint, and mature tree replacement.

1.18 “GCCCD” means the Grossmont-Cuyamaca Community College District, a California community college district.

1.19 “Educational Programming” means those certain demonstration and educational programs and activities approved by the Authority to be provided to the public by the Operator at the Garden in accordance with the terms and conditions of this Agreement.

1.20 “Effective Date” means the first date on or after January 1, 2011 on which all of the following events have occurred: (1) the Authority has received three (3) counterpart originals of this Agreement executed by the authorized representative(s) of the Operator; (2) the Authority has received a certified copy of the Operator Official Action executed by the authorized representative(s) of the Operator; (3) this Agreement has been approved by the governing board of the Authority; (4) this Agreement has been signed by the authorized representative(s) of the Authority and a fully signed original of this Agreement has been delivered to the Operator by the Authority.

1.21 “Environmental Law” means any Law regarding any of the following at, in, under, above, or upon the Garden: (a) air, environmental, ground water, or soil conditions; or (b) clean-up, control, disposal, generation, storage, release, transportation, use of, or liability or standards of conduct concerning, Hazardous Substances.

1.22 “Expiration Date” means the date when this Agreement terminates or expires in accordance with its terms, whether on the Scheduled Expiration Date, by the Authority’s exercise of remedies for an Event of Default, termination of the License Agreement, or otherwise, whichever is earlier.
1.23 "FF&E" means all movable furniture, furnishings, equipment, and personal property that may be removed without material damage to the Garden and without adversely affecting: (a) the structural integrity of the Garden Improvements; (b) any electrical, plumbing, mechanical, or other system of the Garden; (c) the present or future operation of any such system; (d) the present or future provision of any utility service to the Garden; or (e) the elements of any exhibit within the Garden. FF&E includes items such as furniture, movable equipment, telephone, telecommunications and facsimile transmission equipment, point of sale equipment, televisions, radios, network racks, and computer systems and peripherals.

1.24 "Garden" is defined in Recital A to this Agreement.

1.25 "Garden Endowment Fund" means a non-wasting investment fund held by The San Diego Foundation or its successor with bi-annual payments of interest paid to Operator for maintenance of The Garden.

1.26 "Garden Expenses" means all costs of operating and maintaining the Garden pursuant to the terms and conditions of this Agreement incurred after the Effective Date.

1.27 "Garden Improvements" means those certain improvements in existence at the Garden as of the Effective Date and all improvements to or located at the Garden from time to time after the Effective Date.

1.28 "Garden Maintenance Standards" means the standards, specifications, protocols and conditions for maintenance of the Garden.

1.29 "Government" means each and every governmental agency, authority, bureau, department, quasi-governmental body, or other entity or instrumentality having or claiming jurisdiction over the Garden (or any activity this Agreement requires or allows), including the United States government, the State of California, the County and their subdivisions and Municipalities, including the Authority and all other applicable governmental agencies, authorities, commissions, boards, department and subdivisions thereof.

1.30 "Group Function" means use by a Third Person of the Garden for a private event.

1.31 "Hazardous Substance" includes flammable substances, explosives, radioactive materials, asbestos, asbestos-containing materials, polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, medical wastes, toxic substances or related materials, explosives, petroleum and petroleum products, and any "hazardous" or "toxic" material, substance or waste that is defined by those or similar terms or is regulated as such under any Law, including any material, substance or waste that is: (i) defined as a "hazardous substance" under Section 311 of the Water Pollution Control Act (33 U.S.C. § 1317), as amended; (ii) substances designated as "hazardous substances" pursuant to 33 U.S.C. § 1321; (iii) defined as a "hazardous waste" under Section 1004 of the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, et seq., as amended; (iv) defined as a "hazardous substance" or "hazardous waste" under Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Reauthorization Act of 1986, 42 U.S.C. § 9601 et seq. or any so-called "superfund" or "super lien" law; (v) defined as a "pollutant" or "contaminant" under 42 U.S.C.A. § 9601(33);
(vi) defined as “hazardous waste” under 40 C.F.R. Part 260; (vii) defined as a “hazardous chemical” under 29 C.F.R. Part 1910; any matter within the definition of “hazardous substance” set forth in 15 U.S.C. § 1262; (viii) any matter, waste or substance regulated under the Toxic Substances Control Act (“TSCA”) (15 U.S.C. Sections 2601, et seq.); any matter, waste or substance regulated under the Hazardous Materials Transportation Act, 49 U.S.C. Sections 1801, et seq.; any matter, waste or substance regulated under the Resource Conservation and Recovery Act, 42 U.S.C. Sections 6901, et seq.; those substances listed in the United States Department of Transportation (DOT) Table (49 CFR 172.101], or designated by the EPA, or any successor authority, as a hazardous substance [40 CFR Part 302]; and those substances defined as “hazardous waste” in Section 25117 of the California Health and Safety Code or, as a “hazardous substance” in Section 25316 of the California Health and Safety Code; (ix) subject to any other Law regulating, relating to or imposing obligations, liability or standards of conduct concerning protection of human health, plant life, animal life, natural resources, property or the enjoyment of life or property free from the presence in the environment of any solid, liquid, gas, odor or any form of energy from whatever source; or (x) other substances, materials, and wastes that are, or become, regulated or classified as hazardous or toxic under federal, state, or local laws or regulations and in the regulations adopted pursuant to said laws, and shall also include manure, asbestos, polychlorinated biphenyl, flammable explosives, radioactive material, petroleum products.

1.32 “Hazardous Substance Discharge” means any deposit, discharge, generation, release, or spill of a Hazardous Substance that occurs at or from the Garden, or into the Garden, or that arises at any time from the use or operation of the Garden or any activities conducted at the Garden or any adjacent or nearby real property, or resulting from seepage, leakage, or other transmission of Hazardous Substances from other real property to the Garden, whether or not caused by a Party to this Agreement and whether occurring before or after the Effective Date.

1.33 “Indemnify” means, where this Agreement states that the Parties shall “indemnify” each other from, against, or for a particular matter, that the Parties shall indemnify the other and defend and hold each other harmless from and against any and all loss, claims, liability, penalties, judgments, damages, and other injury, detriment, or expense that each Party suffers or incurs: (a) from, as a result of, or on account of the particular matter; or (b) in enforcing the other Party’s indemnity obligation.

1.34 “Law” means all laws, ordinances, requirements, orders, proclamations, directives, rules, and regulations of any Government affecting the Garden or this Agreement in any way, including any use, maintenance, taxation, operation, or occupancy of, or environmental conditions affecting the Garden or otherwise relating to this Agreement or any Party’s rights or remedies under this Agreement, or any Transfer of any of the foregoing, whether in force on the Effective Date or passed, enacted, or imposed at some later time, subject in all cases, however, to any applicable waiver, variance, or exemption.

1.35 “Legal Costs” of any Person means all reasonable costs and expenses such Person incurs in any legal proceeding (or other matter for which such Person is entitled to be reimbursed for its Legal Costs), including reasonable attorneys’ fees, court costs and expenses.
1.36 "Liability Insurance" means commercial general liability insurance against claims for personal injury, death, or property damage occurring upon, in, or about the Garden or adjoining streets or passageways, providing coverage for a combined single limit of Two Million Dollars ($2,000,000) for any one occurrence.

1.37 "License Agreement" is defined in Recital A to this Agreement.

1.38 "Maintenance and Repair" means all routine and ordinary maintenance and repairs to the Garden required to preserve and operate the Garden in first-class condition during the Term, in accordance with the Garden Maintenance Standards, including any required Renovation.

1.39 "Modification" means any abandonment, amendment, cancellation, discharge, extension, modification, rejection, renewal, replacement, restatement, substitution, supplement, surrender, termination, or waiver of a specified agreement or document, or of any of its terms or provisions, or the acceptance of any cancellation, rejection, surrender, or termination of such agreement, document, or terms.

1.40 "Modify" means agree to, cause, make, or permit any Modification.

1.41 "Monetary Default" means the Operator’s failure to pay or deposit any money (including insurance premiums) when and as this Agreement requires.

1.42 "Non-Monetary Default" means the Operator’s: (a) failure to comply with any affiliate or negative covenant or obligation in this Agreement, except a Monetary Default; or (b) breach of any representation or warranty (as of the date made or deemed made).

1.43 "Notice" means any consent, demand, designation, election, notice, or request relating to this Agreement, including any Notice of Default.

1.44 "Notify" means give a Notice.

1.45 "Notice of Default" means any Notice claiming or giving Notice of a Default or alleged Default.

1.46 "Operating Inventory" means consumable items used or held in storage for use in the operation of the Garden, including bathroom supplies, paper towels, cleaning materials, supplies, gardening supplies and equipment and other similar items.

1.47 "Operator" means the Friends of the Water Conservation Garden, a California nonprofit public benefit corporation.

1.48 "Operator Official Action" means the official action of the Operator’s governing body authorizing the Operator’s entry into and performance of this Agreement, in substantially the form attached to this Agreement as Exhibit "B," signed by the authorized representative(s) of the Operator.
1.49 "Operator Parties" means, collectively, the Operator, its directors, officers, employees, agents and legal representatives.

1.50 "Operator Party" means, individually, the Operator and each of its directors, officers, employees, agents and legal representatives.

1.51 "Parties" means, collectively, the Authority and the Operator.

1.52 "Party" means, individually, either the Authority or the Operator, as applicable.

1.53 "Person" means any association, corporation, Government, individual, joint venture, joint-stock company, limited liability company, partnership, trust, unincorporated organization or other entity of any kind.

1.54 "Prohibited Lien" means any mechanic's, vendor's, laborer's, or material supplier's statutory lien or other similar lien arising from work, labor, services, equipment, or materials supplied, or claimed to have been supplied, to the Operator (or anyone claiming through the Operator).

1.55 "Property Insurance" means insurance providing coverage against loss, damage, or destruction of the Garden and all Garden Improvements by fire and other hazards encompassed under the broadest form of property insurance coverage then customarily used for like properties in the County (except earthquake or war risk) from time to time during the Term, in an amount equal to 100% of the replacement value (without deduction for depreciation) of all of the Garden Improvements (excluding excavations and foundations) and in any event sufficient to avoid co-insurance, with "ordinance or law" coverage. Such insurance may contain a deductible clause not exceeding Five Thousand Dollars ($5,000). To the extent customary for like properties in the County at the time, such insurance shall include coverage for earthquake; coverage for explosion of steam and pressure boilers and similar apparatus located at the Garden; coverage for terrorism; an "increased cost of Construction" endorsement; and an endorsement covering demolition and cost of debris removal.

1.56 "Property Insurance Proceeds" means net proceeds (after reasonable costs of adjustment and collection, including Legal Costs) of Property Insurance, when and as received by the Authority or the Operator.

1.57 "Renovation" means the replacement, major repair, renewal or reconstruction of all or any portion of the Garden Improvements, including building roofs, slabs, foundations or walls; heating, ventilation, air conditioning, plumbing, sewer, utility, irrigation or drainage systems; lighting; paved areas, including circulation walkways; signage, windows, awnings, patio covers and exterior facade components and coverings.

1.58 "Restoration" means, after a Casualty, the alteration, clearing, rebuilding, reconstruction, repair, replacement, restoration and safeguarding of the damaged or remaining Garden Improvements, substantially consistent with their condition before the Casualty, subject to any changes in Law that would limit any such activities.
1.59 "Restoration Funds" means any Property Insurance Proceeds (and deposits by the Operator) to be applied to Restoration.

1.60 "Restore" means accomplish a Restoration.

1.61 "Scheduled Expiration Date" means 11:59 p.m. on June 30, 2023.

1.62 "Substantial Casualty" means a Casualty that: (a) renders 40% (forty percent) or more of the Garden not capable of being used or occupied for more than one hundred eighty (180) days; (b) requires Restoration whose cost the Authority reasonably estimates in writing would exceed Two Hundred Thousand Dollars ($200,000); or (c) pursuant to Law, prevents the Garden from being Restored to substantially the same bulk, and for the same use(s), as before the Casualty.

1.63 "Term" is defined in Section 4.

1.64 "Third Person" means any Person that is not a Party or an elected official, officer, director, manager, shareholder, member, principal, partner, employee or agent of a Party.

1.65 "Unavoidable Delay" means delay in performing any obligation under this Agreement, except payment of money, arising from or on account of any cause whatsoever beyond the obligor’s reasonable control, despite such obligor’s reasonable diligent efforts, including industry-wide strikes, labor troubles or other union activities, the obligor’s inability to obtain required labor or materials after commercially reasonable efforts to do so, litigation (unless caused by the obligor), Casualty, accidents, Laws, governmental preemption, war, or riots. Unavoidable Delay shall exclude delay caused by the obligor’s financial condition, illiquidity, or insolvency. Any Party claiming Unavoidable Delay shall Notify the other Party: (a) within ten (10) days after the claiming Party knows of any such Unavoidable Delay; and (b) within ten (10) days after such Unavoidable Delay ceases to exist. To be effective, any such Notice must describe the Unavoidable Delay in reasonable detail. Where this Agreement states that performance of any obligation is subject to Unavoidable Delay(s) or words of similar import, such Unavoidable Delay(s) shall extend the time for such performance only by the number of days by which such Unavoidable Delay(s) actually delayed such performance.

1.66 "Waiver of Subrogation" means a provision in, or endorsement to, any insurance policy, by which the carrier agrees to waive rights of recovery by way of subrogation against either Party to this Agreement for any loss such policy covers.

1.67 "Workers Compensation Insurance" means worker’s compensation insurance complying with the provisions of California law and an employer’s liability insurance endorsement with commercially standard limits covering all employees of the Operator, its contractors and vendors.

2. INCORPORATION OF LICENSE AGREEMENT. This Agreement is expressly subject to all of the terms and conditions of the License Agreement and this Agreement shall automatically terminate on the termination of the License Agreement in its entirety. The Authority shall have the right to modify or amend the License Agreement with the reasonable
consent of the Operator. All of the terms and conditions of the License Agreement are incorporated into this Agreement by reference.

3. **ASSUMPTION OF LICENSE OBLIGATIONS.** The Operator hereby acknowledges and assumes all obligations of the Authority under and pursuant to the terms and conditions of the License Agreement regarding use and operation of the Garden.

4. **TERM.** The “Term” of this Agreement shall: (a) commence, if at all, on the Effective Date; and (b) continue until the Scheduled Expiration Date, unless terminated sooner.

5. **GARDEN OPERATION AND MAINTENANCE.**

   5.1 **Operation and Maintenance Covenant.** The Authority hereby contracts with the Operator to maintain and operate the Garden pursuant to the terms of this Agreement, and the Operator covenants and agrees to continuously maintain and operate the Garden pursuant to the terms of this Agreement, throughout the entire Term.

   5.2 **Operation and Maintenance License.** The Authority hereby licenses the Operator to enter the Garden to perform Maintenance and Repair and to operate the Garden as provided in this Agreement, without further consent or approval from the Authority, except as otherwise provided in this Agreement.

   5.3 **Permits, Licenses, Etc.** The Operator shall, for the full Term, at the Operator’s sole cost and expense, maintain all franchises, permits, contractual arrangements, licenses, and registrations necessary for the Operator to conduct all operations, Maintenance and Repair, Educational Programming and other activities relating to the Garden to be undertaken by the Operator pursuant to this Agreement.

   5.4 **Abandonment.** The Operator shall not abandon or surrender the operation of all or any part of the Garden during the Term, except as otherwise expressly provided in Section 14 or Section 17.

   5.5 **General Operational Responsibilities.** The Operator shall have the following described general responsibilities regarding operation of the Garden, in which the Operator shall perform at Operator’s sole expense:

      5.5.1 enter into and pay any costs associated with contracts for the furnishing of utilities, maintenance, telecommunications, repair and other services to the Garden;

      5.5.2 incur and pay such expenses as shall be reasonably necessary for the proper operation of the Garden;

      5.5.3 maintain a level of Operating Inventory reasonably appropriate for supplying the needs of the Garden and its users;

      5.5.4 apply for, obtain and maintain all licenses and permits required of the Operator in connection with the operation of the Garden. The Authority shall reasonably cooperate with the Operator in the application for, obtaining and maintenance of such licenses
and permits; provided that such cooperation by the Authority is legally permitted and does not result in any direct or indirect cost to the Authority;

5.5.5 exercise reasonable efforts to do, or cause to be done, all acts in and about the Garden as shall be reasonably necessary to comply with any applicable insurance policies or Law;

5.5.6 maintain FF&E and purchase new FF&E as necessary to perform Maintenance and Repair and operate the Garden, including replacing worn out, damaged, destroyed, lost or stolen FF&E;

5.5.7 in accordance, as applicable, with defense and indemnification rights contained in contracts of insurance procured and maintained by the Operator, defend and settle claims, lawsuits and demands relating to the Garden and retain legal counsel (and pay legal fees and costs) who, under the direction of the Operator or the insurance carrier, will defend any claims or actions brought against the Operator Parties relating to the Garden and will institute and defend any and all legal actions or proceedings as shall be reasonably necessary to collect charges, fees or other income for the Garden, or to cancel or terminate any license, vendor or concession agreement or other contract on the grounds of default. The Operator shall notify the Authority of any claims or lawsuits relating to the Garden on a timely basis. Legal counsel to the Operator’s insurance carrier that is providing a defense to the Authority Parties shall be deemed satisfactory to the Authority, subject to any conflict of interest or incompetency of such legal counsel; and

5.5.8 hire, train, and supervise all employees necessary for operation of the Garden, including providing Educational Programming to the public;

5.5.9 make reasonable good faith marketing and outreach efforts to market the Garden and Educational Programming to the public, including maintenance of the current website marketing the Garden;

5.5.10 establish accounting and payroll procedures and functions for the Garden; and

5.5.11 continue to operate the Garden on the days and at hours consistent with the Authority’s practices as of the Effective Date, or greater, subject to closure due to inclement weather, Casualty, or Unavoidable Delay.

5.6 Maintenance and Repair: Except to the extent that this Agreement otherwise expressly provides or allows, the Operator shall, during the Term, keep and maintain the Garden in good order, condition, and repair, at Operator’s sole cost and expense, subject to Casualty, reasonable wear and tear, and any other condition that this Agreement does not require the Operator to repair or Restore. The Operator’s obligation to maintain the Garden includes the obligation to make all repairs and Restorations that the Garden may require (including plumbing, heating, air conditioning, ventilating, electrical, lighting, fixtures, walls, any required Renovation, building systems, ceilings, floors, windows, doors, plate glass, skylights, landscaping, driveways, site improvements, curb cuts, parking lots, fences and signs located in, on or at the Garden, together with any sidewalks and streets adjacent to the Garden) by Law,
pursuant to applicable insurance policies or pursuant to the Garden Maintenance Standards, from
time to time during the Term, whether structural or nonstructural, foreseen or unforeseen, capital
or operating. The Operator shall remove trash, snow, mud, sand and debris from the Garden and
the adjoining sidewalks and maintain them in a reasonably clean condition. Notwithstanding the
foregoing and as a way of clarification, the Parties agree to assign and share costs as set forth in
Exhibit D.

5.7 Contracts and Agreements. All equipment leases, financing agreements, contracts
and agreements relating to the Garden (including without limitation contracts for utility services,
telecommunications services, Maintenance and Repair, pest control, supplies, landscaping
services, and agreements for Group Functions), entered into during the Term shall be entered
into by the Operator as the contracting party. The Operator shall not have any authority to enter
into any equipment lease, financing agreement, contract or agreement that extends beyond the
Term of this Agreement or that is secured by all or any part of the Garden or the Garden
Improvements. All contracts entered into by the Operator regarding the Garden shall
automatically expire on the Expiration Date.

5.8 No Discrimination or Segregation. Developer covenants by and for itself and all
Persons claiming under or through it that there shall be no discrimination against or segregation
of any Person or group of Persons, on account of any basis listed in subdivision (a) or (d) of
Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1,
subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of
the Government Code, in the use, occupancy, tenure, or enjoyment of the Garden nor shall the
Operator or any Person claiming under or through the Operator establish or permit any such
practice or practices of discrimination or segregation with reference to the selection, location,
number, use, or occupancy, of users or vendors of the Garden.

5.9 Noise. The Operator shall not use or permit the use of the Garden in any manner
that creates or maintains any noise or sound that, when measured at any place along the
boundary line of the Garden, exceeds the applicable sound level standard established by any
Government for the Garden.

5.10 Nuisance. The Operator shall not itself and shall not allow any other Person to
use the Garden for any unlawful purpose and shall not itself and shall not allow any other Person
to perform, permit or suffer any act or omission upon or about the Garden that would result in a
nuisance or a violation of any Law, as the same may now or hereafter be in force and effect.

5.11 Signage.

5.11.1 All signs on or in the Garden will be maintained by the Operator in good
condition during the Term.

5.11.2 At the Authority’s request, the Operator will remove signs identified by
the Authority that are installed on or in the Garden by the Operator on or before the Expiration
Date, except as otherwise agreed between the Operator and the Authority, and repair and restore
any damage caused by installation or removal of such signs. All signs on or in the Garden shall
comply with all applicable Laws.
5.11.3 The Operator shall not cause or allow the display of any advertising of alcohol, tobacco products or adult entertainment on, in or about the Garden.

5.12 Group Functions. The Operator shall be responsible for administration of Group Functions at the Garden, including approving applications for Group Functions, entering into Group Function agreements and charging fees for Group Functions.

5.13 Authority Activities. The Authority shall have the right to use the Garden for Authority initiated special events that are scheduled with the prior approval of the Operator, in the Operator’s reasonable discretion (each, an “Authority Activity”). The Garden shall be available for each Authority Activity free of any facility rental or admission charge to the Authority.

5.14 Payment of Prevailing Wages.

5.14.1 When so required by California law, the Operator agrees that not less than “prevailing wages,” as that term is defined in California Labor Code Sections 1770, et seq., shall be paid by the Operator, its contractors, and any sub-contractors to all laborers employed in connection with the Construction or installation of any improvements or Maintenance and Repair related to the Garden. The Operator shall maintain and shall cause each of its contractors to maintain certified payroll records, pursuant to California Labor Code Section 1776, relative to all work performed relating to the Garden. The Authority shall have the right, but not the obligation, to inspect and copy all of the Operator’s payroll records and the payroll records of each of the Operator’s contractors and subcontractors relating to the Garden. The Authority shall also have the right to exercise the remedies provided in the California Labor Code, in addition to all other remedies available to the Authority at law, under contract, or in equity, in the event of a breach or Default by the Operator of its obligations under this Section 5.14.

5.14.2 THE OPERATOR, ON BEHALF OF ITSELF, ITS SUCCESSORS, AND ASSIGNS, WAIVES AND RELEASES THE AUTHORITY FROM ANY RIGHT OF ACTION THAT MAY BE AVAILABLE TO ANY OF THEM PURSUANT TO CALIFORNIA LABOR CODE SECTION 1781. THE OPERATOR ACKNOWLEDGES THE PROTECTIONS OF CALIFORNIA CIVIL CODE SECTION 1542 RELATIVE TO THE WAIVER AND RELEASE CONTAINED IN THIS SECTION 5.14, WHICH READS AS FOLLOWS:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

5.14.4 **ADDITIONALLY, THE OPERATOR SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE AUTHORITY, PURSUANT TO THE PROVISIONS OF SECTION 13, AGAINST ANY CLAIMS PURSUANT TO CALIFORNIA LABOR CODE SECTION L781 ARISING FROM THIS AGREEMENT OR THE CONSTRUCTION OR INSTALLATION OF ANY IMPROVEMENTS OR MAINTENANCE AND REPAIR RELATING TO THE GARDEN, UNDERTAKEN BY OR ON BEHALF OF THE OPERATOR.**

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**Initials of Authorized Operator Representative**

5.15 **Independent Contractor.** The Operator shall at all times be an independent contractor under this Agreement. Nothing contained in this Agreement shall be construed to be or create a partnership or joint venture between the Authority and the Operator or its successors or assigns.

5.16 **Shared Resources.** To the extent allowed by and consistent with Authority member agencies rules, regulations, and policies, the Authority, through its member agencies, and Operator shall use their best efforts to share resources and work cooperatively to advance the Garden. If necessary the Authority and Operator shall develop a policy designed to increase cooperation in the following areas:

5.16.1 Donation of in kind services and support including donation of surplus furniture, fixtures and equipment; and

5.16.2 Evaluation and census data collection efforts; and

5.16.3 Outreach and membership drives; and

5.16.4 Marketing development and efforts.

5.17 **Naming Rights.** The naming or renaming of the Garden, any facilities at the Garden, or Core Exhibits shall be done by mutual consent of the Authority and the Operator.

6. **OPERATOR ACCEPTANCE OF CONDITION OF GARDEN.** The Operator agrees to accept the Garden on the Effective Date in an “as-is” condition, subject to any and all physical, legal or other faults. The Operator acknowledges that the Operator will be accepting the Garden based upon the Operator’s own investigations of the Garden’s condition. Except as otherwise specifically stated in this Agreement, the Operator also agrees to accept the Garden based on the Operator’s knowledge that neither the Authority nor any agent of the Authority, has made any representation or warranty whatsoever, express or implied, with regard to the physical condition of the Garden or the suitability of the Garden for any particular purpose or use, including, without limitation, any representations or warranties regarding the applicability or non-applicability of any Law, the soil or subsoil, surface or subsurface conditions, topography, possible Hazardous Substance contamination, fill, drainage, access to public roads, availability of utilities, existence of underground storage tanks, applicability of or compliance with any Environmental Laws, environmental impact report requirements or any other matter of any nature whatsoever.
7. **GARDEN EXPENSES.**

7.1 **Operator to Pay All Garden Expenses.** Except as expressly provided in Section 7.3, the Operator shall pay all Garden Expenses. The Operator shall pay and discharge, as and when due, each and every item of expense, of every kind and nature whatsoever, related to or arising from the Garden, or by reason of or in any manner connected with or arising from the operation, management, maintenance, repair, use or any other matter affecting the Garden and attributable to the Term. The Operator further acknowledges and agrees that the Operator will be solely responsible for operating losses or deficits arising in the operation of the Garden during the Term and that any such losses or deficits shall not abate any obligations of the Operator under this Agreement.

7.2 **Acknowledgment of Possessory Interest Tax.** The Operator acknowledges that, if and to the extent that this Agreement gives rise to assessment of a possessory interest tax under Revenue and Taxation Code Section 107 or any other tax, the Operator shall be obligated to pay such tax.

7.3 **Authority Contribution and Annual Budget Process.**

7.3.1 The Authority has and shall continue to make an annual financial contribution ("Authority Contribution") to the Operator. As of the date of this Agreement, Authority’s Contribution for FY 2018/2019 is $484,000. The Authority’s Contribution shall decrease annually, pursuant to the schedule below, until it reaches $320,000 (the “Base Contribution”).

(a) FY 2018/2019 Contribution: $484,000;
(b) FY 2019/2020 Contribution: $459,800 (5% reduction);
(c) FY 2020/2021 Contribution: $413,820 (10% reduction);
(d) FY 2021/2022 Contribution: $372,440 (10% reduction); and
(e) FY 2022/2023 and forward annual Contribution: $320,000 (14% reduction).

7.3.2 At least $20,000 of the Authority’s Contribution shall be allocated to Deferred Maintenance annually.

(a) Any additional funding provided by the Authority shall be allocated by mutual consent of the Parties.
(b) Any reallocation of the Base Contribution shall be by mutual consent of the Parties.

7.3.3 On or before each May 15 during the Term, Operator shall prepare and submit to Authority for the Authority’s information an annual operating budget for the Garden for the fiscal year beginning on the immediately following July 1 showing, at a minimum,
projected income from Garden operations for such fiscal year (including the specific amounts of fees or charges to be assessed for Garden use during such fiscal year), projected Operator fundraising revenue for Garden Expenses for such calendar year and the projected amount of Garden Expenses for such fiscal year, each on a semi-annual and annual basis. The proposed annual budget shall show assumptions and anticipated significant events during the subject fiscal year. Within thirty (30) calendar days following the Authority’s receipt of the proposed annual budget for the Garden for a particular fiscal year, Authority shall provide any comments on the proposed annual budget for Operator’s consideration.

7.4 Fundraising. The Operator shall at all times during the term maintain its non-profit status with both the federal government of the United States and the government of the State of California. The Operator shall at all times during the Term make good faith fundraising efforts for the collection of charitable donations of funds from Persons other than the Authority to pay Garden Expenses in accordance with the then current annual budget for the Garden reviewed by the Authority in accordance with Section 7.3.

7.5 Utilities. The Operator shall arrange and pay for all fuel, gas, light, power, water, sewage, garbage disposal, telephone and other utility charges, and the expenses of installation, maintenance, use, and service in connection with the foregoing, for the Garden during the Term. The Authority shall have absolutely no liability or responsibility for any utilities or other services for the Garden during the Term. Notwithstanding the foregoing, one half of all utility costs shall be paid from the Authority contribution as set forth in Section 7.3.

7.6 Garden Endowment Contribution. The Parties agree that with the Authority Contribution decreasing annually until reaching the Base Contribution in 2022/2023, the Operator will need to increase fundraising and endowment growth efforts. The Operator shall commence in FY 2019/2020 depositing five percent (5%) of revenue received from corporate membership funds, overall sales onsite and online, and unrestricted donations into the Garden Endowment Fund. In FY 2021/2022, the Parties shall conduct a fiscal assessment of the Garden finances to determine if the this annual endowment contribution can be increased to a maximum of ten percent (10%) of the above identified revenues. Any increase shall be at a mutually agreed upon amount.

8. RECORDS, REPORTS AND AUDITS.

8.1 Sales Recording and Records. The Operator shall record at the time of sale, in the presence of the customer, receipts from sales or other transactions, whether cash or credit, in a cash register or registers, or a point of sale terminal or terminals, having a tape that accumulates and consecutively numbers all transactions. A receipt from any transaction showing the correct amount of purchase shall be offered to the customer at the time of any transaction, including any cash sale. Transactions not ordinarily recorded in a cash register or point of sale terminal shall be noted on and kept in a ledger format.

8.2 Retention of Books and Records. The Operator shall, for a period of five (5) years following the end of the Term, keep and maintain, safe and intact, all of the records, books and accounts required to be maintained by the Operator regarding the Garden pursuant to this Agreement, and shall from time to time, upon request, make these records available to the
Authority, the Authority's auditor, representative or agent for examination at any reasonable time, on ten (10) calendar days advance Notice. The Authority shall also have the right to make abstracts from the records or make copies of any or all of the records. In addition, on request of the Authority or the Authority's representative, the Operator shall furnish copies of the Operator's State of California and local sales and use tax returns.

8.3 Annual Update to Strategic Plan. Annually, Operator will review the Strategic Plan with the Authority.

8.4 Operator and Annual Reports.

8.4.1 Operator shall provide to each Authority member agency Board no later than March 15, June 15, September 15, and December 15 of each year, in writing, or in person if requested by the Authority member agency Board, a quarterly report which shall address:

(a) Financials: Financial reporting will include summary of fundraising efforts, educational income, grants and earned revenue and expenses.

(b) Attendance: Attendance through turnstiles, classes, field trips, assemblies and outreach broken out by agency when available.

(c) Garden Renewal: Update on renewal efforts of Deferred Maintenance Projects and continued maintenance of Core Exhibits.

(d) Exhibits: Consultation regarding any new exhibits over $100,000 or major overhaul of Core Exhibits consistent with Section 10 below.

8.4.2 By December 15 each year, Operator shall provide to each Authority member agency Board in writing, or in person if requested by the Authority member agency Board, the Operator's Annual Report and updates to the Strategic Plan. The Annual Report shall include, but need not be limited to a description of:

(a) Educational Programs: The number of education programs, including attendance and the audience served;

(b) Special Events: The number of events and revenue generated therefrom;

(c) Development and Membership: The efforts to increase fundraising through membership drives and other activities, including a list of major donors;

(d) Volunteer Program: The number of volunteers, types of jobs performed, and, if possible, the value of volunteer efforts to the Garden; and

(e) The financial position and fiscal activities of the Garden.

8.5 Communication. To facilitate open, effective, and efficient communication the Parties shall utilize the following communication process:
8.5.1 Member agencies shall communicate to and through the Authority Board;

8.5.2 Authority may provide direction to the Executive Director regarding the Core Exhibits and the Section 8.3 Reports. The Authority shall not provide direction to the Executive Director regarding day to day operational issues;

8.5.3 Authority and Operator shall share information regularly, including holding not less than one joint meeting annually. Authority may provide direction to the Operator regarding Core Exhibits and the Section 8.3 Reports;

9. LEGAL COMPLIANCE. The Operator shall during the Term, at the Operator’s sole cost and expense, in all material respects: (a) comply with all Laws; and (b) procure and comply with all Approvals required by Law.

10. ALTERATIONS TO GARDEN. Operator shall not do any of the following without the prior written approval of Authority: (a) construct any new buildings or exhibits within the Garden with a value in excess of One Hundred Thousand Dollars ($100,000.00); (b) remove any exhibits; or (c) construct an exhibit so significant as to change the focus or purpose of the Core Exhibit. Operator may make new plantings, modify existing exhibits or maintain existing buildings and exhibits as reasonably required or desirable in the normal operation of the Garden in accordance with its obligations under this Agreement, without any further consent of Authority.

11. PROHIBITED LIENS.

11.1 Operator’s Covenant. If a Prohibited Lien is filed, then the Operator shall, within fifteen (15) days after receiving notice of such filing, cause such Prohibited Lien to be released. If the Authority receives notice of any such filing, then the Authority shall promptly Notify the Operator.

11.2 Protection of the Authority. NOTICE IS HEREBY GIVEN THAT THE AUTHORITY SHALL NOT BE LIABLE FOR ANY LABOR OR MATERIALS FURNISHED OR TO BE FURNISHED TO THE OPERATOR UPON CREDIT AND THAT NO MECHANIC’S OR OTHER LIEN FOR ANY SUCH LABOR OR MATERIALS SHALL ATTACH TO OR AFFECT THE FEE ESTATE. NOTHING IN THIS AGREEMENT SHALL BE DEEMED OR CONSTRUED IN ANY WAY TO CONSTITUTE THE AUTHORITY’S CONSENT OR REQUEST, EXPRESS OR IMPLIED, BY INFERENCE OR OTHERWISE, TO ANY CONTRACTOR, SUBCONTRACTOR, LABORER, EQUIPMENT OR MATERIAL SUPPLIER FOR THE PERFORMANCE OF ANY LABOR OR THE FURNISHING OF ANY MATERIALS OR EQUIPMENT, NOR AS GIVING THE OPERATOR ANY RIGHT, POWER OR AUTHORITY TO CONTRACT FOR, OR PERMIT THE RENDERING OF, ANY SERVICES, OR THE FURNISHING OF ANY MATERIALS OR EQUIPMENT THAT WOULD GIVE RISE TO THE FILING OF ANY LIENS AGAINST THE FEE ESTATE. THE OPERATOR SHALL INDEMNIFY THE AUTHORITY AGAINST ANY ACTION UNDERTAKEN BY THE OPERATOR OR ANYONE CLAIMING THROUGH THE OPERATOR, AND AGAINST ALL PROHIBITED LIENS, PURSUANT TO SECTION 13.
11.3 Garden Not Subject to Mechanic’s Liens. The Garden is owned by the GCCCD, which is a public entity, and as a result, the Garden is not subject to the imposition of mechanic’s liens. The Operator agrees to notify, in writing, each provider of labor, material or services on or to the Garden of such fact and that neither the GCCCD, the Authority nor the Garden shall be responsible for payment of any claims by any such providers of labor, material or services. The Authority shall have the right at all reasonable times to post and keep posted on the Garden any notices that the Authority may deem necessary for the protection of the Authority or the Garden from mechanic’s liens or other claims. The Operator shall give the Authority, at least, ten (10) calendar days prior Notice of the commencement of any work on the Garden with a reasonably anticipated cost exceeding Ten Thousand Dollars ($10,000) and that could otherwise give rise to a mechanic’s lien, stop payment notice or other similar claim or lien, but for the Authority’s ownership of the Garden, to enable the Authority to post any notices that the Authority may deem appropriate.

12. HAZARDOUS SUBSTANCES.

12.1 Restrictions. The Operator shall not cause or permit to occur on, under or at the Garden during the Term: (a) any violation of any Environmental Law; or (b) the use, generation, release, manufacture, refining, production, processing, storage, or disposal of any Hazardous Substance, or transportation to or from the Garden of any Hazardous Substance, unless both: (i) reasonably necessary and customary to operate and maintain the Garden for uses this Agreement permits; and (ii) in compliance with all Environmental Law.

12.2 Compliance: Clean-Up. The Operator shall, at the Operator’s sole expense: (a) comply with all Environmental Laws applicable to the Garden and, to the extent Environmental Law requires, clean up any Hazardous Substance Discharge; (b) make all submissions to, deliver all information required by, and otherwise fully comply with all requirements of any Government under Environmental Law; (c) if any Government requires any clean-up plan or clean-up because of a Hazardous Substances Discharge, prepare and submit the required plans and all related bonds and other financial assurances; (d) promptly and diligently carry out all such clean-up plans; and (e) Indemnify the Authority Parties against any Hazardous Substances Discharge or violation of Environmental Law, in accordance with Section 13.

13. INDEMNIFICATION; LIMIT ON LIABILITY OF AUTHORITY.

13.1 Operator Indemnification of Authority Parties. The Operator shall Indemnify the Authority Parties against any: (a) wrongful act, wrongful omission, or negligence of the Operator (and anyone claiming by or through the Operator) or its or their shareholders, directors, officers, elected officials, partners, attorneys, agents or employees; (b) breach or Default by the Operator under this Agreement; or (c) breach of any representation or warranty the Operator makes in this Agreement; (d) any Application made at the Operator’s request; (e) use, occupancy management or operation of the Garden; (f) any agreements that the Operator (or anyone claiming through the Operator) makes regarding the Garden; (g) the condition of the Garden or any street, curb or sidewalk adjoining the Garden, or of any vaults, tunnels, passageways or space under, adjoining or appurtenant to the Garden; and (h) any accident, injury or damage whatsoever caused to any Person in or on the Garden or upon or under the sidewalks adjoining the Garden.
13.2 Authority Indemnification of Operator. The Authority shall Indemnify the Operator against any: (a) wrongful act, wrongful omission, or negligence of the Authority (and anyone claiming by or through the Authority) or its or their shareholders, directors, officers, elected officials, partners, attorneys, agents or employees; (b) breach or Default by the Authority under this Agreement; or (c) breach of any representation or warranty the Authority makes in this Agreement; (d) any Application made at the Authority’s request; and (e) any agreements that the Authority (or anyone claiming through the Authority) makes regarding the Garden.

13.3 Limitation on Liability of the Authority. During the Term: (a) the Operator is and shall be responsible for operation of the Garden; and (b) the Authority shall not be liable for any injury or damage to any property (of the Operator or any other Person) or to any Person occurring on or about the Garden, except to the extent caused by the Authority’s intentional or negligent act or omission. Provisions of this Agreement or the License Agreement regarding the Authority’s rights or obligations with respect to the Garden shall not impose upon the Authority any liability to Third Persons. Nothing in this Agreement shall be construed to exculpate, relieve, or Indemnify the Authority from or against any liability of the Authority: (i) to Third Persons existing on or before the Effective Date; or (ii) arising from the Authority’s wrongful intentional act or negligence.

13.4 Strict Liability. The indemnification obligations of the Operator under this Agreement shall apply regardless of whether liability without fault or strict liability is imposed or sought to be imposed on one or more of the Authority Parties.

13.5 Independent of Insurance Obligations. The Operator’s indemnification obligations under this Agreement shall not be construed or interpreted as in any way restricting, limiting, or modifying the Operator’s insurance or other obligations under this Agreement and is independent of the Operator’s insurance and other obligations under this Agreement. The Operator’s compliance with its insurance obligations and other obligations under this Agreement shall not in any way restrict, limit, or modify the Operator’s indemnification obligations under this Agreement and are independent of the Operator’s indemnification and other obligations under this Agreement.

13.6 Survival of Indemnification and Defense Obligations. The indemnification and defense obligations of the Operator under this Agreement shall survive the expiration or earlier termination of this Agreement, until all claims against any of the Authority Parties involving any of the indemnified matters are fully, finally, and absolutely and completely barred by the applicable statutes of limitations.

14. INSURANCE.

14.1 Operator to Insure. The Operator shall, during the Term, maintain the following insurance (or its then reasonably available equivalent): (a) Property Insurance; (b) Liability Insurance; (c) Automobile Liability Insurance; (d) Worker’s Compensation Insurance; and (e) Director and Officers Insurance.

14.2 Nature of Insurance Program. All Property Insurance and Liability Insurance policies this Agreement requires will be procured by the Operator through GCCCD or otherwise
shall be issued by carriers that: (a) are listed in the then current “Best’s Key Rating Guide-Property/Casualty-United States & Canada” publication (or its equivalent, if such publication ceases to be published) with a minimum financial strength rating and a minimum financial size category equivalent to that of GCCCD; and (b) are admitted to do business in the State by the State Department of Insurance. The Operator may provide any Property Insurance or Liability Insurance coverage under a “blanket” or “umbrella” insurance policy, provided that: (i) such policy specifies the amount(s) of the total insurance allocated to the Garden, which amount(s) shall, when combined with the underlying policy liability limits, equal or exceed the amount(s) required by this Agreement and shall not be reduced for claims made for other properties; and (ii) such policy otherwise complies with this Agreement.

14.3 Policy Requirements and Endorsements. All insurance policies this Agreement requires shall contain (by endorsement or other policy provision) the following provisions:

14.3.1 Insured. Liability Insurance policies shall name both the Authority and the GCCCD as an “additional insured.” Property Insurance policies shall name both the Authority and the GCCCD as loss payee, as their respective interests may appear. Notwithstanding anything to the contrary in this Section 14.3.1, all Property Insurance Proceeds shall be paid and applied as this Agreement provides.

14.3.2 Primary Coverage. All policies shall be written as primary policies, not contributing to or in excess of any coverage that the Authority may carry.

14.3.3 Contractual Liability. Liability Insurance policies shall contain contractual liability coverage, for the Operator’s indemnity obligations under this Agreement. The Operator’s obtaining or failure to obtain such contractual liability coverage shall not relieve the Operator from nor satisfy any indemnity obligation of the Operator under this Agreement.

14.3.4 Notice to the Authority. Each insurance policy shall require the carrier to give the Authority no less than thirty (30) calendar days’ advance written notice of any cancellation, non-renewal, material change in coverage or available limits of liability under any insurance policy required by this Agreement; provided, however, only ten (10) calendar days’ advance written notice shall be required for cancellation of any insurance policy for non-payment of the premium.

14.4 Deliveries to the Authority. On the Effective Date, and no later than twenty (20) days before any Liability Insurance, Automobile Liability Insurance or Property Insurance expires, is cancelled or its liability limits are materially reduced or exhausted, the Operator shall deliver to the Authority policies of insurance evidencing the Operator’s maintenance of all Liability Insurance, Automobile Liability Insurance and Property Insurance this Agreement requires, in each case providing coverage for, at least, twelve (12) months from the date delivered.

14.5 Waiver of Certain Claims. Policies of Liability Insurance or Property Insurance shall include a Waiver of Subrogation, by endorsement or other policy provision. The Parties release each other, and their respective authorized representatives, from any claims for damage
to any Person or property that are caused by or result from risks insured against under such insurance policies.

14.6 No Representation. Neither Party makes any representation that the limits, scope, nor are forms of insurance coverage this Agreement requires adequate or sufficient.

15. CASUALTY.

15.1 Notice. If either Party becomes aware of any Casualty, such Party shall promptly Notify the other Party.

15.2 Effect of Casualty. If any Casualty occurs, then: (a) this Agreement shall not terminate or be impaired; and (b) the Operator shall Restore with reasonable promptness regardless of cost. If, however, the Casualty is a Substantial Casualty, then the Operator may, by Notice to the Authority, given within thirty (30) days after the occurrence of the Casualty, terminate this Agreement effective sixty (60) days after such Notice, provided that the Operator assigns to the Authority all of the Operator's right, title and interest in and to any Property Insurance Proceeds (and rights thereto) arising from the Casualty.

15.3 Obligation to Restore. If the Operator does not timely elect to terminate this Agreement or is required to Restore the Garden Improvements pursuant to this Agreement, the Operator shall immediately deposit with the Authority either an amount equal to the deficiency in insurance proceeds actually available for Restoration and the cost of Restoration, or security reasonably satisfactory to the Authority for such deficiency. If the Operator is required or elects to Restore, the Operator shall, as soon as is reasonable under the circumstances, commence and continue thereafter diligently and without interruption, at the Operator's sole cost and expense (but the Operator may use any insurance proceeds available for such purpose), Restore the Garden Improvements as nearly as possible to the condition they were in immediately prior to the Casualty, or with such changes or alterations as may be approved by the Authority.

15.4 Adjustment of Claims; Use of Property Insurance Proceeds. Unless the Operator has validly elected a Casualty Termination, the Operator shall have the sole right and authority to adjust any insurance claim. Property Insurance Proceeds shall be disbursed to the Operator, to be held in trust for the benefit of the Authority, and released by the Operator in installments based on progress of completion of work of Restoration.

16. ASSIGNMENT. The Operator may not assign this Agreement, without the Authority's prior written consent, which may be given or withheld in the Authority's sole and absolute discretion. Any approved assignee of the Operator shall assume all obligations and liabilities of the Operator under this Agreement in a writing reasonably satisfactory to the Authority, on the effective date of any such assignment. After the Operator assigns this Agreement and the assignee assumes the Operator's obligations under this Agreement, in accordance with this Agreement, the assignor shall have no obligation or liability under this Agreement, except: (a) any obligation to hold and apply Restoration Funds held by the assignor at the date of the assignment (unless transferred to the assignee in a form acceptable to the Authority); and (b) any unperformed obligations that arose before the assignment (unless assumed in writing by the assignee in a form acceptable to the Authority). If the Operator assigns this Agreement, then as
between the Authority and the Operator, the Operator shall be deemed to have assigned to the assignee all claims against the Authority then existing, and the assignee shall be deemed, by assuming this Agreement, to have assumed all liabilities and obligations of the Operator then existing or thereafter arising under this Agreement (except as this Agreement otherwise expressly states).

17. **AUTHORITY AND GCCCD ACCESS TO GARDEN.** Notwithstanding anything to the contrary in this Agreement, the Authority, its agents, representatives or designees may enter the Garden to: (a) ascertain whether the Operator is complying with this Agreement; (b) cure the Operator’s Defaults; (c) inspect the Garden; or (d) perform such tests, borings, and other analyses as the Authority determines may be necessary or appropriate relating to (non)compliance with any Law or possible Hazardous Substances Discharge. In addition, the GCCCD shall retain all rights of access to the Garden reserved to it in the License Agreement. In entering the Garden, the Authority or its designees shall not unreasonably interfere with operation of the Garden.

18. **NO PROPERTY ESTATE OR INTEREST CONVEYED.** Notwithstanding any provision of this Agreement to the contrary, the Parties do not intend to convey any interest or estate in real or personal property between them and nothing in this Agreement shall be construed or interpreted as a grant of any interest or estate in any property, except to the extent that Operator agrees to assignment of rights in License Agreement, which provides that property of Authority shall go to Operator in the event of Authority dissolution. If this Agreement or any provision of this Agreement is construed or interpreted by a court of competent jurisdiction as conveying an estate or interest in property between the Parties (excepting FF&E on the Expiration Date), then any Party not then in Default of this Agreement may, in such Party’s sole and absolute discretion, terminate this Agreement, without liability to the other Party or any other person for such termination, by delivering Notice of termination to the other Party within thirty (30) calendar days following notice of such court determination. Without limiting the right of either Party to terminate this Agreement, pursuant to the immediately preceding sentence, if neither Party has exercised its contractual right to terminate this Agreement within thirty (30) calendar days following notice of such court determination, then upon the expiration of such thirty (30) calendar day period, the Parties’ respective rights to terminate this Agreement pursuant to this Section 18 shall be extinguished.

19. **EVENTS OF DEFAULT; REMEDIES.**

19.1 **Definition of “Event of Default.”** An “Event of Default” means the occurrence of any one or more of the following:

19.1.1 **Monetary Default.** If a Monetary Default occurs and continues for ten (10) calendar days after Notice from the Authority, specifying in reasonable detail the amount of money not paid and the nature and calculation of each such payment.

19.1.2 **Prohibited Liens.** If the Operator fails to cause any Prohibited Lien to be released within fifteen (15) calendar days after Notice from the Authority of such lien.
19.1.3 **Bankruptcy or Insolvency.** If the Operator ceases to do business as a going concern, ceases to pay its debts as they become due or admits in writing that it is unable to pay its debts as they become due, or becomes subject to any Bankruptcy Proceeding (except an involuntary Bankruptcy Proceeding dismissed within sixty (60) calendar days after commencement), or a custodian or trustee is appointed to take possession of, or an attachment, execution or other judicial seizure is made with respect to, substantially all of the Operator's assets or the Operator's interest in this Agreement (unless such appointment, attachment, execution, or other seizure was involuntary and is contested with diligence and continuity and vacated and discharged within sixty (60) calendar days).

19.1.4 **Non-Monetary Default.** If any Non-Monetary Default, other than those addressed in Sections 19.1.2 and 19.1.3, occurs and the Operator does not cure such Non-Monetary Default within thirty (30) calendar days after Notice from the Authority describing the Default in reasonable detail, or, in the case of a Non-Monetary Default that cannot with reasonable due diligence be cured within thirty (30) calendar days from such Notice, if the Operator shall not: (i) within thirty (30) calendar days after the Authority's Notice, advise the Authority of the Operator's intention to take all reasonable steps to cure such Non-Monetary Default; (ii) duly commence such cure within such period, and then diligently prosecute such cure to completion; and (iii) complete such cure within a reasonable time under the circumstances.

19.2 **Remedies.** If an Event of Default occurs, then the Authority shall, in the Authority's sole discretion, have any or all of the following described remedies, all cumulative (so exercise of one remedy shall not preclude exercise of another remedy), in addition to such other remedies as may be available at Law or in equity or under any other terms of this Agreement. The Authority's remedies shall include:

19.2.1 **Termination of Agreement.** Either Party may initiate termination of this Agreement if the other party fails to act in good faith under this Agreement and/or breaches any of the terms herein. To initiate termination, either party may provide the other with a Notice of Intent to Terminate or by any other lawful means. Within thirty (30) days of delivery and receipt of such Notice, either party may elect for the parties to proceed to mediation with a mutually agreed upon mediator. The cost of mediation will be equally divided by the parties. If no request for mediation is made by either party within thirty (30) days, the Agreement shall terminate immediately. If the parties participate in mediation and at the completion of such mediation either party still seeks to terminate the Agreement, the Agreement shall terminate immediately. Upon termination of the Agreement, such date of termination shall be the Expiration Date, and the Operator shall immediately vacate the Garden. Additionally, the either Party may bring an action to recover any amount necessary to compensate itself for all detriment proximately caused by the other Party's failure to perform their obligations under this Agreement.

19.2.2 **Receipt of Moneys.** No receipt of money by the Authority from the Operator after Notice of Default, the Expiration Date, or the giving of any Notice of termination of this Agreement, shall reinstate, continue, or extend this Agreement or affect any Notice previously given to the Operator, or waive the Authority's right to enforce payment of any amount payable or later falling due, or the Authority's right to enter the Garden, except as this Agreement expressly states otherwise, it being agreed that after service of Notice of Default or
Notice of termination of this Agreement or the commencement of suit or proceedings, or after final order or judgment, the Authority may demand, receive, and collect any moneys due or thereafter falling due, without in any manner affecting any such Notice, proceeding, order, suit or judgment, all such moneys collected being deemed payments on account of use of the Garden or, at the Authority's election, on account of the Operator's liability to the Authority.

19.2.3 No Waiver. No failure by the Authority to insist upon strict performance of any covenant, agreement, term or condition of this Agreement or to exercise any right or remedy upon a Default, and no acceptance of full or partial payment during continuance of any such Default, shall waive any such Default or such covenant, agreement, term or condition. No covenant, agreement, term or condition of this Agreement to be performed or complied with by the Operator, and no Default, shall be Modified, except by a written instrument executed by the Authority. No waiver of any default shall modify this Agreement. Each and every covenant, agreement, term and condition of this Agreement shall continue in full force and effect with respect to any other then-existing or subsequent Default of such covenant, agreement, term or condition of this Agreement.

19.2.4 Security Devices. The Authority may change the locks and other security devices providing admittance to the Garden.

19.2.5 Damages. Subject to Section 26.2, the Authority may recover from the Operator all damages the Authority incurs by reason of the Operator's Default, including reasonable costs of removing the Operator's personnel or property from the Garden, and any and all other damages legally recoverable by the Authority, and reimbursement of the Authority's reasonable out of pocket costs. The Authority may recover such damages at any time after the Operator's Default, including after the Expiration Date.

19.2.6 Injunction of Breaches. Whether or not an Event of Default has occurred, the Authority may obtain a court order enjoining the Operator from continuing any Default or from committing any threatened Default. The Operator specifically and expressly acknowledges that damages would not constitute an adequate remedy to the Authority for any Non-Monetary Default.

19.2.7 Continue Agreement. The Authority may, in the Authority's sole discretion, maintain the Operator's right to operate the Garden pursuant to this Agreement. In that case, this Agreement shall continue and the Authority may continue to enforce it.

19.2.8 Restoration Funds. Upon any termination of this Agreement, to the extent that the Authority then holds any Restoration Funds, they shall be the sole property of the Authority and may be applied solely as the Authority directs.

19.3 Authority's Right to Cure. 30 days after a request to Operator by Authority to cure Operator's Default under this Agreement, the Authority, without waiving or releasing the Operator from any obligation or Default and without waiving the Authority's right to take such action as this Agreement may permit as a result of such Default, may (but need not) make any payment or take any action on behalf of the Operator to cure any Default of the Operator. The Operator shall reimburse the Authority for an amount equal to all reasonable sums paid, and
reasonable costs and expenses incurred, by the Authority in exercising its cure rights under this Section 19.3. Pursuant to paragraph 17, the Authority may enter the Garden to cure said Default.

19.4 Failure to Vacate. If for any reason or no reason the Operator does not vacate the Garden (removal of all of the Operator’s personnel and property) on or before the Expiration Date, then the Authority will suffer injury that is substantial, difficult, or impossible to measure accurately. Therefore, if the Operator remains in the Garden after the Expiration Date, either by its personnel or its property or both, for any reason or no reason, then in addition to any other rights or remedies of the Authority, the Operator shall pay to the Authority, as liquidated damages and not as a penalty, for each day during which the Operator remains in the Garden after the Expiration Date, a sum equal to One Thousand Dollars ($1,000.00).

19.5 Survival. No entry into or onto the Garden by the Authority shall relieve the Operator of its liabilities and obligations under this Agreement, all of which shall survive such entry. Termination of this Agreement shall not relieve the Operator of any liabilities or obligations of the Operator arising under this Agreement prior to the date of termination.

20. END OF TERM. Upon any Termination Date: (a) the Operator shall vacate the Garden (removal of all of the Operator’s personnel), in the condition this Agreement requires, subject to any Casualty that this Agreement does not require the Operator to Restore, and all Garden Improvements and FF&E used in the operation of the Garden shall be the sole and exclusive property of the Authority; (b) the Operator shall deliver the Garden free and clear of all claims except claims that the Authority or any of its agents caused; (c) all unspent income associated with unused Authority dues or fundraised specifically for maintenance of the Core Exhibits as of the Expiration Date shall be immediately transferred to the Authority; (d) all unspent income associated with educational programming, weddings, third party events or funds raised to support educational program shall remain with the Operator as of the Expiration Date; (e) all intellectual property associated with the educational programming shall remain with the Operator as the exclusive owner thereof, including but not limited to the Ms. Smarty Plants program; and (f) the Parties shall cooperate to achieve an orderly transition of operation of the Garden from the Operator to the Authority or a designee of the Authority, without interruption, including delivery of such books and records (or copies thereof) as the Authority reasonably requires.

21. NO INTENDED THIRD PARTY BENEFICIARIES. This Agreement does not, and shall not be deemed or construed to, confer upon or grant to any Third Person (excepting permitted successors or assigns of the Operator or the Authority pursuant to the terms of this Agreement) any right to claim damages or to bring any suit, action or other proceeding against either the Authority or the Operator because of any breach of this Agreement or to enforce any term, covenant, condition, restriction, reservation, provision or agreement contained in this Agreement.

22. NOTICES. All Notices shall be in writing and addressed to the Authority or the Operator (and their designated copy recipients) as set forth in Exhibit “A.” Notices (including any required copies) shall be delivered personally or by Federal Express, United Parcel Service or other nationally or regionally recognized overnight (one business day) courier service to the addresses set forth in Exhibit “A,” in which case they shall be deemed delivered on the date of delivery (or when delivery has been attempted twice, as evidenced by the written report of the
courier service) to such address(es). Either Party may change its address for delivery of Notices by Notice in compliance with this Agreement. Notice of such a change shall be effective only upon receipt. Any Party giving a Notice may request the recipient to acknowledge receipt of such Notice. The recipient shall promptly comply with any such request, but failure to do so shall not limit the effectiveness of any Notice. Any attorney may give any Notice on behalf of its client.

23. **NO BROKER.** Each Party: (a) represents and warrants that it did not engage or deal with any broker or finder in connection with this Agreement and no Person is entitled to any commission or finder’s fee on account of any agreement or arrangement made by such Party; and (b) shall indemnify the other Party against any breach of such representation.

24. **MODIFICATION.** Any Modification of this Agreement must be in writing and signed by the Party to be bound.

25. **SUCCESSORS AND ASSIGNS.** This Agreement shall bind and benefit the Authority and the Operator and their successors and assigns, but this Section 25 shall not limit or supersede any Transfer restrictions contained in this Agreement. Nothing in this Agreement confers on any Person (except the Authority and the Operator) any right to insist upon, or to enforce against the Authority or the Operator, the performance or observance by either Party of its rights or obligations under this Agreement.

26. **MISCELLANEOUS.**

26.1 **Waiver of Non-Disturbance.** Notwithstanding anything to the contrary in this Agreement, Operator expressly agrees that this Agreement shall terminate and expire in the event that the License Agreement terminates or expires during the Term. To that end, Operator expressly waives any claim of any right to non-disturbance upon expiration of the License Agreement.

26.2 **No Consequential Damages.** Whenever either Party may seek or claim damages against the other Party (whether by reason of a breach of this Agreement by such Party, in enforcement of any indemnity obligation, for misrepresentation or breach of warranty, or otherwise), neither the Authority nor the Operator shall seek, nor shall there be awarded or granted by any court, arbitrator, or other adjudicator, any speculative, consequential, collateral, special, punitive, or indirect damages, whether such breach shall be willful, knowing, intentional, deliberate, or otherwise. The Parties intend that any damages awarded to either Party shall be limited to actual, direct damages sustained by the aggrieved Party. Neither Party shall be liable for any loss of profits suffered or claimed to have been suffered by the other.

26.3 **No Waiver by Silence.** Failure of either Party to complain of any act or omission on the part of the other Party shall not be deemed a waiver by the non-complaining Party of any of its rights under this Agreement. No waiver by either Party at any time, express or implied, of any breach of this Agreement shall waive the same such breach at another time or any other breach.

26.4 **Survival.** All rights and obligations that by their nature are to be performed after any termination of this Agreement shall survive any such termination.
26.5 **Unavoidable Delay.** Each Party’s obligation to perform or observe any nonmonetary obligation under this Agreement shall be suspended during such time as such performance or observance is prevented or delayed by Unavoidable Delay.

26.6 **Authority Contract Administration.** The Authority Representative shall administer this Agreement on behalf of the Authority. Except as otherwise expressly provided in this Agreement, the Authority Representative has the authority to approve or consent to those matters in this Agreement requiring the Authority’s approval or consent and to make all other decisions on behalf of the Authority, subject to the Authority Representative’s retained and reserved sole and absolute discretion to seek approval of the Authority’s governing board of any such matter. The Authority may revoke the authorization provided to the Authority Representative in this Section 26.6, at any time, by Notice of such revocation to the Operator.

27. **INTERPRETATION, EXECUTION, AND APPLICATION OF AGREEMENT.**

27.1 **Captions.** The captions of this Agreement are for convenience and reference only and in no way affect this Agreement.

27.2 **Counterparts.** This Agreement may be signed in counterpart originals, each of which shall constitute an original of this Agreement and that, collectively, shall constitute one and the same agreement.

27.3 **Entire Agreement.** This Agreement contains all of the terms, covenants, conditions and agreements between the Parties regarding the Garden. The Parties have no other understandings or agreements, oral or written, regarding the Garden.

27.4 **Governing Law.** This Agreement, its interpretation and performance, the relationship between the Parties, and any disputes arising from or relating to any of the foregoing, shall be governed, construed, interpreted, and regulated under the laws of the State of California, without regard to principles of conflicts or choice of laws.

27.5 **Partial Invalidity.** If any term or provision of this Agreement or its application to any Person or circumstance shall to any extent be invalid or unenforceable, then the remainder of this Agreement, or the application of such term or provision to Persons or circumstances, except those as to which it is invalid or unenforceable, shall not be affected by such invalidity. All remaining provisions of this Agreement shall be valid and be enforced to the fullest extent Law allows.

27.6 **Principles of Interpretation.** No inference in favor of or against any Party shall be drawn from the fact that such Party has drafted any part of this Agreement. The Parties have both participated substantially in the negotiation, drafting, and revision of this Agreement, with advice from counsel and other advisers of their own selection. A term defined in the singular in this Agreement may be used in the plural, and vice versa, all in accordance with ordinary principles of English grammar, which also govern all other language in this Agreement. The words “include” and “including” shall be construed to be followed by the words: “without limitation.” Each collective noun in this Agreement shall be interpreted as if followed by the words “(or any part of it),” except where the context clearly requires otherwise. Every reference to any document, including this Agreement, refers to such document as Modified from time to
time (except any Modification that violates this Agreement), and includes all exhibits, schedules, and riders to such document. The word “or” includes the word “and.”

27.7 **Reasonableness.** Wherever this Agreement states that a Party’s approval shall be “reasonable” or not unreasonably withheld: (a) such approval shall not be unreasonably delayed or conditioned; (b) no withholding of approval shall be deemed reasonable, unless withheld by Notice specifying reasonable grounds, in reasonable detail, for such withholding, and indicating specific reasonable changes in the proposal under consideration that would make it acceptable; and (c) if a Party grants its consent to any matter, this shall not waive its rights to require such consent for any further or similar matter.

27.8 **Time of Essence.** Time is of the essence with respect to the performance of each term, provision, covenant or agreement contained in this Agreement.

27.9 **Exhibits.** All of the exhibits attached to this Agreement are as follows and are incorporated into this Agreement by reference:

- Exhibit “A” = Notice Addresses
- Exhibit “B” = Form of Operator Official Action
- Exhibit “C” = License Agreement
- Exhibit “D” = Operation and Maintenance Obligations

[Signatures on next page]
SIGNATURE PAGE
TO
AMENDED AND RESTATED
WATER CONSERVATION GARDEN OPERATION AGREEMENT

IN WITNESS WHEREOF, the Authority and the Operator have signed this Agreement by and through the signatures of their authorized representatives set forth below:

AUTHORITY:
WATER CONSERVATION AUTHORITY, a California joint powers authority

By: __________________________
   Board President

ATTEST:

By: __________________________
   Board Secretary

APPROVED AS TO FORM:

Best Best & Krieger LLP

By: __________________________
   Authority General Counsel

ACKNOWLEDGEMENT AND CONSENT TO ASSIGNMENT OF RIGHTS UNDER LICENSE AGREEMENT

The undersigned hereby acknowledges and consents to the assignment of rights and obligations by the Authority to the Operator under the License Agreement pursuant to the terms and conditions of this Agreement.

GROSSMONT-CUYAMACA COMMUNITY COLLEGE DISTRICT, a California community college district:

By: __________________________
   Name: __________________________
   Title: __________________________
EXHIBIT "A"

NOTICE ADDRESSES

<table>
<thead>
<tr>
<th>Party</th>
<th>Notice Address</th>
<th>With a copy to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authority</td>
<td>Water Conservation Authority 12122 Cuyamaca College Drive West El Cajon, CA 92019 Attention: Executive Director</td>
<td>Best Best &amp; Krieger LLP 655 West Broadway 15th Floor San Diego, California 92101 Attention: Paula C.P. de Sousa</td>
</tr>
<tr>
<td>Operator</td>
<td>Friends of Water Conservation Garden</td>
<td></td>
</tr>
</tbody>
</table>

Discussion Draft No. 3
September 23, 2017
Discussion Draft No.
September 23, 2017

EXHIBIT "B"

FORM OF OPERATOR OFFICIAL ACTION

[Attached behind this cover page]
RESOLUTION OF THE BOARD OF DIRECTORS OF
FRIENDS OF THE WATER CONSERVATION GARDEN,
A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION

At a meeting of the board of directors of Friends of the Water Conservation Garden, a California nonprofit public benefit corporation (the “Corporation”), duly held on ____________, 20__, at which meeting all of the directors of the Corporation were in attendance, the following resolutions were unanimously adopted:

WHEREAS, the Corporation is about to enter into that certain Amended and Restated Water Conservation Garden Operation Agreement with the Water Conservation Authority, a California joint powers authority (“the Authority”), dated as of ____________, 20__ (the “Agreement”), to maintain and operate certain real property and improvements specifically described in the Agreement (the “Garden”); and

WHEREAS, the Board of Directors of the Corporation has reviewed the Agreement and all documents executed or to be executed in connection with the Agreement and considers the transaction to be in the best interest of the Corporation.

NOW, THEREFORE, BE IT RESOLVED that the Corporation execute the Agreement and all documents previously presented to, reviewed, and approved by the Board of Directors of the Corporation.

RESOLVED, FURTHER, that the following officers of the Corporation acting alone be, and they hereby are, authorized, empowered, and directed on behalf of the Corporation to execute and deliver the Agreement and all other documents to be executed in connection with it, and to take all actions that may be necessary to exercise the Corporation’s rights and perform the Corporation’s obligations under the Agreement and any such other documents:

President
[Name]
Secretary
[Name]

The authority conferred by this Resolution shall be considered retroactive and any and all acts authorized in this Resolution that were performed before the passage of this Resolution are hereby approved and ratified by the Corporation. The authority conferred by this Resolution shall continue in full force and effect until the Authority shall have received notice in writing, certified by the Secretary of the Corporation, of the revocation of this authority by a separate resolution duly adopted by the Board of Directors of the Corporation.

The undersigned, ________________, Secretary of the Corporation, certifies that the foregoing is a true copy of the Resolution duly adopted by the Board of Directors of the Corporation at a meeting held on ________________, 20__.

IN TESTIMONY WHEREOF, I have executed this Resolution and affixed the corporate seal of the Corporation, as of ________________, 20__.
September 23, 2017

EXHIBIT “C”

GARDEN MAINTENANCE STANDARDS

[Attached behind this cover page]
EXHIBIT D
OPERATION AND MAINTENANCE COSTS
[ATTACHED BEHIND COVER PAGE]
On-going Operations and Maintenance Costs – Operator Responsibility paid from Authority’s Annual Contribution

1. Horticulture staff and benefits
2. Maintenance and supplies
   a. Irrigation
   b. Exhibit maintenance
   c. Plants (includes annuals, perennials, and box trees as necessary)
   d. Tools
3. Percentage of Utilities

Deferred Maintenance Costs – Authority Responsibility: paid from Annual Contribution
Deferred Maintenance set aside (see Section 7.3.2) over 5 years

1. Core Exhibit Repair
2. DG pathway stabilizer
3. Fence painting
4. Irrigation upgrade
5. Outside light bulbs (street lamps)
6. Upgrade electrical in plaza and replace GFR throughout Garden
7. Wall re-stucco and painting all buildings

Deferred Maintenance Costs – Operator Responsibility: Paid from Annual Contribution and other funds raised by Operator

1. Amphitheater Bench Repair
2. Meeting Room Carpet
3. Parking Lot Asphalt Sealer
4. Path Edging
5. Water Feature Pumps

Deferred Maintenance Costs – shared responsibility

1. Mature Tree and Shrub Replacement
TO: Governing Board
FROM: Management
DATE: July 19, 2019
SUBJECT: Consideration of Board Policy 522, Citizens Advisory Committee

SUMMARY
At its April 10, 2019 meeting, the Board voted to form a Citizens Advisory Committee (CAC). At its June 26, 2019 meeting, the Board provided formal direction on the CAC, directing the General Manager to create a policy for review. The policy provided for consideration was based upon the June 25, 2019 memo from Directors Castaneda, Calderon-Scott and Martinez, and direction provided to staff at the July 10, 2019 Board meeting.

PAST BOARD ACTION(S)

July 10, 2019 The Governing Board directed staff to make revisions and bring the policy back to its July 24, 2019 meeting.

June 26, 2019 The Governing Board approved the memorandum from Directors Calderon-Scott, Castaneda, and Martinez regarding the Authority’s Citizens Advisory Committee; and directed the General Manager to created the policy and bring back to the Board for review.

May 22, 2019 The Governing Board approved: that the term of the CAC be a two-year or four-year term; CAC recommend, for Board approval, the Strategic Plan Goal Area(s) upon which to focus on; each Board member recommend, for Board approval, one CAC member and one alternate for each two-year or four-year term; Communications Committee develop a CAC member position description clarifying the commitment level and expectation for the member and alternate; and start the process in July 2019

April 10, 2019 Governing Board approved to create a Citizens Advisory Committee and directed staff to include effort, labor, and other costs in the proposed FY 2019-20 Strategic Plan Work Plan and Budget

January 23, 2019 Chair Castaneda established an ad hoc Citizen Engagement Committee; appointed Directors Cano, Martinez, and Cerda; and directed the Committee to meet within 30 days
FISCAL IMPACT
Fiscal impact associated with CAC is unknown at this time.

POLICY
Strategic Plan Goal 6: Administrative Effectiveness: Provide efficient and effective administrative systems and procedures in accordance with best management.

ALTERNATIVES
1. Approve Board Policy 522, Citizens Advisory Committee
2. Other direction as determined by the Governing Board.

STAFF RECOMMENDATION
Staff seeks the direction of the Governing Board.

ATTACHMENT(S)
1) Policy 522, Citizens Advisory Committee
2) Policy 522, Citizens Advisory Committee, redline-strikeout version
3) June 25, 2019 Memo from Directors Castaneda, Calderon-Scott and Martinez on SWA Citizens' Advisory Committee – Recommended Policy
POLICY 522 – CITIZENS ADVISORY COMMITTEE

POLICY

To establish policy for the operation and administration of the Sweetwater Authority Citizens Advisory Committee (CAC) established by the Governing Board (Governing Board) of the Sweetwater Authority (Authority) on April 10, 2019, and to provide the CAC with clear and concise operating guidelines to perform their duties.

PROCEDURE

I. Background:

The Citizen's Advisory Committee (CAC) was established by a vote of the Governing Board of the Authority on April 10, 2019, for the purpose of providing citizen and rate payer involvement in advising the Authority on ways it could improve its efficiency with regard to Authority operations and with regard to executing the Authority's Strategic Plan.

II. Composition and Selection:

A. The CAC will consist of seven (7) members (Members) and seven (7) alternate members (Alternates). Terms for the initial Members/Alternates will be staggered between approximately two (2) and four (4) years for the initial cycle, determined by lot or other game of chance during the meeting in which Members/Alternates are formally appointed by the Authority Governing Board. All terms thereafter will be four (4) years. Members and Alternates shall not be subject to term limits. Terms for Members/Alternates designated as having approximately two (2) year terms, shall end in January 2021, and terms for Members/Alternates designated as having approximately four (4) year terms, shall end in January 2023.

B. Members and Alternates will be selected as follows:

Each Authority Director shall make a nomination of one Member and one Alternate to the CAC. For Authority Directors who are members of the Board of Directors of South Bay Irrigation District (SBID), nominees shall be residents of the nominating Director's SBID division. For Authority Directors who are appointed by National City, nominees shall be residents of National City.

Approved on ____, 2019
C. For the initial selection of CAC Members and Alternates the process of nominating Members/Alternates, shall be completed no later than August 31, 2019 unless otherwise determined by the Governing Board.

D. The Governing Board shall consider formal appointment of initial nominees to the CAC at a regular meeting in September 2019. In the event any Authority Director fails to make nominations for Members/Alternates to the CAC prior to the August 31, 2019 deadline specified in Section C, above, formal appointment of any such nominee shall take place at the soonest practicable meeting of the Authority Governing Board following the nomination. Following the appointment of the initial CAC Members/Alternates, the appointment of nominees to fill expired terms on the CAC shall occur at a regular meeting of the Governing Board in January or February of odd numbered years.

III. Orientation/ Establishment of Meeting Date and Times/ Conduct for Meetings:

A. Once appointed to the CAC by the Governing Board, Authority staff will provide a briefing/orientation to Members/Alternates at the first regular meeting of the CAC on the mission of the Authority and an overview of the Authority’s Strategic Plan and Work Plan for the applicable fiscal year. This briefing/orientation for the initial CAC Members/Alternates shall be held no later than October 31, 2019. Thereafter, the biennial briefing/orientation of Members/Alternates shall be held in conjunction with the first CAC meeting following new appointments by the Government Board in odd numbered years.

B. Following the briefing/orientation by Authority staff, the initial CAC will convene and determine: (1) a proposed list of relevant issues following the implementation schedule set forth in the Authority’s Detailed Work Plan (short term of 0 – 2 years, medium term of 2 – 5 years, and long term of more than 5 years) to be considered by the CAC, and (2) a proposed schedule for meeting dates and times (with meetings to be held no less than quarterly), for presentation to the Authority Governing Board by December 31, 2019, for the Governing Board’s prioritization and approval. Management will inform the Board of any staffing or budgetary impacts associated with the CAC proposed list of relevant issues or meeting dates and times. Thereafter, the CAC shall present its proposed list of relevant issues to be reviewed by the CAC and its proposed schedule for meeting dates and times (with meetings to be held no less than quarterly), after the second CAC meeting of each odd numbered year.

Approved on __ , 2019
C. The CAC will meet on its established meeting dates, as approved by the Governing Board. Meetings will comply with the Ralph M. Brown Act and will be held at one of the Authority's facilities. The CAC shall meet no less than quarterly and only conduct business when a full quorum consisting of more than 50% of the current Members/Alternates are present (with Alternates voting only when the regular Member is absent). The business of the CAC will be conducted in accordance with Roberts Rules of Order and approve motions with a majority of the CAC quorum voting in favor. Anything less than a majority of the CAC quorum voting in favor of a particular motion represents a failed motion.

D. CAC Members/Alternates may attend SWA Committee and Governing Board meetings and provide individual or organized public comment regarding CAC approved recommendations on items or issues to be considered by the Governing Board. When representing the CAC, the Member/Alternate public comment must reflect the official position of the CAC as determined by an official motion garnering the requisite number of affirmative votes as specified in Section III.C. above. In all cases where applicable, Authority staff will convey information on official CAC recommendations to the applicable Authority Committee and/or the Authority Governing Board prior to or as part of the Governing Board's consideration of the items or issues under consideration. The CAC should deliver CAC approved recommendations to Authority staff in time to reasonably be added to reports provided to the Governing Board. The Detailed Work Plan approved by the Governing Board provides the framework for what items will be considered by the Governing Board and when those items will be considered. Authority staff should notify the CAC, in all instances where practicable given operational constraints, as to applicable deadlines for receipt of official CAC recommendations, to enable compliance with scheduling legal requirements.

E. The CAC may make formal requests for information from Authority staff in support of the approved list of relevant issues to be reviewed by the CAC, and Authority staff shall make every reasonable effort to provide requested information in a timely fashion in order to enable to allow the CAC to make the most informed decision possible. Notwithstanding the foregoing, requests by the CAC for information and/or research will be channeled through the General Manager and any requests for substantive information and/or research that entail substantial effort or cost will be channeled through the Board, for the Board's consideration and formal direction. Individual CAC Members/Alternates may request information, which will be provided in accordance with the Public Records Act.

Approved on _____, 2019
IV. Membership Removal:

A. CAC Members and Alternates are subject to removal at any time by a majority vote of the Board of Directors, or as indicated below.

B. If a CAC Member or Alternate is absent for three (3) consecutive meetings, unless excused for good cause by the Chair of the Governing Board, Authority staff will contact the Member or Alternate by phone or in writing and inform him or her of this section. If the Member or Alternate misses a fourth (4th) consecutive meeting, he or she shall be removed through a written notification from the Chair of the Governing Board.

C. To vacate a position, a CAC Member or Alternate shall send a written resignation letter to the Board of Directors.

D. If a CAC Member or Alternate ceases to be a resident of the division from which he or she was appointed (if appointed by a Director from SBID) or of National City (if appointed by a Director from National City), the Member or Alternate is deemed to have resigned his or her CAC membership.
POLICY 522 – CITIZENS ADVISORY COMMITTEE

POLICY

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Approved on _____, 2019
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C. The CAC will meet on its established meeting dates, as approved by the Governing Board. Meetings will comply with the Ralph M. Brown Act and will be held at one of the Authority’s facilities. The CAC shall meet no less than quarterly and only conduct business when a full quorum consisting of more than 50% of the current Members/ Alternates are present (with Alternates voting only when the regular Member is absent). The business of the CAC will be conducted in accordance with Roberts Rules of Order and approve motions with a majority of the CAC quorum voting in favor. Anything less than a majority of the CAC quorum voting in favor of a particular motion represents a failed motion.

D. CAC Members/ Alternates may attend SWA Committee and Governing Board meetings and provide individual or organized public comment regarding CAC approved recommendations on items or issues to be considered by the Governing Board. When representing the CAC, the Member/ Alternate public comment must reflect the official position of the CAC as determined by an official motion garnering the requisite number of affirmative votes as specified in Section III.C. above. In all cases where applicable, Authority staff will convey information on official CAC recommendations to the applicable Authority Committee and/or the Authority Governing Board prior to or as part of the Governing Board’s consideration of the items or issues under consideration. The CAC should deliver CAC approved recommendations to Authority staff in time to reasonably be added to reports provided to the Governing Board. The Detailed Work Plan approved by the Governing Board provides the framework for what items will be considered by the Governing Board and when those items will be considered. Authority staff should notify the CAC, in all instances where practicable given operational constraints, as to applicable deadlines for receipt of official CAC recommendations, to enable compliance with scheduling legal requirements.

E. The CAC may make formal requests for information from Authority staff in support of items to be considered, the approved list of relevant issues to be reviewed by the CAC, and Authority staff shall make every reasonable effort to provide requested information in a timely fashion in order to enable to allow the CAC to make the most informed decision possible. Notwithstanding the foregoing, requests by the CAC for information and/or research will be channeled through the General Manager and any requests for substantive information and/or research that entail

Approved on ____, 2019

- 3 -
substantial effort or cost will be channeled through the Board, for the Board’s consideration and formal direction. Individual CAC Members/ Alternates may request information, which will be provided in accordance with the Public Records Act.

IV. Membership Removal:

A. CAC Members and Alternates are subject to removal at any time by a majority vote of the Board of Directors, or as indicated below.

B. If a CAC Member or Alternate is absent for three (3) consecutive meetings, unless excused for good cause by the Chair of the Governing Board, Authority staff will contact the Member or Alternate by phone or in writing and inform him or her of this section. If the Member or Alternate misses a fourth (4th) consecutive meeting, he or she shall be removed through a written notification from the Chair of the Governing Board.

C. To vacate a position, a CAC Member or Alternate shall send a written resignation letter to the Board of Directors.

D. If a CAC Member or Alternate ceases to be a resident of the division from which he or she was appointed (if appointed by a Director from SBID) or of National City (if appointed by a Director from National City), the Member or Alternate is deemed to have resigned his or her CAC membership.
For the past few months, the Board has discussed the issue of the formation of a Citizen’s Advisory Committee (CAC) that would provide input to the Board on issues related to the cost and operation of the Sweetwater Authority. There have been several discussions that have shaped the formation of the CAC and the following recommendations seek to finalize the policy implementing the committee. We ask that the Board review the policy and approve the following recommendations so that the CAC can be initiated as soon as practicable.

Thank you

1) The CAC will consist of 7 members and 7 alternates. Member/Alternate terms will be staggered between 2 and 4 years for the initial cycle. All terms thereafter will be 4 years. Members shall serve at the pleasure of the nominating SWA Boardmember and not be subject to term limits. Term lengths will be determined by lot or other game of chance during the meeting in which members are formally appointed by the full SWA board.

2) CAC Members will be selected by individual SBID Directors. National City Directors will determine their own method of appointing their respective committee members. In all cases, this process will be completed by no later than August 31, 2019. Should any member fail to appoint their member by that date, initiation of the CAC will commence on the date stated in this policy. Members not appointed by the stated deadline may be appointed subsequently. Any and all individuals nominated by SWA Board members will be considered for appointment by the full SWA Board at the second meeting in September 2019. There after the initial cycle, all terms and nominations will occur in January and be staggered every 4 years;
3) Once empaneled, SWA Staff will provide a briefing on SWA basics for all CAC members (primary and alternates) by October 31, 2019;

4) Subsequent to staff briefing, the CAC will convene and determine a list of relevant issues (short term, medium term, and long term) and a schedule for meeting dates and times for the SWA Board approval/prioritization by December 2019;

5) The CAC shall hold regular meetings that are publicly noticed and open to the public. The CAC shall meet no less than quarterly and only conduct business when a full quorum consisting of more than 50% of the current members/alternates are present. The business of the CAC will be conducted in accordance with Roberts Rules of Order and approve motions with a majority of the CAC quorum voting in favor. Anything less than a majority voting in favor of a particular motion represents a failed motion.

6) CAC members may attend SWA Committee and Board meetings and provide individual or organized testimony regarding CAC approved recommendations to address issues to be considered by full SWA Board. When representing the CAC, member testimony must reflect the official position of the CAC determined by an official motion garnering the requisite number of affirmative votes. In all cases, SWA staff will convey information on CAC recommendations to the committee and full board prior to the Board considering items being considered. The CAC should deliver their approved recommendations to staff in time to be reasonably be added to reports provided to the SWA Board. SWA staff should notify the CAC as to when items are to be scheduled and recommendations are due to enable compliance with scheduling requirements.

7) The CAC may request information and reports from staff in support of items to be considered by the CAC. Staff shall make every reasonable effort to provide requested information in a timely fashion in order to enable to allow the CAC to make the most informed decision possible.

###
TO:          Governing Board
FROM:       Management
DATE:        July 19, 2019
SUBJECT:    Consideration of the Request for Qualifications (RFQ) for On-call SCADA
System Integration Professional Services

SUMMARY
The existing five-year agreement between Sweetwater Authority and Enterprise Automation
for SCADA integration professional services will expire on April 1, 2020. Staff seeks direction
from the Board on the process of initiating a competitive selection process for ongoing
professional services after the current contract expires.

The SCADA system integrator provides services to the Authority's operations that are critical
to maintaining a safe and reliable drinking water supply. The scope of work for the SCADA
integration professional services includes a variety of tasks related to annual support and
potential future capital projects. Examples of annual support tasks include:
• Maintaining hardware and software related to SCADA system operations
• Conducting operator training
• Performing annual planning
• Providing technical support

Future capital projects that require SCADA integration are the iron and manganese removal
system at the National City Wells and a powdered activated carbon feed system at the
Perdue Water Treatment Plant.

Staff is looking for direction from the Board with regard to convening the Consultant Selection
Committee.

PAST BOARD ACTIONS
June 12, 2019  The Board approved the FY 2019-20 Strategic Plan Detailed
              Work Plan. The plan directs staff to select a SCADA integrator
              pursuant to the competitive selection process.

December 10, 2014  The Board approved a five-year on-call contract with Timberline
                   Engineering and Enterprise Automation.
Memo to: Governing Board  
Subject: Consideration of the Request for Qualifications (RFQ) for On-call SCADA System Integration Professional Services.  
July 19, 2019  
Page 2 of 2

**FISCAL IMPACT**  
Fiscal impact associated with On-call SCADA System Integration Professional Services will be considered as part of the annual budget process.

**POLICY**  
The Purchasing Policy requires solicitation of proposals from consultants for professional services exceeding $75,000, and the selection of a consultant by the Consultant Selection Committee.

Strategic Plan Goal 1: Water Quality – Provide high-quality water that meets regulatory requirements  
- Objective WQ6: Maintain and improve the Supervisory Control and Data Acquisition (SCADA) system for all treatment and distribution facilities as defined in the SCADA master plan.  
  - 002.1 Select a SCADA integrator pursuant to the competitive selection process.

**ALTERNATIVES**  
1) Approve the RFQ as is and direct staff to bring qualifications to the Governing Board for consideration.

2) Provide comment on the RFQ and direct staff to bring qualifications to the Governing Board for consideration.

3) Approve the RFQ as is and direct staff to convene the Consultant Selection Committee to review qualifications and make a recommendation to the Governing Board.

4) Provide comment on the RFQ and convene the Consultant Selection Committee to review qualifications and make a recommendation to the Governing Board.

5) Other direction as determined by the Governing Board.

**STAFF RECOMMENDATION**  
Staff defers to the Governing Board for direction.

**ATTACHMENT**  
Draft Request for Qualifications for On-Call SCADA System Integration Professional Services
To Whom It May Concern:

Sweetwater Authority (Authority) is seeking a SCADA System Integrator (Consultant) to provide SCADA system integration services to support its annual maintenance activities and modifications to the water system that may be required as a result of capital improvement.

A. BACKGROUND INFORMATION

The Authority serves a population of approximately 190,000 in the City of National City, the unincorporated area of Bonita, and the western portion of the City of Chula Vista. Water is sourced from the Sweetwater Reservoir and water wells (fresh and brackish) located in numerous locations within the Authority’s service area. Water system demands in excess of the local supply are obtained through imported water from the San Diego County Water Authority (SDCWA). The Authority’s SCADA system monitors and controls equipment at two dams (Loveland Reservoir and Sweetwater Reservoir), three water treatment plants (Robert A. Perdue Water Treatment Plant, Richard A. Reynolds Desalination Facility, and National City Wells), and numerous tanks and booster stations.

The Authority owns, operates, and maintains a SCADA system consisting of CitectSCADA Software, Wonderware Historian, Ampla Operations Management Software, and Modicon PLCs programmed with Unity Pro. The Authority considers SCADA to be a valuable asset that should be managed as an ongoing program, independent of, but parallel to, capital improvement projects, with a consistent SCADA team performing system planning, modifications, and maintenance. For this purpose, the Authority has previously entered into long term agreements with a SCADA Engineer and SCADA Integrator to provide on-call support. The five-year contract with the Authority’s current SCADA Integrator will expire in April 2020, and by Authority policy, the next on-call agreement will be determined by a competitive selection process. The Authority’s current SCADA Integrator is eligible to respond to this RFQ.
The following technical acronyms and abbreviations are used in this RFQ.


ESXi – The brand name of VMWare’s native hypervisor used to run virtual operating systems.

FCC – Facility Construction Contractor. The contractor with responsibility for executing a facility construction project.

FDC – Facility Design Consultant. The consultant with responsibility for designing and creating bid documents for a facility construction project.

HMI – Human Machine Interface.

I/O – Input / Output. Connections between PLCs and devices being controlled or monitored.

P&ID – Piping and Instrument Diagram. Drawings showing the relationship between process devices and the control system.

PLC – Programmable Logic Controller. An industrial control device that connects to instruments and devices to make control decisions, transmit status and alarms to SCADA, and receive control commands from SCADA operators.

RTU – Remote Terminal Unit. A cabinet installed adjacent to equipment monitored and/or controlled by SCADA containing a PLC, telemetry equipment, power equipment, and interface devices used to connect SCADA to remote equipment.

SCADA – Supervisory Control and Data Acquisition System. A collection of computers, software, operator workstations, RTUs and PLCs used to remotely monitor and control process equipment.

SQL – Structured Query Language. A programming language standard used to interact with databases.

VBA – Visual Basic for Applications. A Microsoft brand name for the programming language embedded in Microsoft Office programs.

WSUS – Windows Server Update Services. A Microsoft brand name for the network service used to manage software updates for Microsoft software.
C. AGREEMENT EXECUTION AND RENEWALS

The selected Consultant will be expected to execute the Authority's standard Agreement for Professional Services (Agreement) without modification. A copy of the agreement is provided in Exhibit A. All services shall be performed on a time and materials basis in accordance with the standard hourly rates as submitted by the Consultant and the terms of the Agreement. The Agreement will be in effect for one year and renewable for four subsequent years on an annual basis at the Authority's discretion.

Consultant's work will be authorized via individual task orders. Upon request by the Authority for a specific task order, the Consultant shall prepare a proposal that describes the scope of work including individual tasks, schedule, project team members, expected deliverables, total not-to-exceed project budget on a time and materials basis at rates specified in the Agreement, and any project-specific requirements prior to commencement of work. The Consultant shall provide all labor, equipment, and materials necessary to complete the scope of services described in the executed Task Order. The Authority will issue a Task Order based on the final negotiated Consultant's proposal. The Task Order will also serve as the written Notice-to-Proceed to the Consultant for the specific project.

The Authority's Water Quality Department will serve as the administrative lead on the proposed Agreement, and individual task orders will be assigned and coordinated by the Water Quality or Engineering Department project managers as appropriate.

This RFQ does not commit the Authority to enter into an agreement for services, to pay any costs incurred in the preparation of a Statement of Qualifications, or to procure or contract for services or supplies. The Authority reserves the right to accept or reject any or all Statements of Qualifications received as a result of this request, to negotiate with any qualified source, or to cancel in part or in its entirety this RFQ, if it is in the best interest of the Authority to do so. The Authority shall not be obligated to contract any or all of the requested services to the retained Consultant. Further, even upon execution of the Agreement, the selected Consultant(s) will not be guaranteed any work under the on-call Agreement as services will only be requested as needed.

D. CONSULTANT SCOPE OF WORK

This section provides the Consultant with examples of services that may be required during the term of the Agreement. However, the Authority offers no guarantee as to the quantity or type of work that will actually be requested.

1. **Annual Support Tasks:** To maintain the SCADA System, the Authority requires the services of a SCADA System Integrator to perform the following tasks. While no specific quantity of work is guaranteed, the Authority has budgeted approximately $135,000 per year for professional services across the following categories.
a. **Source Control:** Maintain and manage source control of the SCADA system software components including Citect configuration, Ampla and Historian configuration, and PLC programs. Maintain the master copy of the software using Subversion version control software with a remote copy at the Authority’s Information Systems (IS) department.

b. **Test Platform Maintenance:** Maintain a Test Platform replicating the virtualized SCADA system infrastructure on which modifications to SCADA system components can be tested. The Authority will provide a 2U rack-mount server running VMWare ESXi and containing the virtualized copy of the SCADA infrastructure for the Consultant to operate and maintain in their offices. Maintain ESXi and firmware updates and reflect any SCADA system changes in the Test Platform. License key for ESXi will be provided by the Authority for use to incorporate the ESXi instance into an existing vCenter infrastructure. This server and any and all license keys remain the property of the Authority and must be surrendered upon the termination of the agreement.

c. **Software & Operating System Update Support:** As vendor updates to software components are released, apply the changes on the Test Platform, burn in, and test against the Authority’s documented procedures for Test Platform Procedure, Ampla Testing, and Historian Testing. Resolve any issues affecting SCADA reliability or performance with the vendors before recommending deployment to the live system. Upon Authority approval, perform deployment. This includes monthly testing and reporting on Operating System updates provided by Microsoft via the WSUS server included in the test platform infrastructure.

d. **Change Management System:**

   (1) Implement the Authority’s documented Change Management system, through which the Authority may submit Change Request (CR) modifications to the SCADA system software and the implementation of CRs can be logged.

   (2) Perform software upgrades against defined CRs, test and verify those changes utilizing the test platform, and deploy the changed software to the SCADA system in coordination with Authority staff.

e. **Software License Renewals:** Assist with annual software license renewals including negotiating with vendors for the best price, requesting and receiving proposals from distributor(s), and, upon Authority approval, procuring and distributing updated software licenses.
f. **Operator Training:** Perform annual operator training. Each year the Authority identifies topics related to their SCADA system on which they would like their personnel to receive training. The Consultant shall develop training materials for the requested topics and provide one day of training classes, typically onsite at the Perdue Water Treatment Plant. The Authority will provide a location for the training to occur, but the selected Consultant must provide all necessary equipment (e.g. laptop computers for use by students.)

g. **Annual Planning:** Assist the Authority in planning and budgeting for the upcoming fiscal year. This includes attending one or more meetings to discuss SCADA system needs and to develop the scopes of work for the required annual and capital project support. After the meeting, prepare and submit proposals for each task order for the coming fiscal year.

h. **Technical Support:**

(1) **Routine and Emergency Troubleshooting:** Provide the Authority with tiered technical support as follows:

(a) Immediate telephone support available on a 24/7 basis. During business hours, the Authority will call project personnel directly. For support after working hours, provide a single telephone number for a person or an answering service who can contact the appropriate Consultant personnel for a call back within one hour. Consultant shall begin remote (telephone call based) troubleshooting within two hours of receipt of notification by the Authority.

(b) Escalation to on-site support if deemed necessary to resolve the problem. Consultant shall be on site within four hours of receipt of notification that on-site support is necessary.

(c) Remote access to the SCADA system via the internet (or other means) is not available.

(2) Assist the Authority in generation of monthly “Automated Operational Metrics” report which draws data from Ampla and presents the data in Excel spreadsheets using custom VBA modules. Including updating of existing custom SQL queries and VBA modules as necessary to support any modifications to the SCADA system that impact the data contained within the report.
(3) Perform necessary backfill of data across various levels of SCADA system from Citect Servers through Ampla layers as necessary due to gaps in data processed or errors discovered in data.

(4) Provide business hours support to IS staff to ensure reliable and complete data collection within the Ampla system when systems are taken offline for windows or other updates by IS staff. This can include stopping of services on Ampla and Historian servers, monitoring of backfill processes and restarting of services. Note that remote access to the Ampla and Historian servers located on the Authority “Business” network will be possible.

i. Security constraints:

(1) Remote access to SCADA Network will not be permitted.

(2) Remote access to select systems on Business Network will be permitted during business hours and will utilize two-factor authentication.

(a) The following systems may be accessed remotely:

1. Ampla.

2. Historian.

(b) Remote access requires annual acknowledgment of Authority Remote Access Policy, and a fixed source IP address.

(3) No CD’s or USB sticks may be introduced into any Authority network or computing environment.

(4) The Authority will provide an encrypted USB drive for use by the contractor when necessary to move data or files onto the SCADA network (e.g. new project files necessary for use during a deploy)

(5) Unique passwords. The consultant will be assigned individual accounts on the SCADA domain for use. The passwords used on these accounts must be unique and not shared between the consultants’ staff or re-used on other clients’ SCADA systems.

(6) Domain administration: Domain administration (moves/adds/deletes and joins) on the SCADA network is performed by SWA IS. The Consultants’ accounts will have local administrator permissions only on systems where required.
7. Certain system-level passwords will be shared by the Authority with the Consultant as necessary for SCADA system operation and update processes. These passwords must be digitally stored within an approved digital password "safe" and not shared between consultant staff who do not have direct reason to access them.

8. Laptops (or other non-Authority owned computer systems) may NOT be connected to any Authority network environment.

9. Ad-hoc wireless networks between equipment solely owned and operated by the Consultant will be permitted but may not be connected to any Authority network environment.

10. The selected Consultant will be expected to sign and abide by the terms of the Authority Non-disclosure Agreement (NDA) with respect to SCADA operational and configuration data.

(a) Sample NDA attached.

(b) This includes no unencrypted transmission of SCADA system drawings or data (for example, sending such data via email is prohibited). The Authority will provide accounts on our secure file transfer system for use by the Consultant to share such files with Authority staff.

11. Deployments of updates by the Consultant to the SCADA network, including Citect Projects, Software Updates or any other changes must be completed in coordination with Authority staff. Deployments will only be approved to occur on Monday through Thursday during normal business hours.

2. Capital Project Support:

In addition to Annual Support Tasks, from time to time, the Authority may have capital improvement projects that will require the addition or modification to facilities that are monitored and controlled by the SCADA system. When such projects occur, the Authority requires the SCADA System Integrator to implement the SCADA system design associated with the project. The Authority has recently completed major upgrades to its two water treatment plants and is in the process of upgrading its remote terminal units (RTUs). Accordingly, SCADA work associated with capital improvements projects that are required under this Agreement in the next five years is likely limited to the following projects:
Projects Started Prior to Submittal Date of this RFQ:

- New water storage tank.
- Valve control station linking the Authority’s water distribution system to the City of San Diego’s system.

Potential Future Projects:

- Iron and manganese removal system at the National City Wells.
- Powder activated carbon (PAC) feed system at the Robert A. Perdue Water Treatment Plant.

The Consultant’s scope of work associated with capital improvement projects will generally include the following tasks, depending on the magnitude of the project.

a. Design Support: During the design phase of a capital improvement project, the Consultant shall participate in design meetings with the Authority, the Authority’s SCADA Engineer, and the Facility Design Consultant (FDC) designing the project.

   (1) Determine, in conjunction with the Authority, SCADA Engineer, and FDC, how the project will be integrated into the SCADA system.

   (2) Provide input to FDC regarding the interface of the capital improvement project to the SCADA system.

   (3) Conduct workshops with the Authority, the Authority’s SCADA Engineer, and FDC to develop functional specifications detailing the PLC I/O, alarms, setpoints, and control strategies.

   (4) Review FDC’s design submittals as they relate to SCADA, including P&IDs, control schematics, I/O lists, control loop descriptions, and other SCADA-related drawings and specifications.

b. Construction Phase Support: During construction of the project, the Consultant shall perform the following tasks.

   (1) Review Facility Construction Contractor (FCC) submittals applicable to SCADA.

   (2) If required by the project, design, fabricate, test, and deliver new SCADA panels for installation by the FCC.
(3) If required by the project, develop "work orders" describing the modifications required to existing SCADA panels. Work order will typically be executed by the FCC.

(4) Develop new and/or modify existing detailed SCADA supervisory control logic, screens, reports, etc.

(5) Implement and test PLC and HMI programming to the specifications.

(6) Conduct Factory Acceptance Testing of revised SCADA system programming.

(7) Deploy the approved software to the live SCADA system, ensure the field equipment is communicating properly, and conduct a witnessed site acceptance test showing the resulting system works to the specifications. All Deployments must be scheduled and coordinated with Authority Staff and must not occur later in a given week than 3 pm on Thursday.

(8) In collaboration with the FDC and FCC, perform SCADA-related startup activities, assist with start-up of new processes, and conduct SCADA System Site Acceptance Testing.

(9) Provide training to the Authority’s operators on the changes to the SCADA system implemented on the project. The Authority will provide a location for the training to occur, but the selected Consultant must provide all necessary equipment (e.g. laptop computers to be used during training, by the students.)

E. AUTHORITY PROVIDED ITEMS

The items listed below will be provided, as applicable, by the Authority to the selected Consultant prior to commencing work:

1. Task Orders, including a detailed scope of work.

2. Detailed SCADA system documentation including network diagrams.

3. Standards, including the following:
   a. WSUS Ampla Testing 100.
   b. WSUS Historian Testing 100.
   c. WSUS Test Platform Procedure 106.

4. Test Platform including 2U rack-mount server with VMWare ESXi software and virtual machines, including all software licensing necessary for the test platform as well as operating systems and SCADA software running within the test platform.

F. CONSULTANT PROVIDED ITEMS

The items listed below are to be provided by the selected Consultant:

1. Insurance documentation. (Refer to the sample Agreement in Exhibit A for insurance requirements.

2. Experienced, qualified personnel to perform the required work.

3. Equipment required to perform the work.

4. Separate invoices for each task order submitted monthly.

5. Progress reports detailing activity since last report and upcoming activity submitted monthly.

G. STATEMENT OF QUALIFICATIONS REQUIREMENTS

1. Statements of Qualification (SOQ) submitted in response to this RFQ shall be concise and well organized. Limit the SOQ to 50 pages plus appendices and exhibits.

2. The Consultant must format its SOQ according to Exhibit B – Consultant's Statement of Qualifications.

3. It is not necessary to submit affidavits, certificates, or proof of insurance with the SOQ, but this information may be submitted, if desired.

4. The SOQ shall be signed by an individual authorized to bind the Consultant and shall contain a statement to the effect that the submittal is in effect for ninety (90) days.

5. Six (6) copies of the SOQ shall be delivered to:

Sweetwater Authority
505 Garrett Avenue
Chula Vista, CA 91910
Attention: Justin Brazil, Director of Water Quality
H. QUALIFICATIONS EVALUATION

The Authority will evaluate all SOQs based on the evaluation criteria presented in this section, as well as other information obtained through background information and references.

The Authority’s Governing Board may convene the Consultant Selection Committee for this RFQ. The Consultant Selection Committee is made of three Governing Board Members assisted by Authority staff key to SCADA operations. Using the established evaluation criteria, the Governing Board or Consultant Selection Committee will evaluate the SOQs based on the firms’ personnel and organization, experience, and other information included in the SOQ except for the cost data provided. To determine the firm(s) deemed most qualified to perform the requested services, the Governing Board or Consultant Selection Committee will evaluate responses to ensure the Consultant meets ALL Required Qualifications. Responses that do not meet ALL Required Qualifications may be rejected and not reviewed further. Those SOQs that clearly show the firm meets all Required Qualifications will be evaluated further and scored based on the criteria listed in Desired Qualifications, below.

The Governing Board or Consultant Selection Committee may choose to select a shortlist from the SOQs received based on SOQ evaluation, and conduct interviews of the short-listed firms. After the interviews, short-listed firms may be re-evaluated and ranked based upon the combined SOQ/interview process. The Authority reserves the right to eliminate the interview step of the procurement process and reserves the right to cancel the RFQ process.

After final selection by the Governing Board or Consultant Selection Committee, the Authority will enter negotiations with the selected firm. If negotiations fail, the Authority may enter negotiations with the second-ranked firm. After negotiating a proposed agreement that is fair and reasonable, the Authority’s Governing Board will consider entering into the proposed agreement. The Authority’s Governing Board has the final authority to approve the agreement.

1. Required Qualifications: The following are the minimum required qualifications for proposers. Interested parties should not submit an SOQ if they do not meet these required qualifications.

   a. General:

      (1) The Consultant’s primary business, or the primary business of a department within the Consultant’s firm, shall be SCADA Integration service for public and municipal entities.

      (2) The Consultant (as a firm) shall have been in the business of SCADA Integration for at least 10 years.
(3) Consultant's lead engineer shall have at least 10 years of hands-on experience designing and implementing SCADA systems based on the Schneider Electric Citect SCADA platform and Schneider Electric PLC hardware, or equivalent.

(4) Consultant shall provide a single Project Manager/Program Manager as the primary point of contact for all work assigned by the Authority. This Project Manager must have at least 5 years (total, with current firm or other employers) of experience in control systems integration.

(5) Preference will be given to Consultants whose place of business is located in the United States and within a 2-hour commute of the Authority’s Administrative office at 505 Garrett Avenue Chula Vista, CA. The engineering expertise and work must be based in and be performed in said offices.

(6) The Consultant shall provide panel fabrication services, either in-house or through a subcontractor. Preference will be given to a panel fabrication facility located in the United States and within a 3-hour commute of the Authority’s Administrative office at 505 Garrett Avenue Chula Vista, CA.

(7) Consultant shall have the capability of training operations and maintenance personnel in industrial control systems application.

(8) Consultant shall have experience with performing review of facility construction documents as they relate to SCADA.

b. Certifications:

(1) Because the Authority’s SCADA system currently uses Schneider Electric Citect SCADA software and Schneider Electric PLC hardware and software, the Consultant shall have one or more employees holding the following Schneider Electric Certifications or ability to obtain within an agreed-upon time period:

(a) Citect SCADA Certified Expert (CSCE) or Citect Certified Engineer (CCE).

(b) Networking Certified Professional (NCP).

(c) Unity Pro Certified Professionals (UCP).

(2) Because the Authority’s SCADA system currently uses Wonderware Historian, the Consultant shall have one or more employees holding the
following Wonderware Certifications, or ability to obtain within an agreed-upon time period:

(a) Wonderware Certified System Platform certification.

(b) Wonderware Certified Historian Developer.

(3) Because the Authority currently depends on virtualized infrastructure and a virtualized Test Platform, the Consultant shall be competent in VMware virtualization with at least one employee holding VMware Professional Certification in Data Center Virtualization or Network Virtualization, or ability to obtain within an agreed-upon time period.

(4) Because the Authority has invested heavily in cybersecurity, the Consultant shall have at least one employee who has completed the following course and possesses the certification(s) below, or ability to obtain within an agreed-upon time period:

(a) Department of Homeland Security's Industrial Control Systems Cyber Security (301) training.

(b) Palo Alto Networks: Accredited Configuration Engineer (ACE) or Certified Network Security Engineer (PCNSE).

(5) Because the Consultant will be expected to design control panels for various capital improvement projects, show that the Consultant has at least one engineer who is licensed as a Professional Engineer in Electrical Engineering in the State of California.

c. Experience:

(1) The Consultant shall have successfully completed one or more projects containing the following elements. It is acceptable to show many projects with one or more of the specified elements; it is not necessary to show a single project with all the required elements.

(a) Citect SCADA HMI.

(b) Ampla operations management software.

(c) Virtualized SCADA infrastructure using VMware.

(d) Modicon M340 or M580 PLCs with Unity Pro programming.
RE: Request for Qualifications - SCADA System Integration Professional Services  
July XX, 2019  
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(e) Modicon M580 PLCs with remote I/O.

(f) User security implemented through Microsoft Active Directory Domain Controller.

2. Desired Qualifications

Evaluation criteria to be used by the Panel for Desired Qualifications are as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Maximum Points</th>
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<tbody>
<tr>
<td>Qualifying Projects</td>
<td>45</td>
</tr>
<tr>
<td>Experience and Technical Competence</td>
<td>45</td>
</tr>
<tr>
<td>Consultant's Organization and Key Personnel</td>
<td>10</td>
</tr>
</tbody>
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I. CONSULTANT SELECTION SCHEDULE

1. Statements of Qualifications (SOQs) must be received by the Authority's Water Quality Department NO LATER THAN 5:00 P.M., [XXXXDAY and DATE XXXX]. SOQs shall be delivered to the Authority's Administration Office at 505 Garrett Avenue, Chula Vista, CA 91910.

2. The Consultant Selection Committee will evaluate the SOQs and recommend a contract award to the Authority's Governing Board.

3. Following award, an Agreement between the Authority and the selected Consultant will be executed and a Notice to Proceed issued.

If you have any questions regarding this RFQ or the scope of work requested, please contact Justin Brazil, Director of Water Quality.

Sincerely,

SWEETWATER AUTHORITY

Justin Brazil  
Director of Water Quality

Enclosures:  
Exhibit A – Agreement for Services  
Exhibit B – Statement of Consultant's Qualifications  
Exhibit C – Non-disclosure agreement
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Exhibit A

AGREEMENT FOR SERVICES BETWEEN SWEETWATER AUTHORITY ["**CLICK & TYPE CONSULTANT NAME**"]

This Agreement is made and entered into this day of ____________ 20__ by and between SWEETWATER AUTHORITY (hereinafter referred to as the “Authority”), a joint powers agency operating under the Irrigation District Law, Water Code § 20500 et seq., and ["**CLICK & TYPE CONSULTANT NAME**"] (hereinafter referred to as “Consultant”).

RECITALS

A. The Authority is a public agency of the State of California and is in need of professional services for the following project: ["**CLICK & TYPE PROJECT NAME**"] (hereinafter referred to as “the Project”).

B. Consultant is duly licensed and has the necessary qualifications to provide such services.

C. The parties desire by this Agreement to establish the terms for the Authority to retain Consultant to provide the services described herein.

AGREEMENT

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Services

1.1 Consultant shall provide the Authority with the services described in the Scope of Services attached hereto as Exhibit “A” and by this reference incorporated herein (“Services”). Consultant warrants that it will perform the Services as set forth herein in a competent, professional and satisfactory manner.

1.2 At any time during the term of this Agreement, the Authority may request changes in the Scope of Services, and any such change shall be processed by the Authority in the following manner: a letter outlining the changes shall be forwarded to the Authority by Consultant with a statement of estimated changes in fee or time schedule. An amendment to the Agreement shall be prepared by the Authority and executed by both parties before performance of such services or the Authority will not be required to pay for the changes in the scope of work. Such amendment shall not render ineffective or invalidate unaffected portions of this Agreement.

2. Compensation

2.1 Subject to paragraph 2.2 below, the Authority shall pay for such Services in accordance with the Schedule of Charges set forth in Exhibit “B” and by this reference incorporated herein.

2.2 Unless otherwise provide herein, Consultant will perform services on a time and material basis. In no event shall the total amount paid for services rendered by Consultant
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pursuant to Exhibit "A" exceed the sum of $[**CLICK & TYPE AMOUNT**]. Periodic payments shall be made within thirty (30) days of receipt of an undisputed statement for services rendered. Payments to Consultant for work performed will be made on a monthly billing basis.

2.3 Payment shall not constitute acceptance of any work completed by Consultant.

3. Time of Performance

3.1 Consultant shall perform its services hereunder in a prompt and timely manner, in accordance with the Activity Schedule shown in Exhibit "C," and shall commence performance upon receipt of the written Notice to Proceed from the Authority. The Notice to Proceed shall set forth the date of commencement of work. Consultant shall confer as requested with Authority representatives to review progress of work elements, adherence to work schedule, coordination of work, scheduling of review and resolution of problems which may develop.

3.2 Neither the Authority nor Consultant shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing party. For purposes of this Agreement, such circumstances include, but are not limited to, abnormal weather conditions, floods, earthquakes, fire, epidemics, war, riots, and other civil disturbances; strikes, lockouts, work slowdowns, and other labor disturbances, sabotage, or judicial restraint.

3.3 Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement.

4. California Labor Code Requirements

4.1 Consultant is aware of the requirements of California Labor Code Sections 1720 et seq. and 1770 et seq., which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects. If the services are being performed as part of an applicable “public works” or “maintenance” project, as defined by the Prevailing Wage Laws, and if the total compensation is $1,000 or more, Consultant agrees to fully comply with such Prevailing Wage Laws, if applicable. Consultant shall defend, indemnify and hold the Authority, its elected officials, officers, employees and agents free and harmless from any claims, liabilities, costs, penalties or interest arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It shall be mandatory upon Consultant and all subconsultants to comply with all California Labor Code provisions, which include but are not limited to prevailing wages, employment of apprentices, hours of labor and debarment of contractors and subcontractors.

4.2 If the services are being performed as part of an applicable “public works” or “maintenance” project, in addition to the foregoing, then pursuant to Labor Code sections 1725.5 and 1771.1, Consultant and all subconsultants must be registered with the Department of Industrial Relations (“DIR”). Consultant shall maintain registration for the duration of the Project and require the same of any subconsultants. This Project may also be subject to
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compliance monitoring and enforcement by the DIR. It shall be Consultant's sole responsibility to comply with all applicable registration and labor compliance requirements, including the submission of payroll records directly to the DIR.

5. **Standard of Care**

Consultant's services will be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions.

6. **Insurance**

[**SWA RISK MANAGER TO REVIEW INSURANCE LIMITS PROJECT BY PROJECT BASIS**]
[**ESPECIALLY THE REQUIREMENT THROUGHOUT TO MAINTAIN THE INSURANCE FOR “24 months following the effective date of the project completion”**]

6.1 **Commercial General Liability and Automobile Liability Insurance** - Consultant shall provide and maintain the following commercial general liability and automobile liability insurance during the performance of all work under this Agreement, and for a minimum of twenty-four (24) months following the date of the Project completion and acceptance by the Authority, in amounts not less than specified herein, Commercial General Liability Insurance, in a form and with insurance companies acceptable to the Authority:

6.1.1 **Coverage** - Coverage for commercial general liability and automobile liability insurance shall be at least as broad as the following:

(a) Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 0001)

(b) Insurance Services Office (ISO) Business Auto Coverage (Form CA 0001), covering Symbol 1 (any auto)

(c) Insurance Service Office (ISO) Excess Liability (if necessary)

6.1.2 **Required Provisions** - The general liability, auto liability and excess liability policies are to contain, or be endorsed to contain, the following provisions:

(a) The Authority, its Board and each member of the Board, its officers, employees, agents, and the Authority's designated volunteers are to be given insured status at least as broad as ISO endorsement CG 2010 11 85; or both CG 20 10 10 01 and CG 20 37 04 13 (or the CG 20 10 04 13 (or earlier edition date) specifically naming all of the Authority's parties required in this agreement, or using language that states "as required by contract").

(b) All Sub-consultants hired by Consultant must also have the same forms or coverage at least as broad; as respects (via CG 20 38 04 13); liability arising out of activities performed by or on behalf of Consultant; products and completed operations of Consultant; premises owned, occupied or used by Consultant; and automobiles owned, leased,
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hired or borrowed by Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the Authority its Board and each member of the Board, its officers, employees, agents, and the Authority’s designated volunteers.

(c) It is understood and agreed to by the parties hereto and the insurance company( s), that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary, and the Authority insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory using the ISO endorsement CG 20 01 04 13 or coverage at least as broad.

(d) Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the Authority its Board and each member of the Board, its officers, employees, agents, and the Authority’s designated volunteers.

(e) Consultant’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

(f) Policy limits shall not be less than the minimum limits described below. The limits of insurance required by this Contract may be satisfied by a combination of primary, and umbrella or excess insurance. Each umbrella or excess policy shall follow the same provisions as the primary policy.

(g) Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the Authority.

(h) Such liability insurance shall indemnify Consultant and his/her sub-consultants against loss from liability imposed by law upon, or assumed under contract by, Consultant or his/her sub-consultants for damages on account of such bodily injury (including death), property damage, personal injury, completed operations, and products liability.

(i) The general liability policy shall cover bodily injury and property damage liability, owned and non-owned equipment, blanket contractual liability, completed operations liability, explosion, collapse, underground excavation, and removal of lateral support.

(j) The automobile liability policy shall cover all owned, non-owned, and hired automobiles.

(k) All of the insurance shall be provided on policy forms and through companies satisfactory to the Authority.

6.2 Workers’ Compensation and Employer’s Liability Insurance – By his/her signature hereunder, Consultant certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers’ compensation or to undertake self-insurance in accordance with the provisions of that code, and he/she will comply with such provisions before commencing the performance of the work of this agreement.
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6.2.1 **Coverage and Required Provisions** - Coverage for Workers' Compensation and Employer's Liability Insurance shall be at least as broad and/or be endorsed to include the following:

(a) Consultant shall provide, during the life of this Agreement, and for a minimum of twenty-four (24) months following the date of the Project completion, workers' compensation insurance for all of the employees engaged in Work under this Agreement, on or at the Project site, and, in case any of sublet work, Consultant shall require each sub-consultant similarly to provide workers' compensation insurance for all the latter's employees as prescribed by State law. Any class of employee or employees not covered by a sub-consultant's insurance shall be covered by Consultant's insurance.

(b) In case any class of employees engaged in work under this Agreement, on or at the Project site, is not protected under the Workers' Compensation Statutes, Consultant shall provide or shall cause a sub-consultant to provide, adequate insurance coverage for the protection of such employees not otherwise protected.

(c) Consultant is required to secure payment of compensation to his employees in accordance with the provisions of Section 3700 of the Labor Code. Consultant shall file with the Authority certificates of its insurance protecting workers and shall provide certificates at any time upon request. Companies or companies providing insurance coverage shall be acceptable to the Authority, if in the form and coverage as set forth in the Contract Documents.

(d) Consultant shall assume the immediate defense of and indemnify and save harmless the Authority, the Board, and each member of the Board, its officers, employees, agents, and consultants from all claims, loss, damage, injury, and liability of every kind, nature, and description brought by any person employed or used by Consultant, or any sub-consultant, to perform the Work under this Agreement regardless of responsibility or negligence. Consultant hereby agrees to waive rights of subrogation which any insurer of Consultant may acquire from Consultant by virtue of the payment of any loss. Consultant agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation Policy shall be endorsed with a waiver of subrogation in the favor of the Authority for all work performed by Consultant, its employees, agents and sub-consultants.

6.3 **Professional Liability (Errors and Omissions)** - Consultant will file with the Authority, before beginning professional services, a certificate of insurance satisfactory to the Authority evidencing professional liability coverage.

6.3.1 Consultant shall maintain such coverage continuously for a period of at least five (5) years after the completion of contracted work.

6.3.2 The retroactive date (if any) is to be no later than the effective date of this agreement. Consultant shall purchase a five-year extended reporting period i) if the retroactive date is advanced past the effective date of this Agreement; ii) if the policy is canceled or not renewed; or iii) if the policy is replaced by another claims-made policy with a retroactive date subsequent to the effective date of this Agreement.
6.4 **Deductibles and Self-Insured Retentions** - Insurance deductibles or self-insured retentions must be declared by Consultant, and such deductibles and retentions shall have the prior written consent from the Authority.

6.4.1 At the election of the Authority, Consultant shall either 1) reduce or eliminate such deductibles or self-insured retentions, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

6.4.2 Policies containing any self-insured retention (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either the named or additional insureds, co-insurers, and/or insureds other than the First Named Insured.

6.5 **Minimum Policy Limits Required** - Consultant shall maintain limits no less than the following:

6.5.1 General Liability - Two million dollars ($2,000,000) per occurrence / Four million dollars ($4,000,000) aggregate or the full per occurrence limits of the policies available, whichever is greater for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit or products-completed operations aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503, or ISO CG 2504, or insurer's equivalent endorsement provided to the Authority) or the general aggregate limit and products-completed operations aggregate limit shall be twice the required occurrence limit.

6.5.2 Automobile Liability - One million dollars ($1,000,000) for bodily injury and property damage each accident limit.

6.5.3 Excess Liability (if necessary) - The limits of Insurance required in this agreement may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess Insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the Authority (if agreed to in a written contract or agreement) before the Authority's own primary or self Insurance shall be called upon to protect it as a named insured.

6.5.4 Workers Compensation and Employers Liability - One million dollars ($1,000,000) per occurrence.

6.5.5 Professional Liability - One million dollars ($1,000,000) per claim and $2,000,000 annual aggregate.

6.6 **Acceptability of Insurers** - Any insurance carrier providing insurance coverage required by the Contract Documents shall be admitted to and authorized to do business in the State of California and maintain an agent for process within the state, unless waived, in writing, by the Authority Risk Manager. Carrier(s) shall have an A.M. Best rating of not less than an A-: VII or better.
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6.7 **Evidence Required** - Prior to execution of the agreement, Consultant shall file with the Authority a certificate of insurance (Acord Form 25 or equivalent) signed by the insurer’s representative evidencing the coverage required by this agreement.

6.7.1 Such evidence shall also include the following:

(a) Attached additional insured endorsements with primary & non-contributory wording for each policy

(b) Workers’ Compensation waiver of subrogation

(c) A copy of the Commercial General Liability declarations or endorsement page listing all policy endorsements, and confirmation that coverage includes or has been modified to include Required Provisions above. The Authority reserves the right to obtain complete, certified copies of all required insurance policies, at any time.

6.8 **Continuation of Coverage** - Consultant shall, upon demand of the Authority deliver evidence of coverage showing continuation of coverage for not less than (5) years following the termination or completion of this Agreement. Consultant further waives all rights of subrogation under this agreement. When any of the required coverages expire during the term of this agreement, Consultant shall deliver the renewal certificate(s) including the general liability additional insured endorsement and evidence of waiver of rights of subrogation against the Authority to the Authority at least ten (10) days prior to the expiration date. Failure to continually satisfy the Insurance requirements is a material breach of contract.

6.9 **Sub-Consultants** - In the event that Consultant employs other consultants (sub-consultants) as part of the work covered by this agreement, it shall be Consultant’s responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified above. Consultant shall, upon demand of the Authority, deliver to the Authority copies such policy or policies of insurance and the receipts for payment of premiums thereon.

6.10 The Authority reserves the right to modify these insurance requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage or other circumstances.

7. **Indemnification**

7.1 To the fullest extent permitted by law, Consultant shall defend (with counsel of the Authority’s choosing), indemnify and hold the Authority, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Consultant, its officials, officers, employees, subcontractors, consultants or agents in connection with the performance of Consultant’s Services, the Project or this Agreement, including without limitation the payment of all damages, expert witness fees and attorneys’ fees and other related costs and expenses. Consultant’s
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obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant, the Authority, its officials, officers, employees, agents, or volunteers.

7.2 To the extent required by Civil Code section 2782.8, which is fully incorporated herein, Consultant's obligations under the above indemnity shall be limited to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant, but shall not otherwise be reduced. If Consultant's obligations to defend, indemnify, and/or hold harmless arise out of Consultant's performance as a "design professional" (as that term is defined under Civil Code section 2782.8), then upon Consultant obtaining a final adjudication that liability under a claim is caused by the comparative active negligence or willful misconduct of the Authority, Consultant's obligations shall be reduced in proportion to the established comparative liability of the Authority and shall not exceed Consultant's proportionate percentage of fault.

8. Termination or Abandonment

8.1 The Authority has the right to terminate or abandon any portion or all of the work under this Agreement by giving ten (10) calendar days written notice to Consultant. In such event, the Authority shall be immediately given title and possession to all original field notes, drawings and specifications, written reports, and other documents produced or developed for that portion of the work completed, and/or being abandoned. The Authority shall pay Consultant the reasonable value of services rendered for any portion of the work completed prior to termination. If said termination occurs prior to completion of any task for the Project for which a payment request has not been received, the charge for services performed during such task shall be the reasonable value of such services, based on an amount mutually agreed to by the Authority and Consultant of the portion of such task completed but not paid prior to said termination. The Authority shall not be liable for any costs other than the charges or portions thereof, which are specified herein. Consultant shall not be entitled to payment for unperformed services, and shall not be entitled to damages or compensation for termination of work.

8.2 Consultant may terminate its obligation to provide further services under this Agreement upon thirty (30) calendar days' written notice to the Authority only in the event of substantial failure by Authority to perform in accordance with the terms of this Agreement through no fault of Consultant.

9. Compliance With All Laws.

9.1 Consultant shall comply with all applicable laws, ordinances, codes, and regulations of the federal, state, and local government.

9.2 Consultant shall assist the Authority in obtaining and maintaining all permits required by federal, state, and local regulatory agencies.

9.3 Consultant is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of its services or operations performed under this Agreement.
10. **Organization**

Consultant shall assign ________________ as the Project Manager. The Project Manager shall not be removed from the Project or reassigned without the prior written consent of the Authority.

11. **Maintenance of Records**

Books, documents, papers, accounting records, and other evidence pertaining to costs incurred shall be maintained by Consultant and made available at all reasonable times during the Agreement period and for four (4) years from the date of final payment under the Agreement for inspection by the Authority.

12. **Job Site Responsibility.**

If the services covered by this Agreement involve a construction phase of the Project, the Authority agrees that in accordance with generally accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for job site conditions during the course of construction of the Project, including safety of all persons and property, and that this requirement shall be made to apply continuously and not be limited to normal working hours. Consultant shall not have control over or charge of, and shall not be responsible for, construction means, methods, techniques, sequences, or procedures, as these are solely the responsibility of the construction contractor.

13. **Assignment and Subconsultants**

Consultant shall not assign, sublet, or transfer this Agreement or any rights under or interest in this Agreement without the written consent of the Authority, which may be withheld for any reason. Nothing contained herein shall prevent Consultant from employing independent associates, and subconsultants as Consultant may deem appropriate to assist in the performance of services hereunder.

14. **Conflicts of Interest**

Identify all existing and past financial relationships (including consulting agreements) between ["**CLICK & TYPE CONSULTANT NAME**"] and members of the Authority's Governing Board, and entities for which said members are employed, or have an interest, both past and present.

15. **General Provisions**

15.1 **Independent Consultant.** Consultant is retained as an independent consultant and is not an employee of Authority. No employee or agent of Consultant shall become an employee of the Authority. The work to be performed shall be in accordance with the work described in Exhibit "A," subject to such directions and amendments from the Authority as herein provided.
15.2 **Notice.** All notices permitted or required under this Contract shall be given at the following address, or at such other address as the parties may provide in writing for this purpose:

Authority:
SWEETWATER AUTHORITY
P.O. Box 2328
Chula Vista, CA 91912-2328
Attn: [**CLICK & TYPE MANAGER**]

Consultant:
[**CLICK & TYPE ADDRESS**]
[**CLICK & TYPE COMPANY**]
Attn:[**CLICK & TYPE CONTACT**]

The parties may designate, in writing, other individuals to whom notice is to be given. Notices shall be deemed to be received upon personal delivery to the addresses above; if sent by overnight delivery, upon delivery as shown by delivery service records; if sent by facsimile, upon receipt as confirmed by the sending facsimile equipment; if by United States Postal Service, five days after deposit in the mail.

15.3 **Severability.** The unenforceability, invalidity or illegality of any provision(s) of this Agreement shall not render other provisions of this Agreement unenforceable, invalid or illegal.

15.4 **Integration.** This Agreement represents the entire understanding of the Authority and the Consultant as to those matters contained herein, and supersedes and cancels any prior oral or written understanding, promises, or representations with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing, signed by both parties hereto. This is an integrated Agreement.

15.5 **Survival.** All rights and obligations hereunder that by their nature are to continue after any expiration or termination of this Agreement, including, but not limited to, the indemnification obligations, shall survive any such expiration or termination.

15.6 **Time is of the Essence.** Time shall be of the essence as to all dates and times of performance contained in this Agreement.

15.7 **Third Party Rights.** Nothing in this Agreement shall be construed to give any rights or benefits to anyone other than the Authority and Consultant.

15.8 **Disputes.** If any disputes should arise between the Parties concerning the work to be done under this Agreement, the payments to be made, or the manner of accomplishment of the work, Consultant shall nevertheless proceed to perform the work as directed by the Authority pending settlement of the dispute.

15.9 **Laws, Venue, and Attorneys' Fees.** This Agreement shall be interpreted in accordance with the laws of the State of California. If any action is brought to interpret or enforce any term of this Agreement, the action shall be brought in a state or federal court situated in the County of San Diego, State of California. In the event of any such litigation between the parties, the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorney's fees, as determined by the court.
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AND
[**CLICK AND TYPE CONSULTANT NAME**]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

SWEETWATER AUTHORITY

By: ____________________________
Name: Patricia “Tish” Berge
Title: General Manager
Dated: ____________________________

By: ____________________________
Name: [**CLICK & TYPE NAME**]
Title: [**CLICK & TYPE TITLE**]
Dated: ____________________________

Approved as to form:

Paula C. P. de Sousa Mills
Legal Counsel
SWEETWATER AUTHORITY
AGREEMENT FOR SERVICES
BETWEEN SWEETWATER AUTHORITY
AND
[**CLICK AND TYPE CONSULTANT NAME**]

EXHIBIT "A"
SCOPE OF WORK

[**CLICK & INSERT PROPOSED SCOPE OF WORK**]
AGREEMENT FOR SERVICES
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AND
[**CLICK AND TYPE CONSULTANT NAME**]

EXHIBIT "B"
SCHEDULE OF CHARGES
Exhibit B
Consultant’s Statement of Qualifications (SOQ)

Statements of Qualifications (SOQ) shall be concise, well organized and demonstrate the responder's experience applicable to the requirements of this RFQ. SOQ submitted in response to this RFQ shall be in the following order and shall include:

1. Introductory Letter: Describe firm’s basic understanding of the services identified. This letter should also contain an expression of the firm’s interest in the work, a statement regarding the qualifications of the firm to do the work, and any summary information that may be useful or informative to the Authority.

2. Identification of Responder:
   a. Legal name and address of company.
   b. Legal form of company (partnership, corporation, joint venture, etc.).
   c. Identify any parent companies.
   d. Addresses of office(s) within the 2-hour commute limit and number of employees.
   e. Addresses of fabrication facility within the 3-hour commute limit and number of employees.
   f. Name, title, address and telephone number of a person to contact concerning the Statement of Qualification.

3. Financial Relationships Disclosure:
   a. Identify all existing and past financial relationships between Consultant’s firm and current members of the Authority’s Governing Board and staff and entities for which said members are employed or have an interest, both past and present. If there are none, clearly state this.
   b. Identify all existing and past financial relationships between Consultant’s proposed sub-Consultants and current members of the Authority’s Governing Board and staff and entities for which said members are employed or have an interest, both past and present. If there are none, clearly state this.
   c. For a list of the Authority’s Governing Board members, see the following link:

      http://www.sweetwater.org/35/Governing-Board
4. **Required Qualifications:** Provide documentation addressing each of the required qualifications. Reference appropriate portions of the following sections if needed.

5. **Desired Qualifications:**
   
a. **Qualifying Projects:**
   
   (1) Provide a list of past and on-going projects during the past five (5) years for which the proposing firm provided services similar to those described in this RFQ. Include projects that demonstrate both the Annual Support and Capital Project Support requirements of this RFQ. Limit the list to no more than 10 projects the Consultant feels are most relevant to the RFQ.

   (2) For each project, include the following:

   (a) A brief description of the project, date initiated, date completed (if applicable).

   (b) Name of owner and owner's project manager with phone number.

   (c) Identify role of the key personnel proposed for the Authority's project.

   (d) Project costs including the following:

   (1) Overall project cost.

   (2) Consultant's fee for technical services.

   (3) Consultant's fee for hardware and software provided.

   (3) Present the experience of any subconsultants in a similar manner.

   (4) Highlight those projects that are used to meet the Experience portion of the Required Qualifications.

   (5) Higher scores will be awarded for projects that use the specific hardware and software combinations used by the Authority.

b. **Experience and Technical Competence:**

   (1) Provide evidence of the experience and technical competence of the Consultant's team, including evidence that the team has the required certification and experience.
(2) In order to provide the Authority with an understanding of the Consultant’s commitment to manufacturer training and certification, provide details of any current manufacturer certifications that have been awarded to individual staff. Include all training and certification certificates in an appendix.

(3) As noted in the RFQ, the Authority will provide a Test Platform for the Consultant’s use. Provide details of similar environments the Consultant has used for other clients. For each system, include details such as system architecture, technologies utilized, system size, and how the system was used by the Consultant and/or the client.

(4) The Authority will require the Consultant to implement the Authority’s source control system and use it to manage all code and configuration across the facilities. Provide details of systems that perform this function that the Consultant has deployed for other clients. Include details such as the software used and the functionality of the system.

(5) The Authority will require the Consultant to implement the Authority’s documented change control system to manage changes required to the SCADA system. Provide details of change control systems that the Consultant has implemented for other clients. Include details such as the software used and the functionality of the system.

(6) The Authority will require the Consultant to establish a tiered technical support system as described in the RFQ. Provide details of similar services provided to clients including written procedures for accessing technical support if they exist.

(7) Provide details of clients for which the Consultant currently serves as an extension of staff managing their SCADA system and implementing new features as needed. State the number of continuous years you have been under direct contract with each client.

c. Consultant’s Organization and Key Personnel: Provide an organizational chart showing the relationship and titles of key personnel. Describe proposed Consultant’s organization, including identification and responsibilities of key personnel and subconsultants. Identify specialty subconsultants and their specific role. For each of the key personnel, identify their main work location. Identify the Project Manager who will be responsible for the direct supervision and coordination of integration activities.

6. Costs: Attach a separate, sealed envelope marked “Confidential – Costs” to the SOQ. Include a list of all individuals who are expected to work on this project with name, position, and hourly billing rate. Include a statement that these rates will be used as billing rates.
without increase through December 30, 2020, when preparing fee proposals for specific task orders. All services shall be compensated based on the Consultant's hourly rate schedule. These rates shall reflect all costs related to required equipment, personnel, vehicle, mobilization/demobilization, and insurance requirements, inclusive of overhead and profit.

7. Exceptions to the Request for Qualifications: The proposer shall certify that it takes no exceptions to this RFQ, including but not limited to the Authority’s Professional Services Agreement (PSA), as attached. If the respondent does take exception(s) to any portion of the RFQ or PSA, the specific portion of the RFQ or PSA to which exception(s) is taken shall be identified and proposed alternative language provided and explained.
Exhibit C

NON-DISCLOSURE / CONFIDENTIALITY AGREEMENT

This Non-Disclosure / Confidentiality Agreement ("Agreement") is entered into this <DAY> day of <MONTH>, <YEAR> by and between <COMPANY> with offices at <ADDRESS> (hereinafter "Recipient") and Sweetwater Authority, with offices at 505 Garrett Avenue, Chula Vista, CA 91910 (hereinafter "Authority") for the purpose of preventing the unauthorized disclosure of information as defined below.

RECITALS

WHEREAS, Recipient and the Authority agree to enter into a confidential relationship with respect to the disclosure of certain proprietary and confidential information; and

WHEREAS, the Authority wishes to protect the confidentiality of such confidential information in accordance with the terms of this Agreement.

NOW THEREFORE, Recipient and the Authority agree as follows:

AGREEMENT

1. Confidential Information. For purposes of this Agreement, "Information" shall include, but not be limited to, customer information or other information or material that has or could have commercial value or other utility to the Authority, and shall also include, but not be limited to all data, materials, products, technology, computer programs, specifications, manuals, business plans, software, marketing plans, financial information, internal processes and procedures, Geographic Information System ("GIS") data, and other information disclosed or submitted, orally, in writing, or by any other media, to Recipient by the Authority. Nothing herein shall require the Authority to disclose any of its Information to Recipient.

To the extent that any Information has been furnished and/or disclosed to Recipient prior to the date of this Agreement, such Information shall be covered by, and subject to, all terms and provisions of this Agreement.

2. Obligations of Recipient. Recipient agrees that Information is to be considered confidential and proprietary to the Authority, and Recipient shall hold the same in confidence, and shall not use the Information other than for the purposes of its business with the Authority.

In consideration for the disclosure of Information, the Recipient agrees that Recipient shall not at any time or in any manner, either directly or indirectly, divulge, disclose, communicate, publish, or otherwise reveal in any manner any Information to any other party whatsoever without the specific prior written authorization of the Authority which may be withheld for any or no reason. Recipient shall not, without prior written approval of the Authority, use for Recipient's own benefit, publish, copy, or otherwise disclose to others, or permit the use by others for their benefit or to the detriment of the Authority, any Information.

GIS layers are to be solely retained by the Recipient. In no instance are GIS layers to be placed on the Internet, sold, leased, copied, loaned, disclosed, or transferred, in whole or part to other public agencies, private individuals, private firms, non-profit entities, or any other party. The Authority shall not be liable for the accuracy of the GIS Information.

Recipient shall return to the Authority any and all records, notes, and other written, printed, or tangible materials in its possession pertaining to Information immediately upon the Authority's request.
Recipient will protect the Information and treat it as strictly confidential. A violation of this Section 2 shall be a material violation of this Agreement.

3. **Indemnification.** Recipient shall take all necessary action to protect the confidentiality of the Information. Recipient shall indemnify, defend and hold the Authority harmless from and against any and all claims, liabilities, expenses or damages arising from or in connection with Recipient’s breach of this Agreement.

4. **Time Period.** The confidentiality and nondisclosure provisions of this Agreement shall survive the termination of this Agreement and Recipient’s duty to hold the Information in confidence shall remain in effect until the Authority sends Recipient written notice releasing Recipient from this Agreement.

5. **Legally Compelled Disclosure.** In the event that a Recipient is requested or otherwise becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoena, criminal or civil investigative demand or similar process) to disclose any Information, the Recipient will provide the Authority with prompt written notice so that the Authority may seek, with Recipient’s cooperation, a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. The Authority will advise the Recipient promptly of the action it intends to take. In the event that such protective order or other remedy is not obtained, or that the Authority waives compliance with the provisions of this Agreement, the Recipient will furnish only that portion of the Information that is legally required and will exercise its best efforts to obtain reliable assurance that confidential treatment will be accorded the Information.

6. **California Public Records Act.** Recipient understands and agrees that any and all documents prepared, used, or received by the Recipient either directly or indirectly in the performance of services under an agreement and any and all documents related to this Agreement, including this Agreement itself, may be subject to the California Public Records Act and may be subject to specific disclosure requirements. Should Recipient receive any request for Information, Recipient shall immediately provide such request to the Authority for review and response.

7. **Information Transmission.** If the Information is to be transmitted electronically, transmission of said Information shall only be transmitted encrypted utilizing a pre-selected common data encryption key whether via electronically, optical or magnetic media, or any other form of computer data media. No transmission of Information shall be transmitted without the use of an encryption key.

8. **Not a License.** Nothing contained herein shall be construed as granting or conferring any rights, by license or otherwise, in any Information. Information may pertain to prospective or unannounced products, services, or utilities, and Recipient agrees not to use any Information as a basis upon which to develop or have a third party develop a competing or similar product or service.

9. **Relationships.** Nothing contained in this Agreement shall operate to create a relationship of the Recipient as a partner, party to a joint venture, agent, employee, or independent contractor of the Authority for any purpose, unless otherwise agreed to in writing by the parties.

10. **Waiver.** Either party’s failure to insist, in any instance, upon strict performance by the other party of any of the terms of this Agreement or to exercise any right or privilege provided herein, shall not relieve the other party of any of its obligations under this Agreement, whether of the same or similar type, and shall not be construed as a waiver of any continuing or subsequent failure to perform or delay in performance of any term herein. This Agreement and each party’s obligations shall be binding on the representatives, assigns and successors of such party.

11. **Irreparable Injury.** Recipient acknowledges that any breach or threatened breach of this Agreement may cause irreparable injury to the Authority and that Recipient will be entitled to seek specific performance and injunctive relief as remedies for any breach or threatened breach of this Agreement, in addition to any other remedies available at law or equity. Recipient agrees to notify the Authority in
writing of any actual or suspected misuse or unauthorized disclosure of the Information that may come to Recipient’s attention.

12. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California. Any legal action or proceeding brought to interpret or enforce this Agreement, or which in any way arises out of the parties activities undertaken pursuant to this Agreement, shall be brought in the appropriate state or federal court in the County of San Diego, California.

13. **Severability.** The unenforceability, invalidity, or illegality of any provision(s) of this Agreement shall not render the other provisions unenforceable, invalid, or illegal.

14. **Integration.** This Agreement expresses the complete understanding of the parties with respect to the subject matter and supersedes all prior proposals, agreements, representations and understandings. This Agreement may not be amended except in a writing signed by both parties.

15. **Headings.** Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

IN WITNESS WHEREOF, this Agreement has been duly executed by the undersigned on the dates set forth below and will become effective upon the latter of such dates should they differ.

**AUTHORITY (Sweetwater Authority)**
Signed: __________________________
Print Name: _______________________
Title: ____________________________
Date: ____________________________

**RECIPIENT (<COMPANY>)**
Signed: __________________________
Print Name: _______________________
Title: ____________________________
Date: ____________________________
Wednesday, August 14, 2019: Politics & Policies

12:00 p.m. – Registration, Networking & Exhibits

1:00 p.m. – Opening Remarks & Introduction
Greg Quist, Chairman, Urban Water Institute

1:15 p.m. – Welcome to San Diego
Congressman Scott Peters, City of San Diego (invited)

1:30 p.m. Looking inside the Congressional Crystal Ball – to help water decision makers in California
Learning about climate change impacts in California has forced water decision makers to become nascent meteorologists. We will hear from elected and appointed Congressional representatives about what they see emerging in the federal policy arena. Will it help, hurt or even exacerbate the water supply and management challenges we are today and will face even more over the next 50 year.

Moderator, Greg Quist, Director, Rincon del Diablo Water
Anais Borja, Legislative Staff, Congressman Peter’s Office (invited)
Hanna Ceja, Legislative Staff, Congressman Juan Vargas’ Office (invited)

2:30 p.m. Getting Stuck with the Teflon Contaminant – How PFAs will Affect Water Agencies
Per-and polyfluoroalkyl substances (PFAS) are a large group of human-made substances used in a wide variety of products since the 1940s including non-stick products, stain and water-repellent products and fire-fighting foams. They are widespread in the environment, and according to the State Water Resources Control Board (State Board), PFAS were found in the blood of nearly every person tested in several national surveys. While PFAS as a class and individually are currently unregulated contaminants, increased regulatory scrutiny is already here. This panel will provide: general background on PFAS; an update on regulatory initiatives, including ongoing State Board investigations and development of drinking water standards; toxicology of PFAS; and, the anticipated impact of PFAS on water and recycled water systems.

Moderator, Greg Newmark, Meyers Nave, Attorney
Annalisa Kihara, Water Board Regulator, PE
Jason Dadakis, Executive Director of Water Quality & Technical Resources, OCWD
Margaret Whitaker, Tox Services, Washington DC

3:15 p.m. – Networking Break – Sponsored by HDR, Inc.
3:30 p.m. – Water Managers Dilemma - Caught in the political vortex of climate change
We know about the prisoner’s dilemma where two people who appear to be rational may not cooperate even if it is in their best interests to do so. Are we creating a water managers version as we learn more about the impacts of climate change over the next 50 years.

Moderator, Ane Deister, Urban Water Institute, Executive Director
Alex Tardy, National Oceanic and Atmospheric Administration, Scientist
Dan Denham, San Diego County Water Authority, Assistant General Manager
Erik Ekdahl, SWRCB, Deputy Director Division of Water Rights

4:45 p.m. – Adjourn

5:00 p.m. to 6:30 p.m. – Welcome Reception – Sponsored by Water Replenishment District of Southern California

Thursday, August 15, 2019: Regulations & Resources

8:15 a.m. – Registration, Networking, Exhibits & Continental Breakfast – Sponsored by Irvine Ranch Water District

8:45 a.m. – Opening Remarks/Get to Know Your Exhibitors
Ane Deister, Urban Water Institute, Executive Director

9:00 a.m. – “Let’s Make a Deal! – where’s Monte Hall when you need him?”
As climate change threatens the state’s water infrastructure and reliability, come find out what the hubbub is all about on these “Green New Deals”. It’s much more than the almighty green $. There is an emerging “green” trend at the state and local level towards the resiliency of water supplies, air quality and the overall environment. Come learn about LA Mayor Garcetti’s Green New pLAn and then find out how water recycling could be integral to the Newsome Administration’s new Water Resilience Portfolio Plan by hearing for the first time in a public setting, and “hot of the press”, the July 2019 CA WateReuse Action Plan.

Moderator, Rich Nagel, Vice President Jacobs
City of LA Mayor’s new plan, David Pettijohn, Director of Water Resources LADWP and Rafael Villegas, Manager of Water Rights and Resources, LADWP
WateReuse Plan to Governor Newsom, Dave Pedersen, Las Virgenes Municipal Water District, General Manager
10:00 a.m. – Groundwater Banking: Who’s saving on a rainy day?

Water supply reliability is becoming increasingly difficult to predict as climate change progresses and infrastructure ages. Groundwater banking case studies illustrate how this vital strategy is increasingly being used to maximize water resources, mitigate the impacts of long-term drought, and forge a sustainable future.

Moderator, Shelley Sorsabal, AVEK Board President
Shivaji Deshmukh, Inland Empire Utilities Agency, General Manager
Paul Weghorst, Irvine Ranch Water District, Executive Director of Water Resources
Dwayne Chisam, Antelope Valley – East Kern Water Agency, General Manager
Matt Payne, WestWater Research, Principal

11:00 a.m. – Networking Break – Sponsored by Geoscience Support Services, Inc.

11:15 a.m. – Mark Pestrella, Director LA Dept. of Public Works:
Update on the innovative stormwater funding in Los Angeles County.

12:00 p.m. – Conference Luncheon – Sponsored by Meyers Nave

1:15 p.m. – The Colorado River – Will Coming Allocation Pressures Reach “Class 6” Difficulty?
A Class 6 rapid is said to be unpassable, with any attempt to do so resulting in serious injury or death. Policymakers and stakeholders across the basin states face ever more daunting challenges as they deal with current and forecasted structural shortages of water on the Colorado River. How will they run this new policy gauntlet?

Moderator, Dick Ackerman, Ackerman Consulting, President
Anne Castle, University of Colorado, Senior Fellow
Amy Haas, Upper Colorado River Commission, Executive Director (invited)
Warren Tenney, Arizona Municipal Water Users Association, Executive Director (invited)
Tina Shields, Imperial Irrigation District, Water Department Manager

2:30 p.m. – Networking Break – Sponsored by Upper San Gabriel Valley Municipal Water District

2:45 p.m. – Three Hundred Twenty Four Boundary and Water Minutes – How Do You Measure the Length of a Treaty?
The 1944 treaty between Mexico and the United States entered its 75th year in 2019. Over the years a series of agreements (or minutes) have advanced the degree of cooperation in relation to the water of the Colorado and Tijuana Rivers, and of the Rio Grande. Recent challenges and opportunities addressed through a series of Treaty Minutes include the 2010 Mexicali Earthquake, Colorado River binational water scarcity contingency plans, and trial environmental flows for the Colorado River delta. Our panel includes key members of the International Boundary and Water Commission, with MWD’s GM, a key to CA water user collaboration. Collectively they will share their insights.

Moderator Kevin Hunt, Central Basin MWD
Brenda Burman, United States Bureau of Reclamation, Commissioner
Jeff Kightlinger, Metropolitan Water District, General Manager
Roberto Salmón, International Boundary and Water Commission, Mexican Commissioner
3:45 p.m. – How Technology Can Affect Water Regulatory Operations in 2070
Advances in real time data driven regulatory decisions are being implemented. This is a trend that is likely to increase over the next several years. This case study features the Army Corps of Engineers and how they are adopting this approach - surely to be followed by other regulators.

Moderator, Ane Deister, Urban Water Institute, Executive Director
Jay Jasperse, Sonoma Water, Chief Engineer & Director of Groundwater Management
Dr. F. Martin Ralph, Center for Western Weather and Water Extremes at Scripps Institution of Oceanography, University of California, San Diego

Adjourn 4:30
5:30 – 7:00 p.m. – Chairman’s Reception

Friday, August 16, 2019: Money and Markets

8:00 a.m. – Registration, Networking, Exhibits & Buffet Breakfast- Sponsored by Western Municipal Water District

8:15 a.m. – Opening Remarks
Short conference report card, lessons learned and introduction to the final day of conference.
Ane Deister, Urban Water Institute, Executive Director

8:30 a.m. – Show me the Money! Who’s investing in Water and Why
Private investors are staking out the water industry as a new gold mine for economic returns. Learn from the experts why they see this as a thriving new investment market, who’s in the game, and how they decide to invest or not invest.

Moderator, Greg Quist, Rincon del Diablo Municipal Water District board of directors
David Henderson, Executive Director, XPV Water Partners
Cristina Ahmandpour, President, ISLE Utilities
Mark Lambert, Former President IDE Technologies America

9:30 a.m. – Nasdaq Veles Calif: Water as A Commodity
California has a robust water transfer market that helps agencies accommodate changing demands, and address supply variability. However, unlike nearly every other segment of the United States economy, the water market has been largely ignored by the financial sector - until now. How can the introduction of a new exchange-traded financial product deliver value for water managers?

Moderator, Shelley Sorsabal, AVEK Board President
Matt Payne, West Water, Principal

10:15 a.m. – Policy, Pivots, Planning and Plumbing – An Update on The Bay Delta
A new chapter has opened in the Bay Delta saga with the recent Newsom administration’s shift to a single tunnel concept for a Delta Conveyance Project. Our moderator and panelists will provide an update from the policy perspective as well as some pragmatic next steps for the necessary planning, permitting, preliminary design an environmental review for a Delta Conveyance Project.
11:15 a.m. – Tell it Like it is  
*The venerable Pat Mulroy will share her thoughts and insights in her own way – as she has been doing for more than 3 decades.*

**Introduction - Ane Deister, Urban Water Institute, Executive Director**  
Pat Mulroy, Southern Nevada Water Authority, Former General Manager

12:00 p.m. – Chairman’s Raffle  
Conference Adjudjorns
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URBAN WATER INSTITUTE'S ANNUAL WATER CONFERENCE
AUGUST 14-16, 2019 | REGISTRATION FORM

NAME:_________________________ TITLE:_________________________

ORGANIZATION:_________________________ ADDRESS:_________________________ CITY/STATE/ZIP_________________________

PHONE WORK:_________________________ MOBILE:_________________________ EMAIL:_________________________

CONFERENCE REGISTRATION FEEs

Registration fees include handouts, breakfasts, luncheon, breaks and receptions.

Note: Self parking for hotel guests is complimentary

____ $425 Urban Water Member Registration Fee for Conference August 14-16, 2019
(Must be a member of the Urban Water Institute with 2019 dues paid in full, for more information on memberships please contact the Urban Water Institute at (949) 679-9676 or stacy@urbanwater.com)

____ $525 Non-Member Registration Fee for Conference August 14-16, 2019

____ $100 Spouse Registration - Includes breakfasts, luncheon, breaks and receptions.

Spouse Name For Name Tag:

REGISTRATION INFORMATION

LOCATION
The 26th Annual Water Conference will be conducted at the Hilton San Diego Resort & Spa located at:
1775 E Mission Bay Dr, San Diego, CA 92109

WILL YOU STAY AT THE HILTON SAN DIEGO RESORT & SPA?
Please contact the hotel directly to reserve your room, we have a special conference rate of $210 per night plus tax. To make your room reservations, call the Hilton San Diego Resort & Spa directly at (619) 276-4010 and reference Urban Water Institute. Please note the cut-off date for the group rate is July 16, 2019. Reservations can also be made online at www.hilton.com.

CONFERENCE REGISTRATION (All Registrations Should Be Made In Advance)

To pay by credit card visit our website www.urbanwater.com. You can register online and pay with a Visa, MasterCard or American Express. To pay by check, please complete the Registration Form and send it along with a check made payable to:

Urban Water Institute: 24651 Everse Circle, Suite 1, Lake Forest, CA 92630.

After August 8, 2019 registrations will be accepted at the door on a space available basis, with an additional $25 administrative charge.

CANCELLATION POLICY
Cancellations must be received in writing by July 31, 2019. Faxes are accepted at (949) 305-9919. Registration fee will be refunded, less a $50 administrative charge if received by July 31, 2019. Substitutes are accepted. No refunds after July 31, 2019. The Institute reserves the right to substitute announced speakers and assumes no responsibility for personal expenses.

EXHIBITOR & SPONSORSHIP INFORMATION

Information on exhibiting and sponsoring may be obtained by calling (949) 679-9676 or can be found on the Urban Water Institute Website www.urbanwater.com.

MAIL CONFERENCE REGISTRATION CHECKS PAYABLE TO:
Urban Water Institute: 24651 Everse Circle, Suite 1 • Lake Forest, CA 92630
Tax ID # 33-0578523

For More Information Contact the Urban Water Institute at (949) 679-9676 or stacy@urbanwater.com
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2019 CSDA Annual Conference and Exhibitor Showcase
September 25-28, 2019    Anaheim, CA


Celebrating 50 Years of Service.
Let's CELEBRATE GOOD TIMES!
As a special district leader, you already know what makes special districts so special, but do you know what makes this conference so special? It’s CSDA’s 50th anniversary celebration!

Be sure to register now – a celebration like this won’t happen again for another 50 years!

The CSDA Annual Conference & Exhibitor Showcase is the one conference special district leaders can’t afford to miss!

Join 800-plus special district professionals and industry experts for a three day, must-attend education, and networking event. Develop new partnerships. Participate in inspiring and motivating keynote sessions. Walk away with strategies, new connections, and innovative ideas to move your district forward.

What to Do?
“As a city built on imagination, Anaheim is where all of your inner enthusiasts can have their day. Visit Anaheim and discover an atmosphere where hip hangouts and hidden gems inspire animated attitudes from visitors and locals alike. From the magic of Main Street to a collective of one-of-a-kind flavors, scenes, sights, and sounds – we invite you to experience the authenticity of all things Anaheim and come hang out with us.”

Location
Anaheim Marriott
700 West Convention Way
Anaheim, CA 92801

Hotel Room Reservations
The CSDA room rate at Anaheim Marriott is $180 plus tax, single or double occupancy. You will receive a link to make your hotel reservation AFTER you have registered for the conference. The room reservation cut-off is August 27, 2019; however, space is limited and may sell out before this date.
WORKSHOPS
(Pre-registration/payment required - includes lunch)

9:00 a.m. – 3:30 p.m.
Special District Leadership Academy
Module 1: Governance Foundations
As the core curriculum of CSDA’s Special District Leadership Academy, this workshop serves as the “foundation” for the series on effective governance of special districts. It is specifically designed for special district board members and meets the requirement for six hours of governance training for Special District Leadership Foundation programs.

$225 MEMBER, $340 NON-MEMBER

9:00 a.m. – 3:30 p.m.
Developing Effective Policies, Procedures, and Task Outlines
CPS HR Consulting

Does your organization struggle to keep its written directions up to date? Do your rules and instructions exist only as “institutional knowledge” in someone’s head? Is it a challenge to get employees to read (and follow) your policies and procedures?

Packed with the tools and formats needed to create crisp, clear, and reader-friendly rules and instructions. This popular course has been instrumental in transforming hundreds of organizational policy manuals nationwide. Participants will learn how to apply Plain Language principles as they develop policies, procedures, and task outlines.

Come learn how to:
» Separate policy, procedure, and task outline content for better comprehension
» Develop policies into “headline” format
» Develop procedures into “play script” format
» Develop task outlines into “cookbook” format

$225 MEMBER, $340 NON-MEMBER

12:30 – 3:30 p.m.
The Board and GM Working Together to Optimize the District – A 5-Step Program for Assuring Optimal Performance
BHI Management Consulting

Optimizing District performance is always a goal. This pre-conference workshop provides a systematic five-step approach to do so.

The five steps that will be presented in detail are:
» A Frank Assessment of District Position, Status and Outlook
» A Realistic Look at Communications Between the Board and GM
» An Honest Appraisal of the Third Rails of your Organizational Model
» Policies that Support Best Practices
» Clearly Setting the Organizational Vector

The instructor will use in-class exercises and assessment tools for each step for assessment purposes. Come prepared to have open dialogue about how to get and keep your district performing at the highest levels.

Recommended for at least two Board members and their GM to attend.

$150 MEMBER, $225 NON-MEMBER
(no lunch provided)

CERTIFICATION EXAM
(Optional – must be scheduled prior to conference)

1:30 – 2:15 p.m.
Everything You Ever Wanted to Know About Website Compliance – And More!
Streamline

The topic might sound boring, but this presentation won’t be! Sloane will do her best to be entertaining while explaining the requirements of SB 929 and recent changes to online requirements for special districts in California. We’ll look at the five website posting requirements (including how to create your Enterprise System Catalog, if you haven’t already), updated agenda formatting and posting requirements brought to us compliments of AB 2257, and how to test your site for Section 508 / ADA accessibility. All attendees will leave with tips and materials that will make compliance a cinch.
GOLF TOURNAMENT
(Pre-registration / payment required)

8:00 a.m. Tee Times Begin
SDLF Scramble for Scholarships
Mile Square Golf Course
Join special district elected officials, staff, and business affiliates at this optional fun event. Great golf skills are not necessary! Proceeds benefit the Special District Leadership Foundation scholarship fund.

$80 INCLUDES GOLF WITH CART, LUNCH, AND PRIZES!

DISTRICT TOUR
(Early registration is encouraged. Limited to 56 attendees)

12:30 – 3:30 p.m.
Orange County Water District Tour
Participate in this two-hour tour at the Orange County Water District to learn about the importance of wastewater purification. Explore the Groundwater Replenishment System (GWRS), the world’s largest water purification system that produce high-quality water using a three-step treatment process.

$30 PER PERSON INCLUDES TRANSPORTATION TO/ FROM THE HOTEL AND TOUR

NETWORKING
(All attendees welcome)

3:45 p.m. – 5:15 p.m.
Chapter Roundtable Discussion
Join CSDA board members and local chapter leaders from across the state to share best practices and discuss issues and opportunities.

1:30 – 2:15 p.m. [BONUS SESSION]
The Power of Pooling for Health Benefits
SDRMA
Presentation by SDRMA about their Small Group Health Benefits program that is part of the CSAC-EIA Health pool. Learn about what options for Health Benefits are available to agencies of all sizes under a pool that is run by its participating agencies.

2:30 – 3:30 p.m. [BONUS SESSION]
Town Hall – Legal Eagles
Liebert Cassidy Whitmore
Join us this year to get your questions answered! Special districts deal with a number of issues on a daily basis and it is best to be prepared. Share your questions with others who probably have the same problems, concerns and issues. This is a great opportunity to get some great legal answers - without those annoying billable hours!

SDRMA CREDIT INCENTIVE POINTS [CIP]
Special District Risk Management Authority (SDRMA) is committed to establishing a strategic partnership with our members to provide maximum protection, help control losses, and positively impact the overall cost of property/liability and workers’ compensation coverage through the Credit Incentive Program. Credit incentive points (CIPs) can be earned based on an agency’s attendance at the CSDA Annual Conference & Exhibitor Showcase, reducing SDRMA members’ annual contribution amounts.
7:30 a.m. – 6:30 p.m.
Exhibitor Showcase Open

7:30 – 8:30 a.m.
Continental Breakfast with the Exhibitors

8:45 – 11:00 a.m.
OPENING KEYNOTE PRESENTATION

Mark Scharenbroich
Nice Bike – Making Connections that Move People

Mix thousands and thousands of black leather, bandana wearing, tattoo bearing Harley-Davidson riders with a 100th Anniversary and one beige rental car and the end result will be the perfect metaphor for connecting with others: “Nice Bike.”

Nice Bike acts as a powerful catalyst to help build stronger, more unified teams. The message inspires audience members to be more engaged and passionate about connecting with others.

Join Emmy award-winning speaker, Mark Scharenbroich as he takes you for a fun ride on how to be effective at making meaningful connections in both your professional and personal life. His Nice Bike principle is supported by three strong actions: acknowledge, honor and connect.

11:15 a.m. – 12:30 p.m.
CSDA Finance Corporation Board and Annual Meeting
Application of the California Environmental Quality Act to Districts Projects
Lozano Smith

The California Environmental Quality Act (CEQA) is a complicated body of law governing public projects, and its application is very broad. Failure to comply can result in significant delays. This session will review the application of CEQA and other environmental laws to district projects, how to identify those projects, and how CEQA is used by project opponents. This session will explore the application of CEQA and other environmental laws to projects, including renovations, expansions, and real property sales or acquisitions. It will also help districts identify other actions that are deemed to be projects under CEQA. This presentation will provide participants with an overview of the CEQA process, a better understanding of the applicability of other environmental laws, and answers to their real-world questions.

California on Fire: Special Districts Addressing Future Wildland Fires
SCI Consulting Group

Come learn what we all need to do to prepare for California’s future wildland fire crisis focusing on Fire Suppression including evacuation, training and communications; and Forest Management and Structure Resiliency.

California’s Top 5 New Employment Laws in Response to the #MeToo Movement
Meyers Nave

In response to #MeToo, Governor Brown signed multiple bills into law to address sexual harassment and gender discrimination and remove structural issues that enabled this environment to persist in the workplace. The session explains the top 5 new laws and new obligations created for employers: (1) AB 3109 (bars prohibition on testifying about alleged sexual harassment or criminal conduct), (2) SB 820 (bans non-disclosure provisions and secret settlements), (3) SB 1300 (limits non-disparagement clauses, expands employer liability, authorizes bystander training) (4) SB 1343 (expands sexual harassment prevention training) and (5) SB 224 (expands relationships subject to sexual harassment claims). The session also provides practical tips on how special districts can leverage these changes to create a more inclusive and civil workplace that helps prevent harassment from occurring and makes it more likely to be reported.

Fast Track Your Leadership Succession Planning
CPS HR Consulting

The need for leadership succession planning in the public sector is rapidly growing due to a perfect storm developing in the employment climate. This storm is built on the ongoing retirements of current leadership, a tight labor market, and a need for ways to better engage employees. In this session, we will discuss how to fast-track your leadership succession planning using a process to identify leadership potential and overcome barriers to finding reliable and trustworthy learning and development resources.

Financing New Projects with New Revenues: CFD and Assessment District Planning, Implementation and Compliance
NBS

Utilizing land-secured Special Financing Districts (SFDs) requires considerable planning, thoughtful implementation and attention to the ever-changing legal landscape. This session will cover these components, including a Desert Recreation District case study.

Policies vs. Procedures – What’s the Difference?
CPS HR Consulting

Are your policies and procedures bloated and hard to follow? Is it difficult for new employees to find answers to work-related questions? This popular breakout session provides insights to better develop and organize clear and useful policies and procedures. Come learn:

» What content belongs where
» Why separating policies from procedures matters
» Which tools work best to quickly and effectively produce “reader-friendly” policies and procedures.

Public Records Laws, Requests and Responses – What You Need to Know
Best Best & Krieger, LLP

The California Public Records Act (PRA) was adopted to foster transparency, accountability and greater public access to government records, but compliance can be complicated, costly, and time consuming. This is especially true with increasing amounts of electronic data being stored, accessed and shared on both public and private devices. This session will provide information on making the most of publicly available information, knowing requesters’ rights, public offices’ obligations and the secrets to a successful public records request, and much more. After completing this session, attendees will feel more confident in knowing the best practices for responding to PRA requests.
Lunch with the Exhibitors
All conference attendees are welcome to attend lunch in the exhibit hall. Enjoy your lunch while taking time to learn more about our exhibitors and the valuable services they provide. From risk management, accounting, HR, legal, banking services, and more – our exhibitors have some of the best of what you’re looking for!

Lunch is included in conference registration.

12:30 – 2:00 P.M.

(BREAKOUT SESSIONS) 2:15 – 3:30 P.M.

Are Your Electronic Devices Spying on You?
Streamline

The short answer is yes. Smart homes and the Internet of Things (IoT) are the next frontier for the battle for your privacy and digital rights. Do you own an Alexa device, Google Home device, or even a smartphone? What about a printer? You might be surprised how much data is being gathered by your devices. And if you’re on Facebook, or even just surfing the internet, the collection of information about you is growing…and likely connects employees with your district. With this understanding, what can we do to protect ourselves? In this talk we’ll explore data collecting trends and share strategies you can employ to keep yourself and your district safe.

Building Trust of Management and Staff within Your Board
BHI Management Consulting

A key element of highly effective Districts is top to bottom trust. This session will offer tools to improve and solidify trust between the Board and management/staff. The session is led by a seasoned public agency consultant, with years of experience as a consultant and elected official.

Independent Contractor Do’s and Don’ts
Aleshire & Wynder

From selecting to using and paying independent contractors - we will discuss the regulations you need to know.

Privacy in a Connected World Has Risks
Nossaman, LLP

The session will discuss various facets of privacy in a changing technology and legal landscape. The session will cover California’s evolving legal landscape governing privacy, public employee issues relating to privacy, and the intersection between social media, privacy, and open government. This presentation contains critical information for governmental agencies, including practical solutions and best practices for managing privacy-related risks.

Required Ethics AB1234 Compliance Training
(Part 1) (Must attend both sessions for certificate)
Meyers Nave

AB1234 mandates that local agency officials receive two hours of ethics training every two years. This two part training covers all the required topics, including laws relating to: (1) personal financial gain by public servants (conflict-of-interest, bribery), (2) claiming perquisites of office (gift, travel and mass mailing restrictions, use of public resources for personal or political purposes, free or discounted transportation), (3) government transparency (financial interest disclosure requirements, open meeting laws), and (4) fair process (incompatible offices, competitive bidding, nepotism).

Setting the Stage for Success: How to Prepare for Capital Improvement Financing
CSDA Finance Corporation

You may be ready to expand that facility, purchase that property, install those solar panels, or replace those pipes. But are you ready to access financing? If your district is planning to use debt to fund all or part of a mission-critical capital project, it is important to know what investors and lenders are looking for and what your options are. Join the expert consultants from the CSDA Finance Corporation and a guest speaker from S&P Global for a discussion of funding structures, sources of repayment, credit analysis, and more.

Transparency and Accountability: Updates on the Brown Act and Conflicts of Interest
Meyers Nave

The Brown Act provides legal requirements designed to help guarantee the public’s right to attend and participate in meetings of local legislative bodies, as well as promote transparency by ensuring access to information involved in local government decision making. Conflicts-of-interest laws were created for the principle that the personal or private financial considerations of government officials should not enter the decision-making process. Presented by a recent member of the California Fair Political Practices Commission, this session provides an update on new developments regarding special district compliance with both areas of law.
District Dissolutions – the Good, the Bad, and the Ugly: How LAFCOs Can Initiate Involuntary Dissolutions, How Districts Can Initiate Dissolutions or Consolidations, and Why LAFCo Participation Matters
Colantuono Highsmith & Whatley, PC

A session providing a practical, informative discussion of the key provisions of the Cortese-Knox-Hertzberg Act, how LAFCOs work on the ground in relation to Special Districts and proposed voluntary and involuntary dissolutions and consolidations, and how and why special districts will benefit from being informed and active participants with LAFCO. Taught by two City Attorneys with significant LAFCO experience, including representing applicants before LAFCOs and advising LAFCOS as General Counsel, this workshop will provide participants with an understanding of the LAFCO process and why it is important for special districts. We will focus on several involuntary district dissolution case studies as examples of how and why LAFCOs can pursue involuntary dissolutions, what subject districts can do in response, and how and why district-initiated dissolutions and consolidations can be useful tools to improve services to their communities.

General Manager Performance Evaluation: A Proven Approach that Helps Build an Effective Working Relationship Between the Board and Manager
Rauch Communication Consultants

An effective and complete general manager performance evaluation is essential for the manager to perform at his or her best, and to ensure an effective working relationship between the board and manager. But many boards tend to fumble, ignore or mishandle this critical activity. This session details a proven process that will help you give each board member and the manager an opportunity to hear from each other; incorporates both subjective and objective metrics; ensures there is policy level direction to clarify the managers’ goals for the coming year, and links evaluation to the strategic plan and manager’s goals for the year. There will be time for questions and answers.

Meeting Management: Tips for Efficient and Effective Public Meetings
Richards Watson Gershon

Public meetings influence how your agency is perceived by the public. Basic meeting management strategies can make board meetings more effective and promote an image of efficiency and transparency.

Promote the Small Stuff
Dublin San Ramon Services District and Probolsky Research

Learn how special districts throughout the state are getting big public support by promoting lower profile parts of their operations such as cell tower rental revenue, bidding cooperatives, watershed trust funds, etc.

Required Ethics AB1234 Compliance Training (Part 2)
Meyers Nave

See previous session description. (Must attend both sessions for certificate)

The Uniform Public Construction Cost Accounting Act and How it Benefits Public Works Projects Implemented by Special Districts
Panel Discussion

The Uniform Public Construction Accounting Act provides special districts with the ability to implement alternative bidding procedures on public works projects less than $200,000 that supports efficient and flexible project delivery. The session will cover key provisions of the act, the policies and procedures manual published by the State Controller’s office, and examples of how the act is utilized to promote efficient project delivery for special districts.

5:00 – 6:30 p.m.
Mix & Mingle in the Exhibit Hall: Grand Prize Drawings

Connect with exhibitors in the exhibit hall for a cocktail and appetizer before you go out on the town for dinner. Be sure to enter for one more chance to win one of our fabulous prizes!

Exhibit hall closes on Thursday, September 26 at 6:30 p.m.
7:45 – 8:30 a.m.

SDRMA Sponsored
Plated Breakfast

All registered attendees and exhibitors welcome.

8:30 – 10:45 a.m.

SDRMA GENERAL SESSION, KEYNOTE, SAFETY AWARDS

**Erik Qualman**

**Socialnomics: Your Path to Digital Transformation**

In this interactive and entertaining session, Erik Qualman, author, showcases habits that drive success and happiness for your employees, partners and constituents.

What you'll hear:

» Current and future trends that will impact your business
» Digital leadership practices that allow you to be cutting edge versus bleeding edge
» The delicate harmony of offline and online initiatives to reach your employees, constituents and stakeholders
» Habits that will allow you to be the disruptor vs. the disrupted

You will leave with a clear understanding why we don’t have a choice on whether we digitally transform. The choice is how well we do it.

Most importantly, you will be given the guideposts to continue on your path of digital transformation, today.

**(BREAKOUT SESSIONS) 11:00 A.M. – 12:15 P.M.**

**Courageous Authenticity**

Liebert Cassidy Whitmore

One of the key qualities of a leader is the ability to handle critical conversations. To be effective, communication must be positively motivated toward the success of others and be delivered in a clear, honest, and direct way. Performance related situations and disagreements with high-level decisions both test our ability to communicate and have an impact on the organization. This is tough stuff! This session will explore the elements of courageous authenticity and offer strategies for tackling difficult conversations.

**Partnerships & Collaborations:**

**Stretching Community Dollars and Resources**

Institute for Local Government

How can local governments utilize collaborations and partnerships to stretch resources and deliver more services to communities? This session will discuss the benefits of partnering with other agencies, how to get the conversation started or scale up existing partnerships and examples of how special districts are partnering to help address one of California’s most vexing challenges – homelessness.
Recent Trends in Special District Finances and Employment
US Census Bureau

This presentation will use data from the recently released 2017 Census of Governments to discuss trends in special district financial and employment activity both in California and at the national level.

Special Districts and Drones: What Public Officials Need to Know about Unmanned Aerial Vehicles
Hanson Bridgett, LLP

The FAA estimates 2 million model drones will be in use by the end of 2019. This technology is only becoming more prevalent and easier to use. Whether your agency is considering using drones or regulating their use by members of the public, join us for a practical discussion of key considerations and recent developments in the law and regulatory environment.

Vesting Rights and Public Pensions in the 21st Century
Atkinson, Andelson, Loya, Ruud & Romo

For many of us, pension benefits have long been considered untouchable as public entities face the daunting task of trying to make financially prudent decisions in a difficult economic climate. However, recent California decisions have demonstrated that pension benefits are not untouchable as they once appeared; under the proper circumstances, they can be subject to reasonable modifications. This presentation will discuss and summarize the vesting rights doctrine; address the Marin County, Alameda County, and Cal-Fire decisions; and make educated predictions about the future of the vesting rights doctrine as it pertains to public pensions in light of these decisions.

What You Need to Do to Gain Public Support – an Action Plan for Your Upcoming Rate, Tax, or Assessment Increase
Rauch Communication Consultants, Inc.

Every District needs to obtain public support for its finances. Learn how to bridge the gap between public wants and agency needs. This session will provide techniques for explaining financial issues in lay terms, how to plan finance-related outreach, and how to get support for your rates, fees, charges or taxes. The workshop will include real examples from successful districts, case studies, and time for questions and answers.

Whistle While Your Work!
Special District Risk Management Authority

California employment related lawsuits have increased with plaintiff’s now alleging ‘Whistle-Blower’ protected status. Labor Code §1102.5 provides protection to the ‘Whistle-Blower’ from employment related retaliation when the employee has reasonable cause to believe that the information discloses a violation of state or federal statute, or a violation of or noncompliance with a local, state, or federal rule or regulation, regardless of whether disclosing the information is part of the employee’s job duties.

How does a public agency protect itself from ‘Whistle-Blower’ claims? In this session the presenter will discuss the essential elements necessary for a 1102.5 claim and what a public entity employer must do before making an employment related action against a current employee.

12:30 – 2:00 p.m.
Legislative Update Luncheon
(All attendees welcome)

CSDA’s lobbying team will present attendees with the most up-to-date information on the outcome of the biggest state budget and legislative issues impacting special districts in 2019, as well as a sneak peek of what to expect in 2020. Get all the latest legislative results and learn what they mean for special districts going forward.
Become a Media Darling
Communication Advantage
This is an unusual session, consisting solely of an on-camera practice lab in which the instructor will put on her veteran reporter’s hat to conduct short, one-on-one practice interviews with attendees. The interviews will be played back and critiqued to help participants craft killer-good answers and messages, as well as strengthen delivery techniques. Excellent chance for general managers, managers and elected officials to beef up communications skills absolutely vital for leaders who hope to succeed and earn the community’s trust. Length of session may be determined by number of attendees wanting to participate.

Dealing with Difficult People
CPS HR Consulting
Whether a person serves directly to the general public, or serves, and works with internal clients such as colleagues, or internal departments, difficult behaviors may arise. These behaviors may be based on circumstances, internal or external stressors, or a repetitive pattern of behavior. Difficult behaviors can be very problematic to deal with, and may cause conflict, tension, misunderstandings, and a host of other problems that can be damaging to workplace harmony, peer, and management relationships. This session will help attendee specifically identify the behavior, recognize how it is affecting you, and those around you, and utilize the strategies learned in this session on how to effectively address the behavior in a productive manner.

Harassment Prevention Training for Board Members and Supervisors (Part 1)
(Must attend both sessions for certificate)
Burke, Williams & Sorensen, LLP
Presented by two dynamic employment attorneys, this fun, informational, and interactive workplace harassment prevention training will focus on current and emerging issues resulting from the #MeToo movement, and teach officials and supervisors how to identify, prevent, and properly respond to workplace harassment, discrimination, retaliation, and abusive conduct in order to avoid personal and agency liability in compliance with California state laws (AB 1825/2053/1661).

It’s a Jungle Out There: Public Entities are Being Attacked in All Directions. It’s Not a Cruise It’s a Journey
Special District Risk Management Authority
California public entities have seen a significant increase in claims filed against them over the last 5 years from dangerous conditions of public property to employment lawsuits. What claims and against public entities are covered? What can public entities do to limit their exposure? What should they do when a claim is filed against them? In this session, the presenter will guide agencies through the laws from government code, to vehicle code to Fair Employment & Housing Act so that agencies can survive the jungle and all its scary pitfalls.

Preventing the Violence
Standards Training Group
Violent events are occurring at an alarming rate across the country. From the active shooter to the violent criminal, these acts are taking many innocent lives and affecting organizations like never before. This interactive session will address increasing the odds of detecting potentially violent behavior before it starts; and should the behaviors be missed, increase the odds of surviving a violent event.

Technology Law: What’s New for Special Districts?
Atkinson, Andelson, Loya, Ruud & Romo
Everyone knows how quickly technology can change. However, not everyone knows how the laws continue to evolve to keep up with these changes. You will want to attend this session if your district: • Uses social media; • Maintains electronic records; • Has employees who work remotely; • Allows employees electronic access through personal devices; • Is considering or currently has an app. We will focus on recent changes to existing law, as well as new laws likely to impact special districts.

What’s New in Prevailing Wage Compliance
Contractor Compliance and Monitoring, Inc
Every year the California Legislature and the Department of Industrial Relations changes the law and regulations governing prevailing wages. 2019 is no different. Join this informative presentation on the new laws and regulations impacting Public Agencies and the contractors which perform your public works. The discussion will include how the DIR will handle the prosecution of unregistered contractors and how penalties will be assessed against the contractors and the Public Agency.

GOING TO CONFERENCE IS ALWAYS AN EXCELLENT OPPORTUNITY TO NETWORK AND MEET NEW PEOPLE AS WELL AS LEARN. I NEVER LEAVE WITHOUT LEARNING SOMETHING THAT WILL BENEFIT MY BOARD OR MY COMMUNITY.

CRYSTAL SMITH
DIRECTOR, EDGEOMONT COMMUNITY SERVICES DISTRICT
A Blunt Reality? Drugs & Alcohol in the Workplace
Liebert Cassidy Whitmore

The issues raised by Prop 64 provide a good opportunity for employers to review and revise their drug and alcohol policies in the workplace and ensure that any drug and alcohol testing procedures in place are being conducted appropriately within the confines of the law. This interactive session will use real-life case studies and scenarios to address common concerns regarding employee drug and alcohol issues both inside and outside of the workplace and provide guidance on what actions employers can take to address such matters. This topic touches on several related areas of the law, including constitutional privacy protections and disability accommodation obligations, as well as core performance management skills. Join us on a highly interactive trip through the do’s and don’ts of hiring and managing employees regarding substance use and abuse in the workplace.

Harassment Prevention Training for Board Members and Supervisors (Part 2)
Burke, Williams & Sorensen, LLP

See previous session description. (Must attend both sessions for certificate)

How to Collect Unpaid Bills: New Restrictions on Discontinuing Water Service
Richards Watson Gershon

In 2018 the Legislature approved SB 998, which imposes restrictions on water districts that discontinue water service for nonpayment of customer bills. This presentation will address the various legal mechanisms that utility providers have to collect unpaid bills, with a particular emphasis on SB 998’s new requirements for water districts that may wish to discontinue service as a remedy for unpaid customer water bills.

Navigating and Implementing SaaS Agreements
Meyers Nave and Municipal Information Systems Association of California (MISAC)

Learn from the experts how to navigate the negotiation, execution, and implementation of a SaaS (Software as a Service) Agreement. Interactive discussion facilitated by a former special district Chief Information Officer and an attorney who specializes in technology agreements for public entities, attendees will learn best practices and watch for pitfalls related to current IT agreements.

Progressive Design Build: Innovative Construction through Collaborative Delivery Methods
East Valley Water District

Join us for a discussion about building a project team through the use of progressive design build and how it changes the process from bidding to completion compared to traditional design-bid-build.

Tips and Tricks to Increase Engagement and Service on Boards and Commissions
Institute for Local Government

Many local officials and staff report that the residents they see participating in public meetings and serving on local boards and commissions are a narrow slice of the whole community. This session will provide an overview of community engagement best practices and tips to increase engagement as well as trusted and innovative strategies special districts have implemented to increase interest in serving on boards and commissions.

At the Table Or on the Menu?
California Special Districts Association

Do you or some of your colleagues have the mindset that special districts are better kept “under the radar?” Do you think “lobbyist” or “politician” is a dirty word? Is the legislative process confusing or intimidating? Do you question whether the “little guy” can really make a difference in Sacramento? Have you wondered whether it’s even legal for special districts to lobby or take positions on legislation or ballot measures? We will answer these questions and equip you with tools to respectfully and effectively communicate that we do need more local control.

6:00 – 9:00 p.m.
50th Anniversary Celebration

Come celebrate CSDA’s Golden Anniversary in the Golden State. This fun filled evening includes fun and tasty food and beverage sampling, live entertainment, and highlights of CSDA’s 50 years of service to California Special Districts.

Entertainment by Soulville
Attendees will be dancing the night away during our 50th Anniversary to hits from the past five decades from Southern California’s premiere cover band – Soulville.

The Special District Leadership Foundation’s (SDLF) largest fundraiser – The Taste of the City Silent Auction will also be held during this celebration.

7:30 – 9:00 a.m.
Doughnuts and District Types

Here’s your chance to connect with similar districts and discuss some of your most pressing issues! Join your peers from around the state for a light breakfast along with lively and informative discussion by district type before you head back home.

9:00 a.m.
Conference ends
Friday, September 27 • 6–9pm

Held at the Grand Plaza

Celebrating

CSDA’s 50 Years of Service

Join the Celebration!
- Sample local food and beverages
- Highlights of CSDA’s 50 years of service to California Special Districts
- Entertainment by Soulville
- Hits from the past 5 decades
- SDLF Fundraiser-Taste of the City Silent Auction
Three Ways to Register:
1. ONLINE by visiting the CSDA Annual Conference website at conference.csda.net.
2. FAX your registration form to 916-520-2465. All faxed forms must include payment.
3. MAIL to CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814. Please include registration form along with payment. Check should be made payable to California Special Districts Association.

Not sure if you are a member?
Contact the CSDA office at 877-924-2732 to find out if your agency or company is already a member. To learn more about the benefits of membership, contact Member Services Director Cathrine Lemaire at cathrine@csda.net.

Full conference registration fee includes:
- President’s Reception with the Exhibitors
- Wednesday Evening
- Keynote Sessions and Breakout Sessions
- Continental Breakfast with the Exhibitors on Thursday
- Lunch with the Exhibitors on Thursday
- Mix and Mingle in the Exhibit Hall on Thursday
- SDRMA Full Plated Breakfast on Friday
- Legislative Update Luncheon on Friday
- 50th Anniversary Celebration on Friday
- Closing Breakfast on Saturday

Full conference GUEST registration includes all meal functions.

Name: 
Title: 
District: 
Address: 
City: 
State: 
Zip: 
Phone: 
Fax: 
Email: 
Member status: [ ] Member [ ] Non-member
Special Needs (include dietary): 
Emergency Contact: 

CONFERENCE REGISTRATION FEES

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SEPARATE REGISTRATION FEES

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Account Number: 
Expiration date: 
Authorized Signature: 

Cancellations/Substitution Policy: Cancellations must be in writing and received by CSDA no later than Friday, August 30, 2019. All cancellations received by this date will be refunded less a $75 processing fee. There will be no refunds for cancellations made after August 30, 2019. Substitutions are acceptable and must be done in writing no later than September 13, 2019 at 5:00 p.m. Please submit any cancellation notice or substitution request to meghan@csda.net or fax to 916-520-2465.

Consent to Use Photographic Images: Registration and attendance at, or participation in, CSDA meeting and other activities constitutes an agreement by the registrant to CSDA’s use and distribution (both now and in the future) of the registrant or attendee’s image or voice in photographs, videotapes, electronic reproductions, and audiotapes of such events and activities.

Anti-Discrimination and Harassment Policy: CSDA is dedicated to a harassment-free event experience for everyone. Our Anti-Discrimination and Harassment Policy can be found under “CSDA Transparency” at www.csda.net/about-csda/who-we-are.
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Total number of accounts given adjustments: 47
Total consumption (HCF) at the discounted rate: 13,239
Total amount of adjustments: $24,880
Total billing amount for 1st quarter: $10,200,076
Adjustment percent of total billing: 0.24%

Adjustment Authorization Limit:
Staff - less than $400
General Manager - less than $1,500
Board of Directors - Over $1,500
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<th>Per Diem</th>
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<th>Travel</th>
<th>Reg. Fee</th>
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# SWEETWATER AUTHORITY

**Quarterly Directors Per Diem and Expense Report - 4th Quarter (FY 2018-19)**

From 4/1/19 to 6/30/2019

<table>
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<tr>
<th>Director</th>
<th>Date</th>
<th>Meetings</th>
<th>Per Diem</th>
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### SWEETWATER AUTHORITY
Quarterly Directors Per Diem and Expense Report - 4th Quarter (FY 2018-19)
From 4/1/19 to 6/30/2019

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## SWEETWATER AUTHORITY
Quarterly Directors Per Diem and Expense Report - 4th Quarter (FY 2018-19)
From 4/1/19 to 6/30/2019

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# Quarterly Directors Per Diem and Expense Report - 4th Quarter (FY 2018-19)

**From 4/1/19 to 6/30/2019**

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### SWEETWATER AUTHORITY
Quarterly Directors Per Diem and Expense Report - 4th Quarter (FY 2018-19)
From 4/1/19 to 6/30/2019

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### Cumulative Totals

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| 6/30/2019  | 4th Quarter Totals                           | $3,300.00 | $622.86 | $520.56 | $1,799.00 | $3,120.03 | $84.71 | $188.38 |
| 6/30/2019  | 4th Quarter Totals                           | $11,250.00 | $3,173.86 | $3,072.56 | $4,352.00 | $5,674.03 | $2,639.71 | $2,744.38 |

**Cumulative Totals**

|----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
## Quarterly Directors Per Diem and Expense Report - 4th Quarter (FY 2018-19)

From 4/1/19 to 6/30/2019

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<th>Other</th>
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<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Chula Vista Chamber of Commerce Utilities Subcommittee</td>
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<tr>
<td></td>
<td>WESTCAS Annual Conference</td>
<td>0.00</td>
<td></td>
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<td>6/27/2019</td>
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<td>6/28/2019</td>
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<td></td>
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</tr>
<tr>
<td>6/29/2019</td>
<td>Monthly mileage, other expenses</td>
<td>70.76</td>
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<td></td>
</tr>
<tr>
<td>6/29/2019</td>
<td>Quarterly Benefits (June 2019)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6,464.01</td>
<td></td>
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<tr>
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<td>$0.00</td>
<td>$1,225.00</td>
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<tr>
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<td>Cumulative Totals</td>
<td>$6,450.00</td>
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<td>$694.80</td>
<td>$1,765.00</td>
<td>$10,773.35</td>
<td>$35.61</td>
<td>$259.26</td>
</tr>
</tbody>
</table>
# SWEETWATER AUTHORITY

Quarterly Directors Per Diem and Expense Report - 4th Quarter (FY 2018-19)

From 4/1/19 to 6/30/2019

<table>
<thead>
<tr>
<th>Director</th>
<th>Date</th>
<th>Meetings</th>
<th>Per Diem</th>
<th>Lodging</th>
<th>Travel</th>
<th>Reg. Fee</th>
<th>Other</th>
<th>Meals</th>
<th>Mileage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alejandra Sotelo-Solis</td>
<td>3/31/2019</td>
<td>1st, 2nd, and 3rd Quarter Totals</td>
<td>$1,650.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$30.00</td>
<td>$175.99</td>
<td>$0.00</td>
<td>$10.67</td>
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<td>4/3/2019</td>
<td>Operations Committee Meeting</td>
<td>150.00</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>4/17/2019</td>
<td>Operations Committee Meeting</td>
<td>150.00</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5/1/2019</td>
<td>Operations Committee Meeting</td>
<td>150.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>5/6/2019</td>
<td>Stakeholder interview for Communications Master Plan - per diem approved</td>
<td>150.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5/8/2019</td>
<td>5/8/19</td>
<td>150.00</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5/13/2019</td>
<td>Communications Committee Meeting</td>
<td>150.00</td>
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<tr>
<td></td>
<td>5/15/2019</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>5/20/2019</td>
<td>SWA Special Board Meeting</td>
<td>150.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>5/22/2019</td>
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<td>150.00</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td></td>
<td>6/12/2019</td>
<td>SWA Board Meeting</td>
<td>150.00</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>6/18/2019</td>
<td>Council of Water Utilities Meeting</td>
<td>45.00</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>6/19/2019</td>
<td>Operations Committee Meeting</td>
<td>150.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Quarterly Benefits (June 2019)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| 6/30/2019 | 4th Quarter Totals | $1,650.00 | $0.00 | $0.00 | $45.00 | $536.97 | $0.00 | $0.00 |

Cumulative Totals

| Cumulative Totals | $3,300.00 | $0.00 | $0.00 | $75.00 | $715.96 | $0.00 | $10.67 |
**SWEETWATER AUTHORITY**  
Quarterly Directors Per Diem and Expense Report - 4th Quarter (FY 2018-19)  
From 4/1/19 to 6/30/2019

<table>
<thead>
<tr>
<th>Date</th>
<th>Meetings</th>
<th>Per Diem</th>
<th>Lodging</th>
<th>Travel</th>
<th>Reg. Fee</th>
<th>Other</th>
<th>Meals</th>
<th>Mileage</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/31/2019</td>
<td>1st, 2nd, and 3rd Quarter Totals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4/3/2019</td>
<td>Finance and Personnel Committee Meeting</td>
<td>150.00</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4/10/2019</td>
<td>SWA Board Meeting</td>
<td>150.00</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>4/30/2019</td>
<td>Monthly mileage, other expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5/1/2019</td>
<td>Finance and Personnel Committee Meeting</td>
<td>150.00</td>
<td></td>
<td></td>
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<tr>
<td>5/9/2019</td>
<td>ACWA Spring Conference - Monterey</td>
<td>150.00</td>
<td>207.62</td>
<td>276.82</td>
<td>725.00</td>
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<tr>
<td>5/10/2019</td>
<td>ACWA Spring Conference - Monterey</td>
<td>150.00</td>
<td>207.62</td>
<td>16.00</td>
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<tr>
<td>5/12/2019</td>
<td>ACWA Spring Conference - Monterey</td>
<td>150.00</td>
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<td></td>
<td></td>
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<tr>
<td>5/14/2019</td>
<td>Stakeholder Interview for Communications Master Plan - per diem approved</td>
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<td>150.00</td>
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<td>CSDA Quarterly Meeting - San Diego Chapter</td>
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<td>30.00</td>
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<tr>
<td>5/20/2019</td>
<td>SWA Special Board Meeting</td>
<td>150.00</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>5/22/2019</td>
<td>SWA Board Meeting</td>
<td>150.00</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5/31/2019</td>
<td>Monthly mileage, other expenses</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6/3/2019</td>
<td>Finance and Personnel Committee Meeting</td>
<td>150.00</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6/5/2019</td>
<td>WEF Bay-Delta Tour - per diem approved 5/8/19</td>
<td>150.00</td>
<td>170.71</td>
<td>133.88</td>
<td>970.00</td>
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<tr>
<td>6/6/2019</td>
<td>WEF Bay-Delta Tour - per diem approved 5/8/19</td>
<td>150.00</td>
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<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>6/7/2019</td>
<td>WEF Bay-Delta Tour - per diem approved 5/8/19</td>
<td>150.00</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>6/12/2019</td>
<td>SWA Board Meeting</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6/18/2019</td>
<td>Finance and Personnel Committee Meeting</td>
<td>150.00</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>6/29/2019</td>
<td>SWA Board Meeting</td>
<td>150.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6/30/2019</td>
<td>Monthly mileage, other expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>6/30/2019</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,077.33</td>
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<tr>
<td></td>
<td>4th Quarter Totals</td>
<td>$2,700.00</td>
<td>$585.95</td>
<td>$558.03</td>
<td>$1,725.00</td>
<td>$4,077.33</td>
<td>$151.74</td>
<td>$80.62</td>
</tr>
</tbody>
</table>

**Cumulative Totals**

|         | $5,550.00 | $1,538.47 | $1,117.13 | $2,205.00 | $4,114.08 | $274.83 | $124.12 |

**Jerry Cano**
## SWEETWATER AUTHORITY
Quarterly Directors Per Diem and Expense Report - 4th Quarter (FY 2018-19)
From 4/1/19 to 6/30/2019

<table>
<thead>
<tr>
<th>Director</th>
<th>Date</th>
<th>Meetings Per Diem</th>
<th>Lodging</th>
<th>Travel</th>
<th>Reg. Fee</th>
<th>Other</th>
<th>Meals</th>
<th>Mileage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Quarter Grand Total (All Directors)</td>
<td></td>
<td>$16,650.00</td>
<td>$1,362.49</td>
<td>$1,374.37</td>
<td>$2,285.00</td>
<td>$6,648.62</td>
<td>$136.29</td>
<td>$341.51</td>
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<td>2nd Quarter Grand Total (All Directors)</td>
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<td>$12,450.00</td>
<td>$133.74</td>
<td>$191.64</td>
<td>$2,469.00</td>
<td>$7,703.78</td>
<td>$0.00</td>
<td>$333.39</td>
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<tr>
<td>3rd Quarter Grand Total (All Directors)</td>
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<td>$17,850.00</td>
<td>$4,047.71</td>
<td>$2,597.10</td>
<td>$2,330.00</td>
<td>$17,638.63</td>
<td>$343.69</td>
<td>$466.39</td>
</tr>
<tr>
<td>4th Quarter Grand Total (All Directors)</td>
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<td>$18,750.00</td>
<td>$1,816.41</td>
<td>$1,739.43</td>
<td>$6,684.00</td>
<td>$25,890.65</td>
<td>$288.35</td>
<td>$537.54</td>
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<tr>
<td>FY 2018-19 Cumulative Grand Total (All Directors)</td>
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<td>$65,700.00</td>
<td>$7,360.35</td>
<td>$5,902.06</td>
<td>$13,768.00</td>
<td>$57,881.73</td>
<td>$768.33</td>
<td>$1,678.83</td>
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</table>
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July 24, 2019

Quarterly Performance Measurement Report
(Reporting for FY 2019 Q4—April 1, 2019 through June 30, 2019)

This report provides quarterly data on the performance measures identified on page 17 of the Strategic Plan.
## Water Quality

### Treatment Plant Water Quality

**Chlorine and Turbidity (WQ Objective 1)**

<table>
<thead>
<tr>
<th></th>
<th>FY2019 Q1</th>
<th>FY2019 Q2</th>
<th>FY2019 Q3</th>
<th>FY2019 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CHLORINE</strong> - % of Samples within Goal</td>
<td>98%</td>
<td>99%</td>
<td>99%</td>
<td>71%</td>
</tr>
<tr>
<td>SWA Goal</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TURBIDITY</strong> - % of Samples within Goal</td>
<td>84%</td>
<td>97%</td>
<td>88%</td>
<td>91%</td>
</tr>
<tr>
<td>SWA Goal</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

SWA Goal is between 2.0 mg/L and 4.0 mg/L.
DDW Requirement is greater than 0.2 mg/L.

Note: All water leaving the treatment facility is in compliance with DDW requirements for chlorine residual.

### Distribution System Water Quality

<table>
<thead>
<tr>
<th></th>
<th>FY2019 Q1</th>
<th>FY2019 Q2</th>
<th>FY2019 Q3</th>
<th>FY2019 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>% of Samples within Authority WQ Goal</strong></td>
<td>68%</td>
<td>86%</td>
<td>80%</td>
<td>76%</td>
</tr>
<tr>
<td>Chlorine</td>
<td>98%</td>
<td>100%</td>
<td>100%</td>
<td>99%</td>
</tr>
</tbody>
</table>

SWA Goal is between 1.5 mg/L and 3.4 mg/L.
DDW Goal is between 0.2 mg/L and 4.0 mg/L.

Note: Due to the fluctuating nature of WQ in Sweetwater Reservoir the chlorine residual periodically exceed 4.0 mg/l in turn lowering the statistic. All water leaving the treatment facility is in compliance with DDW requirements for chlorine residual.

### Taste and Odor Complaints

(WQ Objective 1)

<table>
<thead>
<tr>
<th></th>
<th>FY2019 Q1</th>
<th>FY2019 Q2</th>
<th>FY2019 Q3</th>
<th>FY2019 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Complaints</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>11</td>
</tr>
<tr>
<td>AF of Water Sold</td>
<td>4823</td>
<td>4511</td>
<td>3292</td>
<td>4111</td>
</tr>
<tr>
<td>Complaints per TAF*</td>
<td>0.8</td>
<td>0</td>
<td>0.0</td>
<td>2.7</td>
</tr>
<tr>
<td>Benchmark Met?</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
</tr>
</tbody>
</table>

**TOTAL**

15 complaints, 16737 water sold, 1 complaint per TAF, Benchmark Met?

Note:

* TAF = Thousand Acre-feet

The Authority's goal is to minimize taste and odor events to less than 3.5 customer complaints per 1,000 acre-feet of water sold.

### Public Health Notifications

<table>
<thead>
<tr>
<th></th>
<th>FY2019 Q1</th>
<th>FY2019 Q2</th>
<th>FY2019 Q3</th>
<th>FY2019 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Public Health Notifications are issued when a public health advisory is required by the State Water Resources Board Division of Drinking Water. SWA strives to achieve zero public notifications.
# System and Water Supply Reliability

## Infrastructure Integrity

### Main Leaks

<table>
<thead>
<tr>
<th>Cause</th>
<th>FY2019 Q1</th>
<th>FY2019 Q2</th>
<th>FY2019 Q3</th>
<th>FY2019 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Pipe Aging</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Hit by Contractor</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Tree Root/Trench Settlement</td>
<td>2</td>
<td>5</td>
<td>3</td>
<td>0</td>
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<tr>
<td>Flanges, rubber gaskets, cast-iron fittings, etc.</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>3</td>
<td>7</td>
<td>7</td>
<td>2</td>
</tr>
</tbody>
</table>

### Service Leaks

<table>
<thead>
<tr>
<th>Size</th>
<th>FY2019 Q1</th>
<th>FY2019 Q2</th>
<th>FY2019 Q3</th>
<th>FY2019 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>3/4&quot;</td>
<td>5 C</td>
<td>2 C</td>
<td>1 C</td>
<td>6 C</td>
</tr>
<tr>
<td>1&quot;</td>
<td>2 P</td>
<td>0 P</td>
<td>1 P</td>
<td>3 P</td>
</tr>
<tr>
<td>1-1/2&quot;</td>
<td>10 P</td>
<td>14 P</td>
<td>0 P</td>
<td>7 P</td>
</tr>
<tr>
<td>2&quot;</td>
<td>0 C</td>
<td>0 C</td>
<td>0 C</td>
<td>0 C</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>21</td>
<td>19</td>
<td>2</td>
<td>22</td>
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</tbody>
</table>

### Copper/Steel AC Pipe PVC TOTAL

<table>
<thead>
<tr>
<th>FY2019 Q4</th>
<th>Copper</th>
<th>Plastic</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 2018-Jun 30, 2019</td>
<td>10</td>
<td>12</td>
<td>22</td>
</tr>
<tr>
<td>July 1 2017 - Jun 30 2018</td>
<td>46</td>
<td>21</td>
<td>67</td>
</tr>
</tbody>
</table>

## Adequate Pressure Under Fireflow Conditions

As reported by the Fire Departments of the City of Chula Vista, the City of National City, and Bonita-Sunnyside Fire Protection District

### System Up Time (as measured by Disruption Rate)

33,848 services out of 34,628 services uninterrupted

<table>
<thead>
<tr>
<th>FY2019 Q1</th>
<th>FY2019 Q2</th>
<th>FY2019 Q3</th>
<th>FY2019 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of services uninterrupted</td>
<td>98.48</td>
<td>98.15</td>
<td>99.2</td>
</tr>
</tbody>
</table>

### Disruption Occurrences (see analysis below)

Planned: 12, 26, 12, 22
Unplanned: 10, 3, 5, 3

### Analysis:

**Planned water outages:** 22 planned water outages affecting 722 services for a total of 162 hours. Each outage averaged approximately 7 hours in order to perform maintenance and construction activities on the distribution system. All customers were notified a minimum of 48 hours in advance.

**Unplanned water outages:** 3 unplanned water outages affecting 58 services. When possible, all customers were notified a minimum of one hour in advance.

### Adequate Pressure Under Fireflow Conditions

No pressure issues reported. The National City Fire Department did not respond to the request for information.

Standard: 20 PSI under emergency conditions (e.g., fire)

Source: 2015 Water Distribution System Master Plan
Financial Viability  
(Reported on an annual basis)

**Balanced Budget**
FY 2018-19 Operating and Capital - $74,698,100

- Debt Payment 5%
- Water Purchase 20%
- Power, Chemicals & Fuel 5%
- Capital (PAYGO) 29%
- General Operating 11%
- Benefits 13%
- Salaries 17%

**Reserve Funds**

<table>
<thead>
<tr>
<th></th>
<th>FY 17-18 actual</th>
<th>FY 18-19 current</th>
<th>FY 19-20 projected</th>
<th>FY 20-21 projected</th>
<th>FY 21-22 projected</th>
<th>FY 22-23 projected</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Fund</td>
<td>17.7</td>
<td>18.2</td>
<td>14.4</td>
<td>11.8</td>
<td>10.7</td>
<td>10.8</td>
</tr>
<tr>
<td>2 Months Operating Reserves Target</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**FY 2018-19 Revenue & Other Funds - $74,698,100**
- Water Sales 72%
- Other Non-water Revenue 4%
- Reserve Transfers 24%

**Sweetwater’s Bond Rating**

**Standard & Poor’s** AA
(rating reaffirmed November 2017)

**What the ratings mean**
Measure the likelihood that a company will default on its debt obligations (bonds)

<table>
<thead>
<tr>
<th>Investment-grade</th>
<th>Moody's</th>
<th>S&amp;P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highest quality</td>
<td>Aaa</td>
<td>AAA</td>
</tr>
<tr>
<td>High</td>
<td>Aa</td>
<td>AA</td>
</tr>
<tr>
<td>Upper</td>
<td>A</td>
<td>A</td>
</tr>
<tr>
<td>Medium</td>
<td>Baa</td>
<td>BBB</td>
</tr>
</tbody>
</table>

**Strengths:**
- Stable, primarily residential, and diverse customer base
- Diverse and affordable water supply portfolio
- Strong liquidity and operational management

**Challenges:**
- Rate increases to maintain pace with imported water costs increases and fluctuation in revenues and water purchase costs affected by drought conditions.

**Nonrevenue Water Loss**

<table>
<thead>
<tr>
<th></th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
<th>FY2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonrevenue Water as % of Water Supplied</td>
<td>5.1%</td>
<td>4.7%</td>
<td>5.0%</td>
<td>6.7%</td>
<td>4.0%</td>
</tr>
</tbody>
</table>

**Infrastructure Leakage Index**

|                | 1.29   | 1.01   | 0.94   | 1.47   | 0.66   |

**Infrastructure Leakage Index** is the ratio of the real losses to the unavoidable real losses (the low limit of leakage that could be achieved if all of today’s best technology could be successfully applied).

- Water Loss Indicators for the FY2018 were validated by the a third party auditor following newly standardized validation criteria.
# Customer Service

## CUSTOMER CONTACT

<table>
<thead>
<tr>
<th></th>
<th>FY 2019 Q3</th>
<th>FY 2019 Q4</th>
<th>FY 2019 YTD</th>
<th>3 year Avg.YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Walk-in Assists (non-payment)</td>
<td>586</td>
<td>586</td>
<td>2,238</td>
<td>2,106</td>
</tr>
<tr>
<td>Phone Calls</td>
<td>8,372</td>
<td>8,228</td>
<td>34,272</td>
<td>34,466</td>
</tr>
<tr>
<td>Account Status (close, open, etc.)</td>
<td>1,189</td>
<td>1,505</td>
<td>5,544</td>
<td>5,529</td>
</tr>
<tr>
<td>Payment Extensions</td>
<td>2,881</td>
<td>2,633</td>
<td>10,947</td>
<td>9,812</td>
</tr>
<tr>
<td>Water Efficiency Site Visits</td>
<td>4</td>
<td>11</td>
<td>46</td>
<td>56</td>
</tr>
<tr>
<td>High Bill Investigations</td>
<td>71</td>
<td>76</td>
<td>334</td>
<td>282</td>
</tr>
<tr>
<td>Customer Repair Requests</td>
<td>362</td>
<td>444</td>
<td>1,764</td>
<td>1,524</td>
</tr>
<tr>
<td>Meter Maintenance</td>
<td>388</td>
<td>451</td>
<td>1,761</td>
<td>1,756</td>
</tr>
<tr>
<td>Meter Replacements</td>
<td>246</td>
<td>153</td>
<td>1,041</td>
<td>1,336</td>
</tr>
</tbody>
</table>

## CUSTOMER PAYMENTS

<table>
<thead>
<tr>
<th></th>
<th>FY 2019 Q3</th>
<th>FY 2019 Q4</th>
<th>FY 2019 YTD</th>
<th>3 year Avg.YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Walk-in Transactions</td>
<td>8,691</td>
<td>8,345</td>
<td>34,948</td>
<td>40,395</td>
</tr>
<tr>
<td>Mail Transactions</td>
<td>12,699</td>
<td>13,842</td>
<td>53,640</td>
<td>60,605</td>
</tr>
<tr>
<td>Online Transactions</td>
<td>30,514</td>
<td>29,572</td>
<td>120,571</td>
<td>106,022</td>
</tr>
<tr>
<td>Cash</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Checks</td>
<td>54%</td>
<td>51%</td>
<td>54%</td>
<td>60%</td>
</tr>
<tr>
<td>Electronic Checks</td>
<td>22%</td>
<td>24%</td>
<td>23%</td>
<td>19%</td>
</tr>
<tr>
<td>Credit Cards</td>
<td>20%</td>
<td>21%</td>
<td>19%</td>
<td>17%</td>
</tr>
<tr>
<td>Accounts Shut-off for Delinquency</td>
<td>499</td>
<td>487</td>
<td>2,235</td>
<td>2,473</td>
</tr>
<tr>
<td>Written off as Bad Debt</td>
<td>$30,775</td>
<td>$20,051</td>
<td>$111,510</td>
<td>$130,794</td>
</tr>
</tbody>
</table>

## BILLING

### Billing Accuracy Rate:

<table>
<thead>
<tr>
<th>SWA</th>
<th>Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Top</td>
</tr>
<tr>
<td></td>
<td>Median</td>
</tr>
<tr>
<td></td>
<td>Bottom</td>
</tr>
<tr>
<td>Adjustments per 10,000 Bills</td>
<td>3.1</td>
</tr>
</tbody>
</table>

## ANALYSIS/FUTURE ACTIONS

Beginning October 2018 using Paymentus, text messages and automated phone calls are sent/made to customers notifying them of their past due payment. Using the automated text and phone call has reduced the delinquent door hanger numbers by 30 to 40%.

- PayNearMe, the new payment option, was implemented December 2017 and allows customers to make cash payments at 7-Eleven and CVS stores. The following are participation numbers:

<table>
<thead>
<tr>
<th>Month</th>
<th>Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>April</td>
<td>200</td>
</tr>
<tr>
<td>May</td>
<td>174</td>
</tr>
<tr>
<td>June</td>
<td>202</td>
</tr>
</tbody>
</table>
Staff Development

CERTIFICATIONS

100% Compliance with Minimum Certification Requirements

Professional Certifications Currently Held

<table>
<thead>
<tr>
<th>Certification</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Backflow Prevention Assembly Tester</td>
<td>5</td>
</tr>
<tr>
<td>Certification in Public Information</td>
<td>2</td>
</tr>
<tr>
<td>Certified Construction Manager</td>
<td>1</td>
</tr>
<tr>
<td>Certified I.S. Security Professional</td>
<td>1</td>
</tr>
<tr>
<td>Certified Occupational Safety Specialist</td>
<td>1</td>
</tr>
<tr>
<td>Certified Occupational Safety Manager</td>
<td>2</td>
</tr>
<tr>
<td>Collection System Maintenance</td>
<td>2</td>
</tr>
<tr>
<td>Cross-Connection Control Specialist</td>
<td>6</td>
</tr>
<tr>
<td>Environmental Health Specialist</td>
<td>1</td>
</tr>
<tr>
<td>Land Surveyor</td>
<td>1</td>
</tr>
<tr>
<td>Landscape Irrigation Auditor/Professional</td>
<td>2</td>
</tr>
<tr>
<td>Native Endangered &amp; Threatened Species</td>
<td>1</td>
</tr>
<tr>
<td>Notary Public</td>
<td>3</td>
</tr>
<tr>
<td>Pesticide Qualified Applicator</td>
<td>8</td>
</tr>
<tr>
<td>Pesticide Qualified Applicator - Licensed</td>
<td>1</td>
</tr>
<tr>
<td>Professional Engineer - Chemical</td>
<td>1</td>
</tr>
<tr>
<td>Professional Engineer - Civil</td>
<td>5</td>
</tr>
<tr>
<td>Professional Engineer - Control System</td>
<td>1</td>
</tr>
<tr>
<td>Qualified Stormwater Developer/Practitioner</td>
<td>3</td>
</tr>
<tr>
<td>Special District Administrator</td>
<td>1</td>
</tr>
<tr>
<td>Water (Loss) Audit Validator</td>
<td>1</td>
</tr>
<tr>
<td>Water Distribution Operator</td>
<td>73</td>
</tr>
<tr>
<td>Water Treatment Operator</td>
<td>37</td>
</tr>
<tr>
<td>Water Use Efficiency Practitioner</td>
<td>3</td>
</tr>
</tbody>
</table>

TRAINING

Training Hours (Quarterly)

<table>
<thead>
<tr>
<th>FY2019 Q1</th>
<th>FY2019 Q2</th>
<th>FY2019 Q3</th>
<th>FY2019 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1182</td>
<td>743</td>
<td>875</td>
<td>708</td>
</tr>
</tbody>
</table>

Average Hours of Training per Employee

<table>
<thead>
<tr>
<th>FY2019 Q1</th>
<th>FY2019 Q2</th>
<th>FY2019 Q3</th>
<th>FY2019 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.2</td>
<td>5.8</td>
<td>6.8</td>
<td>5.5</td>
</tr>
</tbody>
</table>

"Training Hours" represent all recorded training activities. Monthly status reports may not include sessions from the last week of the month due to data entry lag.

ACCIDENT/INJURY RATE

As measured by incidents presented to the Safety Committee
TOTAL for Quarter = 17
Historic Annual Average = 59

<table>
<thead>
<tr>
<th>Type</th>
<th>Injuries</th>
<th>Property</th>
<th>All Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Injuries</td>
<td>8</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Chargeable 18% Non Chargeable 82%

Reported by Calendar Year (Aligns with OSHA reporting period)
Injuries to SWA employees
Property damage from SWA actions
All Other includes near misses & informational reports
Third party claims tracking added in 2017
Administrative Effectiveness

IMPLEMENTATION OF STRATEGIC PLAN

86% on Target
As of June 30, 2019, 86% of the objectives were on target. The remaining projects were delayed for various reasons as was presented to the Board on July 24 in the FY2018-19 Detailed Work Plan Status Report.

STAFFING EFFICIENCY

No. of Employees (Full Time Equivalents)

Water Sold (AF) per Employee

ORGANIZATIONAL BEST PRACTICES

This metric summarizes the integration of 13 specific utility management practices including strategic planning and implementation, long term financial planning, risk management planning, performance measurement, succession planning, asset management, customer involvement, government transparency and accountability, drought response and source water protection.

<table>
<thead>
<tr>
<th>SWA</th>
<th>Benchmark</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Best Practices</td>
<td>Top Quartile</td>
<td>83.50%</td>
</tr>
<tr>
<td></td>
<td>Median</td>
<td>75.40%</td>
</tr>
<tr>
<td></td>
<td>Bottom Quartile</td>
<td>67.60%</td>
</tr>
</tbody>
</table>

KEY DATES

Annual Report
September 25, 2019

Next Quarterly Performance Report
October 23, 2019

Next Work Plan Status Report Update
January 22, 2020
# Environmental Stewardship

## TRIPLE BOTTOM LINE (TBL)
AWWA indicator of a utility’s sustainability efforts

<table>
<thead>
<tr>
<th>SWA</th>
<th>Benchmark</th>
<th>Triple Bottom Line Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>Top Quartile</td>
<td>75%</td>
</tr>
<tr>
<td>Median</td>
<td>Median</td>
<td>60%</td>
</tr>
<tr>
<td>Bottom</td>
<td>Bottom Quartile</td>
<td>45%</td>
</tr>
</tbody>
</table>

The TBL framework represents a balanced view of environmental, social, and economic considerations and is expressed as a percentage.

## RESOURCE USAGE

### Energy Use (KWh):

<table>
<thead>
<tr>
<th></th>
<th>FY2019 Q1</th>
<th>FY2019 Q2</th>
<th>FY2019 Q3</th>
<th>FY2019 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desalination</td>
<td>3,053,303</td>
<td>1,973,341</td>
<td>2,205,493</td>
<td>1,198,593</td>
</tr>
<tr>
<td>Perdue Plant</td>
<td>392,267</td>
<td>193,523</td>
<td>254,495</td>
<td>746,822</td>
</tr>
<tr>
<td>Operations Center</td>
<td>59,207</td>
<td>36,939</td>
<td>21,847</td>
<td>30,977</td>
</tr>
<tr>
<td>Bonita Valley Res</td>
<td>10,295</td>
<td>8,947</td>
<td>5,333</td>
<td>5,265</td>
</tr>
<tr>
<td>NC Wells</td>
<td>341,303</td>
<td>340,912</td>
<td>338,309</td>
<td>288,105</td>
</tr>
<tr>
<td>O.D. Arnold</td>
<td>4,912</td>
<td>4,889</td>
<td>5,208</td>
<td>4,765</td>
</tr>
<tr>
<td>Administration</td>
<td>70,075</td>
<td>40,599</td>
<td>36,319</td>
<td>37,355</td>
</tr>
<tr>
<td>All Other</td>
<td>467,164</td>
<td>335,686</td>
<td>335,517</td>
<td>229,648</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,398,526</td>
<td>2,934,936</td>
<td>3,202,521</td>
<td>2,541,530</td>
</tr>
</tbody>
</table>

Desalination Facility plant process restarted in Q4

### Water Use (HCF):

<table>
<thead>
<tr>
<th></th>
<th>FY2019 Q1</th>
<th>FY2019 Q2</th>
<th>FY2019 Q3</th>
<th>FY2019 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desalination</td>
<td>139</td>
<td>214</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Administration</td>
<td>267</td>
<td>234</td>
<td>116</td>
<td>205</td>
</tr>
<tr>
<td>Operations Yard</td>
<td>109</td>
<td>110</td>
<td>71</td>
<td>93</td>
</tr>
<tr>
<td>Perdue Landscape</td>
<td>44</td>
<td>26</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>Pump &amp; Tank Sites</td>
<td>553</td>
<td>589</td>
<td>153</td>
<td>616</td>
</tr>
</tbody>
</table>

## WATER EFFICIENCY INCENTIVE REBATES

*Devices Rebated/Applications Processed*

<table>
<thead>
<tr>
<th></th>
<th>FY2019 Q1</th>
<th>FY2019 Q2</th>
<th>FY2019 Q3</th>
<th>FY2019 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>SoCal WaterSmart</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>HE Clothes Washers</td>
<td>13</td>
<td>12/12</td>
<td>9/9</td>
<td>5/5</td>
</tr>
<tr>
<td>HE Toilets</td>
<td>0</td>
<td>0/0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Rotating Nozzles</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Irrigation Controllers</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Soil Sensors</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Rain Barrels</td>
<td>4</td>
<td>8/6</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>SLP Applications</td>
<td>2</td>
<td>3</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

**SWA Managed**

<table>
<thead>
<tr>
<th></th>
<th>FY2019 Q1</th>
<th>FY2019 Q2</th>
<th>FY2019 Q3</th>
<th>FY2019 Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greywater Retrofits</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Free Sprinkler Nozzles</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Rain Sensors</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Leak Week rebates</td>
<td>0</td>
<td>0</td>
<td>27</td>
<td>0</td>
</tr>
<tr>
<td>Car Washes</td>
<td>7</td>
<td>8</td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td>STEP-WEEP Grants</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

## WASTE REDUCTION AND MANAGEMENT

### Manifested waste:

<table>
<thead>
<tr>
<th></th>
<th>FY2019 Q4</th>
<th>FY2019</th>
<th>FY2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asbestos (lbs)</td>
<td>0</td>
<td>26</td>
<td>166</td>
</tr>
<tr>
<td>Batteries (lbs)</td>
<td>154</td>
<td>0</td>
<td>450</td>
</tr>
<tr>
<td>Ink Cartridges (lbs)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Light Bulbs (lbs)</td>
<td>93</td>
<td>0</td>
<td>71</td>
</tr>
<tr>
<td>Oil (gal)</td>
<td>10</td>
<td>0</td>
<td>270</td>
</tr>
<tr>
<td>Paint (lbs)</td>
<td>25</td>
<td>0</td>
<td>190</td>
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<tr>
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### Regulatory Compliance:

<table>
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</tr>
<tr>
<td>Citations/Violations</td>
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Notes:
MANAGEMENT MONTHLY REPORT
ORGANIZATIONAL PERFORMANCE DASHBOARD (FOR THE MONTH ENDING JUNE 30, 2019)

Rainfall/Runoff
- Loveland Reservoir
  - Rainfall: 0.01" FYTD: 20.93"
  - Annual Average: 15.38"
- Sweetwater Reservoir
  - Rainfall: 0.01" FYTD: 16.56"
  - Annual Average: 11.33"

Water Storage
- Loveland Reservoir Capacity: 25,387 AF
- Sweetwater Reservoir Capacity: 28,079 AF

Water Production and Cost
- Perdue Plant Daily Production MGD
  - Average: 9.3
  - Min (6/8/2019): 11.1

Cost to Treat Water per AF (Variable Costs)

Financial
- Fiscal Year-to-Date Water Sales
  - Actual: 16,746
  - Budget: 17,159
- Operating Expenses (millions)
  - FYTD: $44.7
  - Actual Budget: $17,159
  - Percent Remaining: 8%
- Capital Expenditures (millions)
  - FYTD: $8.3
  - Actual: $51.9
  - Percent Remaining: 62%

Customer Service
- Month | FYTD | Prior FYTD
- Delinquent Accounts | 114 | 2,255 | 2,585
- Credit Card Transactions | 6,304 | 7,8517 | 72,057
- High Bill Investigations | 37 | 334 | 384
- Walk-in Customer Assistance | 2,899 | 39,057 | 39,284
- Water Efficiency Outreach | 7 | 46 | 64
- Taste and Odor Complaints | 2 | 16 | 21
- New Accounts | 398 | 4,623 | 4,589

Administrative
- No. of Funded Positions | 133
- No. of Vacancies | 5
- No. of Positions Filled | 128
- No. of Recruitments | 4
- Hours of Training | 118
- No. of Website Visitors | 11,740
- No. of Safety Achievements Issued | 10

Water Loss
- Cause | Incidents/Type | FYTD
- Natural Pipe Aging | 0 | 1
- Hit by Contractor | 0 | 5
- Tree Root/Settlement | 0 | 3
- Fittings, Gaskets, etc. | 0 | 3
- Trench Settlement | 0 | 9

Desal Facility, 467.4, 31%
N.C. Wells, 166.4, 11%
Sweetwater Reservoir (Local), 861.8, 58%
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## LOG OF BOARD REQUESTS
### July 18, 2019

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Date Requested</th>
<th>Requestor and Request</th>
<th>Action by Staff/Schedule</th>
<th>Date Completed</th>
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| 237      | 06/20/19       | Director Calderon-Scott – With regard to film crew from Schneider Electric being at the Board meeting:  
- What is the purpose of the film?  
- How is it going to be used?  
- Who is the owner of the film? | Management provided answers to the full Board in an email. | 06/21/19 |
| 238      | 6/24/19        | Director Calderon-Scott – Asked for the following:  
- Provide Agreement for Services/Contract with SVPR as well as all payments for fiscal year 2018-19  
- Provide the detailed Five-year Strategic Communications Plan | Management provided the information to the full Board in an email:  
- FY 2018-19 agreement with SPVR and a spreadsheet summarizing payments made in FY 2018-19  
- Communications Review and Brand Assessment that informed the Five-year Communications Strategy presentation | 06/24/19 |
| 239      | 06/26/19       | Chair Castaneda – Asked management to provide oversight on a customer issue. | Management looked into the customer issue. | 06/26/19 |
| 240      | 07/02/19       | Chair Castaneda – Asked management to provide an update on a customer issue. | Management provided the update. | 07/05/19 |
| 241      | 07/17/19       | Chair Castaneda – Asked management to provide oversight on a customer issue. | Management looked into the customer issue. | 07/18/19 |
| 242      | 07/17/19       | Director Martinez – Asked for a copy of the Cathodic Protection Master Plan upon its completion. | TBD | TBD |

**Notes:**  
Number sequencing is not in order as those tasks completed are removed from this list.  
Routine requests that are part of normal business operations are not captured here.
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Agenda Item No. 16. A. - Director Cerda

Legislative Roundtable on July 15, 2019
San Diego County Water Authority with Senator Brian Jones
Director Jose F. Cerda

SACRAMENTO WATER UPDATE

I do not demur that the subject of California water is multidimensional and complex. I do not dissent that it also highly ambiguous yet information rich. Nor, do I dispute that water as a subject matter enjoys a vaunted position in California politics. California Senator Brian Jones made it clear that water is secondary and beyond the scope of his presentation. What I heard that today were platitudes, convoluted facts, and high praise for Democratic party stalwarts, like former Governors Pat and Jerry Brown, current Governor Gavin Newsom, and former President John F. Kennedy! According to Senator Jones, “beer is for drinking and water is for fighting” on that, I cannot disagree.

I waited in the reception room and discussed with Glenn Farrel, Special Projects Manager for San Diego County Water, who works with Sacramento legislators the legislative process and how bill get introduced; major legislation coming down the pipeline, like AB 1588, by Assemblymember Todd Gloria. AB 1588 is a new bill that’s moving through the California Legislature that may make it easier for veterans to get jobs within the state’s water industry. The bill helps stem the phenomenon called the “silver tsunami,” in which thousands of water workers are expected to retire from the water industry in the coming years. We spoke a little about some of the projects that County Water was looking at like water tax.

After my conversation with Farrel was with Kim Thorner and COWU and seeking to determine what the organization wants to be. Does it want to be a 501c or a larger organization? We discussed some of the options, including offering scholarships.

Next came the presentation by Senator Brian Jones. One of the lines he made clear is that he’s a Republican that believes in science and that some environmentalists are really law firms that sue the state under CEQA.

The questions fielded by the audience, including our Director Jose Preciado were nuanced, and direct and complex; however, answers were simplistic and showed an light grasp of issues. When SDSU Professor of Geology Emeritus, Mary Robinson, asked about a 200-year drought that may be facing California, Sen. Jones asked her a question on, “what she knew about it.”

We then adjourned for the day.
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The Council of Water Utilities meeting for July 16, 2019 was headlined by Pat Mulroy, law professor and former general manager of Southern Nevada Water Authority and then Las Vegas Valley Water District. Ms. Mulroy discussed her negotiating experience with Metropolitan Water during a set of disputes, later through unprecedented growth, and then a massive drought that affected the region. She spoke of leading Nevada’s delegation in the negotiation of numerous agreements with neighboring Colorado River Basin States and Mexico. She also discussed some of the challenges of Lake Mead with senior rights going to California via Met.

Ms. Mulroy spoke at length about her involvement of the negotiations by seven states that depend on the overtaxed Colorado River have reached landmark agreements on how to manage the waterway amid an unprecedented drought, including a commitment by California to bear part of the burden. “Unity and working for a common good,” stressed Mulroy. The water agreements must provide access to water to over 40 million people, agricultural and commercial concerns, and including farming with Mexico, south of Arizona and California borders. According to Ms. Mulroy, the Colorado River suffered one of the worst recorded droughts in human history has stretched water supplies thin across the far-reaching river basin. Lake Mead is considered the forebay, that straddles the border of Arizona and Nevada. The water level in this manmade reservoir has declined to about 20 percent full. The states hammered out a voluntary agreement to cut their water use. Had Lake Mead dropped too low, the federal government would step in and reallocate the water.

In addition, the sets of agreements help create a set of drought contingency plans designed to manage and mitigate effects of lower flows in Colorado River and its adjunct tributaries. Some of the plans were stewarded by U.S. Bureau of Reclamation, which manages major reservoirs across the West.

Opening words by Met general manager, Jeffrey Kightlinger, seemed to usher a new chapter in local and regional water districts. He offered to help any district with local issues and problems by making his agency available. Overall, I expect that COWU will be a new beginning to greater understanding and communication and cooperation for San Diego County water districts.
Good evening. My name is Dave Schlesinger. I am a Board Member of the Sweetwater Authority Rate Payers Association (SARPA). I am here to address you tonight on behalf of our 5 Board Members. I had intended to advise you on potential cost savings for your rate payers...SARPA has done that many times in the past. You may be getting tired of hearing our suggestions so tonight you get a break.

Instead I will dedicate my comments to a much more important issue. On behalf of our SARPA Board we sincerely wish to show our condolences to our District representative Josie Calderon-Scott and her husband Richard. They have endured the tragedy of their grandson Jonathan Kuhn's recent untimely death. Corporal Kuhn was born and raised in San Diego. He graduated from basic training at Ft Sill, Oklahoma in 2016. He became an Army Intelligence Specialist after attending training at Ft Huachua, Arizona in 2017. Most recently he was assigned to the 743D Military Intelligence Battalion at Buckley Air Force Base, Colorado. During his assignment at Buckley AFB he was awarded the Army Commendation Medal for superior service to his unit. He was known to his peers and superiors for his infectious smile, strong work ethic, and wonderful demeanor to all those who crossed his path.

I never met Jonathan. I have however met hundreds of young men and women like him. He was a veteran. He was a volunteer. He loved his country. He represents the best of what makes America great. There are many clichés about veterans..."Many are called but few are chosen"..."Freedom is not free"..."All gave some but some gave all". Jonathan gave all.

Josie and Richard...we can never relieve your grief. However you may be able to take comfort from the words of the poet Laurence Binyon:

"They shall not grow old, as we that are left grow old,
Age shall not weary them, nor the years condemn.
At the going down of the sun and in the morning,
We will remember them."

Thank you.
Taste & Odor (T&O) Occurrence and Mitigation in Sweetwater Reservoir

Justin Brazil, Director of Water Quality
Purpose

1. Causes, occurrence, and monitoring
2. Historical trends
3. Short term strategies
4. Current situation
5. Long term strategies
Causes, Occurrence, and Monitoring

A. circinalis

A. spiroides

P. limnetica
Seasonal Trends

Average Monthly MIB and Geosmin Levels 2010-2019

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<th>Geosmin</th>
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<tbody>
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</tr>
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<tr>
<td>March</td>
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<tr>
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<td>0.9</td>
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</tr>
<tr>
<td>May</td>
<td>0.4</td>
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<td>June</td>
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<td>7.9</td>
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<td>July</td>
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<td>October</td>
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<td>November</td>
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<td>December</td>
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# Short Term Strategies

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<td>Free Chlorine</td>
<td>• T&amp;O reduction</td>
<td>• Limited effectiveness</td>
</tr>
<tr>
<td></td>
<td>• Color removal</td>
<td>• Limited duration</td>
</tr>
<tr>
<td>Powdered Activated Carbon (PAC)</td>
<td>• T&amp;O reduction</td>
<td>• Manual process</td>
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<tr>
<td></td>
<td>• Cyanotoxin reduction</td>
<td>• Limited dosage</td>
</tr>
<tr>
<td>Source water change</td>
<td>• Immediate solution</td>
<td>• High cost</td>
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<tr>
<td>Copper Sulfate</td>
<td>• Effective algaecide</td>
<td>• Temporary T&amp;O increase</td>
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<tr>
<td></td>
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<td>• Limited application</td>
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<tr>
<td></td>
<td></td>
<td>• Increased monitoring</td>
</tr>
<tr>
<td></td>
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<td>• Public notification</td>
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<tr>
<td></td>
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<td>• Potential environmental impacts</td>
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## Long Term Strategies

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<tr>
<th>Strategy</th>
<th>Pros</th>
<th>Cons</th>
<th>Year Funded</th>
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| PAC system         | • T&O reduction  
                    • Increased dosage  
                    • Cyanotoxin reduction | • Cost  
                    • Process solids loading        | 2025        |
| Dredging           | • Nutrient removal  
                    • Manganese removal   | • Cost                                    | TBD         |
| Ultrasonic buoys   | • Disrupts algae growth | • Cost                                    | TBD         |
| Mixing/aeration    | • Disrupts algae growth | • Cost  
                    • Quagga mussel growth | TBD         |
Questions?
Compensation and Benefits

The Authority offers an extremely attractive program of compensation and benefits. The salary range for this position are open & negotiable depending on qualifications. The standard benefits package includes:

- Health Insurance: The Water Authority maintains three employee health plan options, inclusive of dental and vision. Currently, the "basic" plan is the Kaiser HMO plan and the "premium" plans are the Anthem HMO and PPO healthcare plans.
- Retirement: All regular Water Authority employees are members of the California Public Employees’ Retirement System (CalPERS). Employees are enrolled in one of the following retirement formulas based on date of hire. Additional Benefits are provided in accordance with the Water Authority’s CalPERS contract.
  - Classic Members (Hired on or before December 31, 2012)
  - 2.5% @ 55; 8.0% Employee Contribution; 1 Year Final Compensation Period
  - New Members (Hired on or after January 1, 2013)
  - 3% @ 62; 6.0% Employee Contribution; 3 Year Final Compensation Period
- Social Security / Medicare: Employees are covered under the provisions of Federal Social Security (OASDI) and Medicare Hospital Insurance (HI). The total employee contribution is 7.65% of salary.
- 401(k) Incentive Retirement Plan.
- Vacation: Water Authority employees accrue vacation leave per year. Accruals increase based on time in service with the Water Authority.
- Sick Leave: Water Authority employees accrue 96 hours of paid sick leave per year.
- Holidays: The Water Authority observes 13 paid holidays each year, including two (2) eight-hour floating holidays.
- Life Insurance: The Water Authority provides $350,000 Basic Term Life and Long-Term Disability Insurance coverage.
- Long Term Disability Insurance: The Water Authority provides a long-term disability insurance benefit of up to 66.67% of monthly covered earnings to a maximum of $7490 per month. Benefits begin on the 61st day of absence due to illness or injury.
- Car Allowance: Executive employees are eligible for a monthly automobile allowance.
- Cell Phone: Executive employees are eligible for a monthly cell phone/data plan allowance.
- Tuition Reimbursement: The Water Authority may reimburse the actual costs paid for tuition up to a maximum of $3,000 per fiscal year. Tuition costs of $3,001 - $4,500 may be reimbursed at 50% per fiscal year.
- Wellness Center: Employees have access to an on-site fitness facility at no cost. Employees also have the opportunity to participate in a Wellness Program.
- Employee Assistance Programs: Employees have access to confidential, third-party personal counseling, financial and legal advice, and more. This benefit is available to employees and members of their household.
- Additional Voluntary Benefits are available including:
  - Flexible Spending Account - Deferred Compensation Plan - Voluntary Life and Personal Accident Insurance.

The Process

To pursue this compelling career opportunity, please visit the Avery Associates Career Portal on our website at www.averyassoc.net, review the job description, complete the online application, and submit your letter of interest, resume and contact information, including email addresses for five work-related references (who will not be contacted until after an interview takes place).

Bill Avery or Bill Lopez
Avery Associates
310 N. Santa Cruz Ave., Suite A
Los Gatos, CA 95030
E-mail: jobs@averyassoc.net

Final Filing Date: August 30, 2019.

If you have any questions regarding this position, please contact Bill Avery at 408.399.4424 or bill@averyassoc.net, or Bill Lopez at 408.888.4099 or william@averyassoc.net.
The San Diego County Water Authority

The San Diego County Water Authority serves a $2.3 trillion regional economy and the quality of life for 3.3 million residents through a multi-decade water supply diversification plan, major infrastructure investments, and forward-thinking policies that promote fiscal and environmental responsibility. A public agency created in 1944, the Water Authority delivers a safe and reliable wholesale water supply at an affordable cost to 24 retail water agencies, including cities, special districts and a military base.

Historically, the Water Authority depended almost exclusively on water supplies imported from the Colorado River and Northern California by the Metropolitan Water District of Southern California. That changed in 2003 with the start of the largest farm-to-urban water conservation and transfer agreement in the nation with the Imperial Irrigation District, which now accounts for about one-third of San Diego County’s water supply. In late 2015, the Water Authority added a historic new water source to its portfolio with the completion of the nation’s largest desalination plant in Carlsbad. Today, the Water Authority and its member agencies have identified potable reuse of recycled water as the next major source of local water supply, while continuing to aggressively promote water conservation as a civic responsibility.

The Water Authority is known as one of San Diego region’s most reputable and progressive public agencies. Over its history, and in partnership with member agencies, the Water Authority has had to overcome many obstacles to provide a reliable water supply to a thriving, semi-arid San Diego region. The agency has accessed new supply sources to power the region’s economy and forged a reputation for bold thinking and big initiatives. As a leader on water issues statewide, the Water Authority continues to be a forward-thinking agency, striving to identify future challenges, anticipate opportunities, and respond quickly to the changing environment.

To sustain this success, secure a reliable water future, and triumph over tomorrow’s challenges, the essential work of the Water Authority is embraced by the vision of the organization: Pioneering – taking calculated risks to try new methods or ideas; Visionary – seeking out new and innovative methods, welcoming diverse ideas, contributions, and solutions; Agile – looking for ways to improve existing processes and improve efficiencies, and Driven – demonstrating resiliency and commitment to the essential work we do.

The Organization

The Water Authority is governed by a 24-member Board of Directors, representing the 24 member agencies. A member of the San Diego County Board of Supervisors also serves as a non-voting member to the Water Authority Board.

The organization is comprised of ten departments: the General Manager’s Office, General Counsel’s Office, Administrative Services Department, Colorado River Program Engineering Department, Finance Department, Metropolitan Water District Program, Operations and Maintenance Department, Public Outreach and Conservation Department, and Water Resources Department, and has five offices throughout California. For fiscal year 2020, the organization has 250.5 budgeted full-time equivalent positions ranging from clerical support, to technical maintenance operators, to highly skilled water resource specialists, engineers and finance positions. This is a diverse workforce that, through their joint efforts and skills, keep San Diego County’s water flowing.

The agency operates under the County Water Authority Act in the California State Water Code. The Water Authority’s Administrative Code contains regulations adopted by the Water Authority’s Board to govern agency property, contracts, business, operations and other matters.

The Position of General Manager and Ideal Candidate

The General Manager will oversee the SDCWA operations and provide industry and organizational leadership to this progressive and highly visible agency. The Authority aspires to continue and build on the momentum established. In working with the Board, the agency leadership team and the entire operation, the General Manager will be an active, involved, and empowering manager that balances the focus of industry-wide initiatives with internal operational best practices. Regular and ongoing communications and interaction with the Board and internal stakeholders are an essential aspect to this role.

SDCWA is known as an innovative industry leader and the desire is to continue this active level of agency visibility and involvement, while ensuring the operational and maintenance needs of the organization are proactively addressed. This balance of priorities requires unique approaches to ensure appropriate resources are allocated to the various programs, initiatives and operations of the Water Authority. The expectation is for the General Manager to creatively identify the manner in which all of these priorities are effectively managed.

The General Manager is expected to be an expert in the water field. This position requires ten (10) or more years of progressively responsible professional management-level experience in the operation and maintenance of a large, complex public water agency or public utility, municipality or large corporation. An educational background that includes a Bachelor’s degree in Civil Engineering, Public or Business Administration, or a closely related field is required. An MBA, MPA or related Master’s degree and public sector experience is highly desirable. The General Manager position is at-will and operates under an employment contract approved by the Board of Directors.

Organizational leadership is a key component of this position. The connection between industry innovation and operational excellence must be continually reinforced through active communication and ongoing engagement throughout the organization. The collective vision, input and expertise of the dedicated staff will provide a foundation for the ongoing pursuit of the Agency’s core missions. The ideal candidate will offer unquestionable integrity and dependability, as well as exceptional interpersonal and communication skills with the proven ability to develop and maintain industry and work relationships. A collaborative and participative leadership style is expected when engaging with the organization and the ability to motivate, lead, and support a diverse group of employees is required. An individual that embodies the values of the San Diego County Water Authority, and embraces the mission and vision of the Agency is critical in this role.

The new General Manager is expected to be an expert in the water field. This position requires ten (10) or more years of progressively responsible professional management-level experience in the operation and maintenance of a large, complex public water agency or public utility, municipality or large corporation. An educational background that includes a Bachelor’s degree in Civil Engineering, Public or Business Administration, or a closely related field is required. An MBA, MPA or related Master’s degree and public sector experience is highly desirable. The General Manager position is at-will and operates under an employment contract approved by the Board of Directors.
Our Region's Trusted Water Leader
San Diego County Water Authority

July 17, 2019

Attention: Imported Water Committee

Bay-Delta Policy Update (Action)

Staff recommendation
Adopt the proposed update to the Water Authority’s 2018 Bay-Delta position statement and policy principles to support Governor Newsom’s portfolio approach to meet California’s water needs, including a single-tunnel Bay-Delta project and integrated multi-benefit solutions.

Alternatives
1. Modify the proposed position statement.
2. Do not adopt the proposed position statement.

Fiscal Impact
The fiscal impact to the Water Authority is a wide range of possible outcomes that depends on: 1) how the single tunnel project is ultimately defined, and 2) how its costs are allocated among state and federal contractors. Further, if the Department of Water Resources (DWR) characterizes the project costs as it historically has done under the existing State Water Contract, the fiscal impact on the Water Authority will not be greater than on other member agencies of the Metropolitan Water District of Southern California (MWD). However, if DWR allows individual contractors to characterize project costs, it is likely that the Water Authority will pay more than any other MWD member agency for the project as a result of MWD’s allocation of project costs to transportation, thus uniquely impacting the Water Authority under its Exchange Agreement with MWD.

Executive Summary
- The Water Authority Board updated its 2012 Bay-Delta Policy Principles in 2018 to reflect conditional support for California WaterFix (WaterFix) and to focus its advocacy efforts on the proper allocation of project costs on MWD rates.
- In 2019, Governor Newsom directed the development of a water resilience portfolio approach to water resource management that includes a single tunnel Bay-Delta project.
- The Water Authority has historically supported portfolio planning to solve water management problems, as demonstrated through its successful water supply diversification and its 2013 support of a portfolio approach to address and resolve Bay-Delta challenges.
- With continued implementation of its diversification strategy, the San Diego region has significantly reduced, and will continue to reduce, its reliance on supplies from the Bay-Delta, consistent with state policy.
- The impact of any Bay-Delta project on Water Authority rates will depend in part on the Water Authority’s future demand for MWD supply, but more significantly, it will depend on how project costs are allocated.
- Updating its Bay-Delta position will afford the Water Authority the opportunity to actively engage with the Newsom Administration as part of the outreach process established by the Governor’s Executive Order N-10-19 and participate in ongoing discussions about project planning and cost allocation.
Background
To address the increased pumping restrictions on Bay-Delta water exports due to the deterioration of the Bay-Delta ecosystem, former Governor Jerry Brown supported implementation of WaterFix, a twin tunnel project that would bypass the Bay-Delta estuary to divert water from Northern California. After failing to gain Central Valley Project contractors' support to pay for their share of the project costs, and at the urging of Governor Brown, last year MWD agreed to increase its financial participation for WaterFix from 25.9 percent—representing the benefit it would receive from the project—to 64.6 percent, so the two tunnels could be constructed at the same time. As an MWD member agency that is directly affected by MWD’s imposition of rates, charges, and taxes, the Water Authority has a vital interest in assuring that a fiscally sustainable Bay-Delta solution is reached.

Water Authority’s Bay-Delta Policy Principles
In February 2012, the Water Authority Board adopted Delta Policy Principles to guide Water Authority staff in its evaluation of projects and actions related to the Bay-Delta. These principles focused on supporting the state’s co-equal goals of water supply reliability and environmental restoration in the Bay-Delta through the development of local water supplies, a statewide water transfer market, and a cost-effective “right-sized” Bay-Delta solution with costs allocated to stakeholders in proportion to the benefits they receive.

As the two-tunnel WaterFix became the State’s preferred Bay-Delta solution, the Water Authority Board and staff sought input from member agencies and other stakeholders over several years. Following the MWD Board’s decision to assume financial responsibility for almost two-thirds of the WaterFix costs, last August, the Water Authority Board adopted revised Delta Policy Principles and a position statement to support the design and construction of WaterFix as then-proposed in order to “have a seat at the table” and focus the Water Authority’s advocacy position on the proper allocation of project costs to MWD rates. The revisions simplified the Water Authority’s principles and conditioned the Water Authority’s support of WaterFix on the project’s cost being properly allocated as conservation, or supply charges, as they had historically been characterized under the existing State Water Project (SWP) contract. Additionally, the principles supported independent oversight of the project, access to SWP facilities for water transfers, and continued state ownership and operation of the SWP.

Governor Newsom’s Portfolio Approach
In his February 2019 State of the State address, Governor Newsom announced a change in course for California water management under his administration. Rather than the twin-tunnel WaterFix, the Governor stated he supports a water resilience portfolio approach to water management that considers multi-benefit solutions and includes a one-tunnel Bay-Delta project. Subsequently, Governor Newsom signed an executive order on April 29, 2019 directing state agencies to prepare a “water resilience

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1 For more information about the Bay-Delta and recent related activities, see the memo Bay-Delta Flows and Update starting on page 114 of the Water Authority’s March 20 Board packet found here: https://www.sdewa.org/sites/default/files/2016-12/Board/2019_Agendas/2019_03_28FormalBoardPacketSFC.pdf
4 See the full text of Governor Newsom’s State of the State address, found here: https://www.gov.ca.gov/2019/02/12/state-of-the-state-address/
The California Natural Resources Agency (CNRA), the California Environmental Protection Agency (CalEPA), and the California Department of Food and Agriculture were directed to assess existing water supply, demand, quality, and programs in the state as well as evaluate the expected demand and impacts of climate change in the creation of the portfolio.

Previous Board action: The Board updated its Bay-Delta Policy Principles and adopted a position statement for California WaterFix in August 2018.

Discussion
Portfolio Approach
The Water Authority has a long history supporting and successfully implementing a portfolio approach to water management, including as a method to resolve longstanding issues in the Bay-Delta. After facing severe cutbacks in imported water from MWD during drought conditions from 1990 to 1992, the Water Authority sought to prepare for future shortages by diversifying its water supply portfolio and increasing its control over the cost and reliability of water in the San Diego region. Since that time, the Water Authority and its member agencies have invested approximately $3.5 billion in local projects to diversify water supply, promote conservation and water use efficiency, improve regional conveyance, and develop emergency storage.

The San Diego region has shifted from being 95 percent dependent to less than one-third dependent on MWD through programs implemented as part of the Quantification Settlement Agreement—including the nation’s largest agriculture-to-urban water conservation and transfer agreement—and the nation’s largest seawater desalination plant (in Carlsbad). Going forward, other local projects such as the City of San Diego’s Pure Water potable reuse program and the East County Advanced Water Purification Project will continue to increase resiliency and reduce demand on Bay-Delta supplies.

At the statewide level, in 2013, the Water Authority expressed support for an analysis of “a smaller conveyance facility with additional, complementary investments in local water supply sources, regional coordination, south of Delta storage, levee improvements, and habitat restoration.” In doing so, the Water Authority joined the Natural Resources Defense Council and other environmental organizations, along with other water agencies across the state, in the call for a portfolio approach as an option to address issues in the Bay-Delta.

The Water Authority and its member agencies have demonstrated a commitment to integrated planning and local, multi-benefit solutions that positions the region to offer an important perspective and support of the current statewide portfolio planning process.

Regulatory Processes Affecting Bay-Delta Exports
Several regulatory processes affect the quantity of water that can be exported from the Bay-Delta, including the federal Endangered Species Act (ESA), the California Endangered Species Act (CESA), and

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the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta Plan).

Divergence between state and federal regulations could disproportionately impact SWP contractors, increasing costs and reducing available supplies. Last October, President Trump called for an expedited timeline for updated biological opinions for the coordinated operation of the Central Valley Project (CVP) and SWP under Section 7 of the ESA, with a deadline of June 15, 2019. The Bureau of Reclamation (Bureau) released its biological assessment in February, and if incorporated into biological opinions after review by various federal agencies and the public, it would have the effect of relaxing environmental regulations to maximize water supply and delivery. On July 11, the Bureau released a draft Environmental Impact Statement required by the National Environmental Policy Act to analyze the potential effects of coordinated operations of the CVP and SWP, including the actions listed in the biological assessment. Though generally supported by CVP contractors, critics argue that an expedited timeline may undermine the integrity of the scientific review and be detrimental to threatened species. State agencies are already taking steps intended to prevent potential environmental degradation, including Senate Bill 1 (Atkins), which would ensure that certain federal environmental protections in existence prior to President Trump taking office are not weakened and would be enforceable under state law, including requiring CVP contractors to follow CESA. Additionally, DWR has sought a new incidental take permit to be in place by December 31, 2019 for SWP long-term operations that does not rely on the federal ESA consultation process. This new permit would provide authorization for SWP operations under CESA, protecting listed species regardless of whether there are changes to federal law.

The State Water Resources Control Board (State Board) is in the process of updating the Bay-Delta Plan, which could require significant increases in the amount of water to be left in the San Joaquin and Sacramento Rivers, which may reduce the amount of water available for export. Since 2018, DWR and the California Department of Fish and Wildlife (CDFW) have been developing a framework proposal for voluntary agreements (VAs) with water agencies and non-governmental conservation organizations to update and implement the goals of the Bay-Delta Plan without relying solely on regulation of unimpaired flows. These VAs are intended to last 15 years and would consider conditions in each individual watershed to adopt appropriate flow and non-flow measures to accomplish the objectives set out in the Bay-Delta Plan without “a lengthy administrative process and the inevitable ensuing lawsuits.”

Several state and federal agencies are reviewing framework submitted in March 2019 and are expected to be able to recommend VAs for consideration by the State Board by October 15, 2019, at which point the State Board would complete further scientific peer review (complete by Spring 2020). The State Board will also need to complete environmental review of the updated Bay-Delta Plan and VAs.

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7 See the full text of the presidential memorandum, found here: https://www.whitehouse.gov/presidential-actions/presidential-memorandum-promoting-reliable-supply-delivery-water-west/
8 Historically, DWR has sought a consistency determination from the California Department of Fish and Wildlife finding that SWP operations under parameters of the federal biological opinions comply with CESA. See https://water.ca.gov/-/media/DWR-Website/Web-Pages/News/Public-Notices/Files/NOP-for-LOR-signed-19Apr2019.pdf?la=en&hash=78C0BEE67E47C5FD4DDA5371AE6C103E2978ED805
9 The State Board released updated flow requirements for the San Joaquin River in December 2018, which are estimated to result in a 14 percent reduction in surface water supply for river users. The update is grounded on the premise that maintaining freshwater flows preserves healthy salinity levels and dilute other pollutants in the Bay-Delta.
pursuant to the California Environmental Quality Act (CEQA), with completion planned in 2021, and implementation immediately thereafter.\textsuperscript{11} Recently, the Newsom Administration included $70 million in the 2019-2020 State Budget for actions outlined in the agreements. While the VAs could provide a valuable science-based alternative to the current flow requirements, negotiations around the details for these VAs should ensure that costs and benefits are shared fairly between CVP and SWP users.

\textit{Costs of Bay-Delta Facilities for the Water Authority}

Governor Newsom’s rejection of the two-tunnel WaterFix leaves many details of an alternative Bay-Delta project to be determined. The allocation of project costs remains a crucial concern to the Water Authority. Both the twin-tunnel WaterFix and a single-tunnel project are intended to stabilize the SWP’s ability to export water. Functionally, they are no different than the Peripheral Canal, a proposal which the voters rejected in the 1980s.\textsuperscript{12} DWR has always characterized the Peripheral Canal as a “conservation” facility,\textsuperscript{13} the costs of which would be recovered through “conservation,” or supply charges.\textsuperscript{14}

During DWR and SWP contractors’ 2018 negotiations to amend supply contracts to include WaterFix cost allocation among contractors, the two parties reached an Agreement in Principle (AIP). Rather than continuing to designate WaterFix as a “conservation” facility, WaterFix could, at the discretion of individual contractors, be designated as “conservation and/or transportation” in the proposed AIP. No explanation was provided for this change. It is not apparent that any contractor or sub-contractor other than the Water Authority would be impacted by this provision, due to the Water Authority’s Exchange Agreement with MWD to wheel its independent Colorado River water. As a result of Governor Newsom’s executive order, all WaterFix references, including its definition, were removed from the AIP in May 2019.

The characterization of WaterFix or any replacement Bay-Delta facilities costs as transportation would misrepresent the project’s purpose of protecting and stabilizing Bay-Delta supplies. Moreover, it would uniquely and disproportionately disadvantage Water Authority ratepayers in comparison to other MWD member agencies. While the courts have ruled that a portion of SWP costs can be applied on MWD’s transportation rates, it does not follow that MWD can impose the costs for a new SWP facility, designed to stabilize and maintain supplies, on its transportation rates.

In court proceedings, MWD asserted that it has complete discretion over how to allocate costs, and that it is not subject to Proposition 26 or cost-of-service requirements. Based on a cost analysis the Water

\begin{footnotesize}
\begin{enumerate}
\item For more details, see the memo to VA Plenary Participants regarding Voluntary Agreements Progress Report, found here: https://norcalwater.org/wp-content/uploads/Progressreport_july2019.pdf?mc_cid=deac32eb8b&mce_id=61ca870de9
\item First proposed in 1965, the Peripheral Canal was a facility that would divert water from the Sacramento River upstream of the Bay-Delta and transport it around the Bay-Delta to the south and west. From its inception, the project faced opposition from various groups due to concerns about cost, water quality, and effects on the Bay-Delta ecosystem. When it was presented on the ballot in 1982, voters rejected the measure.
\item Included in the contract definition of “project conservation facilities” are facilities that “serve the purposes of water conservation in the Delta, water supply in the Delta, and transfer of water across the Delta” [emphasis added]. See page 2 of the SWP contract, found here: https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/State-Water-Project/Management/Bulletin-132/Bulletin-132/Files/B132-18-Appendix_B.pdf?la=en&hash=1A9C2004469900677C29035D5E34901119004B28
\item Included in the contract definition of “project conservation facilities” are facilities that “serve the purposes of water conservation in the Delta, water supply in the Delta, and transfer of water across the Delta” [emphasis added]. See page 2 of the SWP contract, found here: https://water.ca.gov/-/media/DWR-Website/Web-Pages/Programs/State-Water-Project/Management/SWP-Water-Contractors/Metropolitan-Water-District-of-Southern-California/Files/MWDSCC-pdfla=en&hash=2581B6CF1A9256473385D41167AE5974CBA27
\end{enumerate}
\end{footnotesize}
Authority performed, WaterFix cost impacts to a typical household in the Water Authority service area would range from less than $1 to more than $20 per month, depending on whether MWD allocates the costs on supply or transportation, respectively. With a smaller Bay-Delta project, it is assumed that the cost impact would be reduced; however, the magnitude of the difference in impacts between the allocation of the project’s costs on supply and transportation remains significant.

Recent State Activity
In April 2019, DWR withdrew proposed permitting applications for WaterFix. As plans for a smaller Bay-Delta project integrated with other local solutions are underway at the state level, it is important to update the Water Authority’s official position so that it can directly engage with the Newsom Administration to help develop elements of the portfolio plan and advocate for the proper cost allocation of Bay-Delta facilities.

Staff recommends that the Board modify its 2018 position to support the Governor’s executive order and water resilience portfolio approach and communicate to the Newsom Administration its concerns about how costs of the Bay-Delta project may be allocated. Adopting an official position in line with the Governor’s vision would enable the Water Authority to actively support this effort and share its experience and success in creating a diverse regional supply portfolio in San Diego County.

Proposed Position Statement
Staff recommends the Board adopt the following updated statement:

"The Water Authority Board of Directors supports Governor Newsom’s Executive Order N-10-19, directing preparation of a water resilience portfolio approach that meets the needs of California’s communities, economy, and environment through the 21st century, including consideration of multi-benefit approaches that meet multiple needs at once, and a single-tunnel Bay-Delta project. Further, the Board directs staff to inform the Newsom Administration that its support for a single-tunnel Bay-Delta project is expressly conditioned upon the project costs being characterized by the Department of Water Resources (DWR) as conservation, or supply charges, as similar facilities historically have been defined in the Metropolitan Water District of Southern California’s State Water Project contract with DWR."

Recommendation
Adopt the proposed update to the Water Authority’s 2018 position statement and corresponding update to the Bay-Delta policy principles (attached).

Prepared by: Megan Couch, Assistant Management Analyst
Reviewed by: Glenn Farrel, Government Relations Manager
Amy Chen, Director of MWD Program
Approved by: Dan Denham, Assistant General Manager

Attachment 1 – Updated Bay-Delta & Project Policy Principles
Attachment 2 – Updated Bay-Delta & Project Policy Principles showing revisions to Bay Delta & WaterFix Project Policy Principles

15 Amounts are in 2018 dollars and based on financing interest rates of 4% and 8%, and a single-family household of four using an average of 0.4 acre-feet of imported water per year.
San Diego County Water Authority  
Bay-Delta & Project Policy Principles  
Adopted by the Board of Directors July 25, 2019

1. On April 29, 2019, Governor Newsom signed Executive Order N-10-19, directing the preparation of a water resilience portfolio approach that meets the needs of California’s communities, economy, and environment through the 21st century, including consideration of multi-benefit approaches that meet multiple needs at once, and a single-tunnel Bay-Delta project.

2. The Water Authority Board of Directors supports Governor Newsom’s Executive Order N-10-19 and directs staff to inform the Newsom Administration that its support for a single-tunnel Bay-Delta project is expressly conditioned upon the project costs being characterized by the Department of Water Resources (DWR) as conservation, or supply charges, as similar facilities historically have been defined in the Metropolitan Water District of Southern California’s (MWD) State Water Project (SWP) contract with DWR.
   - As reflected in Table 2 of DWR’s Appendix B to Bulletin 132-17, Data and Computation Used to Determine Water Charges, and for which costs are recovered in Article 22(a) of Delta Water Charge of MWD’s SWP Contract; allow for the exemption of north-of-Delta SWP contractors.

3. Support establishment of an independent and transparent oversight function to monitor and provide regular updates on project implementation progress, including expenditure tracking, construction progress, project participants’ contributions, and all other relevant activities and developments.

4. Continue to support the co-equal goals of water supply reliability and environmental restoration embodied in the 2009 Delta bill package.

5. Improve the ability of water-users to divert water from the Delta during wet periods, when impacts on fish and the ecosystem are lower and water quality is higher.

6. Encourage the development of a statewide water transfer market that will improve water management and allow more efficient use of available resources.

7. Allow access to all SWP facilities, including project facilities, to facilitate water transfers.

8. Support improved coordination of Central Valley Project and SWP operations and implementation of voluntary agreements that are fair to users of both projects and do not unfairly shift costs to SWP contractors.

9. Support continued state ownership and operation of the SWP, including project facilities, as a public resource.
San Diego County Water Authority
Bay-Delta & WaterFix-Project Policy Principles
Adopted by the Board of Directors August 9, 2018

1. On April 29, 2019, Governor Newsom signed Executive Order N-10-19, directing the preparation of a water resilience portfolio approach that meets the needs of California's communities, economy, and environment through the 21st century, including consideration of multi-benefit approaches that meet multiple needs at once, and a single-tunnel Bay-Delta project.

2. The Water Authority Board of Directors supports the WaterFix project, as currently proposed. Governor Newsom's Executive Order N-10-19 and directs staff to inform the Newsom Administration that its support for a single-tunnel Bay-Delta project is expressly conditioned upon the Metropolitan Water District (MWD) properly allocating the costs of the project costs being characterized by the Department of Water Resources (DWR) as conservation, or supply charges, as similar facilities historically have been defined in MWD's the Metropolitan Water District of Southern California's (MWD) State Water Project (SWP) contract with DWR.
   - As reflected in Table 2 of DWR's Appendix B to Bulletin 132-17, Data and Computation Used to Determine Water Charges, and for which costs are recovered in Article 22(a) of Delta Water Charge of the current-MWD's SWP Contract; allow for the exemption of north-of-Delta SWP contractors.

3. Support establishment of an independent and transparent oversight function to monitor and provide regular updates on WaterFix-project implementation progress, including expenditure tracking, construction progress, project participants' contributions, and all other relevant activities and developments.

4. Continue to support the co-equal goals of water supply reliability and environmental restoration embodied in the 2009 Delta bill package.

5. Improve the ability of water-users to divert water from the Delta during wet periods, when impacts on fish and the ecosystem are lower and water quality is higher.

6. Encourage the development of a statewide water transfer market that will improve water management and allow more efficient use of available resources.

7. Allow access to all SWP facilities, including WaterFix-project facilities, to facilitate water transfers.

8. Support improved coordination of Central Valley Project and State Water Project (SWP) SWP operations and implementation of voluntary agreements that are fair to users of both projects and do not unfairly shift costs to SWP contractors.

9. Support continued state ownership and operation of the SWP, including WaterFix-project facilities, as a public resource.
WHAT'S HOT REPORT
Government Relations Program
San Diego County Water Authority

July 16, 2019

Glenn Farrel
Ivy Ridderbusch
SAFE DRINKING WATER

The water tax discussions to fund the state’s ongoing safe drinking water program for disadvantaged communities has finally been put to rest for 2019. The important conclusion in this policy discussion and deliberation is that the safe drinking water issues have been addressed without the imposition of a water tax!

Led by Senate President pro Tempore Toni Atkins, the safe drinking water compromise approved by the Legislature contained two distinct elements:

- For Fiscal Year 2019-2020, the Legislature approved provisions in the State Budget that included:
  - $100 million from the Greenhouse Gas Reduction Fund (GGRF) – also referred to as the cap-and-trade fund – for safe drinking water purposes
  - $30 million from the state general fund for safe drinking water purposes
  - $3.4 million from the state general fund for State Water Resources Control Board (SWRCB) administrative costs

- For future year safe drinking water program funding, the Legislature approved SB 200 (Monning) that contained the following provisions:
  - A 5% cap-and-trade fund continuous appropriation beginning next year for safe drinking water purposes (with a cap of $130 million/annually)
  - A state general fund backstop to fill the Safe Drinking Water Fund if the 5% of cap-and-trade funding does not reach the $130 million level in a given year
  - A statutory framework for the safe drinking water program and fund within the SWRCB

At this time, although SB 200 was approved by the Legislature on a bipartisan basis, the Governor has not yet taken final action on the measure. The Governor is expected to sign SB 200 soon, and as an urgency measure, it will go into effect immediately.

The SWRCB program structure within SB 200 was a significant issue of interest to the water community, particularly because the scope of the overall program will dictate the funding need. If the funding needs to implement the final SWRCB safe drinking water program structure are higher than the $130 million legislative commitment, there would be uncertainty as to the source of future funds to fill any funding gap.

The final compromise package on safe drinking water reflects a significant victory for the San Diego region. San Diego regional interests – including the Water Authority, the member agencies, business interests, and other community stakeholders – were influential in helping to shape a compromise to address the important safe drinking water priorities without the imposition of a water tax. San Diego legislators – namely Senator Toni Atkins – were instrumental in striking a compromise and navigating the final package across the goal line.
On July 11, prior to its adjournment for the summer recess, the Legislature approved sweeping legislation relative to wildfire prevention and response, with particular focus on investor-owned utility (IOU) cost recovery and safety.

AB 1054 (Holden) was the legislative vehicle for a very complex utility wildfire measure that passed the Legislature with bipartisan support, after being introduced only two weeks prior. AB 1054 is an urgency measure, and it went into effect immediately upon the Governor’s signature, which occurred during a press event on July 12.

The following reflect some of the key components of the AB 1054 package:

- Establishes the California Wildfire Safety Advisory Board (CWSAB) consisting of seven members appointed by the Governor, Speaker of the Assembly, and Senate Committee on Rules, who would serve four-year staggered terms, and requires the board to advise and make recommendations related to wildfire safety.

- Requires the California Public Utilities Commission, when determining an application by an electrical corporation to recover costs and expenses arising from a covered wildfire, to allow cost recovery if the costs and expenses are determined just and reasonable based on reasonable conduct by the electrical corporation.

- Establishes two funds to pay eligible victim claims arising from a covered wildfire, and continuously appropriates money in the fund to the Wildfire Fund Administrator for that purpose:
  - Liquidity fund - $10.5B line of credit to cover fire costs exceeding IOUs insurance coverage
  - Insurance fund - $21B, half paid by the IOUs and half paid by ratepayers through extension of an existing monthly fee that already appears on energy bills.
• Requires, after January 1, 2020, that each local publicly owned electric utility or electrical cooperative submit, by July 1st of each year, its wildfire mitigation plan to the CWSAB for review and comment, and to comprehensively revise its wildfire mitigation plan at least once every three years.

AB 1054 was broadly supported by wildfire victims’ groups, environmental organizations, the labor community, and others. There were very few organized opponents to the measure. However, several legislators voted against AB 1054, arguing their concern that the measure would reward bad behavior by the IOUs and because it could be perceived publicly as a “bailout” for PG&E. Legislators from the San Francisco area voted against AB 1054 due to last-minute provisions amended into the measure that will impact local/public acquisition of IOU electric assets.

Unaddressed in the AB 1054 package is the issue of inverse condemnation and potential utility and water agency liability associated with wildfires. When asked at July 12 press event whether inverse condemnation would be addressed in 2020, the Governor responded that “anything is possible” and that AB 1054 is not the end of the discussion. Observers of the press event indicated that the Governor seemed to leave the door open to further consideration of reforming the strict liability standard under inverse condemnation, but at the same time, he did not embrace such a reform.

Several interests, including ACWA, CMUA, labor organizations, and individual water and utility organizations have created a coalition to address the lingering liability concerns. The Coalition for Fire Protection Accountability (which can be found at the link below), shares the following as one of its primary mission objectives: “Caught in the middle of the recent debate over wildfire liability are California’s drinking water suppliers, especially those serving rural areas and communities most at risk from catastrophic fires. Without common sense reforms, water suppliers could be forced to bear huge costs for wildfire damage, even when they don’t start those fires. California’s strict liability standard is unsustainable and places drinking water, ratepayers, and taxpayers at risk.”

https://www.firesafecalifornia.org/

WATER AUTHORITY SPONSORED BILLS

AB 1588 is jointly authored by Assemblymember Todd Gloria and Assemblymember Adam Gray, and is co-sponsored by the Water Authority and the Otay Water District. The objective of AB 1588 is to provide a path of reciprocity and crediting for education and experience that military veterans secure during military service, toward civilian water and wastewater system operator certifications.

• AB 1588 passed the Senate Environmental Quality Committee and the Senate Veterans Affairs Committee on unanimous votes, and will be considered in the Senate Appropriations Committee on August 12.

FINAL PUSH ON LEGISLATIVE ISSUES FOR 2019

The following reflects a status update on additional water policy legislation of interest to the Water Authority and its member agencies that remains active for the last month of the 2019 legislative session:
• **AB 292 (Quirk)** is WateReuse-sponsored legislation that would make definitional modifications within the statutes relating to potable reuse. The Water Authority Board has adopted a Support position on AB 292. The measure is pending a hearing in the Senate Appropriations Committee.

• **AB 315 (C. Garcia)** would restrict the ability of local government associations to spend resources on non-legislative advocacy or educational activities. The measure would substantially limit expenditures by local government associations related to public relations, conferences, workshops, and travel. AB 315 is a two-year bill and will be considered during 2020.

• **AB 402 (Quirk)** would authorize the State Water Resources Control Board to fund oversight of small public drinking water systems in Local Primacy Agency (LPA) counties by increasing fees paid by all public water systems, including those that are not within LPA counties or subject to LPA oversight. The Water Authority Board adopted an Oppose Unless Amended position on AB 402 and the Water Authority and member agencies are working within a broader water community coalition to address remaining issues with the measure. AB 402 is pending consideration in the Senate Appropriations Committee.

• **AB 756 (C. Garcia)** would authorize the SWRCB to require public water system monitoring of perfluoroalkyl or polyfluoroalkyl substances (PFAS), and would impose new public notification requirements for exceedance of detection levels, leading to removal of the water source from use. AB 756 has passed the Legislature and is pending action by the Governor.

• **SB 414 (Caballero),** which is co-sponsored by CMUA and Eastern Municipal Water District, would create the Small System Water Authority Act of 2019 and would authorize the creation of small system water authorities that will have powers to absorb, improve, andcompetently operate noncompliant public water systems. SB 414 is premised on the notion that the service delivery infrastructure and governance structure of failing and noncompliant water systems must be improved as a condition precedent to any broader funding solution, as advanced through the various water tax proposals. SB 414 is pending consideration in the Assembly Appropriations Committee.

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**Sacramento FYI**

*What’s Happening Around Sacramento*

**Calendar**

- July 12 – Legislature’s summer recess began
- August 12 – Legislature reconvenes from summer recess
- August 30 – Deadline for fiscal committees to act on legislation
› September 13 – Last day of 2019 legislative session

› October 13 – Deadline for Governor act on legislation

Senator Brian Jones at the Water Authority's July 15 Legislative Roundtable event